

The Outlook of Brazil's Economy

in a Tough Political Season

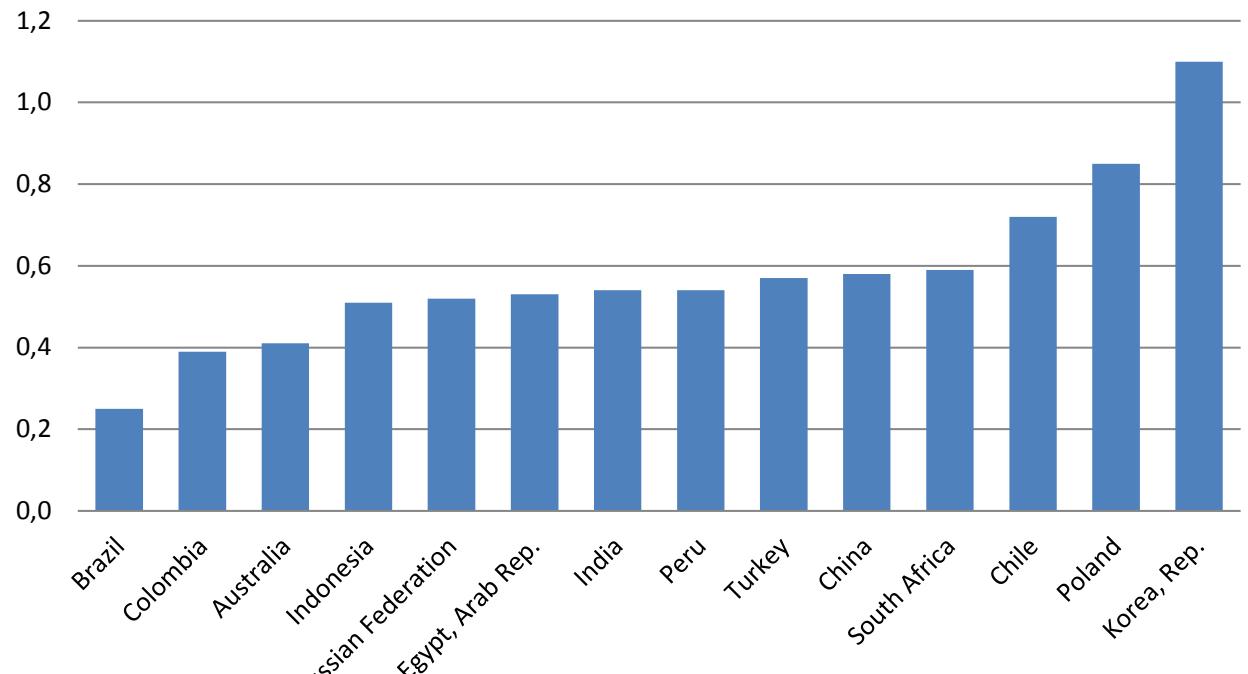
some comments

JOSÉ ROBERTO AFONSO

Macroeconomics:

