

BRAZIL IN PANDEMIC TIMES

— 2021 GEOPOLITICAL & ECONOMIC OUTLOOK —



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BRAZIL-CANADA CHAMBER OF COMMERCE

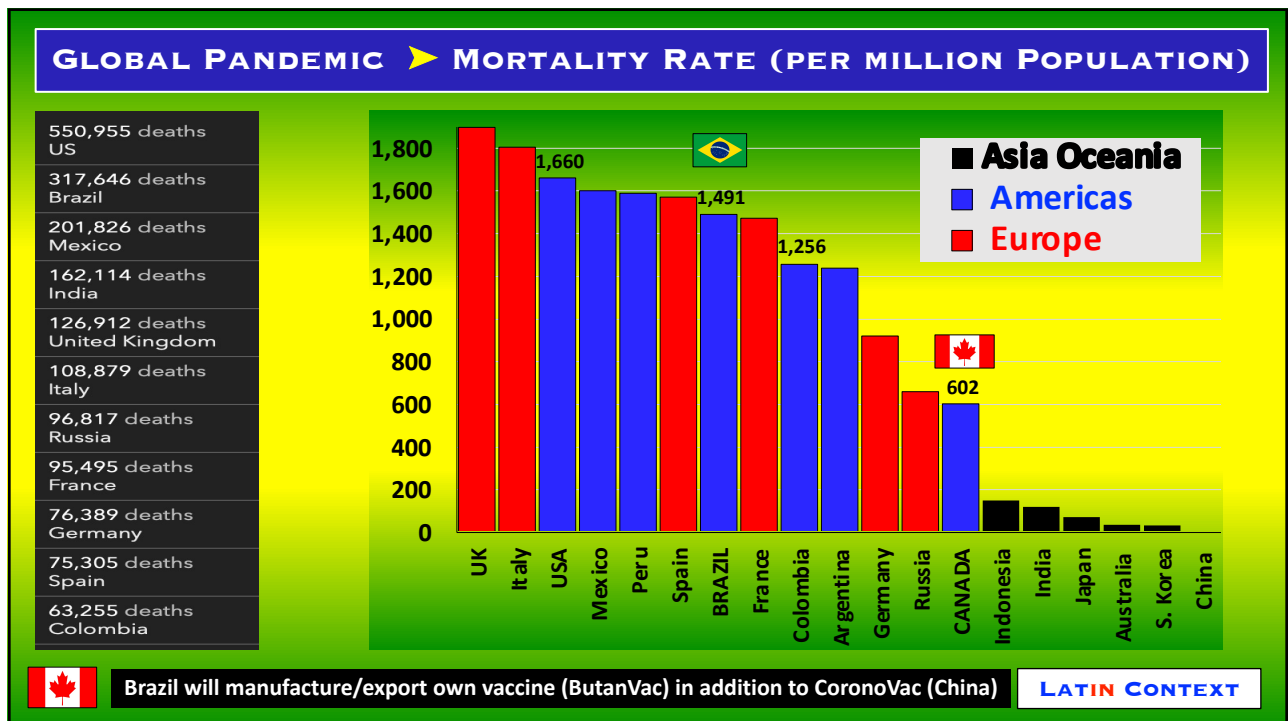
