

LATINFOCUS CONSENSUS FORECAST

Brazil • January 2023

BRAZIL	2
CALENDAR	19
NOTES	20

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Brazil



Outlook moderates

- In the fourth quarter of 2022, sequential growth will have been set back. Monthly economic activity slid at stronger-than-expected paces in October and November; the cumulative 1,175 basis points in Central Bank hikes from March 2021 to August 2022 have started to take a toll on growth. Additionally, the manufacturing PMI revealed conditions deteriorated sharply in November–December, while the services PMI recorded a slight improvement in the same period. Despite continued moderations in headline and core inflation, business and consumer sentiment remained deeply pessimistic throughout Q4, boding ill for investment and consumption. In the political arena, after Lula da Silva was sworn in as president on 1 January, Jair Bolsonaro’s supporters stormed government buildings in Brasilia on 8 January. These events are not expected to disrupt activity.
- This year, the economy will expand at the softest pace in the region, moderating to less than a third of 2022’s projection. High interest rates will take a toll on activity, while a global slowdown should temper export growth. Meanwhile, above-target inflation will cap domestic demand. Changes to public spending under Lula are a key factor to watch. FocusEconomics analysts see the economy expanding 0.8% in 2023, which is down 0.1 percentage points from last month’s forecast, and 1.7% in 2024.
- A steeper fall in transportation prices led inflation to soften for a sixth consecutive month in December; it eased to a 22-month low of 5.8% (November: 5.9%) but was still well above the 3.5% target. The downward trend is expected to continue through Q2 2023. That said, a weaker real, a social spending boom and premature monetary policy easing remain upside risks. Our panel sees inflation ending 2023 at 5.1%, which is up 0.2 percentage points from last month’s forecast, and 2024 at 3.8%.
- At its 6–7 December meeting, the Central Bank decided to once again keep the benchmark SELIC rate unchanged at 13.75%. The continued downward trends of headline and core inflation, coupled with a slowdown in domestic activity, drove the decision. The next meeting is scheduled for 31 January–1 February. Our panel expects the rate to be cut later this year. FocusEconomics Consensus panelists project the SELIC rate to end 2023 at 11.69% and 2024 at 9.06%.
- The Brazilian real flipped its recent trend again; it strengthened 3.4% month on month and traded at BRL 5.09 per USD on 13 January. The currency is set to remain under pressure this year. Uncertainty over changes in the fiscal profile under the new administration, sluggish economic growth and commodity price spikes are factors to watch. Our panel sees the real ending 2023 at BRL 5.27 per USD and 2024 at BRL 5.25 per USD.

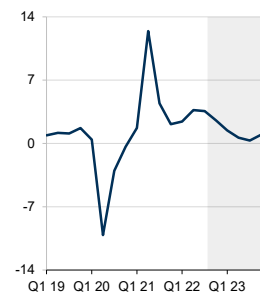
LONG-TERM TRENDS | 3-year averages

	2019-21	2022-24	2025-27
Population (million):	212	215	219
GDP (USD bn):	1,666	2,004	2,417
GDP per capita (USD):	7,881	9,315	11,013
GDP growth (%):	1.0	1.8	2.1
Fiscal Balance (% of GDP):	-7.8	-6.7	-6.3
Public Debt (% of GDP):	79.9	79.2	86.3
Inflation (%):	5.1	6.1	3.5
Current Account (% of GDP):	-2.8	-2.2	-2.3
External Debt (% of GDP):	19.3	16.6	-

Marta Casanovas

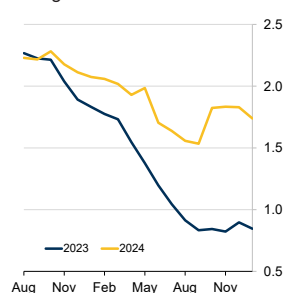
Economist

Economic Growth



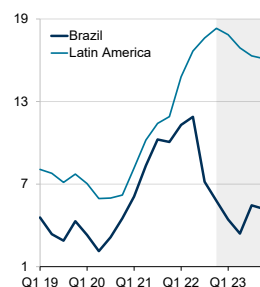
GDP, real annual variation in %, Q1 2019 - Q4 2023.

Change in GDP forecasts



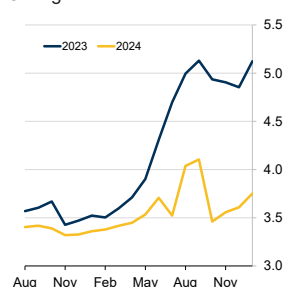
GDP, evolution of 2023 and 2024 forecasts during the last 18 months.

Inflation



Consumer Price Index (CPI), annual variation in %, Q1 2019 - Q4 2023.

Change in inflation forecasts



Inflation, evolution of 2023 and 2024 forecasts during the last 18 months.

REAL SECTOR | Economic activity drops again in November

Economic activity dropped 0.5% month on month in seasonally adjusted terms in November, which was a deterioration from October's 0.3% decline. November's downturn, which marked the fourth consecutive fall in activity, surprised markets on the downside once again; a 0.2% contraction had been penciled in. As expected, the aggressive monetary policy stance taken by the Central Bank to cool economic activity and price pressures—a cumulative 1,175 basis point rate increase from March 2021 to August 2022—started to deliver the desired effect of cooling the economy and tempering inflation. Contractionary monetary policy has likely weighed on credit, which, amid still-high inflation, should have been affecting private spending and investment in turn.

Meanwhile, on an annual basis, economic activity growth more than halved to 1.6% in November, which was notably below October's 3.7% expansion and marked the weakest result since January. Nevertheless, the trend was unchanged, and annual average economic activity came in at October's 3.1% in November.

The LatinFocus panel of analysts sees the economy expanding 0.8% in 2023, which is down 0.1 percentage points from last month's forecast, and 1.7% in 2024.

REAL SECTOR | Industrial activity deteriorates in November

Industrial output slid 0.1% in month-on-month seasonally adjusted terms in November, which contrasted October's 0.3% increase. Looking at the details of the release, November's marginal decline was partly due to slower intermediate goods production growth. In addition, consumer goods production fell. Meanwhile, durable consumer goods production declined at a softer rate, while non-durable consumer goods output rose.

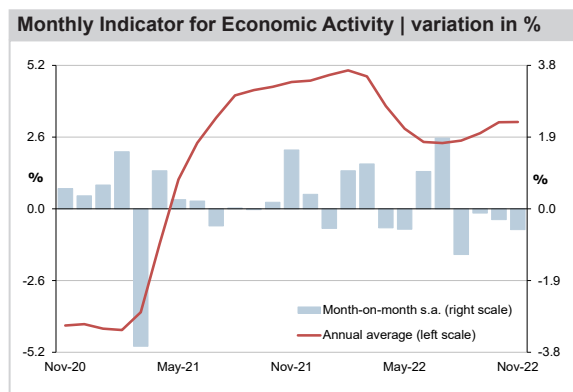
On an annual basis, industrial output rose at a softer pace of 0.9% in November (October: +1.7% yoy). Still, the trend improved significantly, with the annual average variation of industrial production coming in at minus 0.9% in November, up from October's minus 1.6% reading.

The analysts surveyed by FocusEconomics for this month's LatinFocus Consensus Forecast see industrial production increasing 0.6% in 2023, which is up 0.1 percentage points from last month's estimate, and growing 1.7% in 2024.

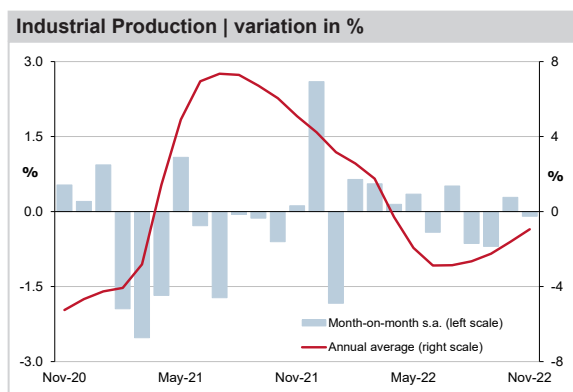
REAL SECTOR | Manufacturing conditions deteriorate at sharpest pace in 31 months in December

The S&P Global Manufacturing Purchasing Managers' Index (PMI) declined for a seventh consecutive month in December; it came in at 44.2, marginally below the previous month's 44.3. December's reading was the weakest reading since May 2020. As a result, the index moved further below the 50.0 no-change threshold. This points to a sharper deterioration in manufacturing business conditions from the prior month.

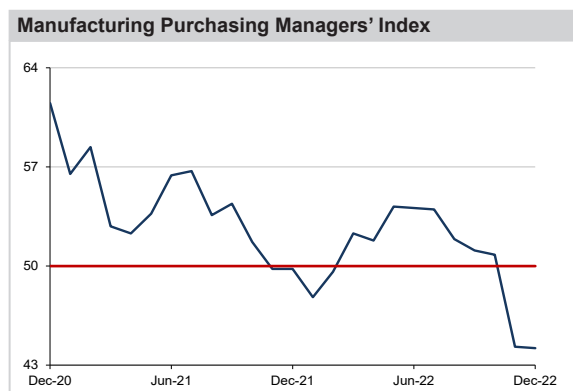
December's deterioration came on the back of new export orders declining at one of the steepest rates since the series began amid subdued U.S., Latin American and European demand; fiscal and economic uncertainty has led consumers to either postpone or cut down spending. As a result, companies reduced output at the strongest pace in over 30 months. These factors led to another fall in employment levels, which dropped at the sharpest rate in two-and-a-half years.



Note: Month-on-month changes of seasonally adjusted IBC-Br (*Índice de Atividade Econômica do Banco Central*) and annual average growth rate in %. Source: Central Bank of Brazil.



Note: Month-on-month changes of seasonally adjusted industrial production and annual average growth rate in %. Source: Brazilian Institute of Geography and Statistics (IBGE) and FocusEconomics calculations.



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.

Turning to prices, costs increased once again in December due to a weaker Brazilian real and component shortages. As a result, output charges also rose mildly—for the first time in three months—as firms tried to incentivize sales. Lastly, business sentiment improved in December; firms were more optimistic regarding growth in the coming 12-month period amid hopes of favorable public policies and improved international relations under the new administration.

REAL SECTOR | Retail sales fall at sharpest pace since June in November

Retail sales dropped 0.6% month on month in seasonally-adjusted terms in November (October: +0.3% mom). November’s outturn marked the worst reading since June. Looking at the details of the release, the slide reflected a broad-based downturn across the major sectors: Supermarkets, food, drinks and tobacco, other articles for household and personal use and fuels and lubricants sales all contracted in November. Lastly, textiles, clothing and footwear sales declined at a softer rate, while furniture and appliances sales decelerated.