Opening economy under commodities producers and emerging

**Exports + Imports of Goods: % of GDP
2011**



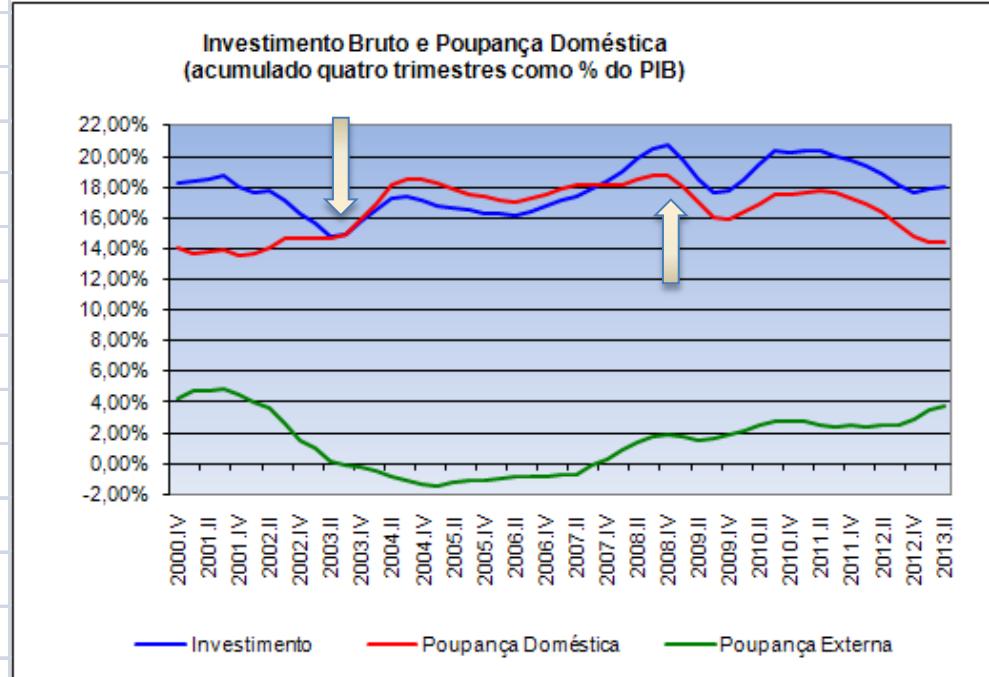
Exports+Imports % of GDP 2011	
Brazil	0,25
Colombia	0,39
Australia	0,41
Indonesia	0,51
Russian	0,52
Egypt, Arab	0,53
India	0,54
Peru	0,54
Turkey	0,57
China	0,58
South Africa	0,59
Chile	0,72
Poland	0,85
Korea, Rep.	1,10

Macroeconomics:

External bonanza Or investment versus savings

Decomposition of External Bonanza, 2005-10
 (in 2005 prices)

Year	Terms of	Foreign	Excess Dom.
	Trade	Transfers	Spending
	Effect/GDP	Effect/GDP	over GDP
2005	0,0%	-3,6%	-3,6%
2006	0,7%	-2,9%	-2,2%
2007	0,9%	-1,5%	-0,6%
2008	1,7%	-0,2%	1,5%
2009	1,8%	0,2%	2,0%
2010	3,4%	1,1%	4,4%
2011	4,4%	0,8%	5,2%
2012	3,4%	1,5%	4,9%