TORONTO, MARCH 31, 2021



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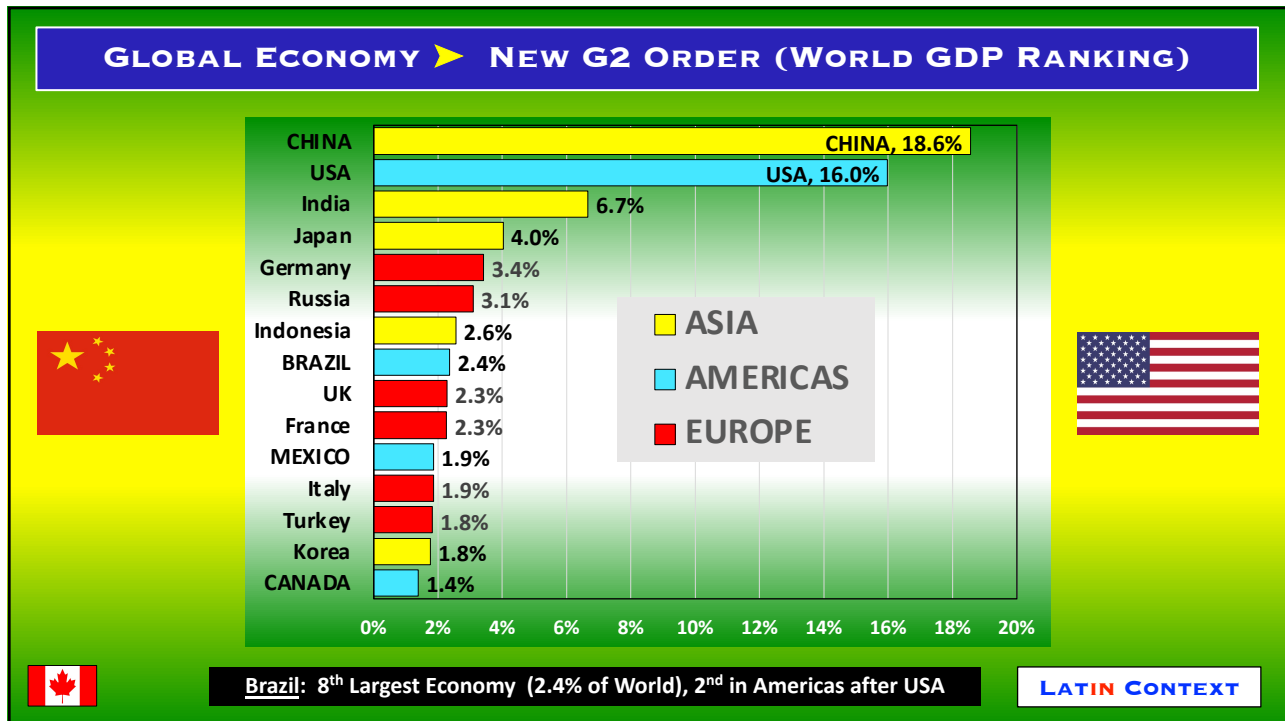


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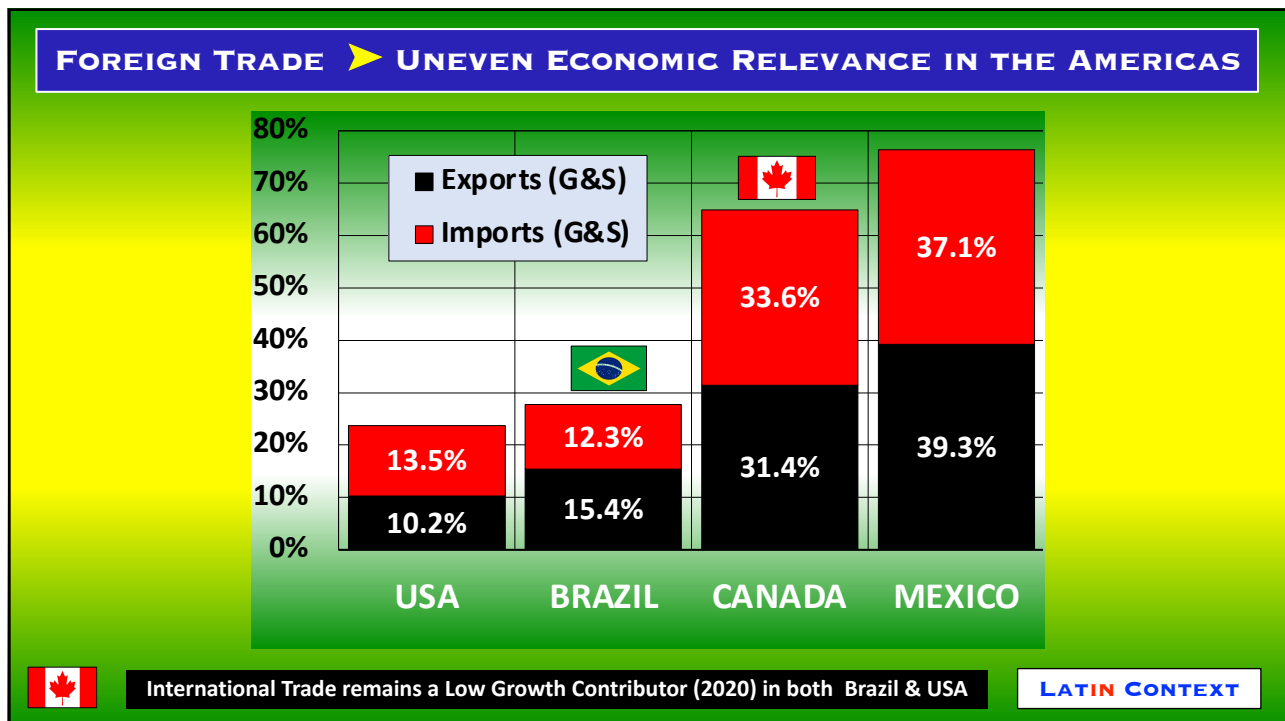


