LATINFOCUS
CONSENSUSFORECAST

Brazil • August 2023

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Brazil

Outlook improves

- Our panelists expect the economy to have tallied a shallow quarter-on-quarter contraction in Q2. Activity declined 2.0% month on month in May, swinging from April's expansion and significantly undershooting expectations of a flat reading. A base effect, a dwindling contribution from the agricultural sector and elevated interest rates all contributed to this. In addition, private spending growth will have softened from Q1 amid slower nominal wage growth; retail sales fell at a steeper monthly rate in May. A reduced unemployment rate and the lowest average inflation since Q3 2020 in Q2 likely prevented a sharper slowdown in consumption. Meanwhile, following S&P Global Rating's upgrade in June, in late-July Fitch Ratings upgraded Brazil's credit rating to 'BB' with a stable outlook, reflecting a strong economy, positive policy changes and expectations of further reforms ahead.

- Our panelists have once again upgraded their 2023 GDP growth forecasts in the last month, despite underwhelming real-sector data for May. While growth will ebb from 2022, it will remain healthy thanks to interest rate cuts in H2, softer inflation, a lower unemployment rate and a bumper harvest. Changes in weather patterns and fiscal policy are factors to watch. FocusEconomics panelists see GDP expanding 2.0% in 2023, which is up by 0.1 percentage points from one month ago, and expanding 1.4% in 2024.

- In June, inflation fell to a near three-year low of 3.2% (May: 3.9%)—falling below this year's target of 3.25% for the first time this year—but still overshot market expectations. Moreover, inflation will pick up from current lows during the remainder of the year due to a base effect, lower interest rates and a weaker real. A weaker-than-expected real is an upside risk. FocusEconomics panelists see consumer prices rising 5.0% on average in 2023, which is unchanged from one month ago, and rising 4.3% on average in 2024.

- At its 1–2 August meeting, the Central Bank kicked off its loosening cycle more aggressively than markets had anticipated, delivering a 50 basis point cut that lowered the SELIC rate to 13.25%. The Bank hinted at a same-sized cut when it next convenes on 19–20 September. Our panelists expect between 25–150 basis points worth of additional cuts by end-2023. FocusEconomics panelists see the SELIC rate ending 2023 at 12.11% and ending 2024 at 9.26%.

- The Brazilian real traded at BRL 4.85 per USD on 4 August, depreciating 0.6% month on month. The Central Bank's loosening cycle kickoff likely weighed on the currency. Looking ahead, the real should lose ground against the USD by end-2023, pressured by dwindling interest rate differentials with the U.S. and sluggish economic growth. FocusEconomics panelists see the Brazilian real ending 2023 at BRL 4.99 per USD and ending 2024 at BRL 5.11 per USD.
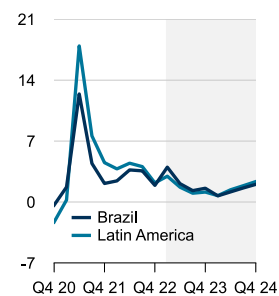
Brazil

LONG-TERM TRENDS | 3-year averages

|	2019-21	2022-24	2025-27
Population (million):	212	215	219
GDP (USD bn):	1,666	2,088	2,497
GDP per capita (USD):	7,881	9,701	11,380
GDP growth (%):	1.0	2.1	2.0
Fiscal Balance (% of GDP):	-7.8	-6.4	-6.0
Public Debt (% of GDP):	79.9	76.5	84.4
Inflation (%):	5.1	6.2	3.6
Current Account (% of GDP):	-2.8	-2.4	-2.4
External Debt (% of GDP):	19.3	15.7	-

Marta Casanovas
Economist
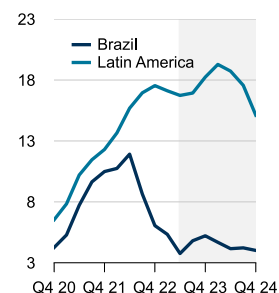
Economic Growth

GDP, real annual variation in %, Q4 2020 - Q4 2024.

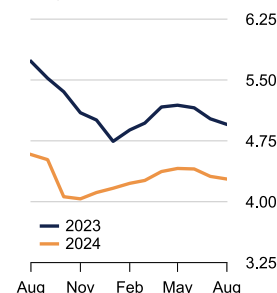#### Change in GDP forecasts
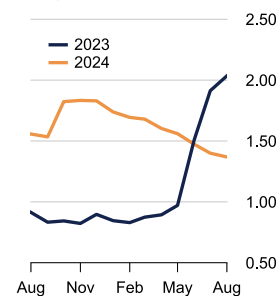
GDP, evolution of 2023 and 2024 forecasts during the last 12 months.

Inflation

Consumer Price Index (CPI), annual average variation in %, Q4 2020 - Q4 2024.

Change in inflation forecasts

Inflation, evolution of 2023 and 2024 forecasts during the last 12 months.

Monthly Indicator for Economic Activity | variation in %

Note: Month-on-month changes of seasonally adjusted IBC-Br *(Indice de Atividade Economica do Banco Central)* and year-on-year changes in %.
Source: Central Bank of Brazil.

REAL SECTOR | Economic activity undershoots expectations in May; posts steepest contraction in 26 months

The Brazilian economy stumbled halfway through the second quarter: Economic activity declined a whopping 2.0% month on month in seasonally adjusted terms in May. The downturn was a deterioration from April's 0.8% monthly expansion and the steepest contraction since March 2021. Moreover, the result undershot market expectations significantly; activity was expected to be stable in May.

The result partly reflected seasonal factors amid the end of this year's record grain production, as well as elevated interest rates; the benchmark SELIC rate remained at 13.75% throughout May. That said, stronger-than-expected services growth prevented a steeper contraction, boosted by the tourism industry's revenue soaring to BRL 36.1 billion (around USD 7.6 billion)—its highest level since 2014.

On an annual basis, economic activity growth slowed to 2.1% in May from April's 3.4% year-on-year expansion. Consequently, the trend pointed down, with annual average growth in economic activity coming in at 3.4% in May, down from April's 3.6% reading.

Meanwhile, retail sales posted a 1.0% seasonally adjusted month-on-month decline in May, deteriorating from April's 0.1% contraction. In June, industrial output growth eased to 0.1% in seasonally adjusted month-on-month terms, moderating from the 0.3% expansion tallied in May.

FocusEconomics panelists see GDP expanding 2.0% in 2023, which is up by 0.1 percentage points from one month ago, and expanding 1.4% in 2024.

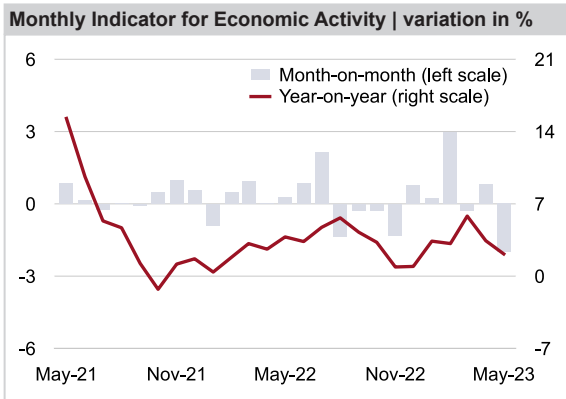## REAL SECTOR | Manufacturing conditions deteriorate at softer pace in July

The S&P Global Manufacturing Purchasing Managers' Index (PMI) rose to a five-month high of 47.8 in July, up from June's 46.6. As such, the index moved closer to, but remained below, the 50.0 no-change threshold, where it has been for the past nine months. This signaled a milder deterioration in manufacturing sector operating conditions compared to the previous month.

Manufacturing Purchasing Managers' Index

Note: S&P Global Brazil Manufacturing Purchasing Managers' Index (PMI). A reading above 50 indicates an overall increase compared to the previous month, while a value below 50 indicates an overall decrease.
Source: S&P Global.

July's uptick chiefly reflected new business contracting at the slowest pace in five months, although adverse economic conditions continued to hinder customer appetite. Specifically, new export orders declined at a softer pace; demand from Latin America remained weak. As a result, output was scaled back but recorded the slightest decline since February. Consequently, firms let go of more staff in July.
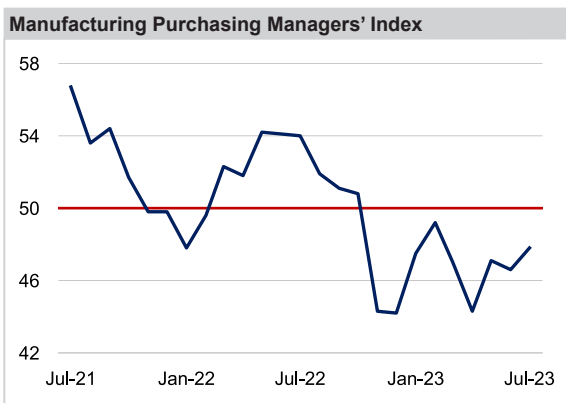
Turning to prices, input costs fell at the steepest pace in the history of the survey—which began in February 2006—amid demand for raw materials being dampened by declining sales and reduced purchasing activity. Consequently, output charges were reduced at the sharpest rate in over 14 years. Lastly, firms' sentiment regarding production expectations in the coming 12-month period improved, largely driven by expectations of interest rate cuts thanks to softer inflation.

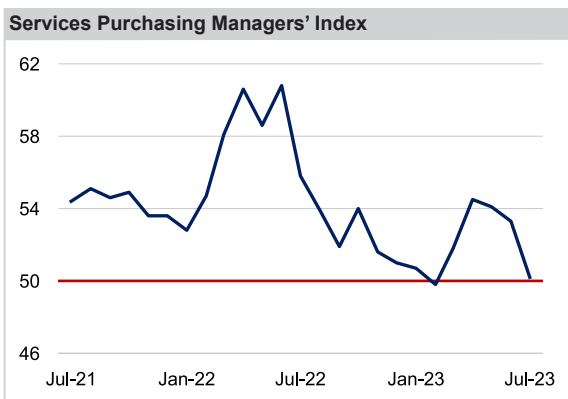## REAL SECTOR | Services sector conditions improve only marginally in July

The S&P Global Services Purchasing Managers' Index (PMI) dropped markedly to a four-month low of 50.2 in July, down from June's 53.3. As

Services Purchasing Managers' Index

Note: S&P Global Brazil Services Purchasing Managers' Index (PMI). A reading above 50 indicates an overall increase compared to the previous month, while a value below 50 indicates an overall decrease.
Source: S&P Global.

Consumer and Business Confidence Indices

Note: Consumer and industrial business confidence indexes (seasonally adjusted). The 100-point threshold represents the point above which consumers and industrial businesses expect economic conditions to improve.
Source: Getulio Vargas Foundation (Fundação Getúlio Vargas).

Inflation | Consumer Price Index

Note: Annual and monthly var. of IPCA consumer price index in %.
Source: Brazilian Institute of Geography and Statistics (IBGE).

such, the index moved closer to, but remained marginally above, the 50.0 no-change threshold, signaling a marginal improvement in services sector operating conditions compared to the previous month.

July's sharp moderation was chiefly due to output expanding at the weakest rate in five months. Additionally, new business rose at the softest pace since March amid slower demand. Similarly, the job creation rate also eased to a four-month low. Meanwhile, outstanding business volumes slipped for a fourteenth consecutive month.