On an annual basis, retail sales rose at a softer pace of 1.5% in November (October: +2.7% yoy). Meanwhile, annual average retail sales growth rose to 0.6% in November (October: +0.1%), signaling an improving trend in the retail trade sector.

Panelists participating in the LatinFocus Consensus Forecast project retail sales to expand 1.2% in 2023, which is unchanged from last month’s forecast, and 2.1% in 2024.

OUTLOOK | Consumer confidence improves but remains pessimistic in December

The seasonally adjusted consumer confidence index published by the Getulio Vargas Foundation (Fundação Getúlio Vargas) rose to 88.0 in December from November’s 85.3. As such, the index moved closer to, but remained below, the 100-point threshold, indicating pessimism among consumers.

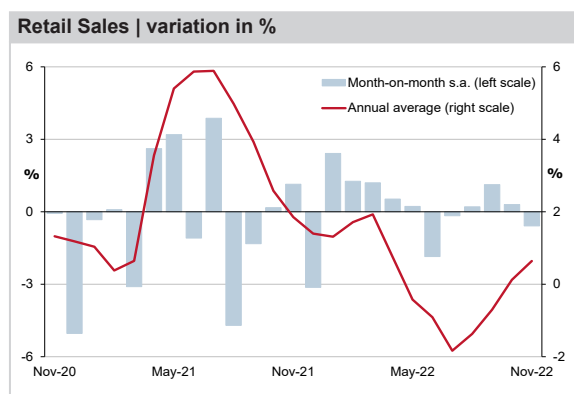
The uptick came on the back of an improvement in consumers’ views of the future economic situation, which became optimistic in December for the first time since September. Meanwhile, consumers’ views regarding the current economic situation improved marginally in December, but remained deeply pessimistic.

Panelists participating in the LatinFocus Consensus Forecast see private consumption rising 1.2% in 2023, which is unchanged from last month’s forecast, and growing 1.9% in 2024.

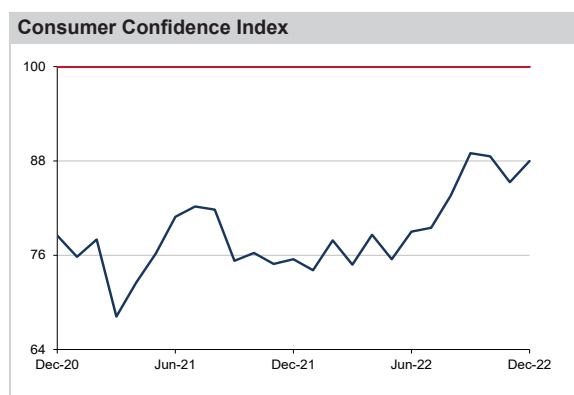
OUTLOOK | Business confidence picks up but remains pessimistic in December

The Getulio Vargas Foundation’s (Fundação Getúlio Vargas) industrial business confidence index rose to 93.3 in December from November’s 92.1. As a result, the index moved closer to, but remained below, the 100-point threshold, signaling milder pessimism among businesses.

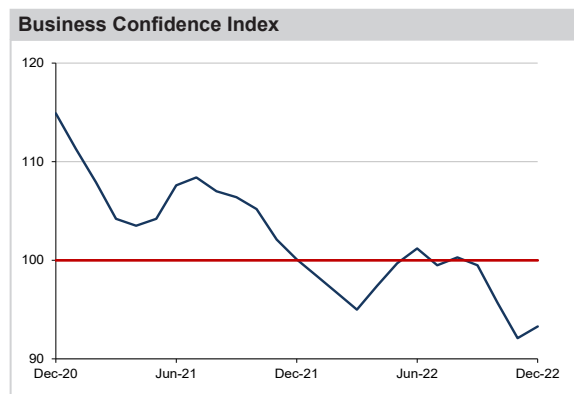
December’s upturn came on the back of an improvement in firms’ assessments of both the current and future economic situation. Despite the uptick, both remained pessimistic in December.



Note: Month-on-month changes of seasonally adjusted retail sales and annual average growth rate in %. Source: Brazil Institute of Geography and Statistics (IBGE) and FocusEconomics calculations.



Note: Index of consumer sentiment (seasonally adjusted). The 100-point threshold represents the point above which consumers expect economic conditions to improve. Source: Getulio Vargas Foundation.



Note: Index of business sentiment (seasonally adjusted). The 100-point threshold represents the point above which businesses expect economic conditions to improve. Source: Getulio Vargas Foundation.

Panelists participating in the LatinFocus Consensus Forecast see fixed investment expanding 0.4% in 2023, which is unchanged from last month's forecast, before growing 2.4% in 2024.

MONETARY SECTOR | Inflation continues softening in December

Inflation dropped for a sixth consecutive month in December; it came in at 5.8%, marginally below November's 5.9%. December's figure marked the weakest inflation rate since February 2021. Despite the continued easing, December's rate remained above the Central Bank's 3.5% target for 2022. Looking at the details of the release, prices for transportation fell at a steeper pace in December and prices for food and beverages softened from the previous month's reading.

Accordingly, the trend pointed down, with annual average inflation coming in at 9.3% in December (November: 9.7%). The overall inflation rate for 2022 was the highest since 2003, when it hit 14.7%.

Finally, consumer prices increased a seasonally adjusted 0.62% from the previous month in December, accelerating from November's 0.41% rise. December's result was the highest reading since June.

While headline inflation moderated sharply from its 12.1% peak in April—partly thanks to an aggressive monetary policy stance—it missed the target. Double-digit inflation earlier in 2022 was partly driven by surging commodity prices following the outbreak of the war in Ukraine. Efforts to quickly reduce inflation were then ramped up ahead of the 2 October presidential elections.

In 2023, sluggish domestic economic growth and a tight monetary policy stance will continue to exert downward pressure on inflation. That said, large fiscal stimulus under the new administration poses a key upside risk.

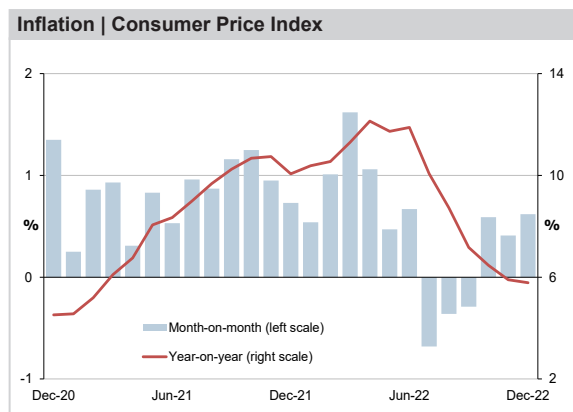
FocusEconomics Consensus panelists see inflation closing 2023 at 5.1%, which is up 0.2 percentage points from last month's forecast, and 2024 at 3.8%.

MONETARY SECTOR | COPOM holds fire for a third consecutive time in December

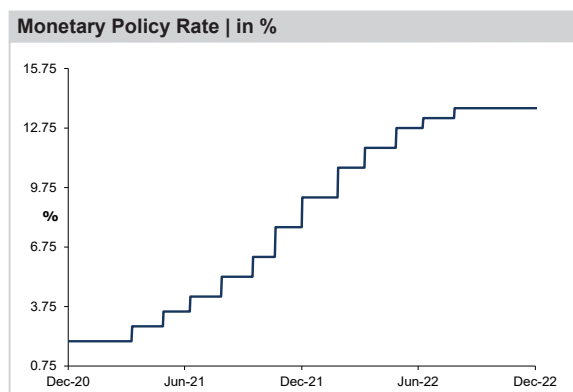
At its last meeting of 2022 on 6–7 December, the Monetary Policy Committee (COPOM) of Brazil's Central Bank (BCB) decided to maintain once again the benchmark SELIC interest rate unchanged at 13.75%. The unanimous decision, which markets had widely expected, marked the third consecutive hold since September.

The Bank acknowledged that while both headline and core inflation remain high, they have continued to trend down. Regarding activity, the Bank noted that the external environment remains highly uncertain and volatile, and added that national accounts and high-frequency data show domestic economic activity has started to slow down. In turn, the Bank continued with the less aggressive stance it shifted to in September and stood pat at its December meeting; it is assessing the impact of the cumulative 1,175 basis points worth of increases since March 2021.

In its communiqué, the Bank did not provide hints about future policy moves. It stated, however, that risks to the inflation outlook remain in both directions. The COPOM affirmed it would monitor fiscal policy developments and their effect on inflation, as it remains committed to “persevere until not only the



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



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

disinflation process is consolidated, but also inflation expectations anchor close to the target”. Consequently, the COPOM stated it would resume its policy tightening if inflation does not decelerate as desired. Virtually all of our panelists see the benchmark SELIC rate ending 2023 lower than the current 13.75%.

The next monetary policy meeting is scheduled for 31 January–1 February.

FocusEconomics panelists project the SELIC rate to end 2023 at 11.69% and 2024 at 9.06%.

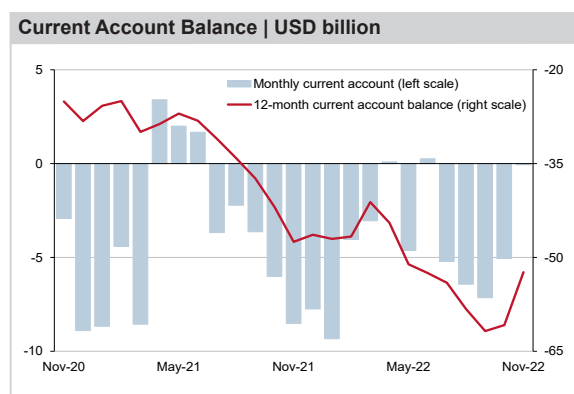
EXTERNAL SECTOR | Current account records marginal shortfall in November

Brazil’s current account recorded a USD 0.1 billion deficit in November, narrowing markedly from the USD 8.5 billion shortfall posted in the same month last year and from the USD 5.1 billion deficit clocked in October 2022.

November’s result chiefly reflected the trade in goods balance swinging to a surplus from November 2021’s deficit. Additionally, the services account deficit narrowed from the same month last year. Meanwhile, net foreign investment was positive in the month, totaling USD 8.3 billion in inflows (November 2021: USD +5.0 billion).

Meanwhile, the 12-month sum of the current account balance widened to a USD 52.4 billion deficit in November from the USD 47.5 billion shortfall recorded in November last year. This was equivalent to approximately 2.8% of GDP (November 2021: approximately 2.9% of GDP).