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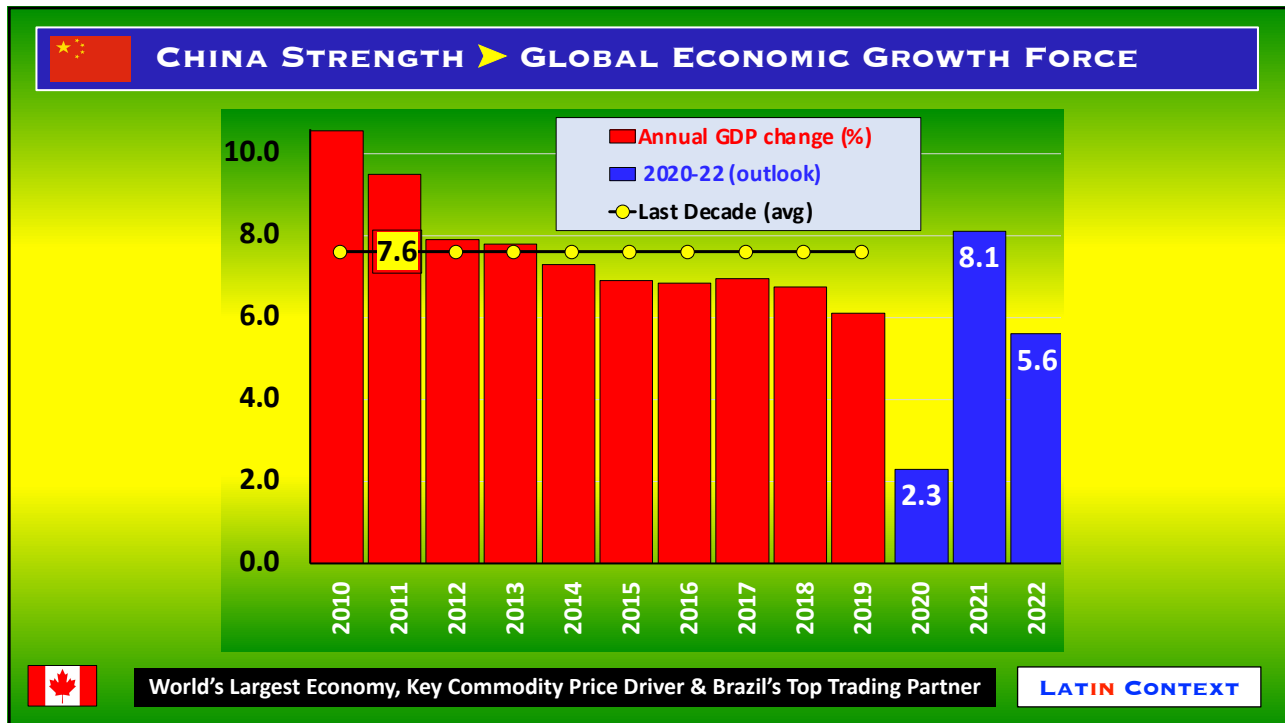


