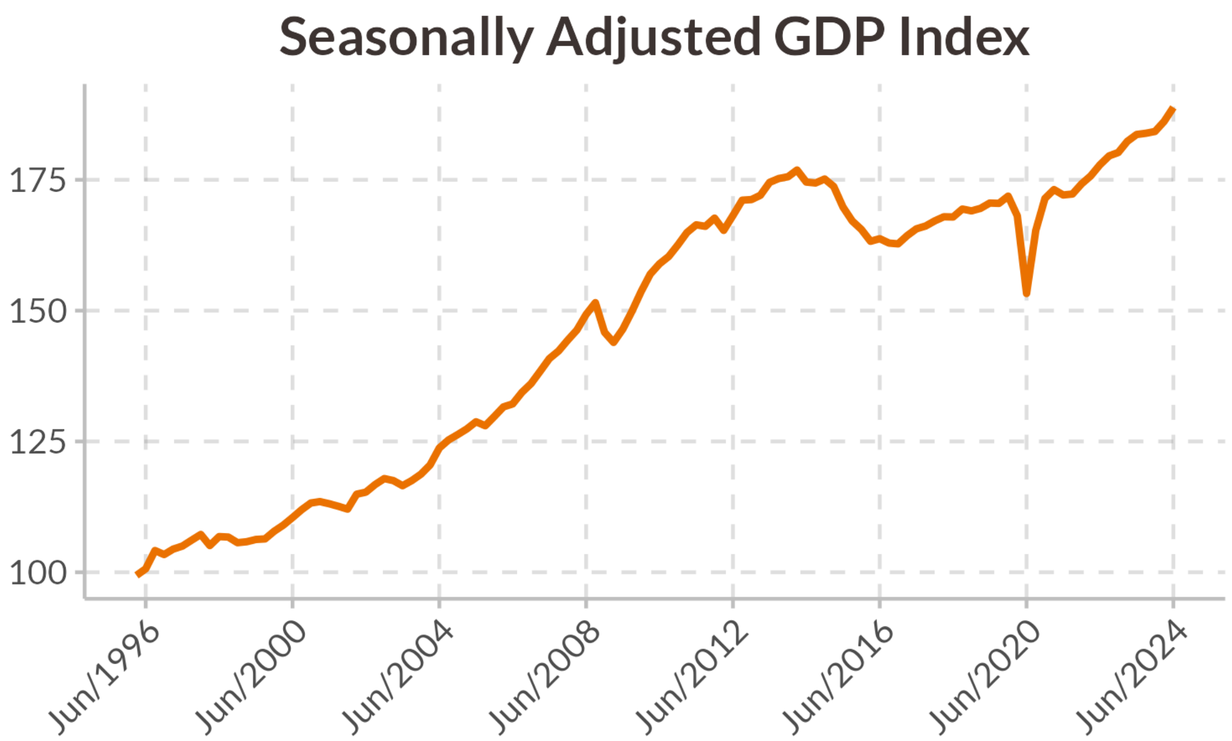
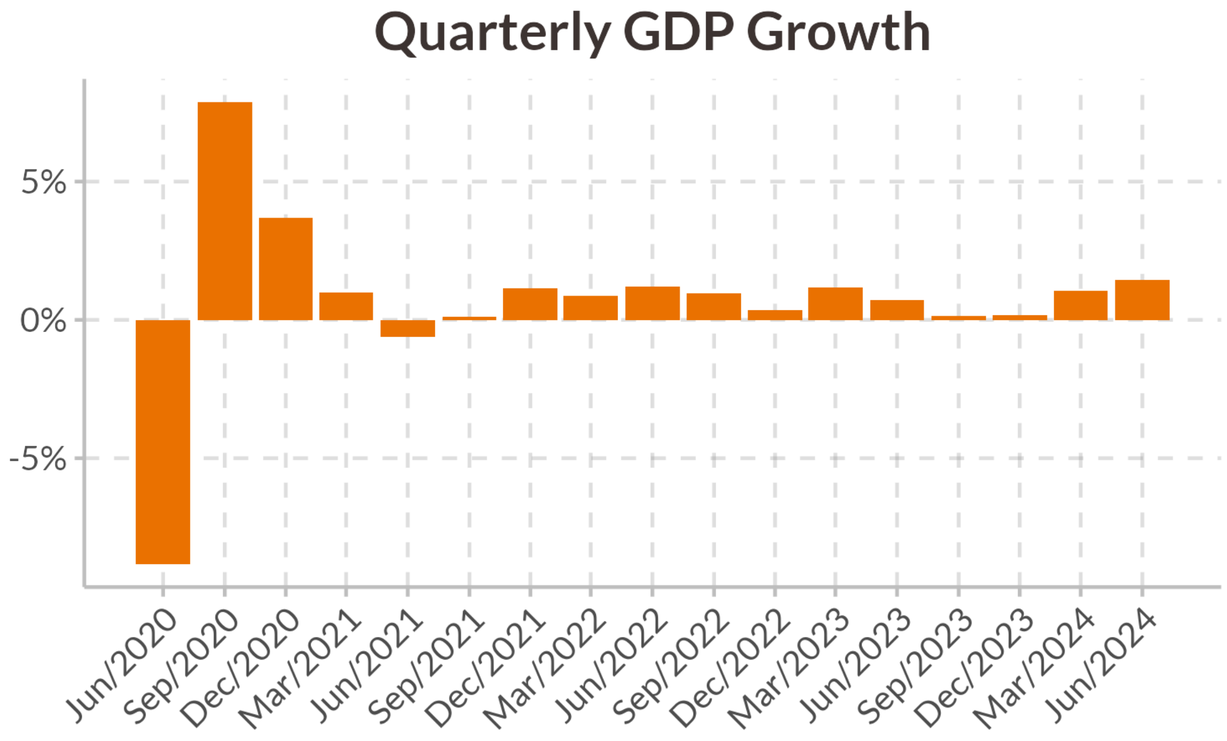
Economic Outlook