Turning to prices, cost inflation eased to one of the weakest rates in three years; still, higher prices for food, fuel and wages continued to drive up operating costs. This, coupled with retreating demand, capped the increase in output charges, which rose at the slowest pace in 32 months. Lastly, business sentiment dropped to a 26-month low; the country's political and economic challenges concerned firms.

OUTLOOK | Consumer sentiment improves while business sentiment deteriorates in July
The seasonally adjusted consumer confidence index published by the Getulio Vargas Foundation (Fundação Getúlio Vargas) rose to 94.8 in July, up from the prior month's 92.3. The result marked the strongest reading since January 2019. As such, the index moved closer to, but remained below, the 100-point threshold, indicating milder pessimism among Brazilian consumers.

Conversely, the seasonally adjusted industrial business confidence index fell to 91.9 in July, deteriorating from June's 94.0. As such, the index moved further below the 100-point threshold, signaling starker pessimism among industrial firms.

FocusEconomics panelists see private consumption expanding 1.7% in 2023, which is up by 0.2 percentage points from one month ago, and expanding 1.4% in 2024. FocusEconomics panelists see fixed investment contracting 1.3% in 2023, which is down by 0.1 percentage points from one month ago, and expanding 1.7% in 2024.

MONETARY SECTOR | Inflation recedes to near three-year low in June
Inflation dropped to 3.2% in June from May's 3.9%. June's result marked the lowest inflation rate since September 2020. While June's result slightly overshot market expectations, the reading came in below the Central Bank of Brazil (BCB)'s 2023 target of 3.25%.

Looking at the details of the release, the moderation chiefly reflected prices for food and non-alcoholic beverages growing at a softer pace. Meanwhile, prices for transport declined at a steeper pace. These developments more than offset prices for housing and utilities rising at a brisker rate.

Accordingly, the trend pointed down, with annual average inflation falling to 5.9% in June (May: 6.6%).

Lastly, consumer prices dropped a seasonally adjusted 0.08% in June over the previous month, contrasting May's 0.23% increase. June's result marked the steepest fall in prices since September 2022 but was more mild than expectations of a 0.10% fall.
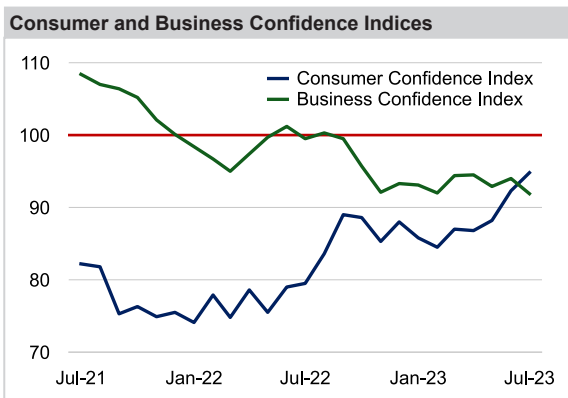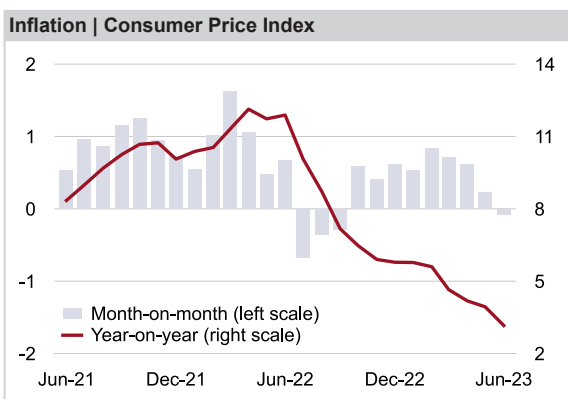
June's deceleration enabled a start to the BCB's monetary policy loosening cycle at its meeting on 1–2 August. Inflation in the coming months should increase from current low levels, however, partly on a high base of comparison.

FocusEconomics panelists see consumer prices rising 5.0% on average in 2023, which is unchanged from one month ago, and rising 4.3% on average in 2024.

MONETARY SECTOR | COPOM kicks off loosening cycle more aggressively than expected in August

At its 1–2 August meeting, the Monetary Policy Committee (COPOM) of Brazil's Central Bank (BCB) kicked off its loosening cycle, slashing the benchmark SELIC rate by 50 basis points, to 13.25%. The move marked the first lowering of rates in three years, after the BCB began its tightening cycle in March 2021—delivered a cumulative increase of 1,175 basis points—before holding rates steady for seven consecutive meetings from September 2022. The decision regarding the size of the cut, which surprised markets, was not unanimous: Four of the nine members of the Committee voted for a smaller 25 basis point cut— the size of the cut markets had penciled in.

The decision to cut rates was driven by the COPOM's success in bringing inflation under control. Having peaked at 12.1% in April 2022, inflation fell to a 33-month low of 3.2% in June—below the Central Bank's 3.25% target for 2023. Moreover, the BCB downwardly revised its baseline headline inflation expectations to 4.9% for 2023 and 3.0% for 2025—the projection for 2024 was left unchanged at 3.4%. If these forecasts are met, inflation will hit its target of 3.0% for 2025. The COPOM stated that the improvement of both the current inflationary scenario and the outlook had facilitated the start of the easing cycle.

The Committee's forward guidance stated that if the evolution of inflationary pressures developed as expected, "the members of the Committee, unanimously, foresee a reduction of the same magnitude in the next meetings and assess that this is the appropriate pace to maintain the contractionary monetary policy necessary for the disinflationary process". The Bank noted that risks to the inflationary outlook remained in both directions. Our panelists expect between 25–150 basis points worth of additional cuts by end-2023.

The next monetary policy meeting is scheduled for 19–20 September.

FocusEconomics panelists see the SELIC rate ending 2023 at 12.11% and ending 2024 at 9.26%.

### EXTERNAL SECTOR | Current account swings to deficit in June

Brazil's current account recorded a USD 0.8 billion shortfall in June, swinging from the USD 0.3 billion surplus posted in the same month last year and the same-sized surplus in May 2023.

In June, the goods trade balance recorded a larger surplus than in the same month last year, while the services account deficit narrowed by 16.8% year on year. Meanwhile, net foreign investment was positive in June but lower than in the same month last year, totaling USD 1.9 billion in inflows (June 2022: USD +5.2 billion).

Meanwhile, the 12-month sum of the current account balance narrowed to a USD 50.0 billion shortfall in June from the USD 52.6 billion shortfall recorded

Monetary Policy Rate | in %
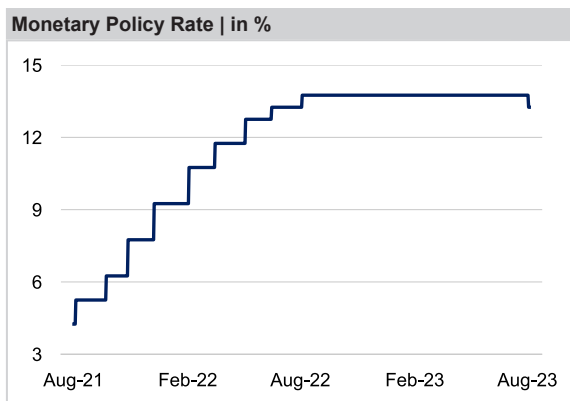
Note: SELIC target rate (*Taxa SELIC meta*) in %.
Source: Central Bank of Brazil (*Banco Central do Brasil*).

Current Account Balance | USD billion

Monthly Current Account (left scale)
12-month Current Account balance (right scale)
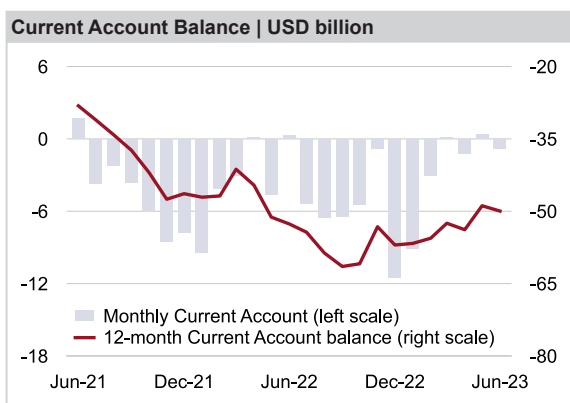
Note: Monthly and 12-month current account balance in USD billion.
Source: Central Bank of Brazil (BCB).

in June 2022. This was equivalent to approximately 2.5% of GDP (June 2022: approximately 2.9% of GDP).
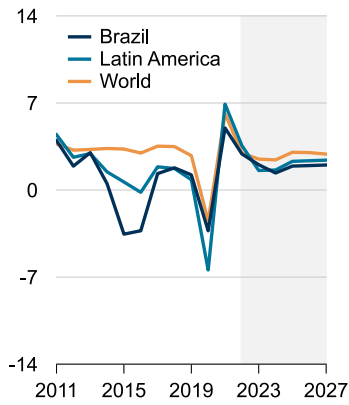
FocusEconomics panelists see the current account posting a deficit of 2.1% of GDP in 2023, which is unchanged from one month ago, and posting a deficit of 2.3% of GDP in 2024.