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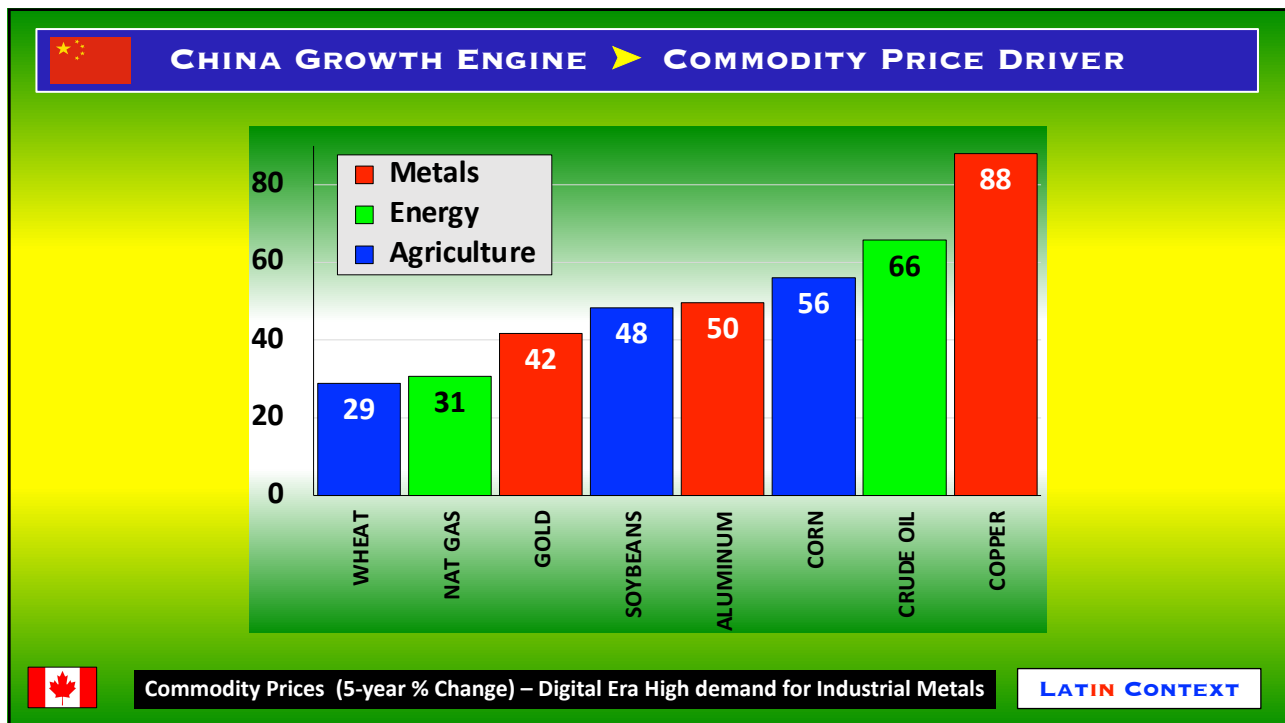


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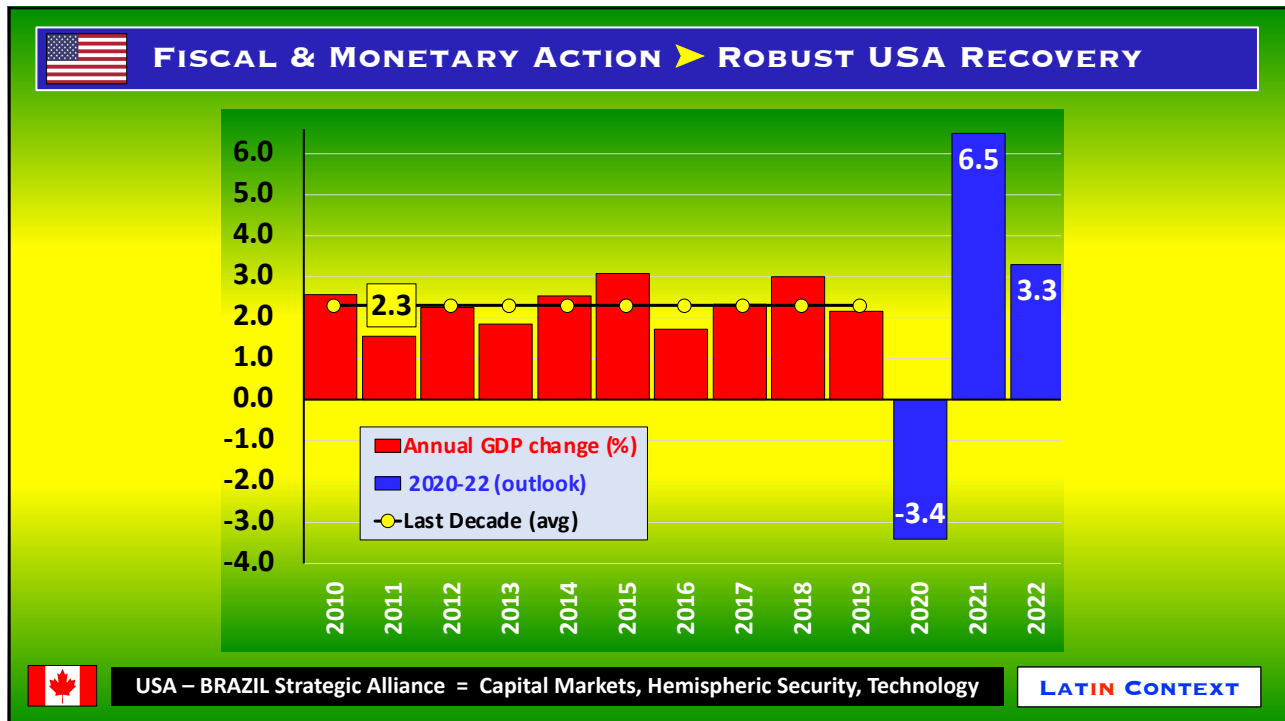