22/10/2024

Brazil GDP growth has surprised on the upside



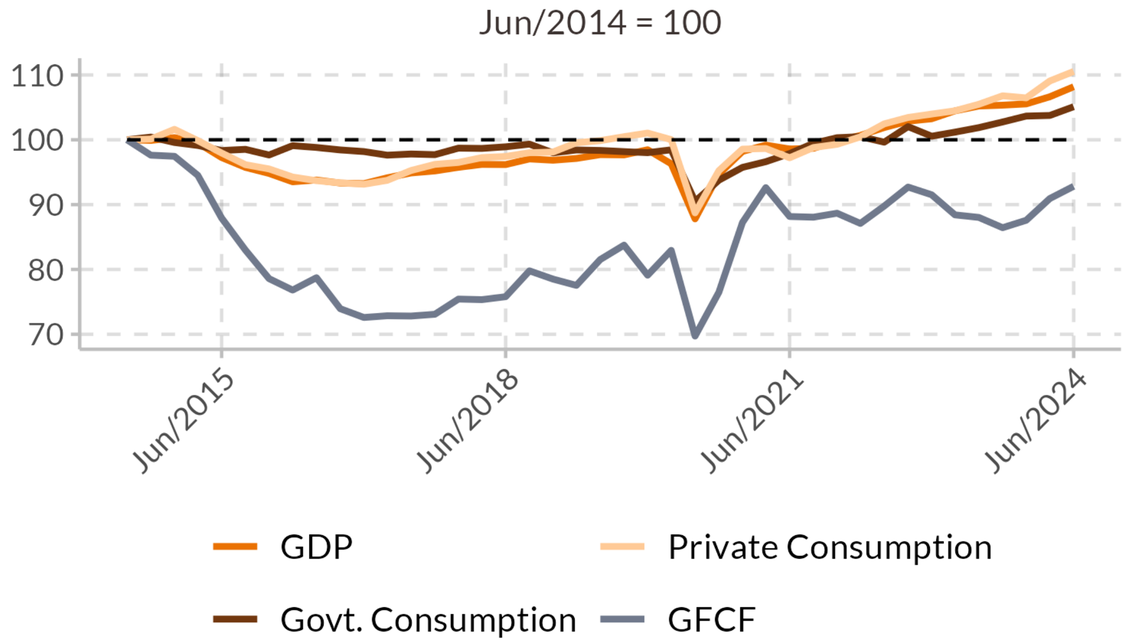
Source: IBGE, Inter; Base date: Jun/2024