The panel sees a current account deficit of 2.0% of GDP in 2023, which is down 0.1 percentage points from last month’s forecast, and a deficit of 2.2% of GDP in 2024.



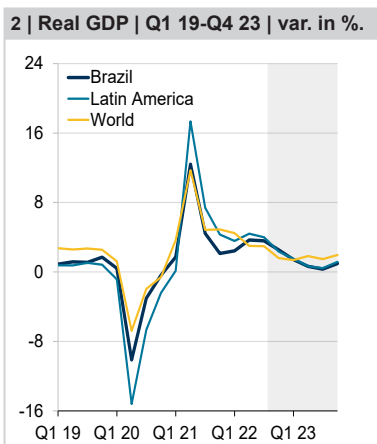
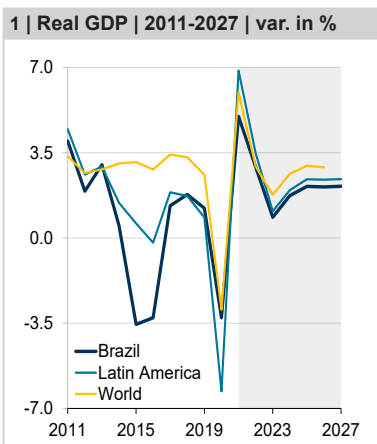
Note: Monthly and 12-month current account balance in USD billion.
Source: Central Bank of Brazil (BCB) and FocusEconomics calculations.

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	8,895	9,271	9,779	10,291	11,016	11,732
GDP (USD bn)	1,917	1,873	1,477	1,649	1,903	1,995	2,116	2,238	2,408	2,604
GDP (BRL bn)	7,004	7,389	7,610	8,899	9,823	10,510	11,129	11,816	12,756	13,725
Economic Growth (Nominal GDP, ann. var. %)	6.4	5.5	3.0	16.9	10.4	7.0	5.9	6.2	8.0	7.6
Economic Growth (GDP, ann. var. %)	1.8	1.2	-3.3	5.0	2.9	0.8	1.7	2.1	2.1	2.1
Domestic Demand (ann. var. %)	2.3	1.8	-4.3	5.8	2.5	1.2	2.1	2.4	2.3	2.1
Private Consumption (ann. var. %)	2.4	2.6	-4.6	3.7	3.8	1.2	1.9	2.3	2.3	2.3
Government Consumption (ann. var. %)	0.8	-0.5	-3.7	3.5	1.5	1.1	1.1	0.9	1.1	1.3
Fixed Investment (ann. var. %)	5.2	4.0	-1.7	16.5	0.2	0.4	2.4	2.7	2.6	2.2
Exports (G&S, ann. var. %)	4.1	-2.6	-2.3	5.9	3.6	1.7	3.1	4.0	3.7	3.4
Imports (G&S, ann. var. %)	7.7	1.3	-9.5	12.0	0.5	2.2	3.5	3.9	3.9	3.5
Industrial Production (ann. var. %)	0.8	-1.1	-4.7	4.2	-0.3	0.6	1.7	2.5	2.1	2.1
Retail Sales (ann. var. %)	2.3	1.8	1.2	1.4	1.6	1.2	2.1	2.7	2.3	2.4
Unemployment (% of active population, aop)	12.4	12.1	13.5	13.5	9.5	9.1	9.2	9.3	9.3	9.0
Fiscal Balance (% of GDP)	-7.0	-5.8	-13.3	-4.3	-5.4	-7.8	-7.0	-6.6	-6.3	-6.0
Public Debt (% of GDP)	75.3	74.4	86.9	78.3	75.5	79.6	82.5	84.5	86.5	87.8
Monetary and Financial Sector										
Inflation (CPI, ann. var. %, eop)	3.7	4.3	4.5	10.1	5.8	5.1	3.8	3.5	3.5	3.5
Inflation (CPI, ann. var. %, aop)	3.7	3.7	3.2	8.3	9.3	4.7	4.2	3.5	3.5	3.4
SELIC Rate (% eop)	6.50	4.50	2.00	9.25	13.75	11.69	9.06	7.74	7.80	7.76
10-Year Bond Yield (% eop)	9.23	6.78	6.90	10.83	12.66	11.43	10.11	-	-	-
Exchange Rate (BRL per USD, eop)	3.88	4.02	5.19	5.57	5.28	5.27	5.25	5.31	5.28	5.26
Exchange Rate (BRL per USD, aop)	3.65	3.95	5.15	5.40	5.16	5.27	5.26	5.28	5.30	5.27
External Sector										
Current Account Balance (% of GDP)	-2.9	-3.6	-1.9	-2.8	-2.4	-2.0	-2.2	-2.3	-2.3	-2.3
Current Account Balance (USD bn)	-54.8	-68.0	-28.2	-46.4	-45.6	-40.7	-46.4	-51.9	-54.6	-59.3
Merchandise Trade Balance (USD bn)	46.6	35.2	50.4	61.4	61.8	58.4	61.8	83.6	63.5	67.3
Merchandise Exports (USD bn)	232	221	209	281	334	332	348	361	377	424
Merchandise Imports (USD bn)	185	186	159	219	273	273	286	278	314	357
Merchandise Exports (ann. var. %)	7.9	-4.6	-5.4	34.2	19.1	-0.8	4.8	3.8	4.5	12.4
Merchandise Imports (ann. var. %)	16.6	0.3	-14.6	38.2	24.3	0.2	4.6	-3.0	13.1	13.8
Foreign Direct Investment (USD bn)	78.2	69.2	37.8	46.4	-	-	-	-	-	-
International Reserves (USD bn)	375	357	356	362	325	346	349	351	351	362
International Reserves (months of imports)	24.3	23.0	26.9	19.8	14.3	15.2	14.7	15.2	13.4	12.2
External Debt (USD bn)	321	323	311	325	318	331	351	-	-	-
External Debt (% of GDP)	16.7	17.2	21.0	19.7	16.7	16.6	16.6	-	-	-
Quarterly Data										
	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
Economic Growth (GDP, ann. var. %)	4.4	2.1	2.4	3.7	3.6	2.5	1.4	0.6	0.3	1.0
Economic Growth (GDP, qoq s.a. var. %)	0.4	0.9	1.3	1.0	0.4	-0.1	0.1	0.2	0.3	0.4
Domestic Demand (ann. var. %)	6.5	2.1	-0.2	4.4	3.9	-	-	-	-	-
Private Consumption (ann. var. %)	4.7	2.0	2.5	5.7	4.6	2.1	2.4	0.8	0.0	1.2
Government Consumption (ann. var. %)	5.3	4.4	3.9	0.9	1.0	0.0	0.7	0.8	0.4	2.8
Fixed Investment (ann. var. %)	18.9	3.2	-6.4	1.5	5.0	1.9	2.9	0.0	-1.4	1.2
Industrial Production (ann. var. %)	-1.4	-5.6	-4.3	-0.1	1.3	0.2	1.1	-0.1	-0.1	2.2
Retail Sales (ann. var. %)	-1.2	-4.6	1.6	1.3	-0.4	-	-	-	-	-
Unemployment (% of active population, aop)	13.1	11.6	11.2	9.9	8.9	8.2	8.7	9.1	9.2	9.0
Inflation (CPI, ann. var. %, eop)	10.2	10.1	11.3	11.9	7.2	5.8	4.4	3.4	5.5	5.2
Inflation (CPI, ann. var. %, aop)	9.6	10.5	10.7	11.9	8.6	6.1	5.3	3.6	4.8	5.2
SELIC Rate (% eop)	6.25	9.25	11.75	13.25	13.75	13.75	13.70	13.46	12.81	11.80
Exchange Rate (BRL per USD, eop)	5.45	5.57	4.75	5.23	5.41	5.28	5.26	5.26	5.28	5.28
Exchange Rate (BRL per USD, aop)	5.23	5.59	5.23	4.92	5.25	5.25	5.27	5.26	5.27	5.28
Current Account Balance (% of GDP)	-2.2	-5.4	-3.7	-0.9	-3.9	-2.8	-3.0	-1.9	-2.8	-2.4
Current Account Balance (USD bn)	-9.5	-22.3	-16.4	-4.3	-18.8	-14.0	-15.0	-9.7	-14.4	-12.7
Merchandise Trade Balance (USD bn)	19.4	5.0	12.2	22.1	13.2	14.3	10.9	20.7	15.7	12.7
Merchandise Exports (USD bn)	77.1	67.5	72.7	91.4	89.3	81.1	75.0	87.2	87.4	81.7
Merchandise Imports (USD bn)	57.7	62.6	60.5	69.3	76.1	66.8	64.1	66.5	71.8	69.0
Monthly Data										
	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Economic Activity (IBC-Br, ann. var. %)	3.3	2.7	3.8	3.2	4.7	5.7	4.6	3.7	1.6	-
Economic Activity (IBC-Br, mom var. %)	1.2	-0.5	-0.5	1.0	1.9	-1.2	-0.1	-0.3	-0.5	-
Industrial Production (mom s.a. var. %)	0.6	0.1	0.3	-0.4	0.5	-0.6	-0.7	0.3	-0.1	-
S&P Global Manufacturing PMI (50-threshold)	52.3	51.8	54.2	54.1	54.0	51.9	51.1	50.8	44.3	44.2
Retail Sales (mom s.a. var. %)	1.2	0.5	0.2	-1.9	-0.2	0.2	1.1	0.3	-0.6	-
Consumer Confidence (100-pt threshold, s.a.)	74.8	78.6	75.5	79.0	79.5	83.6	89.0	88.6	85.3	88.0
Business Confidence (100-pt threshold, s.a.)	95.0	97.4	99.7	101.2	99.5	100.3	99.5	95.7	92.1	93.3
Inflation (CPI, mom var. %)	1.62	1.06	0.47	0.67	-0.68	-0.36	-0.29	0.59	0.41	0.62
Inflation (CPI, ann. var. %)	11.3	12.1	11.7	11.9	10.1	8.7	7.2	6.5	5.9	5.8
Exchange Rate (BRL per USD, eop)	4.75	4.95	4.74	5.23	5.20	5.18	5.41	5.25	5.26	5.28
Current Account Balance (USD bn)	-3.0	0.1	-4.6	0.3	-5.2	-6.4	-7.1	-5.1	-0.1	-