Economic Indicators | 2018 - 2027

Annual Data	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Real Sector										
Population (million)	208	210	212	213	214	215	216	217	219	222
GDP per capita (USD)	9,192	8,913	6,973	7,756	8,978	9,838	10,286	10,727	11,357	12,055
GDP (USD bn)	1,917	1,873	1,477	1,649	1,921	2,117	2,225	2,333	2,483	2,676
GDP (BRL bn)	7,004	7,389	7,610	8,899	9,915	10,537	11,184	12,014	12,898	13,888
Economic Growth (Nominal GDP, ann. var. %)	6.4	5.5	3.0	16.9	11.4	6.3	6.1	7.4	7.4	7.7
Economic Growth (GDP, ann. var. %)	1.8	1.2	-3.3	5.0	2.9	2.0	1.4	1.9	2.0	2.0
Domestic Demand (ann. var. %)	2.3	1.8	-4.3	5.8	2.2	1.2	1.6	2.4	2.4	-
Private Consumption (ann. var. %)	2.4	2.6	-4.6	3.7	4.3	1.7	1.4	2.1	2.3	2.3
Government Consumption (ann. var. %)	0.8	-0.5	-3.7	3.5	1.5	1.3	1.4	1.1	1.2	1.5
Fixed Investment (ann. var. %)	5.2	4.0	-1.7	16.5	0.9	-1.3	1.7	2.9	2.9	2.5
Exports (G&S, ann. var. %)	4.1	-2.6	-2.3	5.9	5.5	4.6	2.5	3.2	3.4	3.4
Imports (G&S, ann. var. %)	7.7	1.3	-9.5	12.0	0.8	0.3	3.6	3.4	3.5	3.4
Industrial Production (ann. var. %)	0.8	-1.1	-4.7	4.2	-0.7	0.4	1.6	2.0	2.1	2.0
Retail Sales (ann. var. %)	2.3	1.8	1.2	1.4	1.0	1.4	1.4	1.7	2.1	2.0
Unemployment (% of active population, aop)	12.4	12.1	13.5	13.5	9.5	8.6	8.8	8.9	8.9	8.6
Fiscal Balance (% of GDP)	-7.0	-5.8	-13.3	-4.3	-4.6	-7.7	-7.0	-6.4	-6.1	-5.6
Public Debt (% of GDP)	75.3	74.4	86.9	78.3	72.9	76.6	80.1	82.8	84.7	85.8
Monetary and Financial Sector										
Inflation (CPI, ann. var. %, eop)	3.7	4.3	4.5	10.1	5.8	5.1	3.9	3.8	3.7	3.6
Inflation (CPI, ann. var. %, aop)	3.7	3.7	3.2	8.3	9.3	5.0	4.3	3.7	3.7	3.6
SELIC Rate (%, eop)	6.50	4.50	2.00	9.25	13.75	12.11	9.26	8.36	8.34	8.07
10-Year Bond Yield (%, eop)	9.23	6.78	6.90	10.83	12.66	11.15	10.36	10.15	-	-
Exchange Rate (BRL per USD, eop)	3.88	4.02	5.19	5.57	5.28	4.99	5.11	5.19	5.20	5.18
Exchange Rate (BRL per USD, aop)	3.65	3.95	5.15	5.40	5.16	4.98	5.03	5.15	5.19	5.19
External Sector										
Current Account Balance (% of GDP)	-2.9	-3.6	-1.9	-2.8	-3.0	-2.1	-2.3	-2.4	-2.4	-2.6
Current Account Balance (USD bn)	-54.8	-68.0	-28.2	-46.4	-57.0	-43.8	-50.9	-54.9	-58.5	-68.6
Merchandise Trade Balance (USD bn)	46.6	35.2	50.4	61.4	61.5	73.1	68.2	64.2	68.0	73.3
Merchandise Exports (USD bn)	232	221	209	281	334	339	345	357	380	421
Merchandise Imports (USD bn)	185	186	159	219	273	266	277	292	312	348
Merchandise Exports (ann. var. %)	7.9	-4.6	-5.4	34.2	19.0	1.4	1.9	3.3	6.4	10.9
Merchandise Imports (ann. var. %)	16.6	0.3	-14.6	38.2	24.2	-2.6	4.3	5.6	6.6	11.6
Foreign Direct Investment (USD bn)	78.2	69.2	37.8	46.4	91.5	-	-	-	-	-
International Reserves (USD bn)	375	357	356	362	325	342	345	355	356	370
International Reserves (months of imports)	24.3	23.0	26.9	19.8	14.3	15.4	15.0	14.6	13.7	12.8
External Debt (USD bn)	321	323	311	325	320	321	340	-	-	-
External Debt (% of GDP)	16.7	17.2	21.0	19.7	16.6	15.1	15.3	-	-	-

Quarterly Data	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24
Economic Growth (GDP, ann. var. %)	3.6	1.9	4.0	2.1	1.3	1.6	0.7	1.2	1.6	2.0
Economic Growth (GDP, qoq s.a. var. %)	0.5	-0.1	1.9	-0.1	-0.1	0.0	0.6	0.4	0.5	0.4
Domestic Demand (ann. var. %)	3.9	1.0	3.4	-	-	-	-	-	-	-
Private Consumption (ann. var. %)	4.6	4.3	3.5	2.0	0.7	0.0	1.0	1.0	1.4	1.7
Government Consumption (ann. var. %)	1.0	0.5	1.2	1.8	1.5	1.1	1.8	1.5	1.6	1.7
Fixed Investment (ann. var. %)	5.0	3.5	0.8	-1.4	-3.5	-2.2	1.0	2.2	2.2	1.8
Industrial Production (ann. var. %)	0.5	0.7	-0.5	-0.2	0.0	0.9	1.2	1.8	2.0	2.3
Retail Sales (ann. var. %)	-0.4	1.4	2.4	-0.2	0.5	2.1	1.2	1.0	1.0	1.0
Unemployment (% of active population, aop)	8.9	8.1	8.6	8.3	8.2	8.1	8.6	8.7	8.6	8.4
Inflation (CPI, ann. var. %, eop)	7.2	5.8	4.7	3.2	5.4	5.0	4.3	4.3	4.1	4.0
Inflation (CPI, ann. var. %, aop)	8.6	6.1	5.3	3.8	4.8	5.2	4.7	4.2	4.2	4.0
SELIC Rate (%, eop)	13.75	13.75	13.75	13.75	13.00	11.96	10.88	9.94	9.50	9.21
Exchange Rate (BRL per USD, eop)	5.41	5.28	5.07	4.82	4.88	4.96	4.99	5.02	5.06	5.11
Exchange Rate (BRL per USD, aop)	5.25	5.25	5.19	4.95	4.85	4.92	4.97	5.00	5.04	5.09
Current Account Balance (% of GDP)	-3.8	-3.6	-2.4	-0.3	-1.9	-2.8	-3.7	-2.1	-2.7	-3.3
Current Account Balance (USD bn)	-18.4	-17.8	-12.1	-1.7	-10.3	-15.4	-20.2	-11.3	-15.0	-18.1
Merchandise Trade Balance (USD bn)	13.2	14.1	15.6	29.0	19.6	11.9	11.8	23.1	16.5	14.4
Merchandise Exports (USD bn)	89.2	80.8	75.9	89.4	87.5	80.2	74.9	89.7	87.6	84.2
Merchandise Imports (USD bn)	76.1	66.7	60.3	60.4	67.9	68.3	63.0	66.6	71.2	69.8

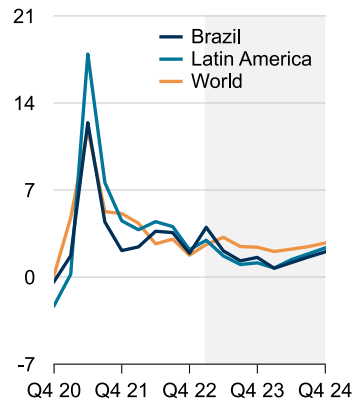| Monthly Data	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
Economic Activity (IBC-Br, ann. var. %)	3.3	0.9	0.9	3.4	3.2	5.8	3.4	2.1	-	-
Economic Activity (IBC-Br, mom var. %)	-0.3	-1.3	0.8	0.2	3.0	-0.3	0.8	-2.0	-	-
Industrial Production (mom s.a. var. %)	1.3	0.2	0.0	-0.3	-0.2	1.1	-0.6	0.3	0.1	-
S&P Global Manufacturing PMI (50-threshold)	50.8	44.3	44.2	47.5	49.2	47.0	44.3	47.1	46.6	47.8
S&P Global Services PMI (50-threshold)	54.0	51.6	51.0	50.7	49.8	51.8	54.5	54.1	53.3	50.2
Retail Sales (mom s.a. var. %)	0.2	-0.7	-2.7	3.9	-0.3	0.6	-0.1	-1.0	-	-
Consumer Confidence (100-pt threshold, s.a.)	88.6	85.3	88.0	85.8	84.5	87.0	86.8	88.2	92.3	94.8
Business Confidence (100-pt threshold, s.a.)	95.7	92.1	93.3	93.1	92.0	94.4	94.5	92.9	94.0	91.9
Inflation (CPI, mom var. %)	0.59	0.41	0.62	0.53	0.84	0.71	0.61	0.23	-0.08	-
Inflation (CPI, ann. var. %)	6.5	5.9	5.8	5.8	5.6	4.7	4.2	3.9	3.2	-
Exchange Rate (BRL per USD, eop)	5.25	5.26	5.28	5.09	5.22	5.07	5.00	5.12	4.82	4.76
Current Account Balance (USD bn)	-5.4	-0.8	-11.5	-9.1	-3.1	0.1	-1.2	0.3	-0.8	-

Note: FocusEconomics Consensus Forecasts are highlighted in grey.

Real Sector | Gross Domestic Product
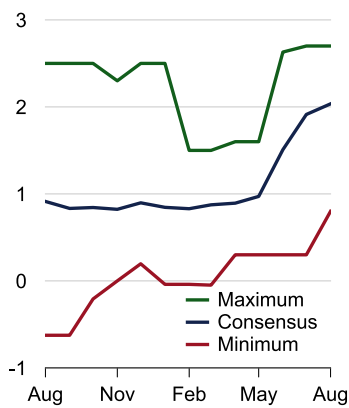
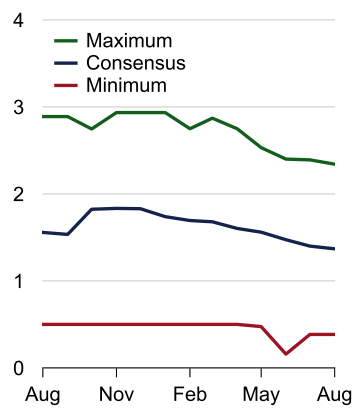**1 | Real GDP | 2011-2027 | var. in %**

- Brazil
- Latin America
- World

2 | Real GDP | Q4 20-Q4 24 | var. in %.

- Brazil
- Latin America
- World

3 | GDP 2023 | evolution of forecasts

- Maximum
- Consensus
- Minimum

4 | GDP 2024 | evolution of forecasts

- Maximum
- Consensus
- Minimum

5 | GDP 2023 | Panelist Distribution

Real GDP growth in %

Individual Forecasts	2023	2024
4intelligence	2.0	1.5
Actinver	1.6	1.8
Allianz	2.1	1.2
Banco BMG	2.5	1.2
Banco BV	1.8	1.5
Banco Cooperativo Sicredi	2.4	1.5
Banco MUFG Brasil S.A.	2.2	1.7
Barclays Capital	2.1	1.9
BNP Paribas	2.5	0.5
BTG Pactual	2.2	1.0
Capital Economics	2.3	0.8
Citigroup Global Mkts	2.3	1.5
Credicorp Capital	2.5	1.1
Credit Agricole	2.0	1.5
Credit Suisse	2.1	1.0
DekaBank	2.4	1.5
DIW Berlin	0.9	1.6
EIU	2.4	1.6
EmergingMarketWatch	1.6	2.3
Euromonitor Int.	1.6	1.4
Fitch Ratings	2.3	1.3
Fitch Solutions	2.3	1.4
FrontierView	2.1	1.7
Goldman Sachs	2.6	1.2
HSBC	1.9	2.0
Ifo Institut	2.5	1.9
Itaú Unibanco	2.3	1.5
JPMorgan	2.4	1.0
Julius Baer	1.8	1.0
Kiel Institute	2.6	1.1
Kínitro Capital	2.6	1.5
LCA Consultores	2.2	1.5
MAPFRE Economics	0.8	1.0
MB Associados	2.1	2.0
Moody's Analytics	2.2	2.3
Oxford Economics	2.5	0.4
Pantheon Macroeconomics	2.4	1.5
Petros	2.2	1.0
Pezco Economics	2.7	1.9
Prometeia	2.1	0.8
Rabobank	2.3	1.4
S&P Global Ratings	1.7	1.5
Santander	1.9	0.5
Scotiabank	2.1	1.5
Société Générale	2.1	1.0
Standard Chartered	1.8	1.7
Tendências Consultoria Integrada	1.9	1.3
Torino Capital	1.6	-
UBS	1.9	1.3
Others (3)**	1.2	1.4
Public Forecasts		
IMF	2.1	1.2
OECD	1.7	1.2
World Bank	1.2	1.4
Summary		
Minimum	0.8	0.4
Maximum	2.7	2.3
Median	2.1	1.4
Consensus	**2.0**	**1.4**
History		
30 days ago	1.9	1.4
60 days ago	1.5	1.5
90 days ago	1.0	1.6

Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.
** Others refers to the Consensus Forecast additional panelists who are not shown in the FocusEconomics Consensus Forecast Brazil report due to space constraints. A full panelist breakdown is available in the report's accompanying Excel file.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All real sector data are from the Brazilian Institute of Geography and Statistics (IBGE, *Instituto Brasileiro de Geografia e Estatistica).* Forecasts based on LatinFocus Consensus Forecast.

