

## Brazil Economic Forecasts

| Markets                        | Actual   | Q4/15   | Q1/16   | Q2/16   | Q3/16   | 2020    |
|--------------------------------|----------|---------|---------|---------|---------|---------|
| Currency                       | 3.9      | 4       | 3.9     | 3.8     | 4.09    | 2.3     |
| Stock Market                   | 47762.2  | 42700   | 41300   | 40400   | 45902   | 49400   |
| Government Bond 10Y            | 15.19    | 13.65   | 13.7    | 13.83   | 15.94   | 14.49   |
| GDP                            | Actual   | Q4/15   | Q1/16   | Q2/16   | Q3/16   | 2020    |
| GDP                            | 2346.12  | 2320    | 2282    | 2354    | 2125    | 2877    |
| GDP Growth Rate                | -1.9     | -0.4    | -0.3    | -0.2    | 0.15    | 1.2     |
| GDP Annual Growth Rate         | -2.6     | -1.5    | -1.5    | -0.3    | -1.36   | 3       |
| GDP Constant Prices            | 296880   | 2812788 | 280312  | 279647  | 299130  | 3518788 |
| Gross National Product         | 1398920  | 1420555 | 1429362 | 1463225 | 1473722 | 1688410 |
| GDP per capita                 | 5969.68  | 5956    | 5969    | 5985    | 6000    | 6430    |
| Gross Fixed Capital Formation  | 254225.6 | 269216  | 254997  | 246458  | 241144  | 305565  |
| GDP per capita PPP             | 15412.29 | 15311   | 15334   | 15358   | 15381   | 18793   |
| GDP From Agriculture           | 19456.59 | 12616   | 20997   | 19340   | 16699   | 13923   |
| GDP From Construction          | 17177.08 | 17973   | 17857   | 17352   | 17360   | 16983   |
| GDP From Manufacturing         | 29915.84 | 33276   | 30233   | 30066   | 32881   | 31907   |
| GDP From Mining                | 2517.17  | 2508    | 2492    | 2499    | 2505    | 2467    |
| GDP From Public Administration | 39544.07 | 39278   | 39425   | 39641   | 39486   | 39251   |
| GDP From Services              | 178745.6 | 183256  | 180947  | 179915  | 180734  | 180295  |
| GDP From Transport             | 8399.4   | 9169    | 8702    | 8493    | 8806    | 8699    |
| GDP From Utilities             | 5475.71  | 5508    | 5499    | 5488    | 5481    | 5368    |
| Labour                         | Actual   | Q4/15   | Q1/16   | Q2/16   | Q3/16   | 2020    |
| Unemployment Rate              | 7.6      | 8.1     | 8.2     | 8.5     | 8.3     | 6.3     |
| Employed Persons               | 22.72    | 23.3    | 22.73   | 22.73   | 22.73   | 24.5    |
| Unemployed Persons             | 1.86     | 1.88    | 1.91    | 1.5     | 1.82    | 1.3     |
| Wages                          | 2184.18  | 2150    | 2188    | 2235    | 2235    | 2800    |
| Labour Costs                   | 111.31   | 121     | 116     | 115     | 116     | 163     |
| Population                     | 202.77   | 205     | 205     | 205     | 206     | 213     |
| Retirement Age Women           | 60       | 60      | 60      | 60      | 60      | 65      |
| Retirement Age Men             | 65       | 65      | 65      | 65      | 65      | 65      |
| Employment Change              | -1.79    | -1.51   | -1.64   | -1.58   | -1.62   | 0.61    |
| Labor Force Participation Rate | 56       | 55.94   | 55.96   | 55.95   | 55.95   | 55.95   |
| Minimum Wages                  | 788      | 788     | 788     | 788     | 840     | 820     |
| Non Farm Payrolls              | -86.54   | -92.6   | -78.13  | -79.49  | 79.13   | 79.02   |
| Productivity                   | 111.31   | 138     | 113     | 113     | 113     | 129     |
| Wages In Manufacturing         | 115.3    | 114     | 114     | 114     | 114     | 121     |
| Prices                         | Actual   | Q4/15   | Q1/16   | Q2/16   | Q3/16   | 2020    |
| Inflation Rate                 | 9.53     | 9.59    | 9.4     | 9.5     | 9.3     | 4.1     |
| Inflation Rate Mom             | 0.22     | 0.5     | 0.49    | 0.38    | 0.54    | 0.4     |