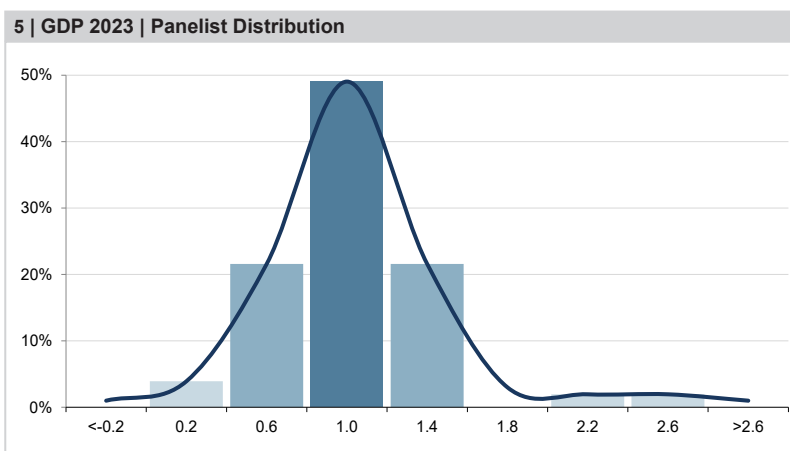
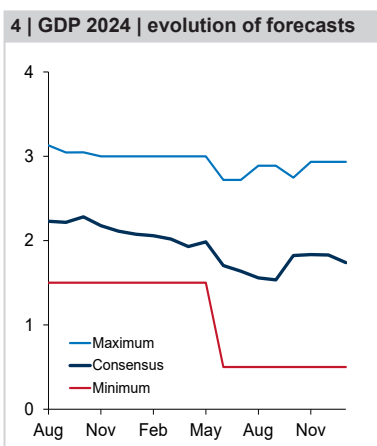
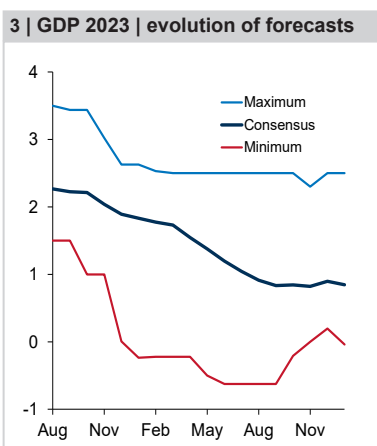
Note: FocusEconomics Consensus Forecasts are highlighted in grey.

Real Sector | Gross Domestic Product



Real GDP growth in %

Individual Forecasts	2023	2024
4E Consultoria	0.7	1.5
Actinver	0.9	1.9
Allianz	1.1	-
Banco BV	1.0	1.5
Banco Cooperativo Sicredi	0.6	1.5
Banco MUFG Brasil S.A.	0.8	1.9
Barclays Capital	1.0	1.9
BlueLine Asset	0.5	1.5
BNP Paribas	0.5	1.3
BTG Pactual	0.7	0.9
Capital Economics	1.0	1.5
Citigroup Global Mkts	0.3	1.5
Credicorp Capital	0.9	1.6
Credit Agricole	0.8	1.5
Credit Suisse	0.7	1.7
DekaBank	0.7	1.8
DIW Berlin	1.1	-
EIU	1.0	1.6
EmergingMarketWatch	2.5	-
Euromonitor Int.	1.0	1.7
Fitch Ratings	0.7	2.0
Fitch Solutions	1.1	2.2
FrontierView	0.7	1.7
Goldman Sachs	1.2	2.2
HSBC	0.7	1.9
Ifo Institut	0.3	2.3
Itaú Unibanco	0.9	1.0
JPMorgan	0.5	1.0
Julius Baer	0.0	-
KBC	0.9	-
Kiel Institute	0.9	1.6
Kínitro Capital	1.2	1.0
LCA Consultores	0.5	1.5
MAPFRE Economics	0.6	2.9
MB Associados	1.0	2.2
Moody's Analytics	0.8	2.6
Oxford Economics	0.0	2.9
Pantheon Macroeconomics	1.4	1.5
Pezco Economics	2.0	1.5
Prometeia	0.8	1.6
Rabobank	0.6	2.3
S&P Global Ratings	0.5	2.0
Santander	0.8	0.5
Scotiabank	0.8	1.7
Standard Chartered	1.1	2.1
TD Securities	0.5	2.0
Tendências Consultoria Integrada	0.9	1.6
Torino Capital	0.5	-
UBS	0.7	1.8
Others (2)**	1.0	1.9



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 Estatística*). 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 18 months.
- 4 GDP, evolution of 2024 forecasts during the last 18 months.
- 5 GDP, panelist distribution of 2023 forecasts. Concentration of panelists in forecast interval in %. Higher columns with darker colors represent a larger number of panelists.

Public Forecasts	2023	2024
IMF	1.0	1.9
World Bank	0.8	2.0
Others (2)**	1.1	1.4

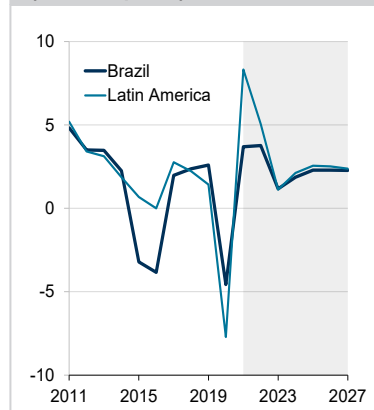
Summary	2023	2024
Minimum	0.0	0.5
Maximum	2.5	2.9
Median	0.8	1.7
Consensus	0.8	1.7
History		
30 days ago	0.9	1.8
60 days ago	0.8	1.8
90 days ago	0.8	1.8

Real Sector | Additional Forecasts

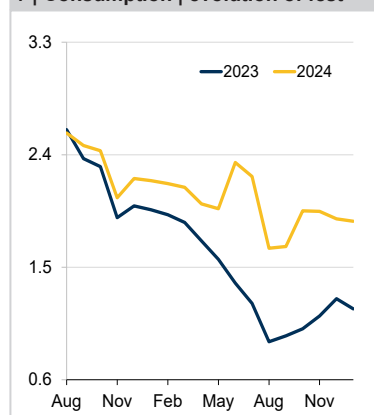
Consumption and Investment

Individual Forecasts	Consumption variation in %		Investment variation in %	
	2023	2024	2023	2024
4E Consultoria	0.6	1.2	0.5	2.1
Banco BV	1.0	2.0	1.4	3.0
Banco MUFG Brasil S.A.	0.8	1.7	0.2	5.0
Barclays Capital	1.2	2.1	0.2	2.7
BlueLine Asset	0.5	-	-2.0	-
BTG Pactual	0.6	1.9	-1.3	1.6
Capital Economics	2.5	1.4	2.7	1.4
Citigroup Global Mkts	0.7	1.8	-0.8	3.0
Credicorp Capital	1.2	1.5	2.1	2.3
Credit Suisse	1.8	1.9	-1.5	2.7
EIU	1.8	1.8	1.0	2.5
Euromonitor Int.	1.5	1.8	-	-
Fitch Solutions	1.5	3.0	1.8	1.3
FrontierView	1.0	1.5	-	-
Goldman Sachs	2.0	2.5	3.2	2.9
HSBC	0.7	1.6	1.4	2.5
LCA Consultores	0.6	1.3	-2.5	0.7
MAPFRE Economics	0.6	2.1	0.2	3.2
MB Associados	1.5	2.1	1.1	3.5
Oxford Economics	-0.1	2.8	0.5	2.8
Pezco Economics	2.7	2.1	2.2	1.1
Rabobank	0.6	2.3	0.2	3.4
S&P Global Ratings	0.5	2.2	-	-
Société Générale	1.5	1.7	1.1	1.7
Tendências Consultoria Integrada	1.2	1.6	-1.0	2.2
Torino Capital	1.0	-	0.7	-
UBS	1.3	1.6	-4.8	-0.5
Summary				
Minimum	-0.1	1.1	-4.8	-0.5
Maximum	2.7	3.0	3.3	5.0
Median	1.1	1.8	0.5	2.5
Consensus	1.2	1.9	0.4	2.4
History				
30 days ago	1.2	1.9	0.4	2.5
60 days ago	1.1	1.9	-0.3	2.8
90 days ago	1.0	2.0	0.1	2.8

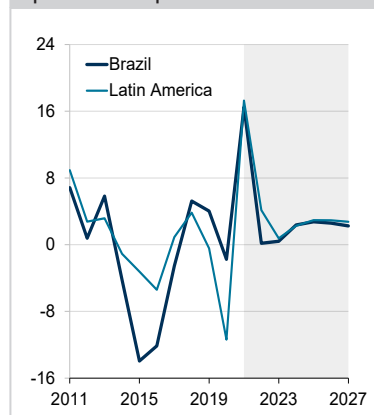
6 | Consumption | variation in %



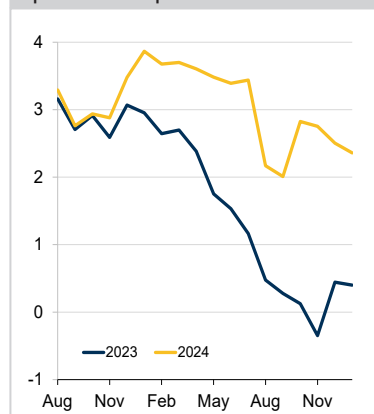
7 | Consumption | evolution of fcst



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 Estatística*). Forecasts based on LatinFocus Consensus Forecast.