1   GDP, real annual variation in %.
2   Quarterly GDP (not seasonally adjusted), year-on-year variation in %.
3   GDP, evolution of 2023 forecasts during the last 12 months.
4   GDP, evolution of 2024 forecasts during the last 12 months.
5   GDP, panelist distribution of 2023 forecasts. Concentration of panelists in forecast interval in %.

Real Sector | Additional Forecasts

Consumption and Investment

Individual Forecasts	Consumption variation in %		Investment variation in %	
	2023	2024	2023	2024
4intelligence	1.6	1.5	-2.5	2.1
Banco BMG	1.5	-	-2.0	-
Banco BV	1.0	2.0	-0.4	3.0
Banco MUFG Brasil S.A.	1.4	1.5	0.5	5.0
Barclays Capital	1.9	1.8	-0.3	2.3
BlueLine Asset	0.7	-	-2.0	-
BTG Pactual	2.5	1.5	-1.5	-0.5
Capital Economics	1.1	1.3	-3.6	1.1
Citigroup Global Mkts	1.5	1.6	-2.5	2.2
Credicorp Capital	2.1	1.0	0.5	2.0
Credit Suisse	2.4	0.7	0.1	0.8
EIU	2.4	2.0	0.5	2.0
Euromonitor Int.	0.9	1.5	-	-
Fitch Solutions	2.3	2.0	0.5	1.8
FrontierView	1.0	1.5	-	-
Goldman Sachs	2.1	2.6	-1.8	3.0
HSBC	1.8	1.9	1.2	2.3
JPMorgan	-	-	-3.5	1.0
LCA Consultores	2.3	1.3	-3.8	0.7
MAPFRE Economics	1.0	0.2	-4.6	1.8
MB Associados	2.1	1.9	0.3	3.2
Oxford Economics	1.4	-0.1	-4.6	1.7
Pezco Economics	3.3	2.1	1.3	4.2
Rabobank	2.1	1.2	0.2	1.4
S&P Global Ratings	1.7	1.6	-	-
Société Générale	1.2	1.0	-3.6	-0.6
Tendências Consultoria Integrada	1.7	0.9	-2.6	1.3
Torino Capital	0.1	-	-0.7	-
UBS	1.1	1.1	-4.5	0.2
Public Forecasts				
IMF	-	-	0.5	0.6
OECD	2.2	1.4	2.5	1.4
Summary				
Minimum	0.1	-0.1	-4.6	-0.6
Maximum	3.3	2.6	2.5	5.0
Median	1.7	1.5	-1.1	1.8
Consensus	**1.7**	**1.4**	**-1.3**	**1.7**
History				
30 days ago	1.5	1.6	-1.2	1.9
60 days ago	1.5	1.6	-0.7	1.8
90 days ago	1.2	1.7	-0.2	1.9

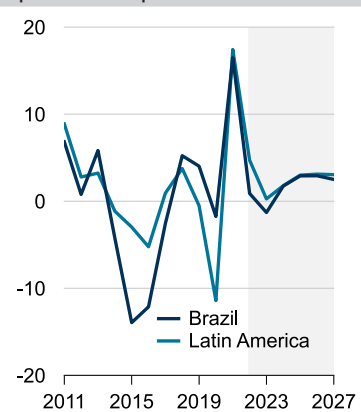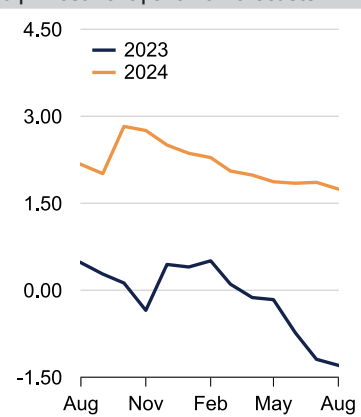**6 | Consumption | variation in %**
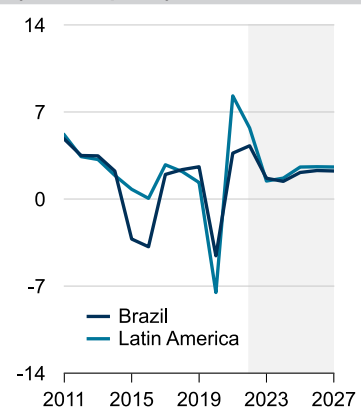
7 | Consumption | evolution of fcst
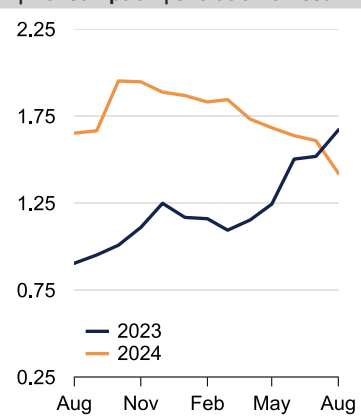
8 | Investment | variation in %

9 | Investment | evol. of forecasts

Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All real sector data are from the Brazilian Institute of Geography and Statistics (IBGE, *Instituto Brasileiro de Geografia e Estatistica).* Forecasts based on LatinFocus Consensus Forecast.

6   Private consumption, annual variation in %.
7   Private consumption, evolution of 2023 and 2024 forecasts during the last 12 months.
8   Gross fixed investment, annual variation in %.
9   Gross fixed investment, evolution of 2023 and 2024 forecasts during the last 12 months.

Real Sector | Additional forecasts

Industry and Unemployment

| Individual Forecasts	Industry variation in % 2023	2024	Unemployment % of active pop. 2023	2024
4intelligence	0.3	1.7	8.9	9.3
Banco BMG	0.5	2.0	8.6	8.8
Banco BV	-	-	8.4	9.1
Banco Cooperativo Sicredi	-	-	8.6	8.9
Banco MUFG Brasil S.A.	0.5	1.5	8.9	-
Barclays Capital	-0.1	1.5	8.2	8.8
BlueLine Asset	0.5	2.5	9.6	10.2
BTG Pactual	-	-	8.6	8.8
Capital Economics	2.5	1.0	8.3	9.0
Citigroup Global Mkts	-	-	8.5	8.3
Credicorp Capital	-	-	8.3	8.5
Credit Suisse	-	-	8.7	8.9
DIW Berlin	-	-	8.8	8.7
EIU	2.0	2.0	-	-
Euromonitor Int.	-1.0	1.3	8.5	9.0
Fitch Ratings	-	-	8.5	8.5
Fitch Solutions	-	-	8.4	8.3
FrontierView	0.1	2.1	8.7	9.2
HSBC	1.0	2.7	8.7	8.5
Itaú Unibanco	-	-	8.0	8.0
JPMorgan	-0.4	1.5	9.6	9.8
Kínitro Capital	-	-	8.6	9.0
LCA Consultores	-0.3	2.2	8.1	8.9
MB Associados	0.1	0.1	8.1	8.1
Moody's Analytics	-0.3	0.9	-	-
Oxford Economics	0.3	3.1	8.6	8.7
Petros	-	-	8.3	8.7
Pezco Economics	0.9	1.1	8.2	8.4
Rabobank	-0.7	0.4	8.5	9.0
S&P Global Ratings	-	-	9.4	9.3
Santander	-	-	8.2	9.3
Société Générale	-	-	8.4	8.6
Tendências Consultoria Integrada	0.1	1.6	8.1	8.3
UBS	1.0	1.5	-	-
Public Forecasts				
IMF	-	-	9.5	9.4
Summary				
Minimum	-1.0	0.1	8.0	8.0
Maximum	2.5	3.1	9.6	10.2
Median	0.3	1.5	8.5	8.8
Consensus	**0.4**	**1.6**	**8.6**	**8.8**
History				
30 days ago	0.3	1.6	8.7	9.0
60 days ago	0.3	1.2	8.8	9.1
90 days ago	0.1	1.3	9.1	9.4

10 | Industry | variation in %
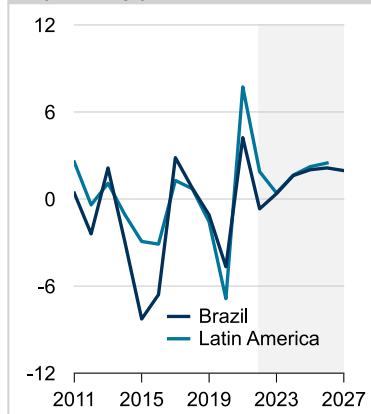
11 | Industry | evol. of forecasts
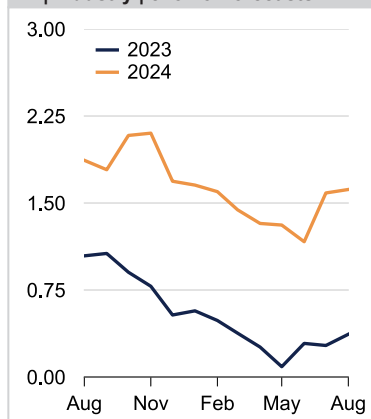
12 | Unemployment | % of active pop.
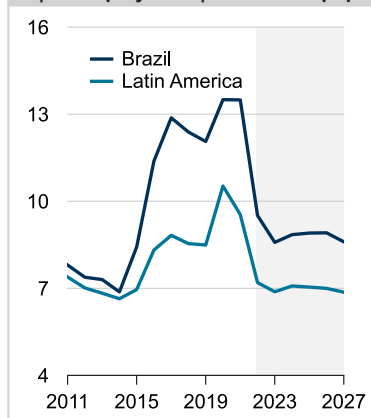
13 | Unemployment | evol. of forecasts
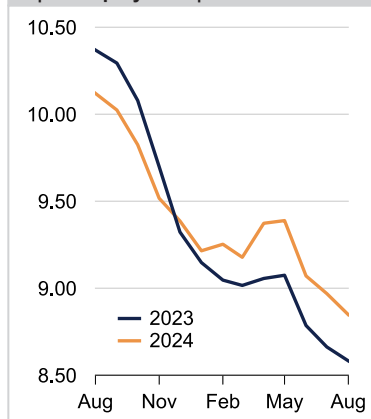
Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All real sector data are from the Brazilian Institute of Geography and Statistics (IBGE, *Instituto Brasileiro de Geografia e Estatistica).* Forecasts based on LatinFocus Consensus Forecast.

10 Industrial production, annual variation in %.
11 Industrial production, evolution of 2023 and 2024 forecasts during the last 12 months.
12 Unemployment, % of active population.
13 Unemployment, evolution of 2023 and 2024 forecasts during the last 12 months.