Fonte: IBGE, Inter; Data-base: Jun/2024

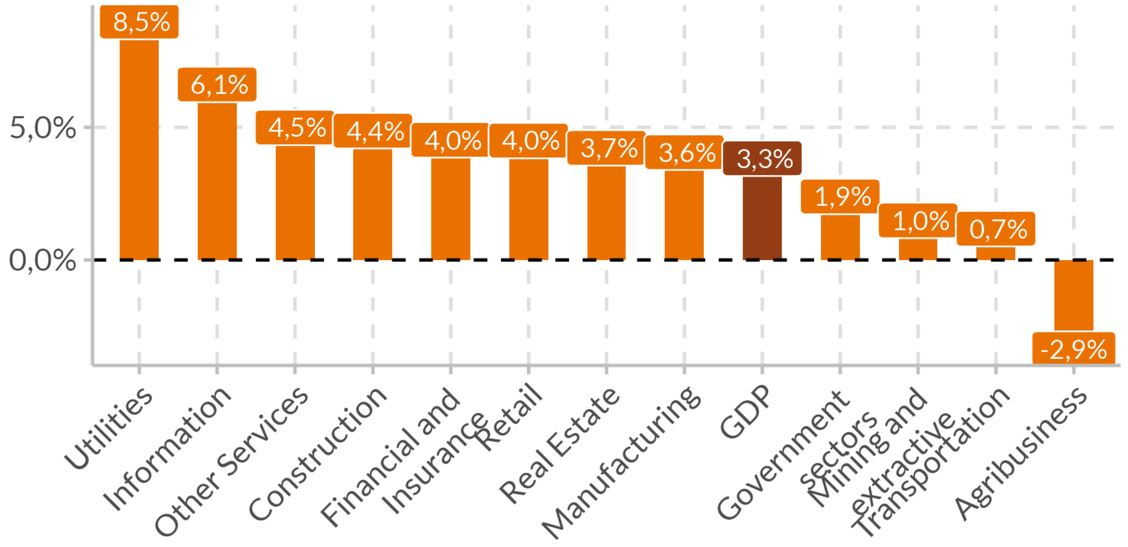
Consumption still grows faster than investiments

GDP by Final Demand Component



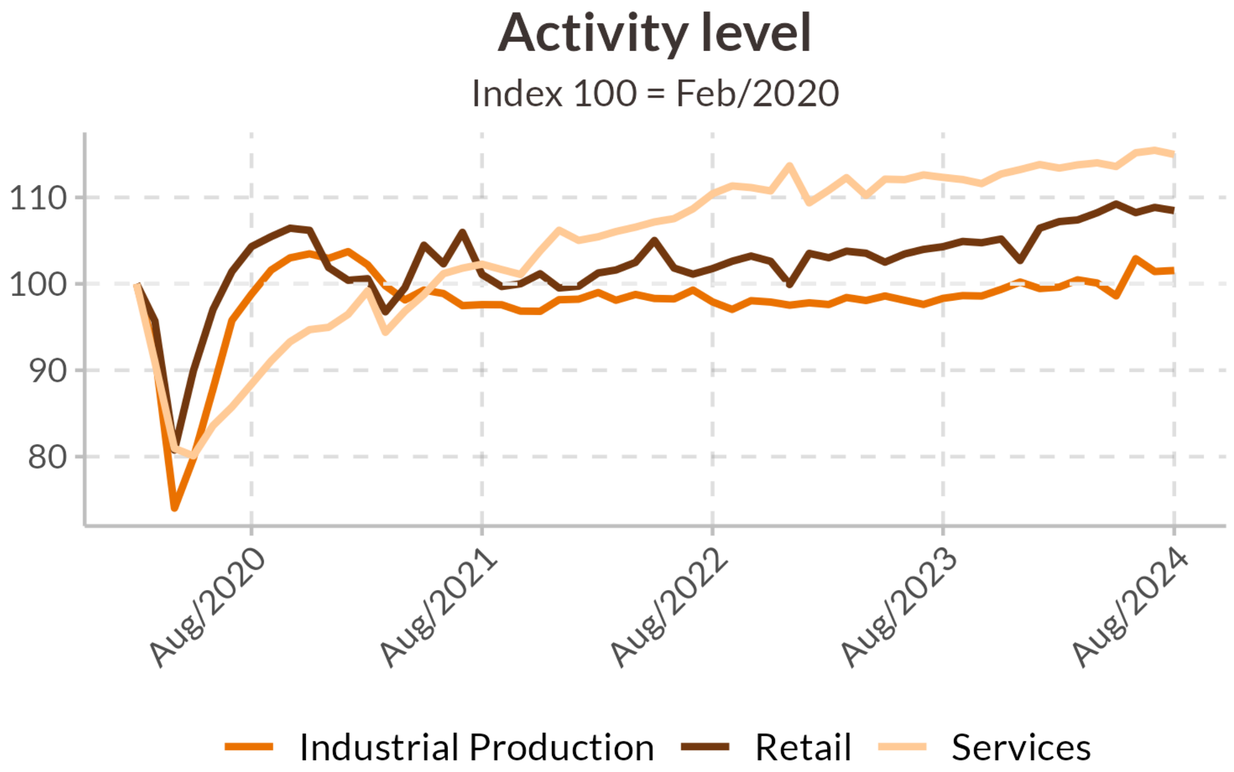
Source: IBGE, Inter; Base date: Jun/2024