6 Private consumption, annual variation in %.

7 Private consumption, evolution of 2023 and 2024 forecasts during the last 18 months.

8 Gross fixed investment, annual variation in %.

9 Gross fixed investment, evolution of 2023 and 2024 forecasts during the last 18 months.

Real Sector | Additional forecasts

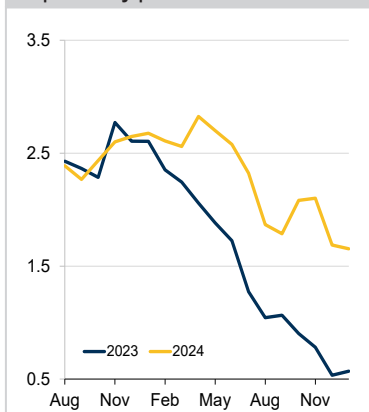
Industry and Unemployment

Individual Forecasts	Industry variation in %		Unemployment % of active pop.	
	2023	2024	2023	2024
4E Consultoria	-0.6	3.0	8.9	9.8
Banco BV	-	-	9.3	9.3
Banco MUFG Brasil S.A.	0.3	2.0	9.4	-
Barclays Capital	-1.1	-4.7	-	-
BlueLine Asset	0.5	2.5	9.7	10.2
BTG Pactual	-	-	8.2	8.3
Capital Economics	2.5	1.0	8.0	8.5
Citigroup Global Mkts	-	-	9.2	8.8
Credicorp Capital	-	-	8.9	9.1
Credit Suisse	-	-	9.5	9.3
DIW Berlin	-	-	9.8	-
EIU	2.0	2.0	-	-
Euromonitor Int.	0.3	1.7	9.9	10.7
Fitch Ratings	-	-	9.2	9.0
Fitch Solutions	-	-	9.5	8.7
FrontierView	1.1	2.5	10.7	10.5
HSBC	1.0	2.7	9.1	8.5
Itaú Unibanco	-	-	8.4	8.6
Kinitro Capital	-	-	8.5	9.0
LCA Consultores	-0.2	1.4	8.9	8.8
MB Associados	-0.9	1.5	8.3	9.1
Moody's Analytics	-0.6	1.7	-	-
Oxford Economics	3.0	3.6	8.9	8.8
Pezco Economics	1.4	0.9	9.0	9.6
Rabobank	-0.9	1.2	10.2	9.9
S&P Global Ratings	-	-	9.6	9.3
Santander	-	-	10.0	10.1
Société Générale	-	-	8.2	7.9
Tendências Consultoria Integrada	0.8	3.6	8.3	8.9
UBS	1.0	1.5	-	-
Public Forecasts				
IMF	-	-	9.5	9.5
Summary				
Minimum	-1.1	-4.7	8.0	7.9
Maximum	3.0	3.6	10.7	10.7
Median	0.5	1.7	9.2	9.1
Consensus	0.6	1.7	9.1	9.2
History				
30 days ago	0.5	1.7	9.3	9.4
60 days ago	0.8	2.1	9.7	9.5
90 days ago	0.9	2.1	10.1	9.8

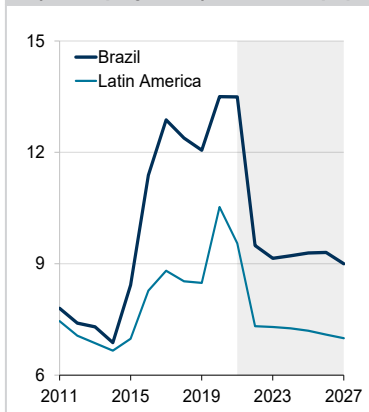
10 | Industry | variation in %



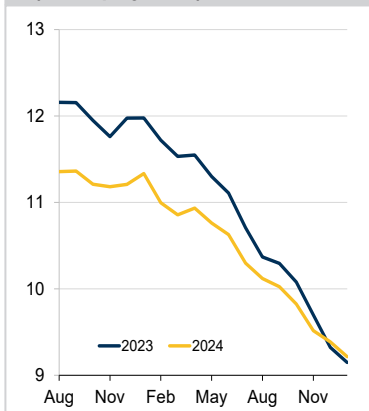
11 | Industry | evol. of forecasts



12 | Unemployment | % of active pop.



13 | Unemployment | evol. of forecasts



Notes and sources

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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 Estatística*). Forecasts based on LatinFocus Consensus Forecast.

10 Industrial production, annual variation in %.

11 Industrial production, evolution of 2023 and 2024 forecasts during the last 18 months.

12 Unemployment, % of active population.

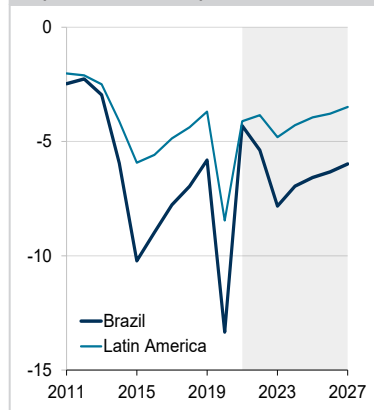
13 Unemployment, evolution of 2023 and 2024 forecasts during the last 18 months.

Real Sector | Additional forecasts

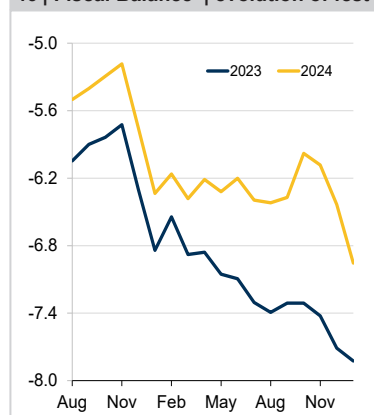
Fiscal Balance and Public Debt

Individual Forecasts	Fiscal Balance % of GDP		Public Debt % of GDP	
	2023	2024	2023	2024
4E Consultoria	-	-	80.6	83.7
Banco BV	-7.3	-7.2	78.6	81.7
Banco MUFG Brasil S.A.	-	-	81.2	84.7
Barclays Capital	-7.6	-7.3	77.8	80.4
BlueLine Asset	-7.4	-6.2	79.6	80.8
BNP Paribas	-9.5	-	-	-
BTG Pactual	-	-	78.2	82.8
Capital Economics	-8.8	-7.5	78.0	81.5
Citigroup Global Mkts	-8.8	-7.6	81.0	84.8
Credicorp Capital	-7.7	-6.4	80.4	81.5
Credit Suisse	-	-	82.4	87.6
DekaBank	-8.1	-8.3	85.6	88.9
EIU	-8.1	-8.3	78.5	81.3
Euromonitor Int.	-7.5	-	-	-
Fitch Ratings	-7.5	-6.4	77.8	80.0
Fitch Solutions	-5.9	-7.8	82.3	84.9
Goldman Sachs	-8.8	-7.7	78.5	81.0
HSBC	-6.1	-4.7	83.1	83.9
Itaú Unibanco	-	-	77.3	80.1
JPMorgan	-8.5	-7.0	-	-
LCA Consultores	-9.6	-6.2	77.7	81.1
MAPFRE Economics	-6.4	-5.8	-	-
MB Associados	-6.9	-5.0	79.4	81.2
Moody's Analytics	-	-	76.8	81.2
Oxford Economics	-7.8	-7.5	79.7	81.9
Pezco Economics	-9.0	-9.8	79.3	83.8
Rabobank	-6.8	-5.9	80.0	79.7
Santander	-8.5	-8.3	80.2	83.5
Société Générale	-6.6	-6.1	80.1	81.0
TD Securities	-7.5	-6.5	-	-
Tendências Consultoria Integrada	-8.8	-7.4	-	-
Torino Capital	-7.5	-	74.4	-
UBS	-8.7	-6.4	81.1	82.3
Public Forecasts				
IMF	-7.5	-6.8	-	-
Summary				
Minimum	-9.6	-9.8	74.4	79.7
Maximum	-5.9	-4.7	85.6	88.9
Median	-7.7	-7.0	79.6	81.6
Consensus	-7.8	-7.0	79.6	82.5
History				
30 days ago	-7.7	-6.4	81.0	83.0
60 days ago	-7.4	-6.1	82.0	83.3
90 days ago	-7.3	-6.0	81.9	83.6

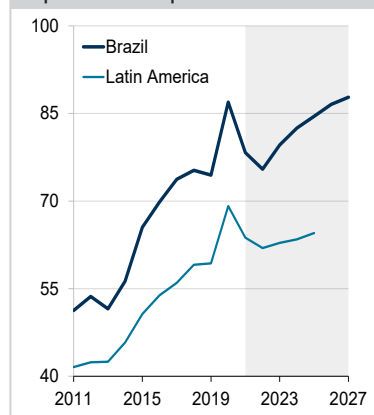
14 | Fiscal Balance | % of GDP



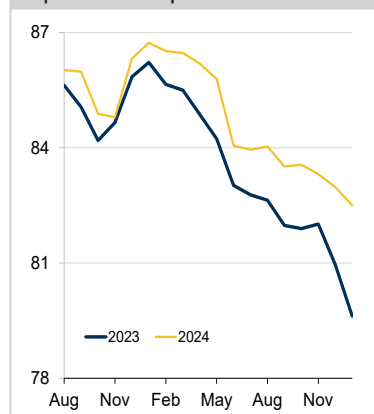
15 | Fiscal Balance | evolution of fcst



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.

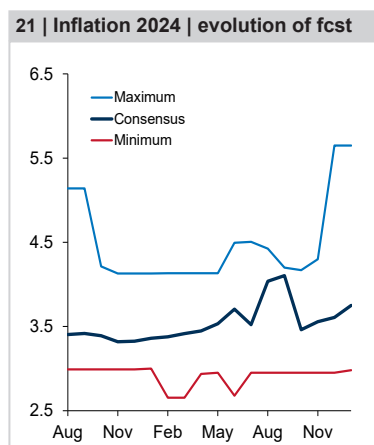
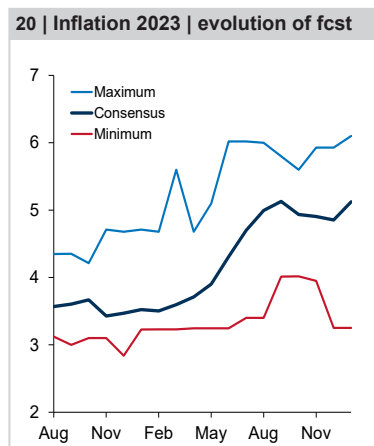
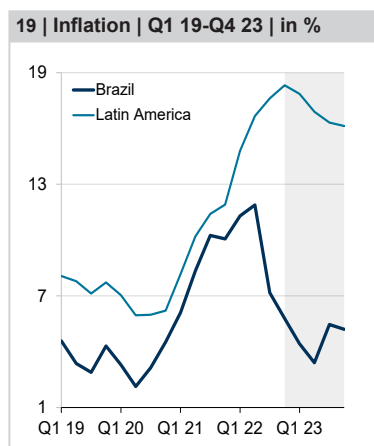
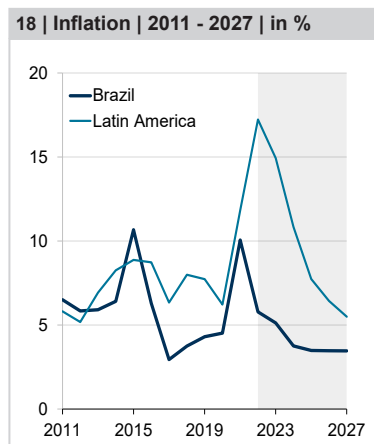
15 Fiscal balance as % of GDP, evolution of 2023 and 2024 forecasts during the last 18 months.