Real Sector | Additional forecasts

Fiscal Balance and Public Debt

| Individual Forecasts	Fiscal Balance % of GDP		Public Debt % of GDP	
	2023	2024	2023	2024
Banco BMG	-7.2	-6.4	78.5	80.8
Banco BV	-7.6	-6.5	75.0	77.6
Banco MUFG Brasil S.A.	-	-	78.6	83.1
Barclays Capital	-7.0	-6.7	75.4	77.9
BlueLine Asset	-7.2	-6.4	78.5	80.8
BNP Paribas	-8.9	-8.2	77.3	79.8
BTG Pactual	-	-	74.8	77.9
Capital Economics	-8.5	-7.3	77.0	79.5
Citigroup Global Mkts	-7.7	-6.7	76.3	80.2
Credicorp Capital	-7.2	-6.6	74.6	79.1
Credit Suisse	-8.4	-6.4	76.7	80.2
DekaBank	-7.6	-7.4	-	-
EIU	-	-	75.7	78.2
Fitch Ratings	-6.7	-5.9	74.8	77.0
Fitch Solutions	-7.2	-6.6	75.7	79.4
Goldman Sachs	-7.8	-7.2	76.4	79.8
HSBC	-7.6	-5.9	77.1	77.7
Itaú Unibanco	-	-	75.4	78.3
JPMorgan	-6.3	-6.5	76.5	80.5
LCA Consultores	-9.4	-7.1	79.1	83.3
MAPFRE Economics	-8.0	-7.7	-	-
MB Associados	-7.3	-5.2	78.7	81.2
Moody's Analytics	-	-	74.5	85.0
Oxford Economics	-7.9	-7.7	76.1	80.4
Petros	-	-	76.7	80.5
Pezco Economics	-7.5	-9.5	80.2	84.1
Rabobank	-7.2	-7.0	76.0	78.7
Santander	-8.5	-8.2	77.3	81.6
Société Générale	-7.7	-6.9	76.8	79.4
Tendências Consultoria Integrada	-8.4	-6.5	76.6	80.1
Torino Capital	-	-	74.4	-
UBS	-7.4	-8.5	76.8	80.7
Public Forecasts				
IMF	-7.9	-7.4	77.1	79.3
Summary				
Minimum	-9.4	-9.5	74.4	77.0
Maximum	-6.3	-5.2	80.2	85.0
Median	-7.6	-6.8	76.6	80.0
Consensus	**-7.7**	**-7.0**	**76.6**	**80.1**
History				
30 days ago	-7.8	-7.2	76.7	80.1
60 days ago	-8.0	-7.3	76.7	80.2
90 days ago	-8.0	-7.2	76.8	80.0

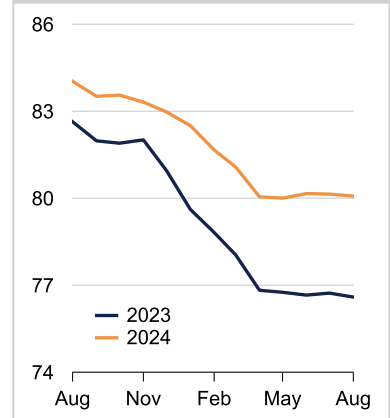**14 | Fiscal Balance | % of GDP**

15 | Fiscal Balance | evolution of fcst
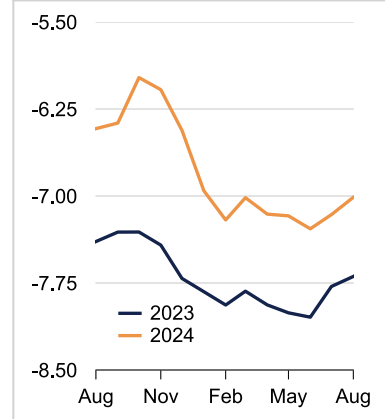
16 | Public Debt | % of GDP
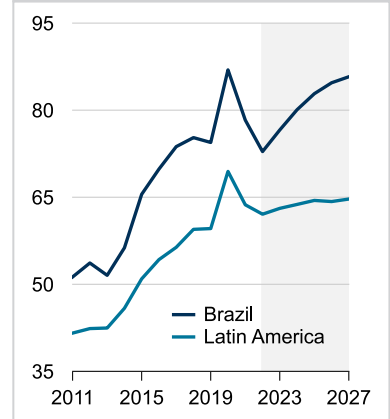
17 | Public Debt | evol. of forecasts

Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All real sector data are from the Central Bank (BCB, *Banco Central do Brasil*). Forecasts based on LatinFocus Consensus Forecast.
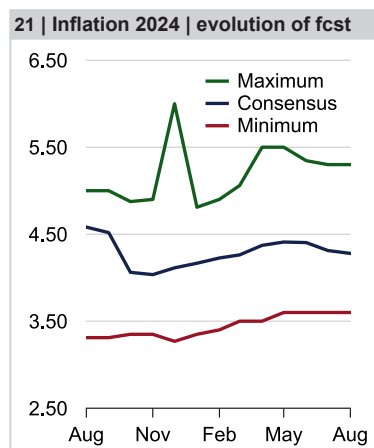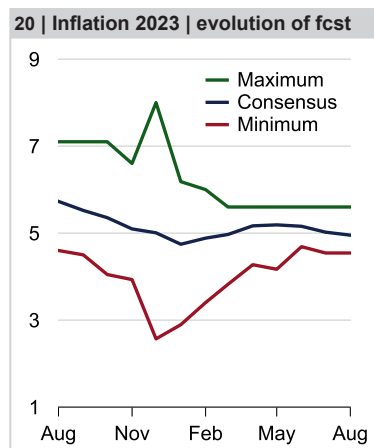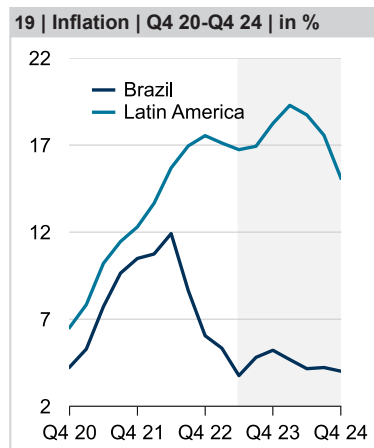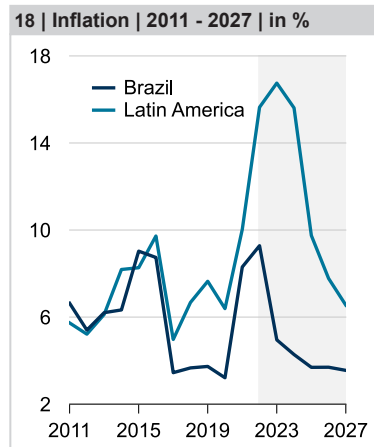
14 Fiscal balance as % of GDP.
15 Fiscal balance as % of GDP, evolution of 2023 and 2024 forecasts during the last 12 months.
16 Public debt as % of GDP.
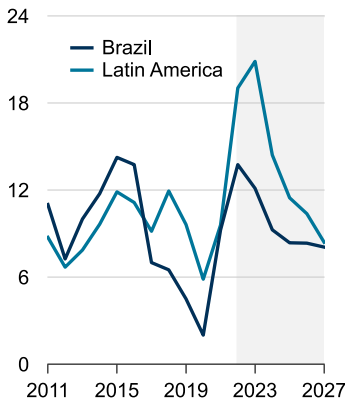**17** Public debt as % of GDP evolution of 2023 and 2024 forecasts during the last 12 months.

Monetary Sector | Inflation

Consumer Prices

Individual Forecasts	Consumer Prices variation in %, eop		Consumer Prices variation in %, aop	
	2023	2024	2023	2024
4intelligence	5.6	4.0	-	-
Actinver	4.9	4.1	5.3	3.9
Allianz	-	-	5.6	4.8
Banco BMG	4.9	3.7	4.7	4.0
Banco BV	5.2	4.0	-	-
Banco Cooperativo Sicredi	4.9	3.8	4.7	4.0
Banco MUFG Brasil S.A.	5.0	3.5	4.7	3.9
Barclays Capital	5.1	3.7	4.7	4.2
BlueLine Asset	6.0	4.0	5.3	4.7
BNP Paribas	-	-	4.7	4.0
BTG Pactual	4.6	3.8	-	-
Capital Economics	5.2	4.7	4.8	4.9
Citigroup Global Mkts	5.2	4.0	4.8	4.2
Credicorp Capital	5.1	4.0	4.8	4.5
Credit Agricole	-	-	5.1	4.0
Credit Suisse	4.7	3.9	5.3	5.3
DekaBank	-	-	5.2	4.5
DIW Berlin	-	-	4.5	4.2
EIU	5.0	4.0	4.8	4.0
EmergingMarketWatch	5.3	3.5	-	-
Euromonitor Int.	-	-	5.1	4.5
Fitch Ratings	-	-	4.8	4.5
Fitch Solutions	4.8	3.9	4.6	4.0
FrontierView	-	-	5.0	4.0
Goldman Sachs	5.1	4.4	4.6	4.6
HSBC	5.1	3.9	4.9	4.2
Ifo Institut	-	-	5.0	4.2
Itaú Unibanco	5.1	4.4	-	-
JPMorgan	4.8	3.6	4.7	3.8
Julius Baer	-	-	5.2	4.2
Kiel Institute	5.4	3.7	5.1	4.0
Kínitro Capital	4.6	3.7	-	-
LCA Consultores	4.9	4.0	4.7	4.3
MAPFRE Economics	5.4	4.0	5.1	4.3
MB Associados	4.5	3.3	-	-
Moody's Analytics	5.8	4.1	5.0	4.4
Oxford Economics	4.9	3.9	4.7	4.2
Pantheon Macroeconomics	-	-	4.7	4.1
Petros	5.0	4.0	4.7	4.3
Pezco Economics	5.7	5.1	-	-
Prometeia	-	-	4.9	5.0
Rabobank	5.1	3.9	4.8	4.2
S&P Global Ratings	5.6	3.9	-	-
Santander	5.2	3.9	-	-
Scotiabank	4.9	3.9	5.0	4.2
Standard Chartered	-	-	5.2	3.6
Tendências Consultoria Integrada	5.1	4.0	-	-
Torino Capital	5.0	-	4.9	-
UBS	4.9	3.5	4.7	3.8
Others (3)**	-	-	5.3	4.3
Public Forecasts				
IMF	5.4	3.9	5.1	4.6
Summary				
Minimum	4.5	3.3	4.5	3.6
Maximum	6.0	5.1	5.6	5.3
Median	5.1	3.9	4.9	4.2
Consensus	**5.1**	**3.9**	**5.0**	**4.3**
History				
30 days ago	5.3	4.0	5.0	4.3
60 days ago	5.6	4.0	5.2	4.4
90 days ago	5.7	4.0	5.2	4.4