GDP and Subsectors YoY

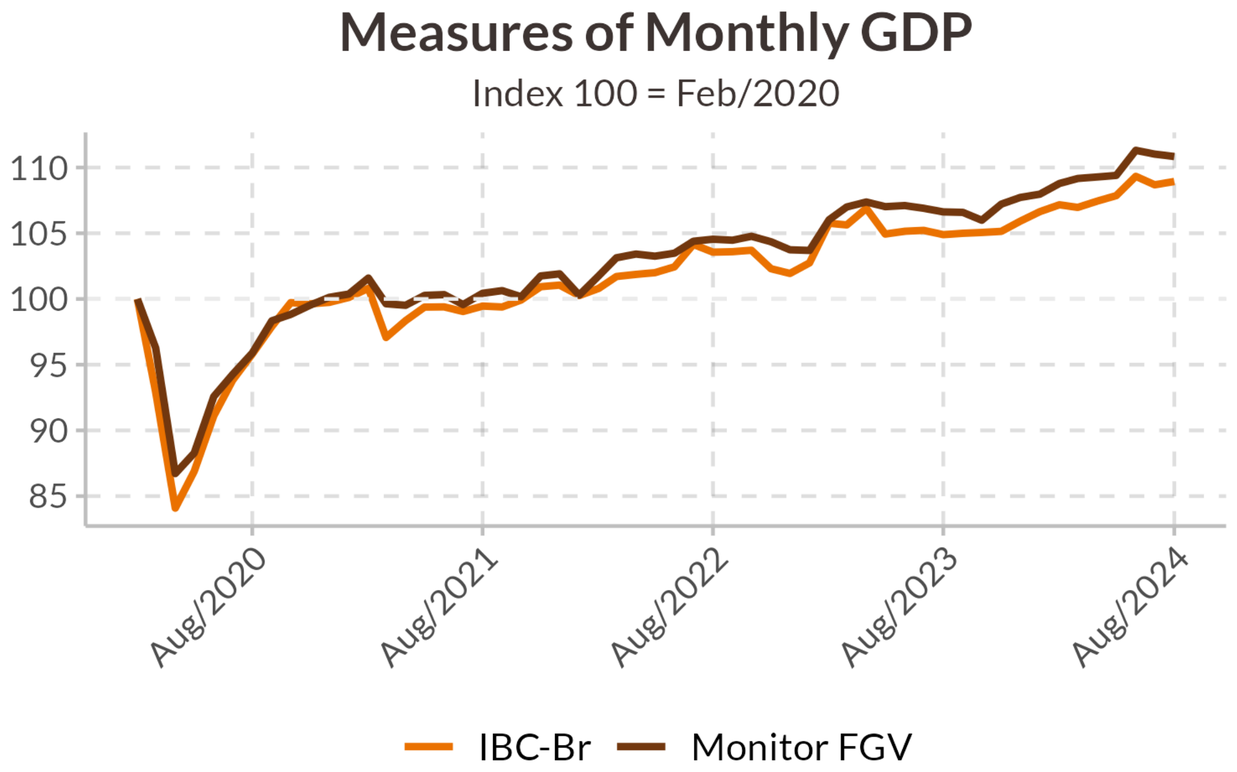


Source: IBGE, Inter; Base date: Jun/2024

Slowdown is expected (and welcome)