16 Public debt as % of GDP.

17 Public debt as % of GDP evolution of 2023 and 2024 forecasts during the last 18 months.

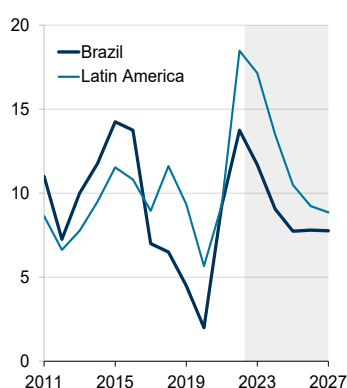
Monetary Sector | Inflation

Consumer Prices				
Individual Forecasts	Consumer Prices variation in %, eop		Consumer Prices variation in %, aop	
	2023	2024	2023	2024
4E Consultoria	5.0	3.3	-	-
Actinver	5.1	3.6	5.2	3.4
Allianz	-	-	4.8	-
Banco BV	5.6	4.0	-	-
Banco Cooperativo Sicredi	5.4	3.3	4.7	4.0
Banco MUFG Brasil S.A.	5.4	3.5	4.6	4.2
Barclays Capital	5.3	3.6	4.6	4.3
BlueLine Asset	5.5	4.0	5.0	4.4
BNP Paribas	-	-	4.7	4.8
BTG Pactual	5.9	4.0	-	-
Capital Economics	4.2	4.3	4.4	4.1
Citigroup Global Mkts	4.5	3.0	4.3	3.5
Credicorp Capital	4.9	4.5	4.9	4.6
Credit Agricole	4.5	3.5	-	-
Credit Suisse	5.8	4.0	5.0	4.8
DekaBank	-	-	4.9	4.0
DIW Berlin	-	-	5.2	-
EIU	5.4	3.5	4.9	4.0
EmergingMarketWatch	4.5	-	-	-
Euromonitor Int.	-	-	5.8	4.8
Fitch Ratings	-	-	5.6	4.3
Fitch Solutions	5.1	4.0	4.9	4.6
FrontierView	-	-	6.0	3.6
Goldman Sachs	5.6	3.6	4.3	4.3
HSBC	4.4	3.9	4.1	4.2
Ifo Institut	-	-	4.7	3.6
Itaú Unibanco	5.7	3.7	-	-
JPMorgan	5.6	3.5	4.8	4.2
Julius Baer	-	-	4.1	-
KBC	-	-	4.4	-
Kiel Institute	-	-	4.7	4.1
Kínitro Capital	6.1	4.2	-	-
LCA Consultores	5.2	3.6	4.7	4.2
MAPFRE Economics	5.9	3.7	6.2	4.3
MB Associados	5.2	3.2	-	-
Moody's Analytics	4.6	4.1	4.1	4.3
Oxford Economics	5.2	3.8	4.8	4.1
Pantheon Macroeconomics	-	-	5.0	4.6
Pezco Economics	5.8	5.7	-	-
Prometeia	-	-	5.0	4.6
Rabobank	4.7	3.0	4.6	3.3
S&P Global Ratings	4.9	3.7	4.3	4.2
Santander	5.4	3.5	-	-
Scotiabank	5.0	3.6	-	-
Société Générale	-	-	4.4	4.2
Standard Chartered	-	-	5.2	3.6
TD Securities	5.3	3.6	-	-
Tendências Consultoria Integrada	5.0	4.4	-	-
Torino Capital	3.3	-	2.9	-
UBS	4.5	3.5	4.3	4.0
Public Forecasts				
IMF	4.7	3.0	4.7	3.9
Summary				
Minimum	3.3	3.0	2.9	3.3
Maximum	6.1	5.7	6.2	4.8
Median	5.2	3.6	4.7	4.2
Consensus	5.1	3.8	4.7	4.2
History				
30 days ago	4.9	3.6	5.0	4.1
60 days ago	4.9	3.6	5.1	4.0
90 days ago	4.9	3.5	5.4	4.1

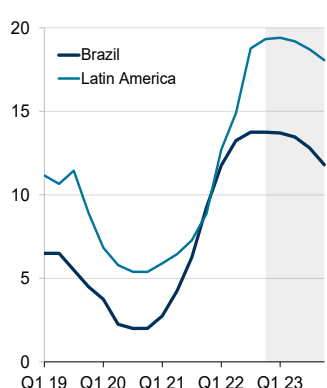


Monetary Sector | Interest Rate

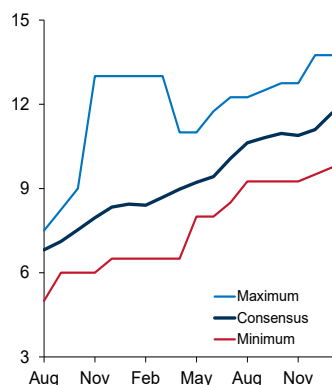
22 | Interest Rate | 2011 - 2027 | in %



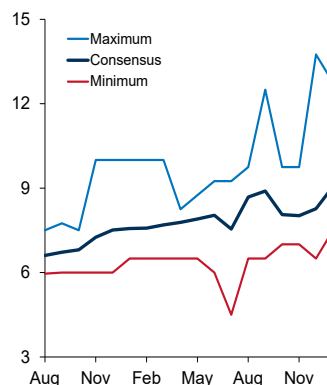
23 | Interest Rate | Q1 19-Q4 23 | in %



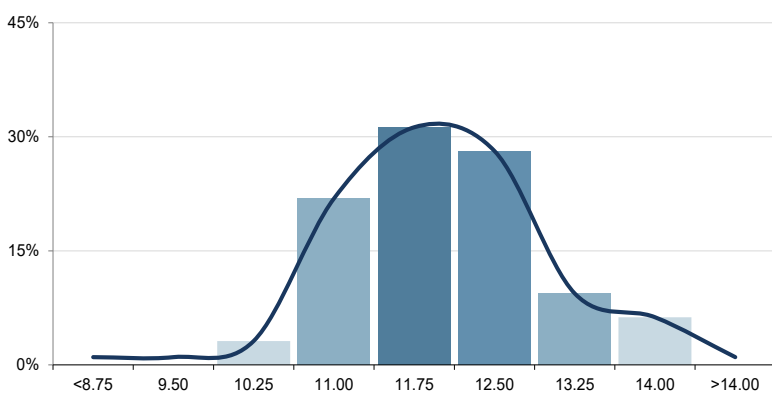
24 | Int. Rate 2023 | evolution of fcst



25 | Int. Rate 2024 | evolution of fcst



26 | Interest Rate 2023 | Panelist Distribution



Interest Rate | Policy Rate

Individual Forecasts	2023	2024
4E Consultoria	11.00	8.50
Actinver	10.50	8.00
Banco BV	12.00	9.00
Banco Cooperativo Sicredi	11.50	10.00
Banco MUFG Brasil S.A.	11.75	7.75
Barclays Capital	12.50	10.50
BlueLine Asset	12.00	9.00
BTG Pactual	12.75	10.75
Capital Economics	11.00	7.50
Citigroup Global Mkts	10.50	8.00
Credicorp Capital	11.00	9.75
Credit Agricole	11.50	9.50
Credit Suisse	13.75	11.50
EIU	11.50	9.50
Fitch Solutions	11.25	8.50
Goldman Sachs	11.50	8.50
HSBC	9.75	8.00
Itaú Unibanco	12.50	10.00
JPMorgan	12.75	-
Kinito Capital	12.75	9.50
LCA Consultores	12.50	8.50
MAPFRE Economics	10.25	-
MB Associados	12.00	9.00
Oxford Economics	12.25	8.25
Pantheon Macroeconomics	11.75	8.00
Pezco Economics	13.75	12.75
Rabobank	11.00	8.00
S&P Global Ratings	10.75	7.50
Santander	12.00	9.00
Scotiabank	11.75	8.50
Société Générale	11.00	-
TD Securities	11.25	8.00
Tendências Consultoria Integrada	12.00	10.50
Torino Capital	12.00	-
UBS	11.25	9.00
Summary		
Minimum	9.75	7.50
Maximum	13.75	12.75
Median	11.75	9.00
Consensus	11.69	9.06
History		
30 days ago	11.10	8.27
60 days ago	10.89	8.02
90 days ago	10.96	8.06

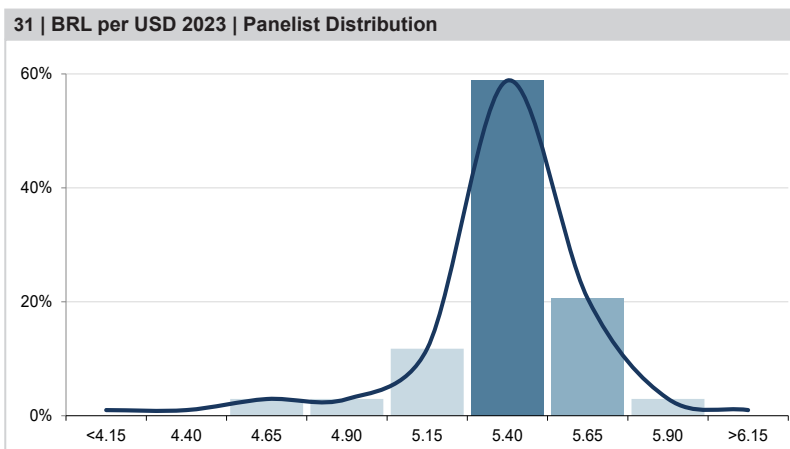
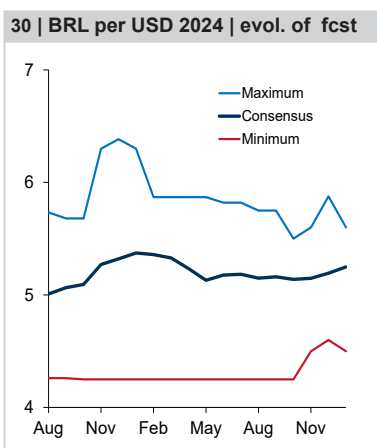
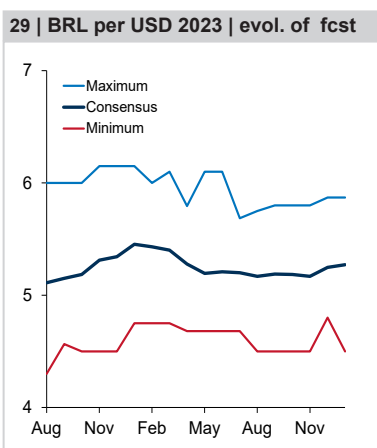
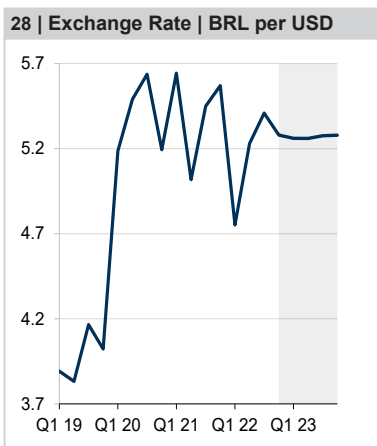
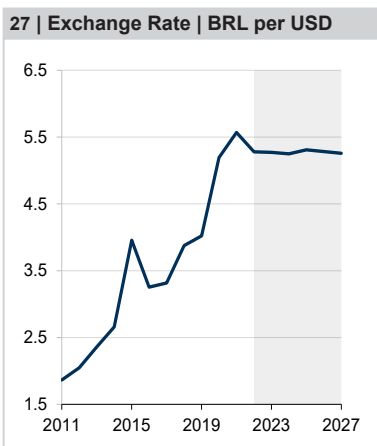
Notes and sources

* 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 % (eop).
- 19 Quarterly inflation, annual variation of consumer price index (CPI) in % (eop).
- 20 Inflation, evolution of 2023 forecasts during the last 18 months.
- 21 Inflation, evolution of 2024 forecasts during the last 18 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 18 months.
- 25 Interest rate, evolution of 2024 forecasts during the last 18 months.
- 26 Interest rate, panelist distribution of 2023 forecasts. Concentration of panelists in forecast interval in %. Higher columns with darker colors represent a larger number of panelists.