18 | Inflation | 2011 - 2027 | in %

19 | Inflation | Q4 20-Q4 24 | in %

20 | Inflation 2023 | evolution of fcst
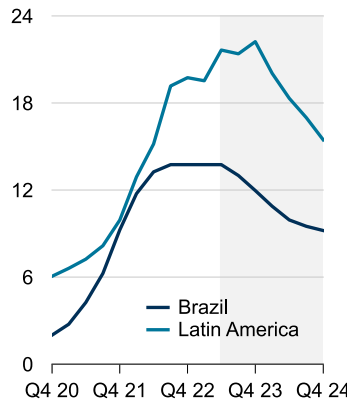

21 | Inflation 2024 | evolution of fcst

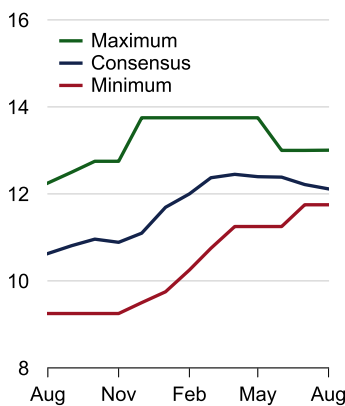## Monetary Sector | Interest Rate

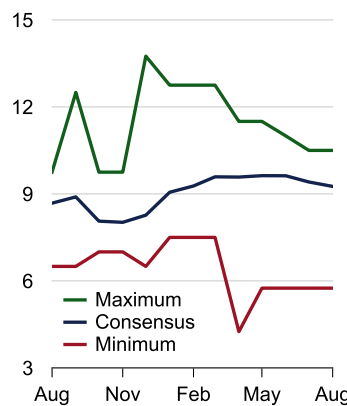**22 | Interest Rate | 2011 - 2027 | in %**

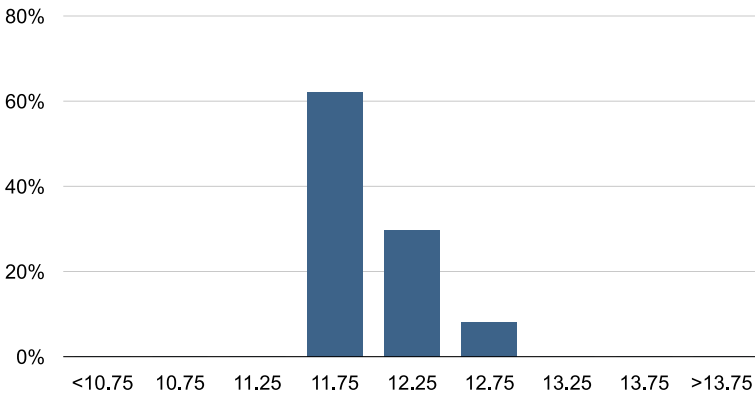**23 | Interest Rate | Q4 20-Q4 24 | in %**

24 | Int. Rate 2023 | evolution of fcst

25 | Int. Rate 2024 | evolution of fcst

26 | Interest Rate 2023 | Panelist Distribution

Interest Rate | Policy Rate

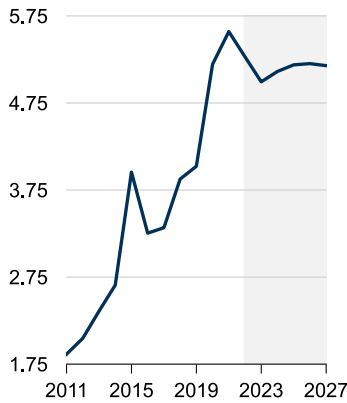| Individual Forecasts	2023	2024
4intelligence	12.25	10.00
Actinver	12.50	9.50
Banco BMG	12.00	9.50
Banco BV	12.00	9.00
Banco Cooperativo Sicredi	11.75	9.00
Banco MUFG Brasil S.A.	12.75	9.25
Barclays Capital	12.00	9.50
BlueLine Asset	12.00	10.00
BTG Pactual	11.75	9.50
Capital Economics	12.50	9.75
Citigroup Global Mkts	11.75	9.00
Credicorp Capital	12.25	9.50
Credit Agricole	12.00	9.25
EIU	11.75	9.50
Fitch Solutions	11.75	9.25
Goldman Sachs	11.75	9.00
HSBC	11.75	8.50
Itaú Unibanco	12.00	9.50
JPMorgan	11.75	-
KBC	12.50	-
Kínitro Capital	12.00	8.50
LCA Consultores	12.00	9.75
MAPFRE Economics	13.00	-
MB Associados	12.25	9.25
Moody's Analytics	13.00	-
Oxford Economics	12.25	8.00
Pantheon Macroeconomics	11.75	5.75
Petros	12.00	10.00
Pezco Economics	11.75	9.75
Rabobank	12.00	9.50
S&P Global Ratings	12.50	9.00
Santander	12.25	10.50
Scotiabank	12.50	9.50
Société Générale	12.00	-
Tendências Consultoria Integrada	12.00	10.00
Torino Capital	12.00	-
UBS	12.25	9.00
Summary		
Minimum	11.75	5.75
Maximum	13.00	10.50
Median	12.00	9.50
Consensus	**12.11**	**9.26**
History		
30 days ago	12.22	9.41
60 days ago	12.39	9.63
90 days ago	12.40	9.63

Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.
** Others refers to the Consensus Forecast additional panelists who are not shown in the FocusEconomics Consensus Forecast Brazil report due to space constraints. A full panelist breakdown is available in the report's accompanying Excel file.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All monetary sector data are from the Central Bank (BCB, *Banco Central do Brasil*). Forecasts are based on LatinFocus Consensus Forecast.

18 Inflation, annual variation of consumer price index (CPI) in % (aop).
19 Quarterly inflation, annual variation of consumer price index (CPI) in % (aop).
20 Inflation, evolution of 2023 forecasts during the last 12 months.
21 Inflation, evolution of 2024 forecasts during the last 12 months.
22 Interest rate, SELIC rate in % (eop).
23 Quarterly interest rate, SELIC rate in % (eop).
24 Interest rate, evolution of 2023 forecasts during the last 12 months.
25 Interest rate, evolution of 2024 forecasts during the last 12 months.
26 Interest rate, panelist distribution of 2023 forecasts. Concentration of panelists in forecast interval in %.
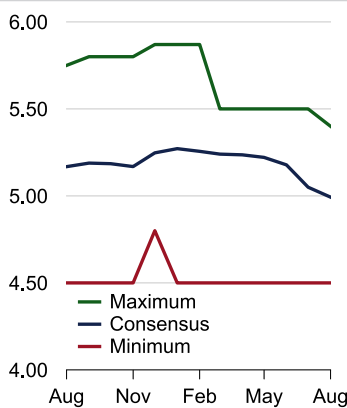
Monetary Sector | Exchange Rate
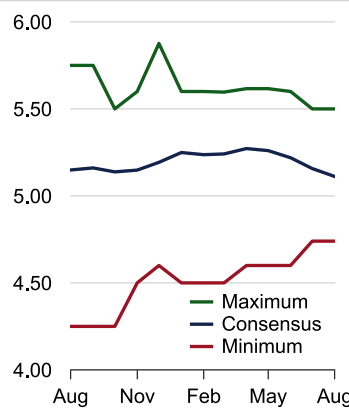
27 | Exchange Rate | BRL per USD
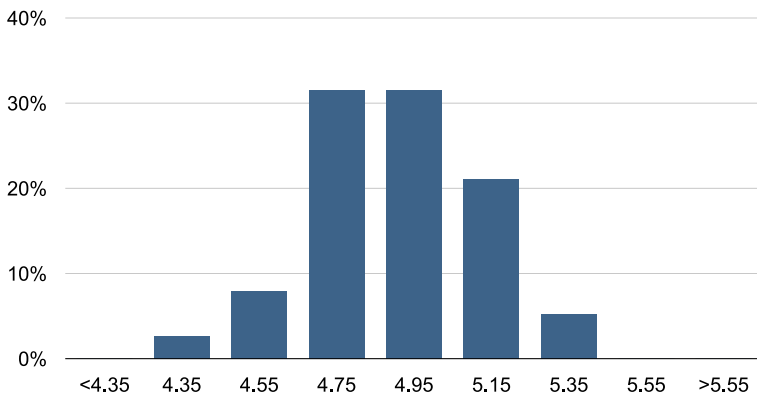

28 | Exchange Rate | BRL per USD
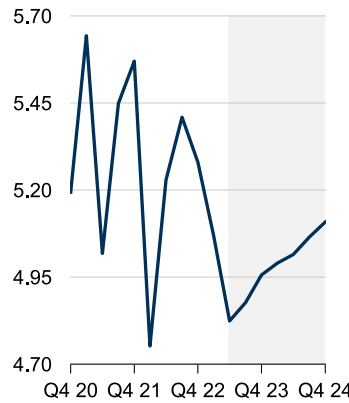
29 | BRL per USD 2023 | evol. of fcst

30 | BRL per USD 2024 | evol. of fcst

31 | BRL per USD 2023 | Panelist Distribution

Exchange Rate | BRL per USD

Individual Forecasts	2023	2024
4intelligence	5.10	5.20
Actinver	5.25	5.14
Banco BMG	4.90	5.10
Banco BV	5.30	5.30
Banco MUFG Brasil S.A.	5.20	5.30
Barclays Capital	4.75	5.00
BlueLine Asset	5.20	5.35
BTG Pactual	4.80	5.00
Capital Economics	5.25	5.00
Citigroup Global Mkts	4.91	4.95
Credicorp Capital	4.69	4.98
Credit Agricole	5.25	5.15
Credit Suisse	5.00	5.00
EIU	4.75	4.81
Fitch Ratings	5.10	5.20
Fitch Solutions	4.90	5.00
HSBC	4.50	-
Itaú Unibanco	5.00	5.25
JPMorgan	4.90	-
Julius Baer	4.79	4.99
KBC	4.93	-
Kínitro Capital	4.90	5.10
LCA Consultores	5.00	4.96
MAPFRE Economics	5.03	5.10
MB Associados	4.80	4.74
Moody's Analytics	4.96	5.02
Oxford Economics	5.00	5.12
Petros	5.00	5.10
Pezco Economics	5.20	5.38
Rabobank	5.05	5.15
S&P Global Ratings	5.10	5.20
Santander	5.40	5.50
Scotiabank	4.85	4.99
Société Générale	4.70	-
Standard Chartered	4.60	4.90
Tendências Consultoria Integrada	5.05	5.20
Torino Capital	5.22	-
UBS	5.40	5.50
Summary		
Minimum	4.50	4.74
Maximum	5.40	5.50
Median	5.00	5.10
Consensus	**4.99**	**5.11**
History		
30 days ago	5.05	5.16
60 days ago	5.18	5.22
90 days ago	5.22	5.26

Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All monetary sector data are from Macrobond Financial AB. Forecasts based on LatinFocus Consensus Forecast.

27 Exchange rate, BRL per USD (eop).
28 Quarterly exchange rate, BRL per USD (eop).
29 Exchange rate, evolution of 2023 forecasts during the last 12 months.
30 Exchange rate, evolution of 2024 forecasts during the last 12 months.
31 Exchange rate, panelist distribution of 2023 forecasts. Concentration of panelists in forecast interval in %.