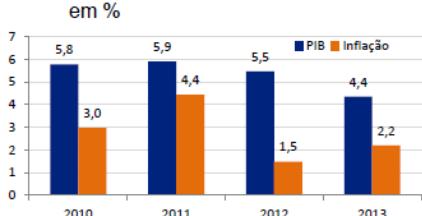


Source: Fernando Montero

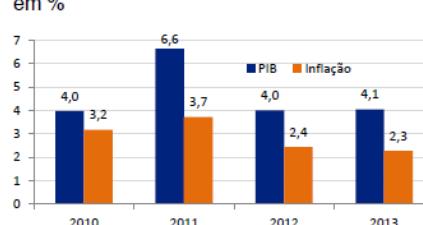
Source: Edmar Bacha

Macroeconomics: growth versus inflation

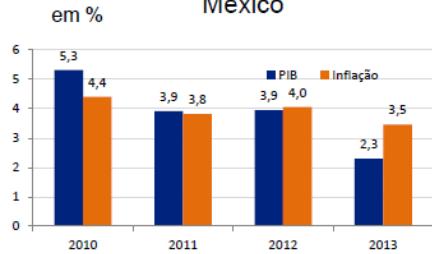
Chile



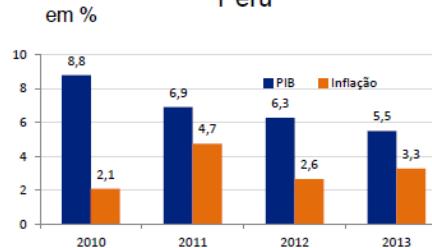
Colômbia



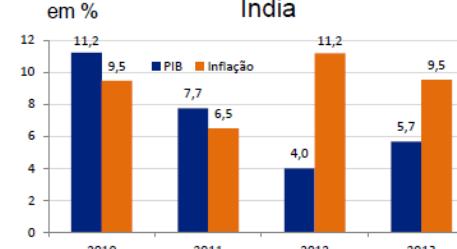