Monetary Sector | Exchange Rate



Exchange Rate | BRL per USD

Individual Forecasts	2023	2024
4E Consultoria	5.00	4.90
Actinver	5.25	5.14
Banco BV	5.40	5.40
Banco Cooperativo Sicredi	5.40	5.50
Banco MUFG Brasil S.A.	5.40	5.50
Barclays Capital	5.00	5.00
BlueLine Asset	5.40	5.40
BTG Pactual	5.30	5.40
Capital Economics	5.25	5.00
Citigroup Global Mkts	5.29	5.25
Credicorp Capital	5.30	5.22
Credit Agricole	5.50	5.50
Credit Suisse	5.40	5.40
EIU	5.23	5.23
Fitch Ratings	5.25	5.25
Fitch Solutions	5.25	5.33
HSBC	4.50	4.50
Itaú Unibanco	5.50	5.60
JPMorgan	5.50	5.50
Julius Baer	5.00	-
Kínitro Capital	5.31	5.35
LCA Consultores	5.10	5.13
MAPFRE Economics	5.44	5.33
MB Associados	5.20	4.96
Moody's Analytics	5.32	5.39
Oxford Economics	5.34	5.39
Pezco Economics	5.46	5.60
Rabobank	5.30	4.90
S&P Global Ratings	5.20	5.25
Santander	5.40	5.50
Scotiabank	5.38	5.23
Société Générale	5.87	-
Standard Chartered	4.90	4.90
TD Securities	4.85	4.60
Tendências Consultoria Integrada	5.25	5.44
Torino Capital	5.22	-
UBS	5.40	5.50

Summary	2023	2024
Minimum	4.50	4.50
Maximum	5.87	5.60
Median	5.30	5.33
Consensus	5.27	5.25

History	2023	2024
30 days ago	5.25	5.19
60 days ago	5.17	5.15
90 days ago	5.19	5.14

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 Refinitiv. 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 18 months.

30 Exchange rate, evolution of 2024 forecasts during the last 18 months.

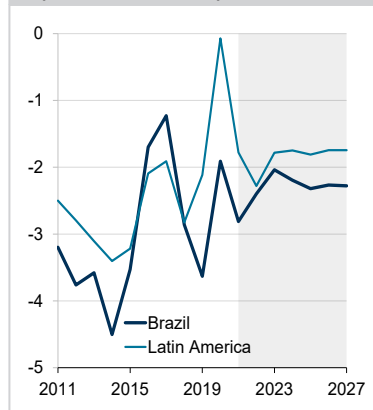
31 Exchange rate, panelist distribution of 2023 forecasts. Concentration of panelists in forecast interval in %. Higher columns with darker colors represent a larger number of panelists.

External Sector | Current Account and Trade Balance

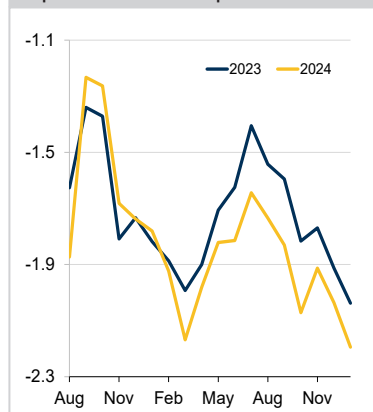
Current Account and Trade Balance

Individual Forecasts	Current Account % of GDP		Trade Balance USD bn	
	2023	2024	2023	2024
4E Consultoria	-1.9	-1.9	-	-
Banco BV	-2.3	-2.5	68.8	67.5
Banco MUFG Brasil S.A.	-1.5	-	50.0	-
Barclays Capital	-3.0	-2.6	-	-
BlueLine Asset	-2.3	-2.0	55.5	53.4
BNP Paribas	-0.8	-	-	-
BTG Pactual	-2.2	-2.1	-	-
Capital Economics	-3.5	-3.0	-	-
Citigroup Global Mkts	-2.2	-2.0	-	-
Credicorp Capital	-1.7	-1.9	-	-
Credit Agricole	-1.5	-1.6	-	-
Credit Suisse	-2.0	-2.1	-	-
DekaBank	-2.7	-3.1	-	-
EIU	-2.7	-3.1	-	-
Euromonitor Int.	-3.2	-3.2	48.2	58.5
Fitch Ratings	-2.4	-2.4	-	-
Fitch Solutions	-2.1	-2.1	-	-
Goldman Sachs	-2.5	-2.7	-	-
HSBC	-2.1	-2.0	-	-
Itaú Unibanco	-2.3	-2.0	61.0	67.9
JPMorgan	-1.9	-2.0	-	-
Kínitro Capital	-2.5	-2.0	-	-
LCA Consultores	-2.9	-1.2	61.6	68.7
MAPFRE Economics	-2.0	-1.8	-	-
MB Associados	-1.5	-1.7	62.1	64.6
Moody's Analytics	1.4	-2.4	-	-
Oxford Economics	-2.8	-3.5	-	-
Pezco Economics	-2.9	-3.0	63.5	60.1
Rabobank	-2.3	-2.1	53.2	50.0
Société Générale	-2.1	-2.4	-	-
Standard Chartered	-1.2	-1.0	-	-
TD Securities	-2.2	-1.6	-	-
Tendências Consultoria Integrada	-2.5	-2.4	58.0	52.4
Torino Capital	-0.6	-	-	-
UBS	-1.5	-2.0	60.2	75.1
Public Forecasts				
IMF	-1.6	-1.7	-	-
OECD	-1.4	-1.4	-	-
Summary				
Minimum	-3.5	-3.5	48.2	50.0
Maximum	1.4	-1.0	68.8	75.1
Median	-2.2	-2.1	60.2	62.4
Consensus	-2.0	-2.2	58.4	61.8
History				
30 days ago	-1.9	-2.0	55.3	59.7
60 days ago	-1.8	-1.9	58.3	60.9
90 days ago	-1.8	-2.1	55.0	54.5

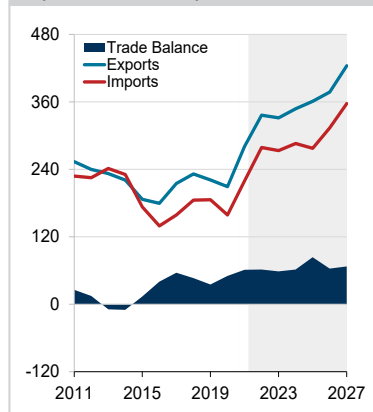
32 | Current Account | % of GDP



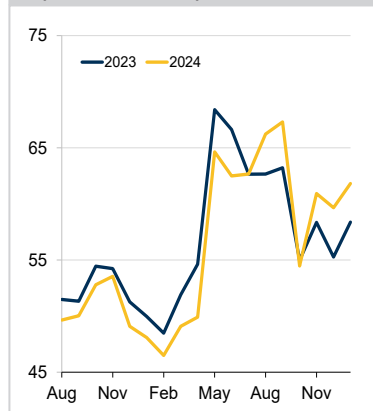
33 | Current Account | evol. of fcst



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 18 months.

34 Trade balance, exports and imports, in USD. Source: MDIC.

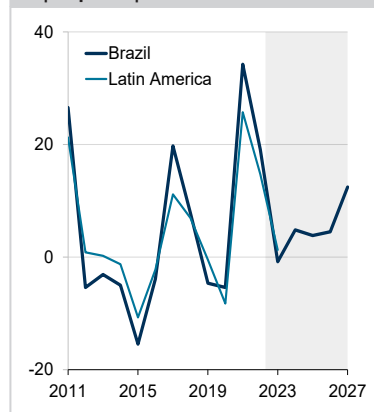
35 Trade balance, evolution of 2023 and 2024 forecasts during the last 18 months.

External Sector | Exports and Imports

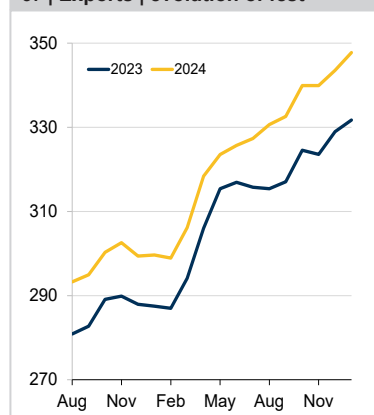
Exports and Imports

Individual Forecasts	Exports USD bn		Imports USD bn	
	2023	2024	2023	2024
Banco BV	336	356	268	289
Banco MUFG Brasil S.A.	295	-	245	-
BlueLine Asset	321	341	266	287
Euromonitor Int.	354	389	306	331
Itaú Unibanco	319	331	258	263
LCA Consultores	305	322	244	253
MB Associados	366	399	304	334
Pezco Economics	352	368	288	308
Rabobank	335	290	281	240
Tendências Consultoria Integrada	309	308	251	255
UBS	356	374	296	299
Summary				
Minimum	295	290	244	240
Maximum	366	399	306	334
Median	335	349	268	288
Consensus	332	348	273	286
History				
30 days ago	329	344	274	284
60 days ago	324	340	265	279
90 days ago	325	340	270	285

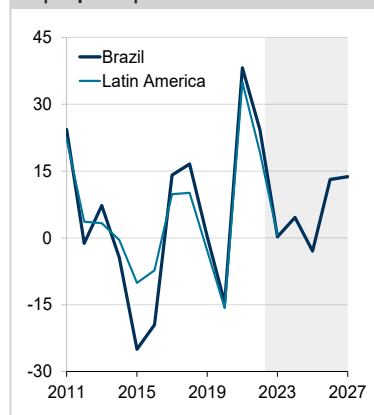
36 | Exports | variation in %



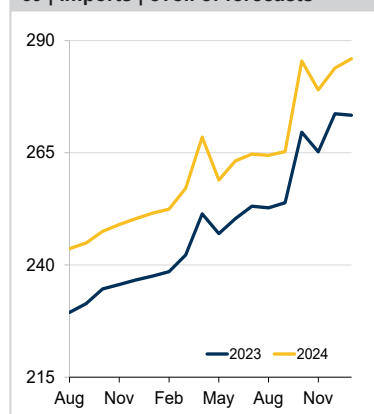
37 | Exports | evolution of fcst



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 18 months.