| Consumer Price Index CPI       | 4346.65  | 4437    | 4398    | 4409    | 4417    | 4738    |
| Core Inflation Rate            | 9.06     | 9.25    | 9.48    | 9.53    | 9.49    | 6.31    |
| GDP Deflator                   | 6.9      | 7.05    | 6.12    | 5.98    | 5.83    | 6.76    |
| Producer Prices                | 621.56   | 628     | 630     | 631     | 632     | 732     |
| Export Prices                  | 124.31   | 126     | 126     | 126     | 126     | 126     |
| Import Prices                  | 119.81   | 120     | 120     | 120     | 120     | 120     |
| Food Inflation                 | 10.63    | 9.2     | 9       | 9.3     | 78.98   | 7.43    |

|                            |          |          |          |          |          |          |
|----------------------------|----------|----------|----------|----------|----------|----------|
| Producer Prices Change     | 7.15     | 8.2      | 7.5      | 7.2      | 46.05    | 2        |
| Money                      | Actual   | Q4/15    | Q1/16    | Q2/16    | Q3/16    | 2020     |
| Interest Rate              | 14.25    | 14.25    | 14.25    | 14.25    | 13.75    | 6.5      |
| Money Supply M0            | 231716.5 | 230280   | 230279   | 230191   | 230208   | 230270   |
| Money Supply M1            | 296482.1 | 298391   | 297924   | 297856   | 297786   | 297735   |
| Money Supply M2            | 2159749  | 2182191  | 2195260  | 2207041  | 2217054  | 2274770  |
| Money Supply M3            | 4517288  | 4334191  | 4655355  | 4706849  | 4754456  | 4502122  |
| Foreign Exchange Reserves  | 368159   | 368185   | 367627   | 366867   | 365997   | 428009   |
| Loans to Private Sector    | 848123   | 8467975  | 895236   | 913839   | 938766   | 9237383  |
| Banks Balance Sheet        | 5473281  | 5971226  | 6071487  | 6206100  | 6343152  | 8587130  |
| Cash Reserve Ratio         | 45       | 46       | 46.8     | 47.51    | 48.13    | 51.64    |
| Central Bank Balance Sheet | 2.62E+09 | 1.95E+09 | 2.76E+09 | 2.86E+09 | 2.92E+09 | 1.95E+09 |
| Loan Growth                | 0.7      | 0.38     | 0.16     | 0.26     | 0.76     | 0.76     |
| Trade                      | Actual   | Q4/15    | Q1/16    | Q2/16    | Q3/16    | 2020     |
| Balance of Trade           | 2944     | 2727     | 1143     | 1837     | 1383     | 2412     |
| Exports                    | 16148    | 18704    | 16079    | 16079    | 16079    | 23597    |
| Imports                    | 13204    | 13228    | 13228    | 13794    | 13228    | 18794    |
| Current Account            | -2487    | -6192    | -5718    | -5249    | -5502    | -5499    |
| Current Account to GDP     | -4.17    | -3.17    | -3.5     | -3.42    | -3.35    | -2.54    |
| External Debt              | 343221.4 | 339221   | 338628   | 336059   | 334433   | 409594   |
| Terms of Trade             | 103.77   | 103      | 103      | 103      | 102      | 104      |
| Foreign Direct Investment  | 5246     | 5370     | 5304     | 5323     | 5329     | 7301     |
| Remittances                | 1909.9   | 2346     | 2432     | 2517     | 2603     | 3107     |
| Capital Flows              | -2037    | -695     | -61.29   | 643      | 1103     | 1980     |
| Gold Reserves              | 67.18    | 66.8     | 66.68    | 66.57    | 66.46    | 65.21    |
| Crude Oil Production       | 2394     | 2360     | 2229     | 2229     | 2410     | 2829     |
| Tourist Arrivals           | 5813     | 5749     | 5707     | 5666     | 5624     | 4737     |
| Government                 | Actual   | Q4/15    | Q1/16    | Q2/16    | Q3/16    | 2020     |
| Government Budget          | -0.6     | -1       | -2.5     | -2.5     | 1.4      | 0.5      |
| Government Debt to GDP     | 58.91    | 61.86    | 66.95    | 67.05    | 57.14    | 65.99    |
| Government Budget Value    | -57013   | -59270   | -49290   | -50516   | -50045   | -49624   |