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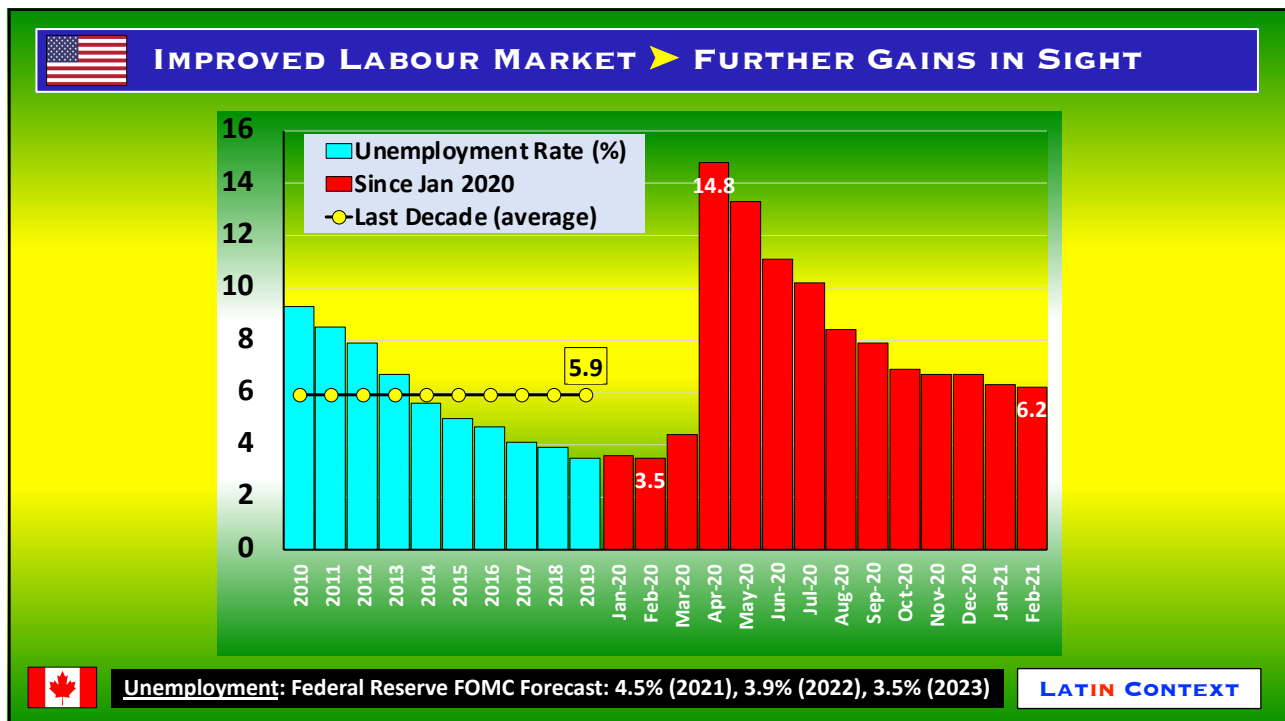