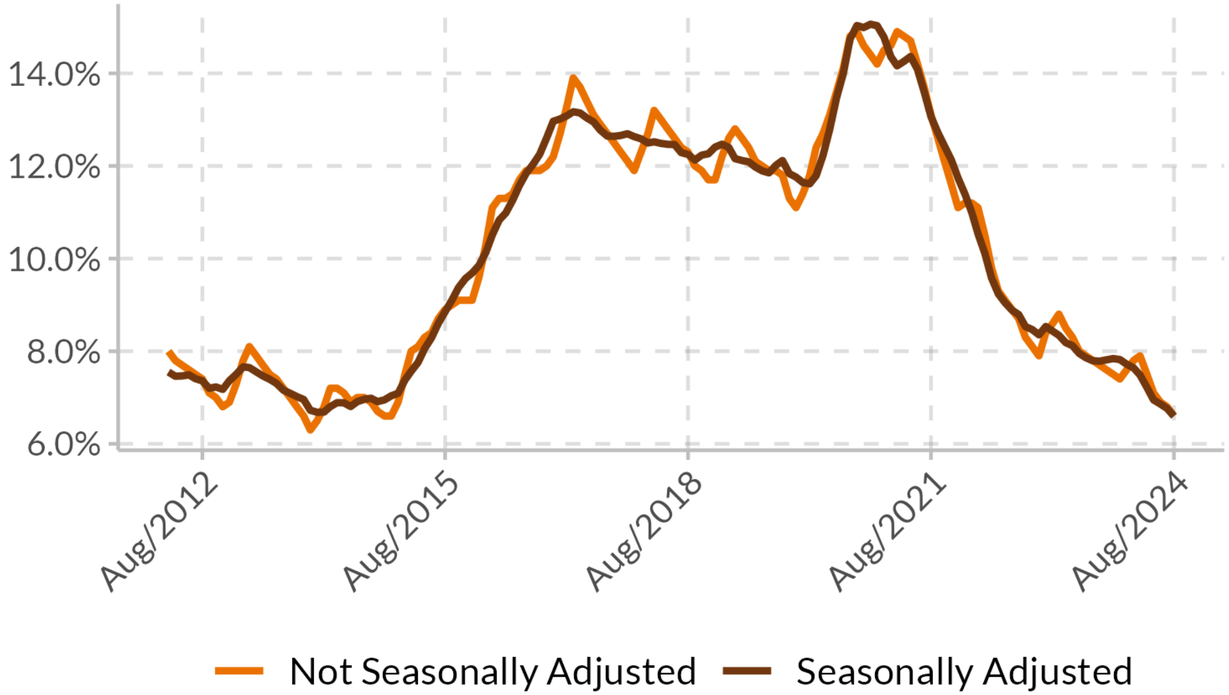
Source: IBGE, Inter; Base date: Aug/2024