## External Sector | Current Account and Trade Balance

Current Account and Trade Balance

|	Current Account % of GDP		Trade Balance USD bn	
Individual Forecasts	**2023**	**2024**	**2023**	**2024**
4intelligence	-1.6	-1.8	-	-
Banco BMG	-1.9	-2.0	70.0	66.3
Banco BV	-2.2	-2.5	80.7	71.0
Banco MUFG Brasil S.A.	-2.2	-1.9	70.0	60.0
Barclays Capital	-2.0	-2.1	-	-
BlueLine Asset	-2.2	-2.0	65.0	63.5
BNP Paribas	-2.3	-2.0	-	-
BTG Pactual	-2.1	-2.2	-	-
Citigroup Global Mkts	-2.3	-2.5	-	-
Credicorp Capital	-2.1	-2.0	62.5	71.3
Credit Agricole	-2.4	-2.5	-	-
Credit Suisse	-2.2	-2.2	-	-
DekaBank	-2.6	-3.3	-	-
EIU	-1.9	-2.2	-	-
Euromonitor Int.	-2.0	-2.8	83.4	63.7
Fitch Ratings	-1.8	-2.2	-	-
Fitch Solutions	-1.8	-2.2	-	-
Goldman Sachs	-2.1	-1.8	-	-
HSBC	-1.7	-1.5	-	-
Itaú Unibanco	-1.7	-1.5	70.0	60.0
JPMorgan	-2.4	-2.5	-	-
Kínitro Capital	-2.0	-1.5	-	-
LCA Consultores	-2.6	-2.9	71.4	68.7
MAPFRE Economics	-1.5	-3.5	-	-
MB Associados	-3.1	-2.8	70.7	74.5
Oxford Economics	-1.5	-3.5	-	-
Pezco Economics	-1.8	-2.1	71.8	64.9
Rabobank	-2.0	-2.2	67.0	55.5
Société Générale	-2.4	-2.4	-	-
Standard Chartered	-2.0	-2.4	-	-
Tendências Consultoria Integrada	-2.2	-2.4	73.5	65.0
Torino Capital	-2.1	-	-	-
UBS	-1.5	-2.0	94.6	101.8
Public Forecasts				
IMF	-2.3	-2.5	-	-
OECD	-2.0	-1.8	-	-
Summary				
Minimum	-3.1	-3.5	62.5	55.5
Maximum	-1.5	-1.5	94.6	101.8
Median	-2.1	-2.2	70.7	65.0
Consensus	**-2.1**	**-2.3**	**73.1**	**68.2**
History				
30 days ago	-2.1	-2.4	71.0	66.2
60 days ago	-2.2	-2.4	67.8	64.6
90 days ago	-2.4	-2.5	64.7	65.1

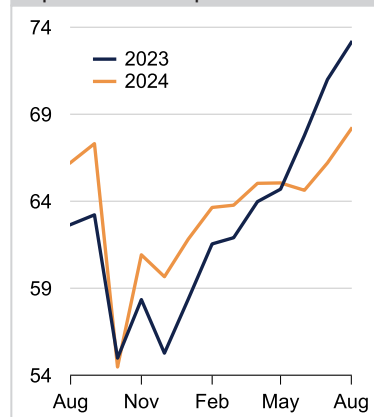**32 | Current Account | % of GDP**
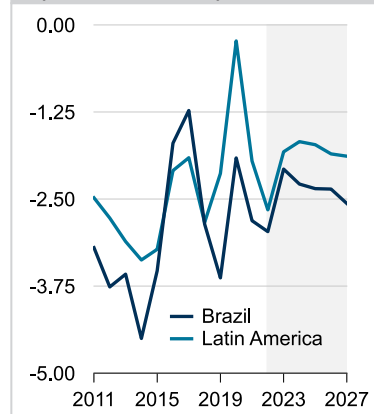
33 | Current Account | evol. of fcst
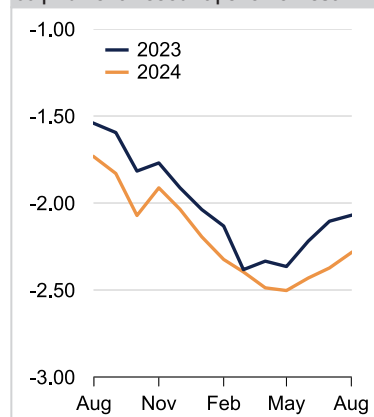
34 | Trade Balance | USD bn
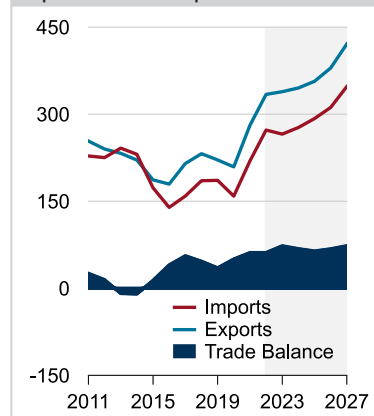
35 | Trade Balance | evol. of forecasts

Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All external sector data are from from the Central Bank (BCB, *Banco Central do Brasil*) and the Ministry of Development, Industry and Foreign Trade (MDIC, *Ministerio do Desenvolvimento, Industria e Comercio Exterior*). See below for details. Forecasts based on LatinFocus Consensus Forecast.

32 Current account balance, as % of GDP. Source: BCB.
33 Current account balance, evolution of 2023 and 2024 forecasts during the last 12 months.
**34** Trade balance, exports and imports, in USD. Source: MDIC.
35 Trade balance, evolution of 2023 and 2024 forecasts during the last 12 months.

External Sector | Exports and Imports

Exports and Imports

Individual Forecasts	Exports USD bn 2023	2024	Imports USD bn 2023	2024
Banco BMG	325	345	255	278
Banco BV	334	340	253	269
Banco MUFG Brasil S.A.	350	325	280	265
BlueLine Asset	330	350	265	287
Credicorp Capital	350	338	288	267
Euromonitor Int.	346	367	263	303
Itaú Unibanco	322	328	252	268
LCA Consultores	334	322	262	253
MB Associados	326	355	255	281
Pezco Economics	361	382	289	317
Rabobank	352	346	285	291
Tendências Consultoria Integrada	322	320	248	255
UBS	352	369	258	267
Summary				
Minimum	322	320	248	253
Maximum	361	382	289	317
Median	334	345	262	269
Consensus	**339**	**345**	**266**	**277**
History				
30 days ago	339	349	268	283
60 days ago	337	347	269	283
90 days ago	332	348	267	283

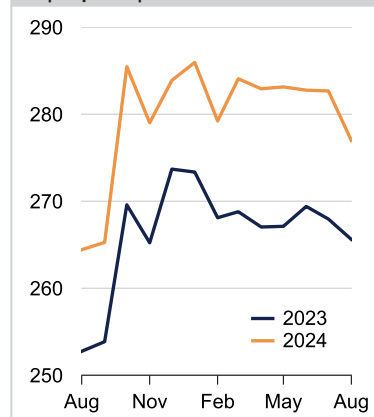### 36 | Exports | variation in %
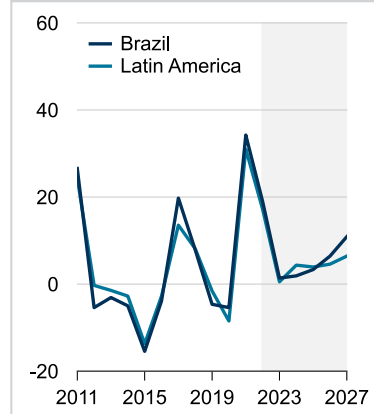
37 | Exports | evolution of fcst
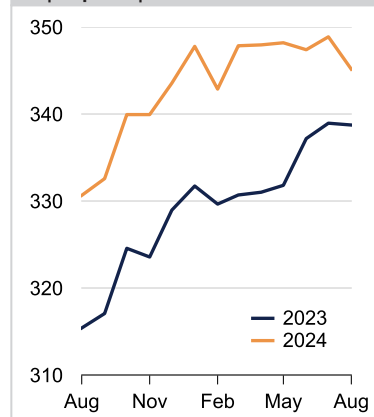
38 | Imports | variation in %
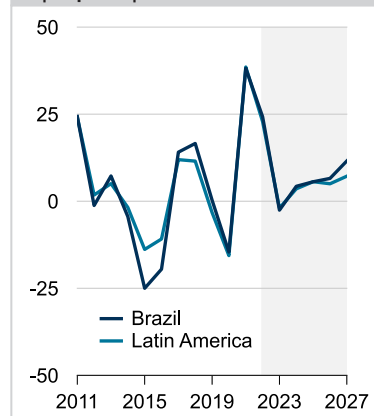
39 | Imports | evol. of forecasts

Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All external sector data are from from the Ministry of Development, Industry and Foreign Trade (MDIC, *Ministerio do Desenvolvimento, Industria e Comercio Exterior*). Forecasts based on LatinFocus Consensus Forecast.

36 Exports, annual variation in %.
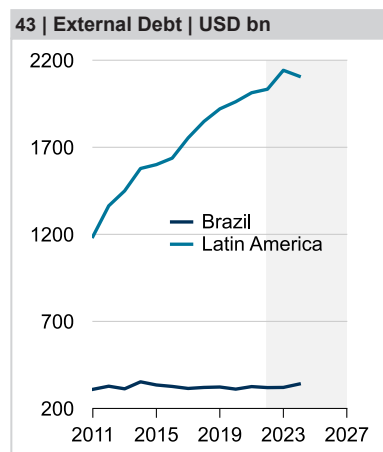**37** Exports, evolution of 2023 and 2024 forecasts during the last 12 months.
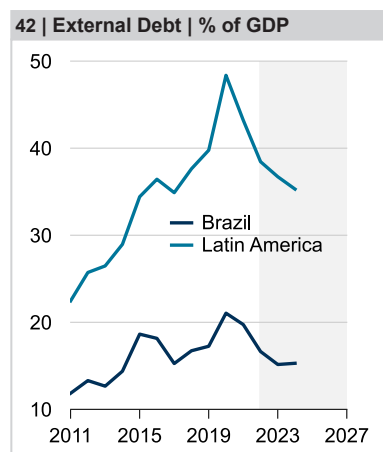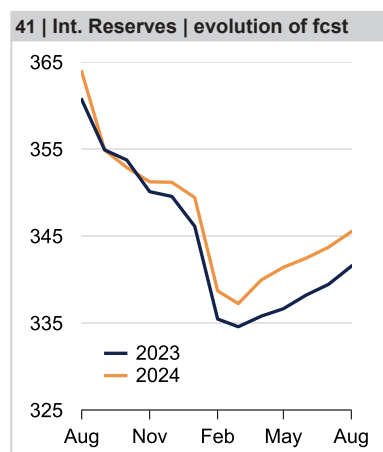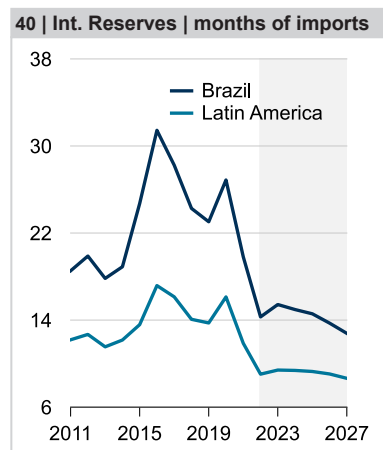**38** Imports, annual variation in %.
39 Imports, evolution of 2023 and 2024 forecasts during the last 12 months.