| Government Spending        | 83967.68 | 87171    | 88019    | 88156    | 88223    | 110577   |
| Credit Rating              | 41.33    | 0        | 0        | 0        | 0        | 0        |
| Government Revenues        | 93738.27 | 98122    | 98274    | 98443    | 98507    | 98759    |
| Business                   | Actual   | Q4/15    | Q1/16    | Q2/16    | Q3/16    | 2020     |
| Business Confidence        | 35.7     | 36       | 38       | 37.5     | 46.44    | 55       |
| Manufacturing PMI          | 47       | 47       | 47.12    | 46.32    | 47.06    | 53.59    |
| Services PMI               | 41.7     | 39.3     | 44.3     | 46.24    | 44.74    | 51.66    |
| Industrial Production      | -9       | -2.29    | 1.57     | 3.13     | 3.25     | 6.1      |
| Industrial Production Mom  | -1.2     | -0.47    | -0.33    | -0.18    | -0.09    | 0.16     |
| Capacity Utilization       | 77.9     | 78.31    | 79.03    | 79.78    | 80.39    | 77.35    |
| Changes in Inventories     | -5278.86 | -4331    | -106     | 2209     | 2209     | 2209     |
| Car Registrations          | 207.3    | 203      | 216      | 216      | 217      | 243      |
| Car Production             | 216500   | 227128   | 225091   | 225146   | 225300   | 225267   |
| Competitiveness Index      | 4.08     | 4.16     | 4.16     | 4.16     | 4.16     | 4.05     |
| Competitiveness Rank       | 75       | 65       | 65       | 65       | 65       | 56       |
| Composite Pmi              | 42.7     | 40.1     | 42.81    | 41.98    | 50.1     | 50.05    |
| Corruption Index           | 43       | 41       | 41       | 40       | 39       | 34       |

|                          |          |         |         |         |         |         |
|--------------------------|----------|---------|---------|---------|---------|---------|
| Corruption Rank          | 69       | 68      | 68      | 67      | 67      | 60      |
| Ease of Doing Business   | 120      | 118     | 118     | 118     | 119     | 119     |
| Leading Economic Index   | 141.38   | 142     | 141     | 141     | 141     | 141     |
| Manufacturing Production | -10.6    | -2.1    | -2.84   | -1.14   | -9.4    | 5.14    |
| Mining Production        | 2.92     | 3.49    | 3.8     | 3.99    | 4.09    | 4.2     |
| Small Business Sentiment | 35.5     | 35.13   | 35.39   | 35.82   | 36.29   | 42.52   |
| Total Vehicle Sales      | 172636   | 170649  | 168819  | 167035  | 165329  | 213347  |
| Consumer                 | Actual   | Q4/15   | Q1/16   | Q2/16   | Q3/16   | 2020    |
| Consumer Confidence      | 96.3     | 97.39   | 96.78   | 97.35   | 97.89   | 95.47   |
| Retail Sales MoM         | -1       | -0.53   | -0.7    | -0.29   | -0.27   | 0.5     |
| Retail Sales YoY         | -3.5     | -1      | -0.6    | 0.13    | -3.53   | 2.73    |
| Consumer Spending        | 896149.2 | 884749  | 842390  | 855903  | 961996  | 1004015 |
| Consumer Credit          | 1479914  | 1545998 | 1593973 | 1641465 | 1688510 | 2422366 |
| Bank Lending Rate        | 61.21    | 58.08   | 58.46   | 58.93   | 69.64   | 30.29   |
| Gasoline Prices          | 0.82     | 0.73    | 0.7     | 0.69    | 0.69    | 0.72    |
| Private Sector Credit    | 2888652  | 3031479 | 2974198 | 3004907 | 3034639 | 3913713 |
| Housing                  | Actual   | Q4/15   | Q1/16   | Q2/16   | Q3/16   | 2020    |
| Home Ownership Rate      | 73.49    | 0       | 0       | 0       | 0       | 0       |
| Taxes                    | Actual   | Q4/15   | Q1/16   | Q2/16   | Q3/16   | 2020    |
| Corporate Tax Rate       | 34       | 34      | 34      | 34      | 33.6    | 34      |
| Personal Income Tax Rate | 27.5     | 27.5    | 27.5    | 27.5    | 27.5    | 27.5    |
| Sales Tax Rate           | 19       | 19      | 19      | 19      | 19      | 19      |
| Social Security Rate     | 39.8     | 39.8    | 39.8    | 39.8    | 39.8    | 39.8    |