Source: BCB, FGV, Inter; Base date: Aug/2024

Employment level is at an all time high

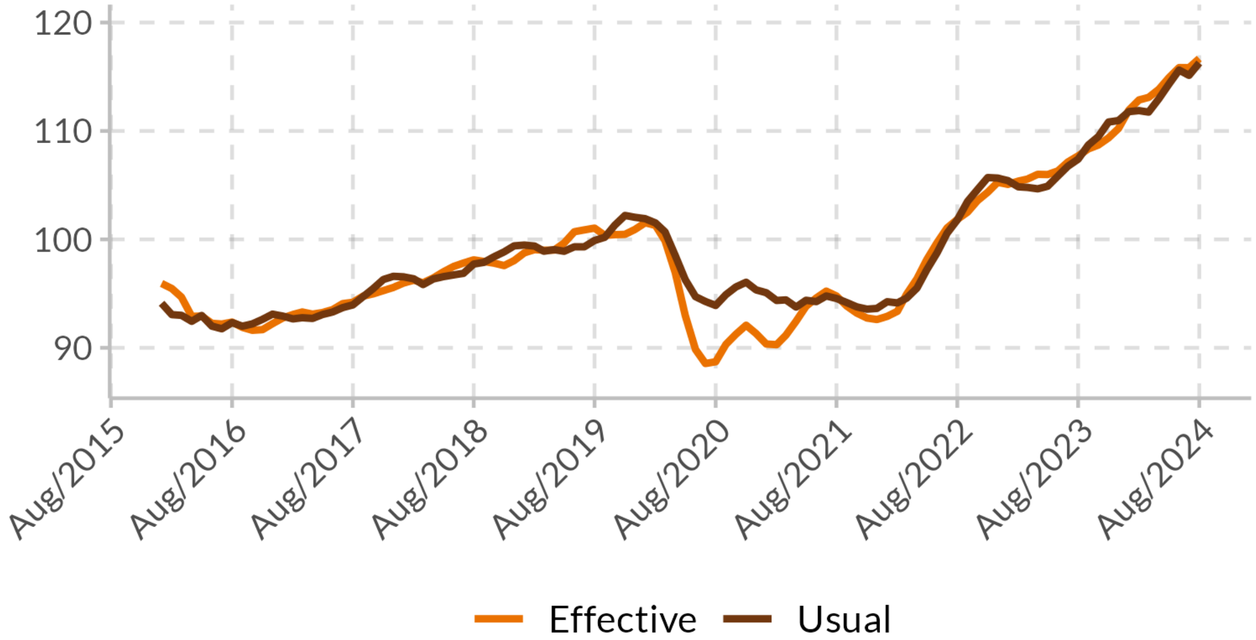
Unemployment Rate



Source: IBGE, Inter; Base date: Ago/2024

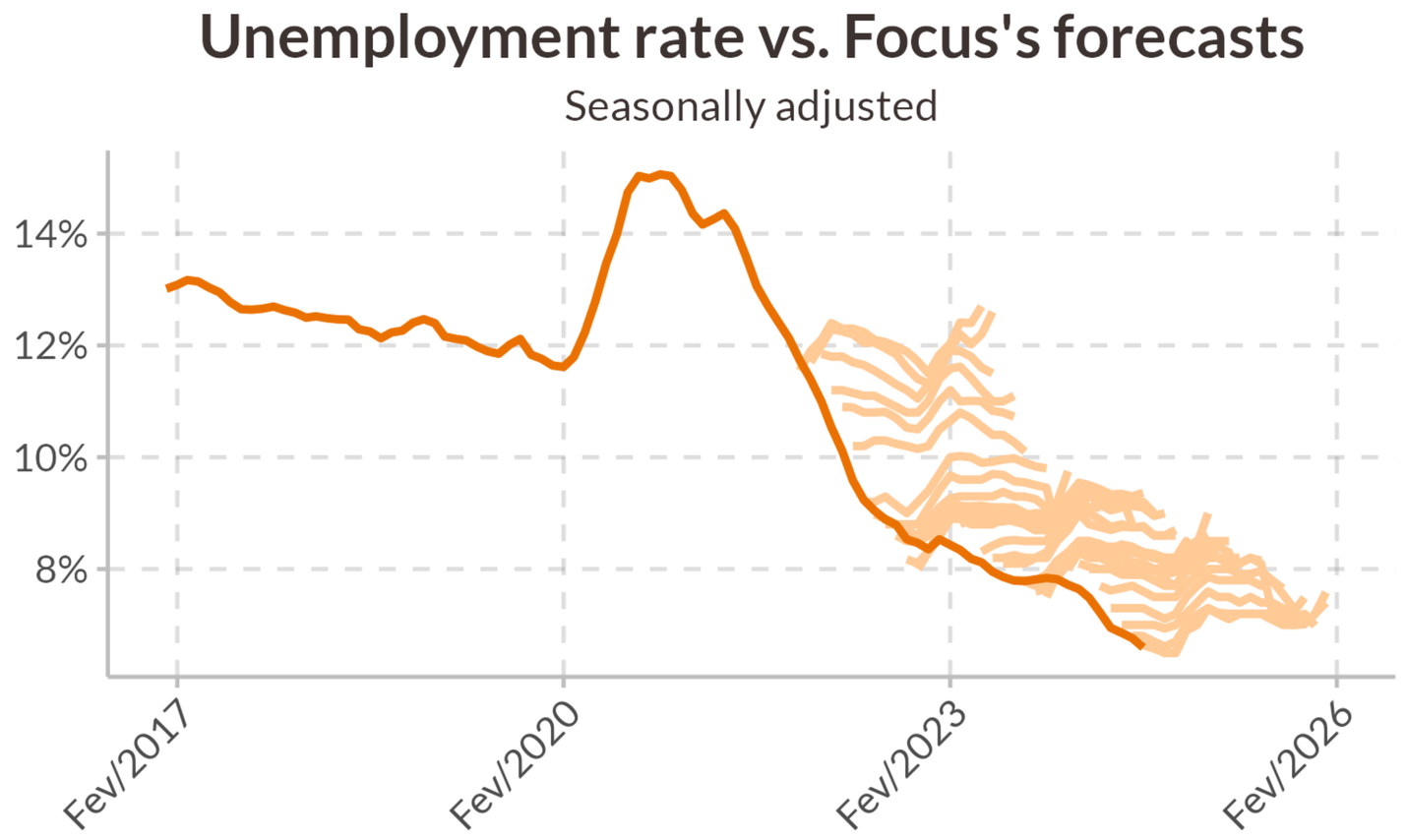
Aggregate Real Income