External Sector | Additional forecasts

International Reserves and External Debt

	International Reserves USD bn		External Debt USD bn	
Individual Forecasts	**2023**	**2024**	**2023**	**2024**
4intelligence	365	359	-	-
Banco BMG	345	345	-	-
Banco BV	330	330	-	-
Barclays Capital	343	354	-	-
BlueLine Asset	330	330	-	-
BNP Paribas	341	338	-	-
BTG Pactual	345	345	-	-
Citigroup Global Mkts	343	343	296	327
Credit Suisse	325	325	-	-
Euromonitor Int.	358	381	-	-
Fitch Ratings	347	353	-	-
Fitch Solutions	348	361	-	-
Goldman Sachs	340	340	-	-
HSBC	-	-	329	367
LCA Consultores	333	341	330	337
MB Associados	334	349	320	330
Moody's Analytics	352	364	-	-
Pezco Economics	332	333	-	-
Rabobank	332	332	-	-
Tendências Consultoria Integrada	344	356	-	-
Torino Capital	351	-	328	-
UBS	331	331	-	-
Public Forecasts				
IMF	346	346	-	-
Summary				
Minimum	325	325	296	327
Maximum	365	381	330	367
Median	343	345	328	333
Consensus	**342**	**345**	**321**	**340**
History				
30 days ago	339	344	321	340
60 days ago	338	342	329	341
90 days ago	337	341	323	338

40 | Int. Reserves | months of imports

41 | Int. Reserves | evolution of fcst

42 | External Debt | % of GDP

43 | External Debt | USD bn

Notes and sources

* Forecasts are not in the Consensus and are shown for illustrative purposes only.

Long-term chart period from 2011 to 2027 unless otherwise stated. The Latin America regional aggregate excludes Venezuela. All external sector data are from from the Central Bank (BCB, *Banco Central do Brasil*). Forecasts based on LatinFocus Consensus Forecast.

40 International reserves, months of imports.
41 International reserves, evolution of 2023 and 2024 forecasts during the last 12 months.
42 External debt as % of GDP.
43 External debt, USD billion.

Fact Sheet

General Data

Official name:	Federative Republic of Brazil
Capital:	Brasilia (4.5m)
Other cities:	Sao Paulo (21.7m)
	Rio de Janeiro (13.3m)
Area (km2):	8,515,770
Population (million, 2019 est.):	213
Population density (per km2, 2019):	25.0
Population growth rate (%, 2019 est.):	0.7
Life expectancy (years, 2019 est.):	74.7
Illiteracy rate (%, 2018 est.):	6.8
Language:	Portuguese
Measures:	Metric system
Time:	GMT-2 to GMT-4

Economic Infrastructure

Telecommunication (2018)

Telephones - main lines (per 100 inhabitants):	18.3
Telephones - mobile cellular (per 100 inhabit.):	99
Internet Users (per 100 inhabitants):	70.4
Broadband Subscriptions (per 100 inhabitants):	14.9

Energy (2017)

Primary Energy Production (trillion Btu):	11,221
Primary Energy Consumption (trillion Btu):	12,565
Electricity Generation (billion kW-h):	578
Electricity Consumption (billion kW-h):	516
Oil Supply (thousand bpd):	3,363
Oil Consumption (thousand bpd):	3,029
CO2 Emissions (million metric tons):	464

Transportation (2018)

Airports:	4,093
Railways (km):	29,850
Roadways (km):	2,000,000
Waterways (km):	50,000
Chief Ports:	Santos, Belem, Rio de Janeiro

Political Data

President:	Luiz Inácio Lula da Silva
Last elections:	2 October 2022
Next elections:	2026
Central Bank President:	Roberto Oliveira Campos Neto

Long-term Foreign Currency Ratings

Agency	Rating	Outlook
Moody's:	Ba2	Stable
S&P Global Ratings:	BB-	Positive
Fitch Ratings:	BB	Stable

Strengths	Weaknesses
• Commitment to economic orthodoxy	• Pronounced socio-economic inequalities
• Large domestic market and diversified production	• Inadequate infrastructure creates bottleneck for economic growth
• Stable financial system	
• Strong foreign direct investment flows bolster capital account	• Limited progress on privatization and deregulation

Brazil in the Region

Population | %-share in Latin America

Brazil 34.0%
Other 24.4%
Peru 5.4%
Argentina 7.3%
Colombia 8.2%
Mexico 20.6%

GDP | %-share in Latin America

Brazil 32.0%
Other 20.1%
Colombia 6.2%
Chile 6.3%
Argentina 9.7%
Mexico 25.7%
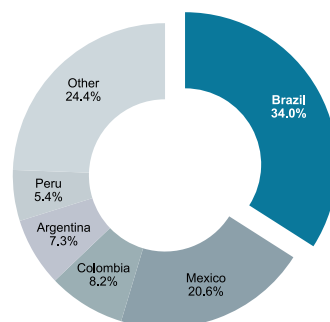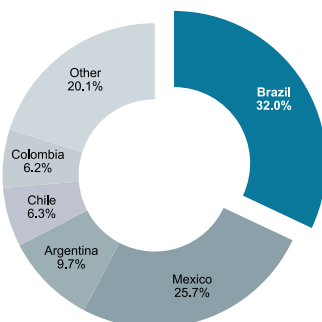
Economic Structure

GDP by Sector | share in %

2013-15 2016-18 2019-21

- Agriculture
- Manufacturing
- Industry excl. Manufacturing
- Services
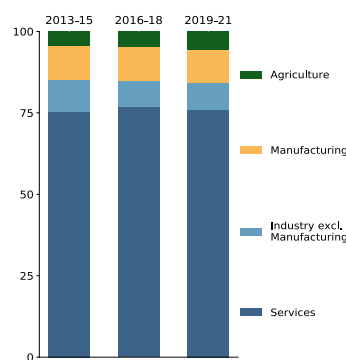
GDP by Expenditure | share in %

2013-15 2016-18 2019-21

- Net Exports
- Investment
- Government Consumption
- Private Consumption
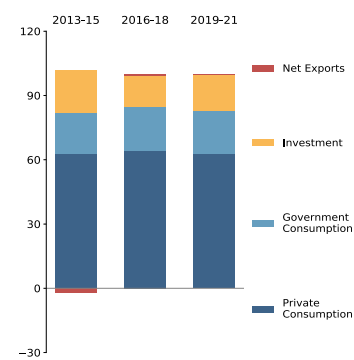
Trade Structure

Primary markets | share in %

Exports
China 31.7%
Other 57.0%
U.S. 11.3%

Imports
China 23.6%
Other 45.0%
U.S. 20.7%
Germany 5.5%
Argentina 5.2%
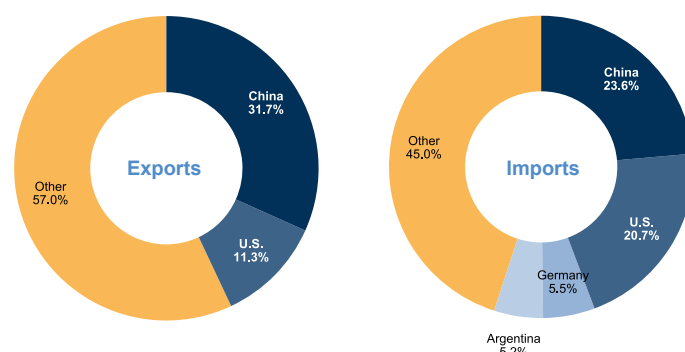
Primary products | share in %

Exports
Other 6.7%
Food 34.8%
Manufact. Products 25.1%
Mineral Fuels 13.7%
Ores & Metals 19.8%

Imports
Other 5.0%
Food 5.4%
Mineral Fuels 13.6%
Manufact. Products 76.0%
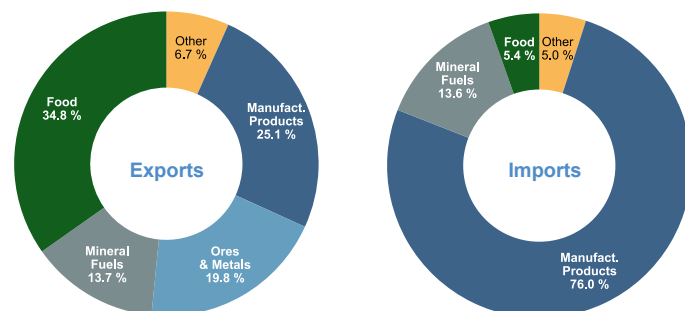
Economic Release Calendar

Date	Country	Event
7 August	Colombia	July Consumer Confidence
	Mexico	July Consumer Confidence
8 August	Chile	July Consumer Prices
9 August	Argentina	June Industrial Production
	Mexico	July Consumer Prices
10 August	Mexico	Central Bank Meeting
11 August	Argentina	July Consumer Prices
	Brazil	July Consumer Prices
	Peru	Central Bank Meeting
	Peru	July Merchandise Trade
	Uruguay	June Industrial Production
15 August	Colombia	Q2 2023 National Accounts
	Colombia	June Economic Activity
	Uruguay	Central Bank Meeting
16 August	Ecuador	June Economic Activity
	Peru	Q2 2023 National Accounts
17 August	Brazil	June Economic Activity
18 August	Chile	Q2 2023 National Accounts
	Peru	June Economic Activity
20 August	Argentina	August Consumer Confidence (E)
22 August	Argentina	July Merchandise Trade
23 August	Argentina	June Economic Activity
25 August	Brazil	July Balance of Payments
28 August	Brazil	August Economic Sentiment (E)
	Mexico	July Merchandise Trade
1 September	Brazil	August S&P Global Manufacturing PMI
	Brazil	Q2 2023 National Accounts
	Chile	July Economic Activity
	Chile	August Business Confidence (E)
	Colombia	August Davivienda Manufacturing PMI
	Mexico	August IMEF PMI
	Peru	August Consumer Prices
5 September	Brazil	August S&P Global Services PMI
	Chile	Central Bank Meeting
	Colombia	August Consumer Prices
	Colombia	August Merchandise Trade (E)
	Mexico	August Consumer Confidence
	Uruguay	August Consumer Prices
6 September	Ecuador	August Consumer Prices
7 September	Argentina	July Industrial Production
	Colombia	August Consumer Confidence
	Mexico	August Consumer Prices
8 September	Chile	August Consumer Prices

(P) Preliminary estimate. (E) Approximate date.

Economic Release Calendar

Date	Country	Event
8 September	Peru	August Merchandise Trade
	Peru	Central Bank Meeting

(P) Preliminary estimate. (E) Approximate date.

Notes and Statements

PUBLICATION NOTE

Consensus forecasts are mean averages of projections of economic forecasters surveyed by FocusEconomics for our monthly publication. Quarterly averages may not correspond to the annual figures due to different forecast panels.

The GDP-weighted averages for the regional aggregates and the world refer to economies surveyed by FocusEconomics on a monthly basis. Weights are based on Consensus Forecasts for nominal GDP (USD billion).

The regional aggregates include the following countries:

Latin America (23 countries): Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Trinidad and Tobago and Uruguay.
Andean Community (4 countries): Bolivia, Colombia, Ecuador and Peru.
Central America and Caribbean (13 countries): Belize, Costa Rica, Cuba, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Nicaragua, Panama, Puerto Rico and Trinidad and Tobago.
Mercosur (4 countries): Argentina, Brazil, Paraguay and Uruguay.
World: 131 countries, comprising around 98% of global output.

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NORDIC ECONOMIES Denmark, Finland, Iceland, Norway and Sweden

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CIS PLUS COUNTRIES Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan

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REAL SECTOR GDP per capita, Economic Growth, Consumption, Investment, Industrial Production, Unemployment Rate, Fiscal Balance and Public Debt

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BASE METALS Alumina, Aluminium, Cobalt, Copper, Iron Ore, Lead, Molybedenum, Nickel, Steel (European and U.S. markets), Tin and Zinc

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