México



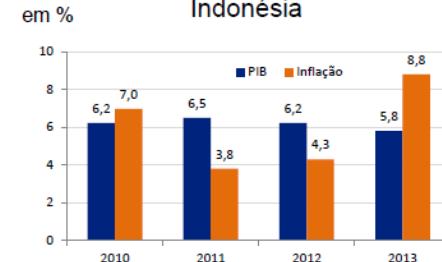
Peru



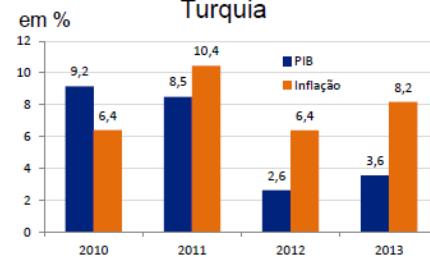
Índia



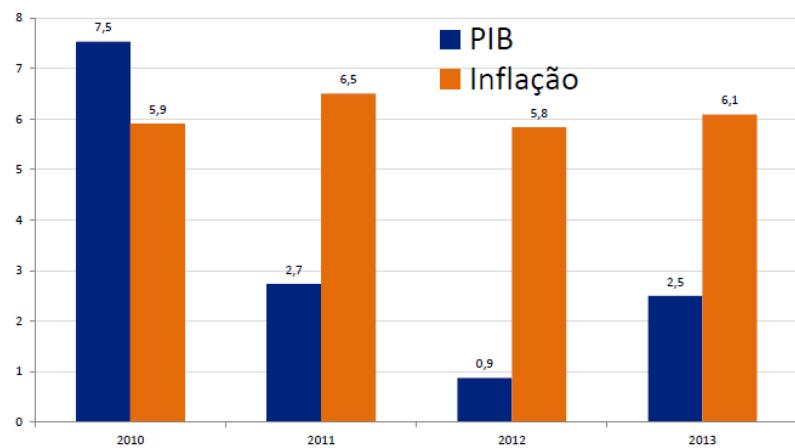
Indonésia



Turquia

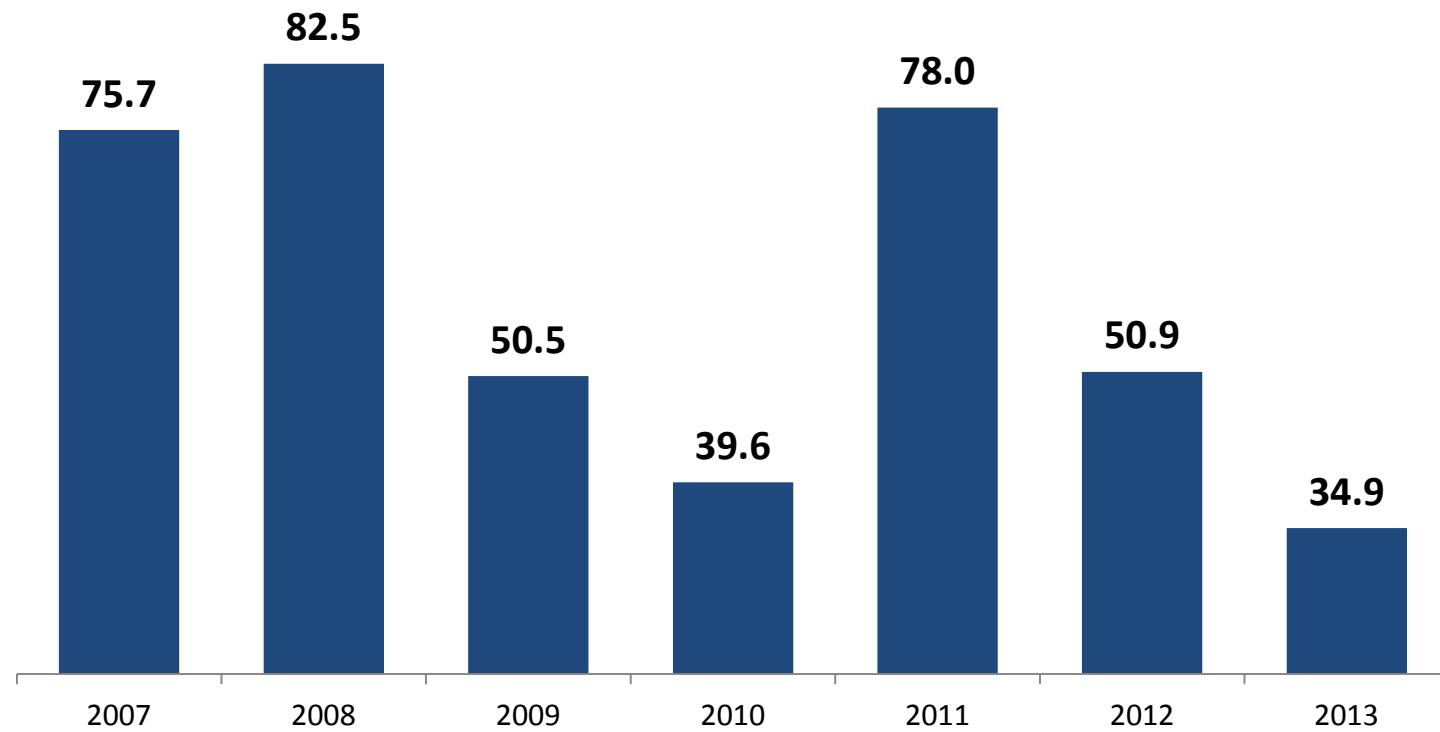


Brazil



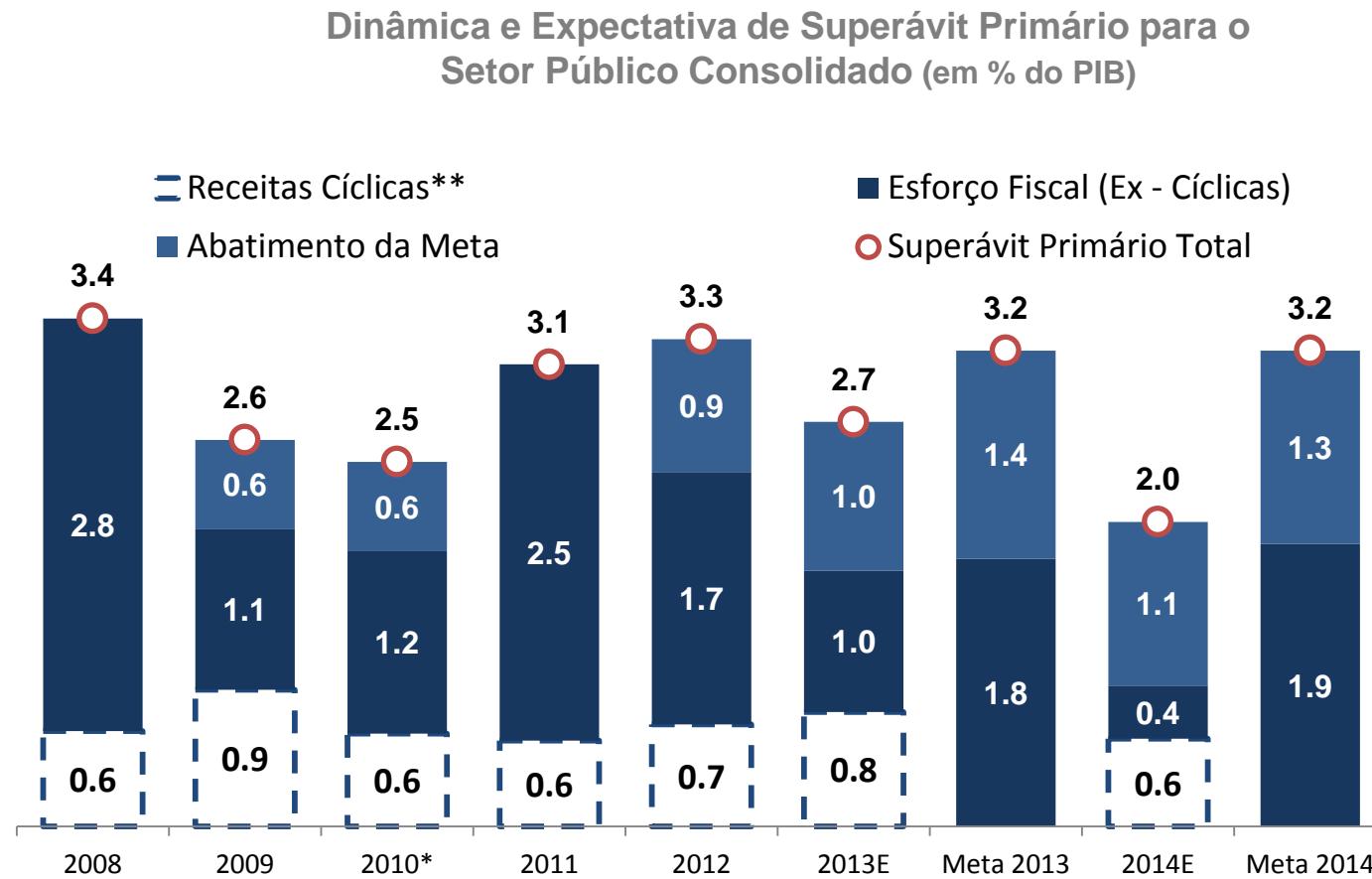
Fiscal Policy:

Compliance with the annual target primary surplus: until July



Fiscal Policy:

Annual primary surplus & atypical features



* Exclui o processo de capitalização da Petrobrás.

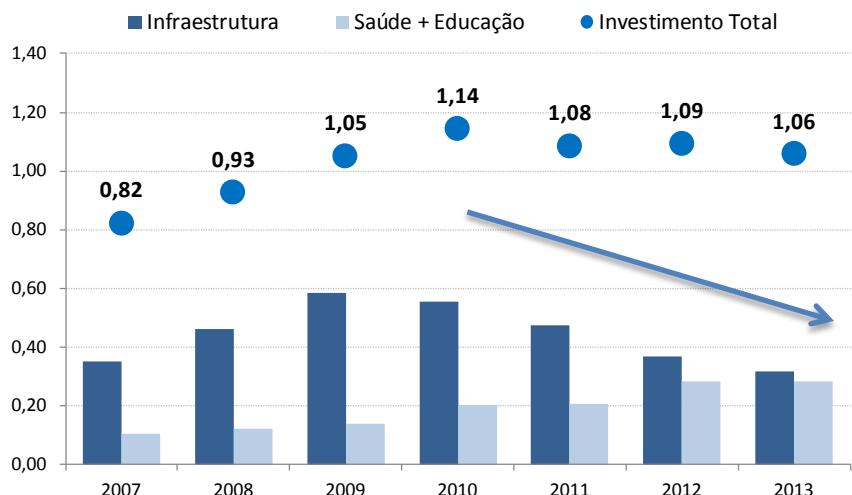
** Inclui receitas de concessões, outorgas e dividendos (inclusive antecipação).

Fiscal Policy:

More debt with less investment (federal gov.)