Avg. 2019 = 100, seasonally adjusted



Source: IBGE, Inter; Base date: Aug/2024

Employment forecast has missed consistently

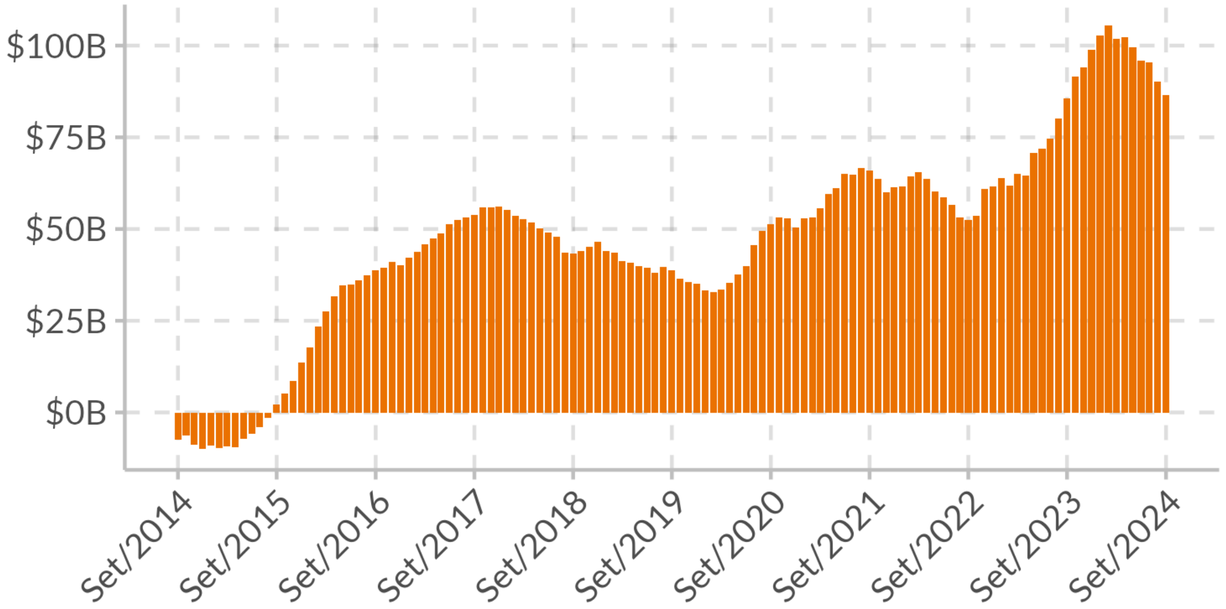


Source: IBGE, Inter; Base date: Ago/2024

Trade balance has remained strong

Trade Balance (US$)