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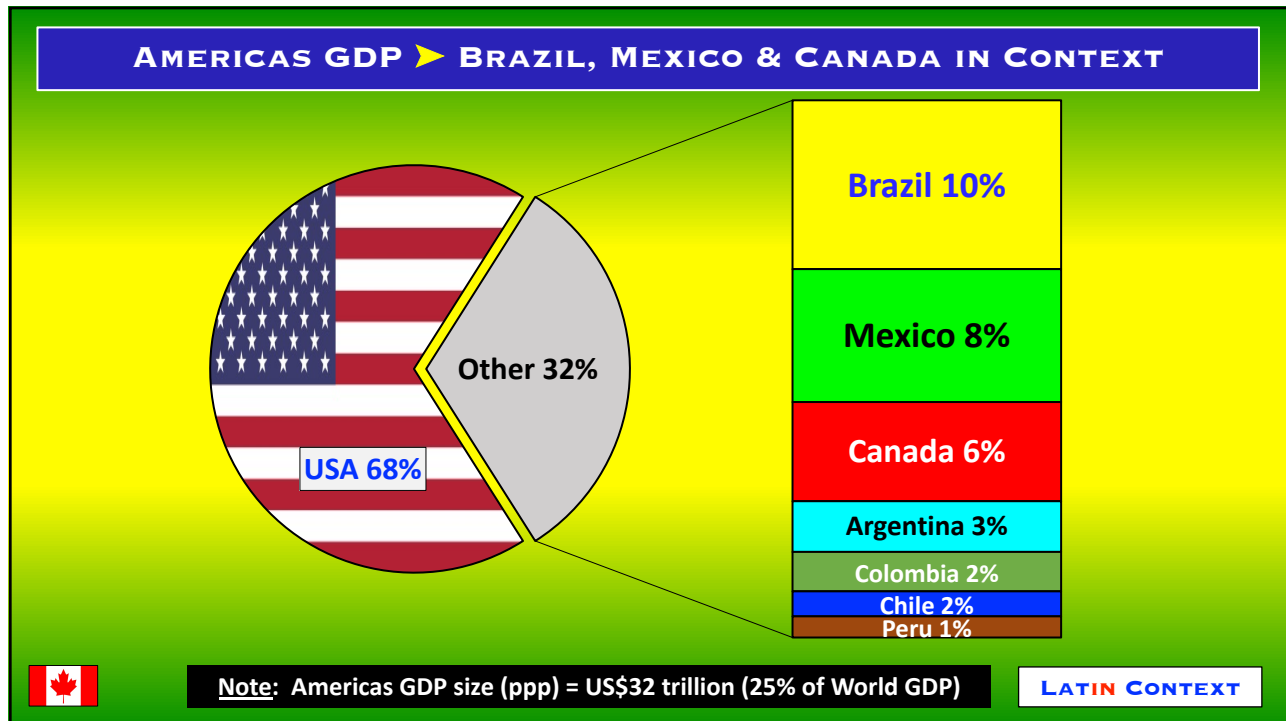


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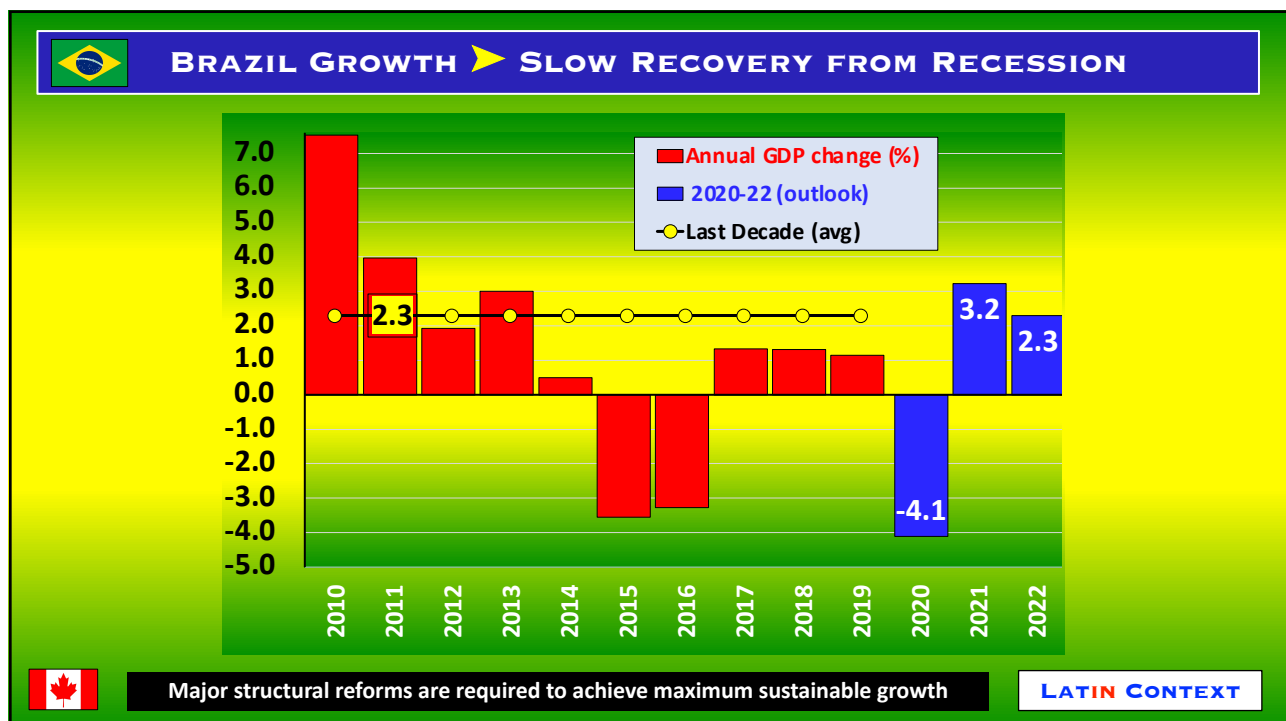