% of GDP

By Federal Government



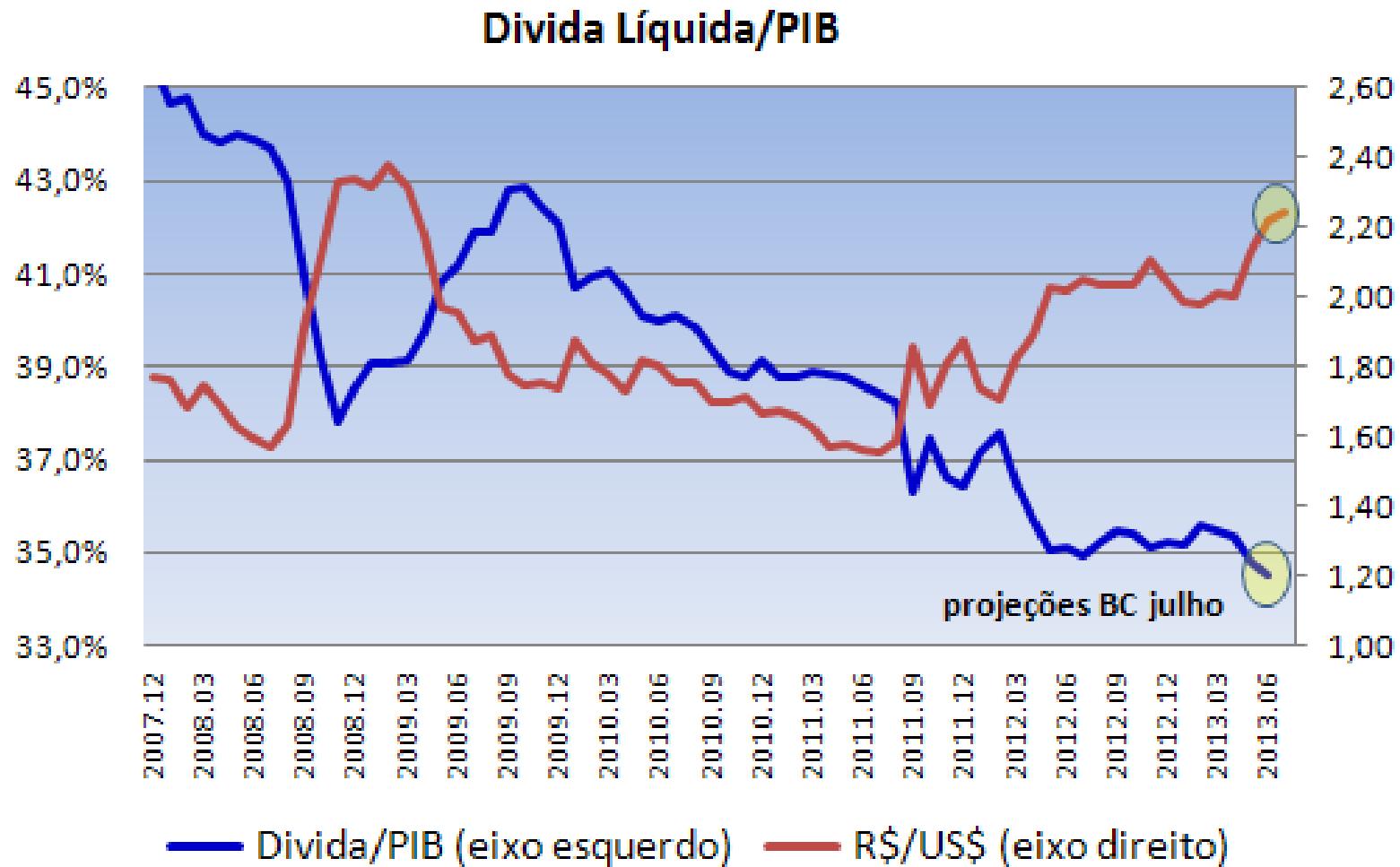
By Debt x Credit – BNDES

Ano	FBCF	Desemboliso BNDES para FBCF	FBCF AdmPública (IPEA)	FBCF Setor Privado	FBCF Setor Privado SEM BNDES ALAVAN CADO	Crédito Tesouro para BNDES (DLSP)	Operações Crédito BNDES (BC)
2008	19,1%	1,6%	2,2%	16,9%	14,4%	-1,2%	6,9%
2009	18,1%	2,2%	2,4%	15,7%	11,6%	-4,0%	8,7%
2010	19,5%	2,2%	2,9%	16,6%	12,8%	-6,3%	9,5%
2011	19,3%	2,2%	2,3%	17,0%	12,8%	-7,3%	10,2%
2012	18,2%	2,2%	2,4%	15,8%	11,5%	-8,4%	10,7%
^2008/2011	18,6%	2,0%	2,3%	16,3%	12,8%	-4,6%	8,7%
^2012-2008	-0,9%	0,6%	0,1%	-1,1%	-2,8%	-7,3%	3,8%

¹ Acumulado até Julho

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Fiscal Policy: Net Debt versus Exchange



Fiscal Policy:

Government gross debt exceeds emerging countries

Países	2008	2012	Δ em p.p. do PIB
Economias Emergentes	36,0	34,3	-1,7
Ásia	31,4	31,0	-0,4
 China	17,7	21,3	3,6
 Índia	75,0	66,4	-8,6
Europa	29,5	25,9	-3,6
 Rússia	11,0	10,4	-0,5
 Turquia	46,1	35,5	-10,6
América Latina	53,5	50,9	-2,6
 Brasil	66,9	67,2	0,2
 México	44,5	43,5	-1,0

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