38 Imports, annual variation in %.

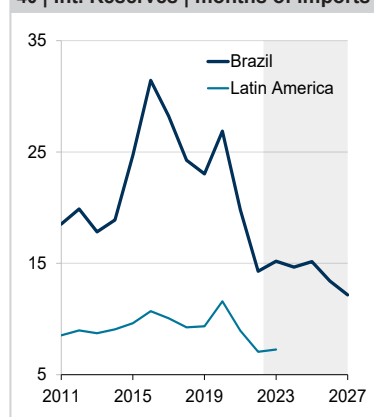
39 Imports, evolution of 2023 and 2024 forecasts during the last 18 months.

External Sector | Additional forecasts

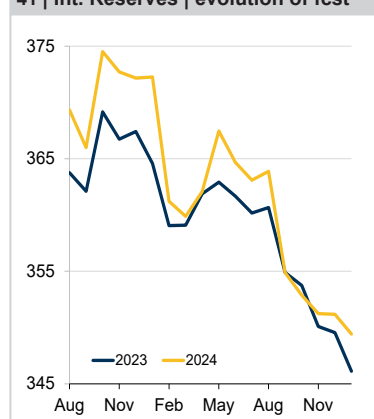
International Reserves and External Debt

Individual Forecasts	International Reserves USD bn		External Debt USD bn	
	2023	2024	2023	2024
4E Consultoria	364	365	-	-
Banco BV	330	330	-	-
Barclays Capital	370	374	-	-
BlueLine Asset	330	330	-	-
BNP Paribas	350	-	-	-
BTG Pactual	350	350	-	-
Citigroup Global Mkts	346	346	325	357
Credicorp Capital	359	356	-	-
Credit Suisse	362	362	-	-
Euromonitor Int.	355	382	-	-
Fitch Ratings	336	336	-	-
Fitch Solutions	322	331	-	-
Goldman Sachs	335	340	-	-
HSBC	-	-	338	352
JPMorgan	386	400	-	-
LCA Consultores	371	379	351	359
MB Associados	354	348	315	335
Moody's Analytics	324	339	-	-
Oxford Economics	324	330	-	-
Pezco Economics	307	291	-	-
Rabobank	362	362	-	-
Tendências Consultoria Integrada	348	361	-	-
Torino Capital	351	-	328	-
UBS	325	325	-	-
Summary				
Minimum	307	291	315	335
Maximum	386	400	351	359
Median	350	348	328	355
Consensus	346	349	331	351
History				
30 days ago	350	351	330	350
60 days ago	350	351	328	-
90 days ago	354	353	309	-

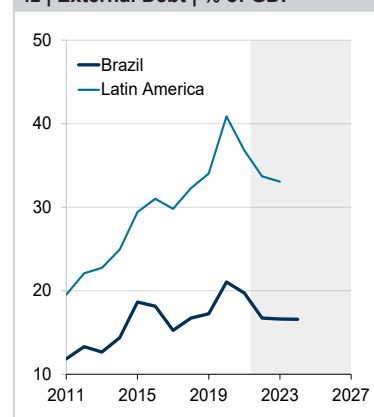
40 | Int. Reserves | months of imports



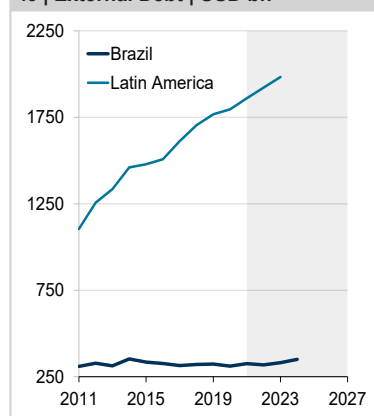
41 | Int. Reserves | evolution of fcst



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 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 18 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-	Stable
Fitch Ratings:	BB-	Stable

Strengths

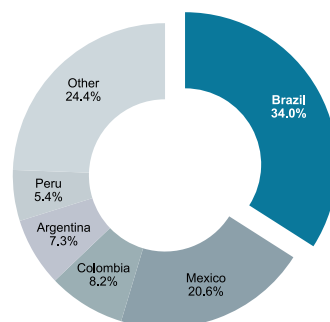
- Commitment to economic orthodoxy
- Large domestic market and diversified production
- Stable financial system
- Strong foreign direct investment flows bolster capital account

Weaknesses

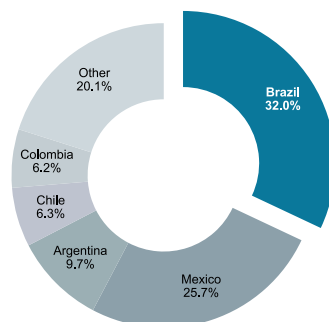
- Pronounced socio-economic inequalities
- Inadequate infrastructure creates bottleneck for economic growth
- Limited progress on privatization and deregulation

Brazil in the Region

Population | %-share in Latin America

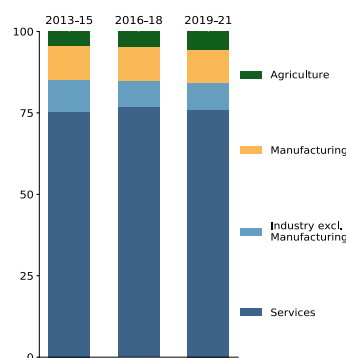


GDP | %-share in Latin America

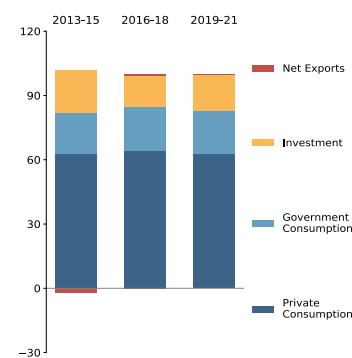


Economic Structure

GDP by Sector | share in %

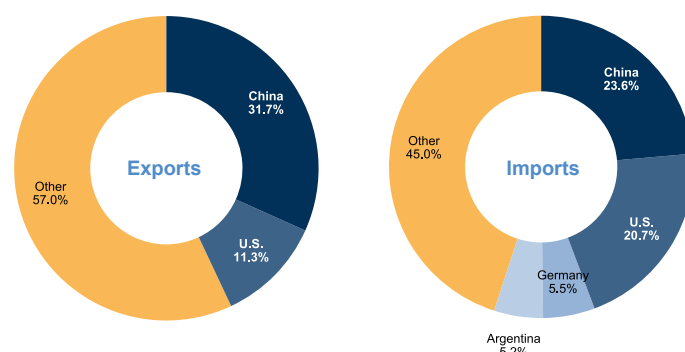


GDP by Expenditure | share in %

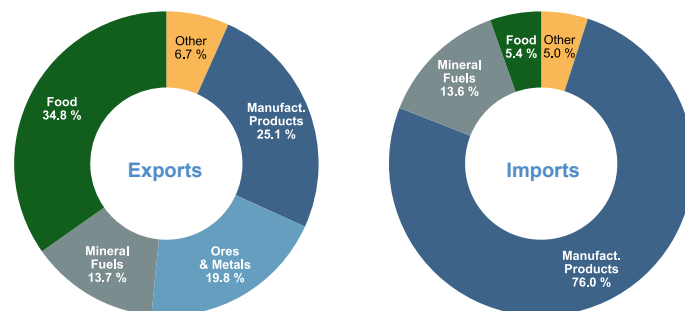


Trade Structure

Primary markets | share in %



Primary products | share in %



Economic Release Calendar

Date	Country	Event
17 January	Ecuador	November Economic Activity
20 January	Argentina	December Merchandise Trade
	Argentina	January Consumer Confidence (E)
	Peru	November Economic Activity
23 January	Brazil	January Business Confidence (E)
	Brazil	January Consumer Confidence (E)
25 January	Argentina	November Economic Activity
	Mexico	November Economic Activity
26 January	Brazil	December Balance of Payments
	Chile	Central Bank Meeting
27 January	Colombia	Central Bank Meeting
	Mexico	December Merchandise Trade
31 January	Mexico	Q4 2022 National Accounts (P)
1 February	Brazil	January S&P Global Manufacturing PMI
	Brazil	Central Bank Meeting
	Chile	December Economic Activity
	Chile	January Business Confidence (E)
	Colombia	January Davivienda Manufacturing PMI
	Mexico	January IMEF PMI
3 February	Brazil	December Industrial Production
	Mexico	January Consumer Confidence
	Peru	January Consumer Prices
	Uruguay	January Consumer Prices
4 February	Colombia	January Consumer Prices
5 February	Colombia	December Merchandise Trade (E)
6 February	Ecuador	January Consumer Prices
7 February	Colombia	January Consumer Confidence
8 February	Argentina	December Industrial Production
	Chile	January Consumer Prices
9 February	Brazil	January Consumer Prices
	Brazil	December Retail Sales
	Mexico	January Consumer Prices
	Mexico	Central Bank Meeting
10 February	Peru	Central Bank Meeting
	Peru	January Merchandise Trade

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

MONETARY & FINANCIAL SECTOR Money, Inflation Rate, Policy Interest Rate, 10-Year Bond Yield and Exchange Rate

EXTERNAL SECTOR Current Account, Trade Balance, Exports, Imports, International Reserves and External Debt

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ENERGY Brent Crude Oil, WTI Crude Oil, Coking Coal, Gasoil (European market), Gasoline (U.S. benchmark), Natural Gas (Europe), Natural Gas (U.S.), Thermal Coal and Uranium

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

PRECIOUS METALS Gold, Silver, Palladium and Platinum

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