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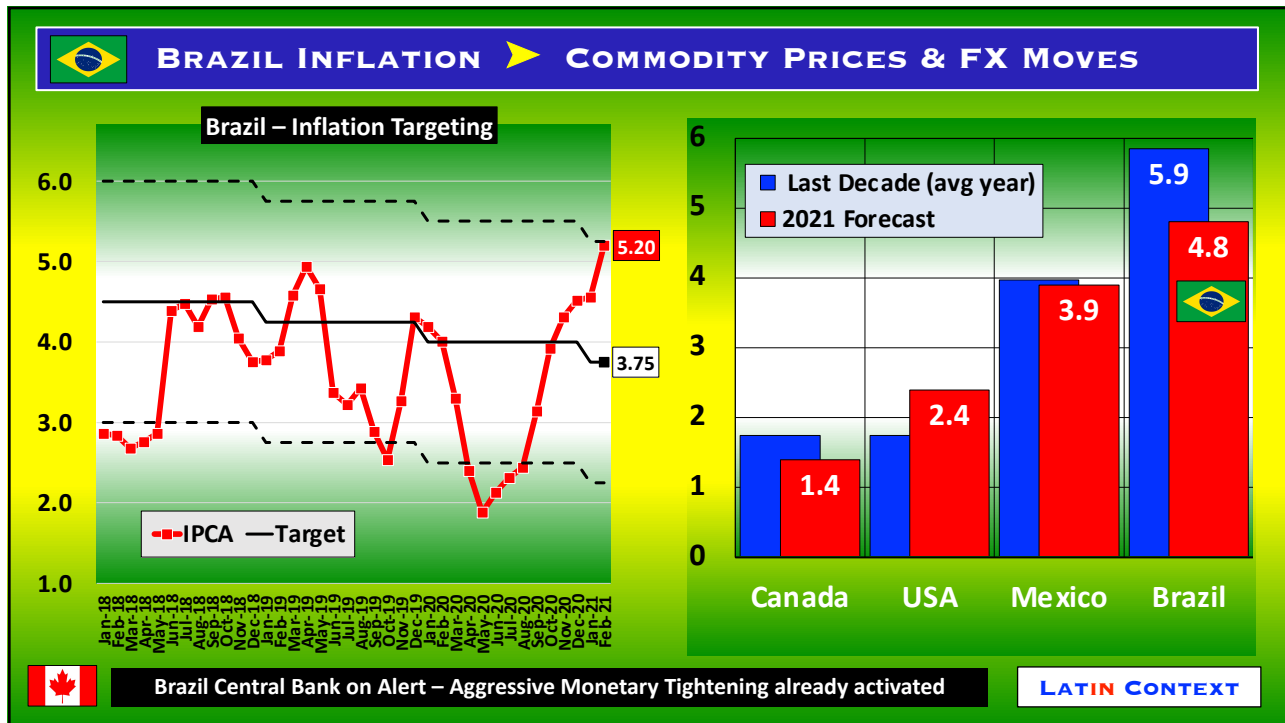


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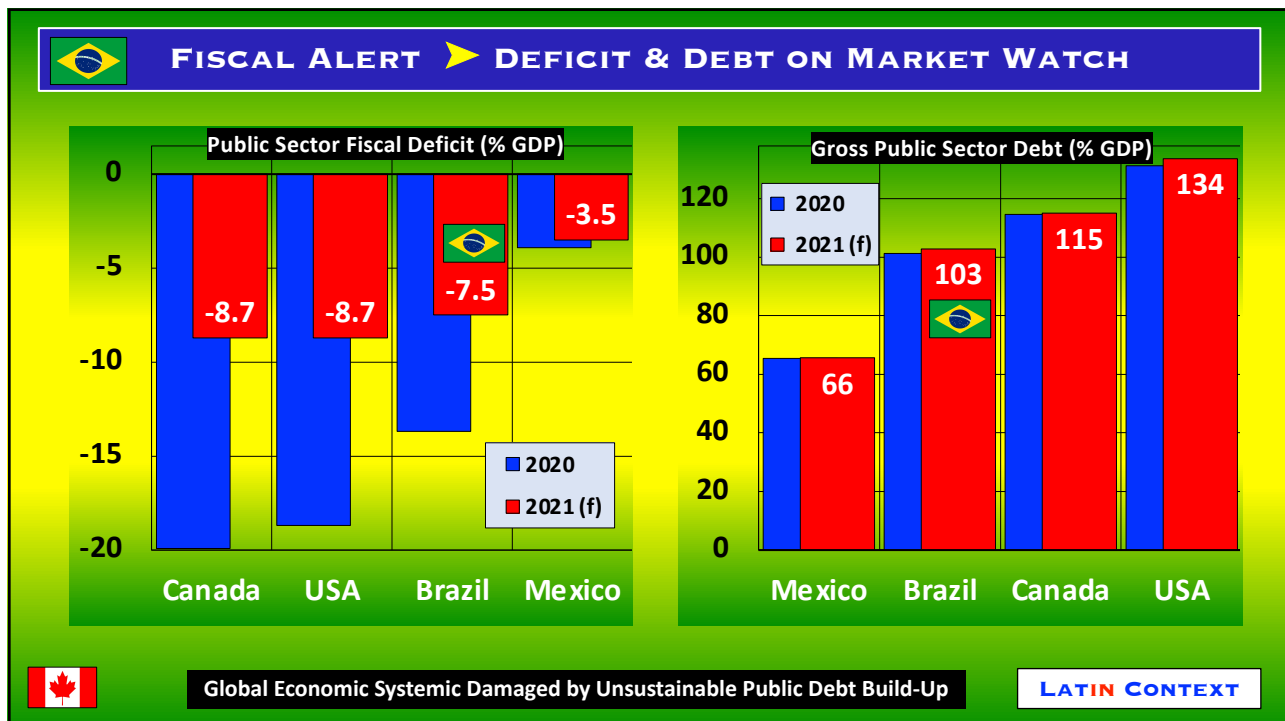


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BRAZIL — 2021 GEO POLITICAL & ECONOMIC CONTEXT

1. **GLOBAL PANDEMIC** ➤ **MISHANDLING – POPULARITY – SLOW VACCINATION**
2. **GOVERNANCE** ➤ **SOCIOPOLITICAL UNREST – 2022 ELECTION IN SIGHT**
3. **ECONOMIC GROWTH** ➤ **SLOW RECOVERY – FISCAL & DEBT MANAGEMENT**
4. **INFLATION ALERT** ➤ **FX VOLATILITY – ACTIVE MONETARY TIGHTENING**
5. **DEFICIT LEGACY** ➤ **DEEP MACRO DISTORTION – STRUCTURAL REFORMS**
6. **GLOBAL LIQUIDITY** ➤ **STEADY CAPITAL FLOWS – SOLID BANKING SECTOR**
7. **INFRASTRUCTURE** ➤ **PRIVATIZATION MAGNET – USA +/- CHINA IN FOCUS**
8. **LATAM TURMOIL** ➤ **VENEZUELA IN CRISIS – DYSFUNCTIONAL MERCOSUR**
9. **CHINA TRADE PARTNER** ➤ **COMMODITIES, VACCINE & 5G NETWORK**
10. **USA STRATEGIC ALLIANCE** ➤ **CAPITAL (FDI), TECHNOLOGY & SECURITY**

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PANDEMIC & ECONOMIC OUTLOOK — USA, CANADA & BRAZIL

Country/Pandemic Metrics	UNITED STATES			CANADA			BRAZIL		
GDP size (World Ranking/Share)	#2 (16%)			#15 (1.4%)			#8 (2.4%)		
Population (% World)	332 million (4.3%)			38 million (0.5%)			213 million (2.8%)		
Covid19 Infection (Cases)	30.4 million			980 thousand			12.7 million		
Deaths (Mortality Ratio per MM)	550,998 (1,660)			22,892 (602)			317,646 (1,491)		
Key Economic Indicators	2020	2021	2022	2020	2021	2022	2020	2021	2022
Real GDP (% growth)	(3.5)	6.5	3.3	(5.4)	4.0	5.0	(4.1)	3.2	2.3
Unemployment Rate (%)	6.7	4.5	3.9	8.8	7.9	6.9	13.2	14.6	N/D
Inflation (Annual %)	1.2	2.4	2.2	0.7	1.4	1.7	3.0	4.9	3.5
Central Bank Policy Rate (%)	0.25	0.25	0.25	0.25	0.25	0.25	2.00	5.00	6.00
10y Government Bond (yield %)	1.80	1.68	N/D	1.60	1.50	N/D	6.88	9.37	N/D
Fiscal Balance (% GDP)	(18.7)	(8.7)	(6.5)	(19)	(9.0)	(6.0)	(15.7)	(7.5)	(6.8)
Gross Public Debt (% GDP)	132	134	135	115	115	115	102	103	104

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