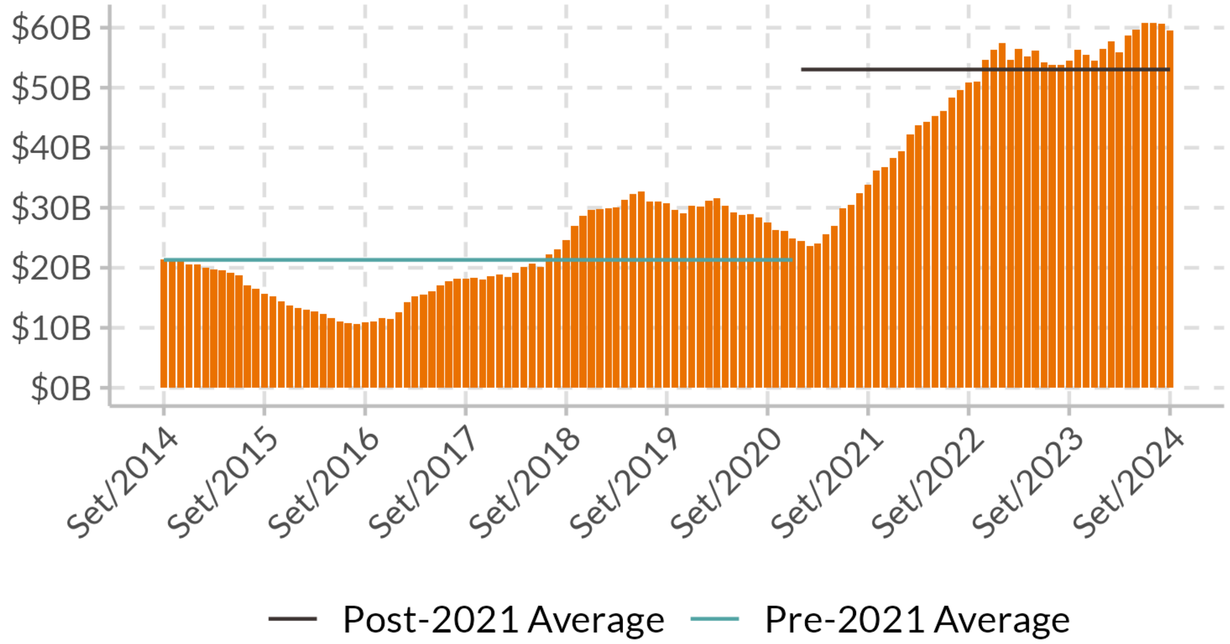
Accumulated in the past 12 months



Fonte: MDIC, Inter; Data-base: Set/2024

Oil exports

In USD, accumulated in the past 12 months

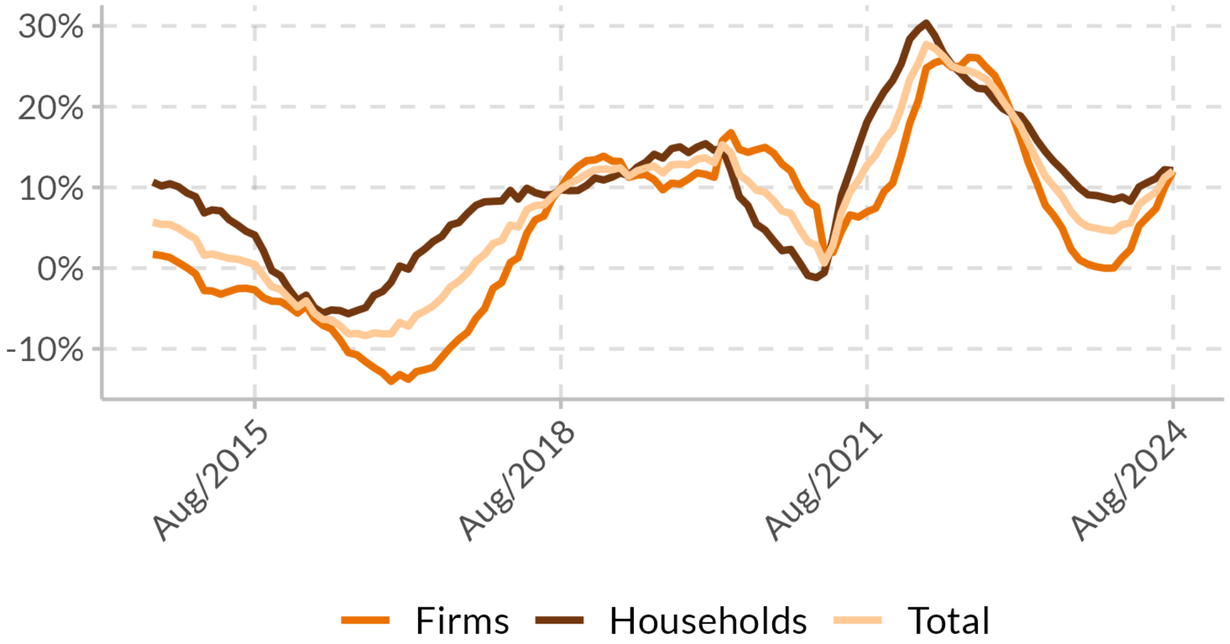


Fonte: MDIC, Inter; Data-base: Set/2024

Credit growth at early stages

New Credit Issuance

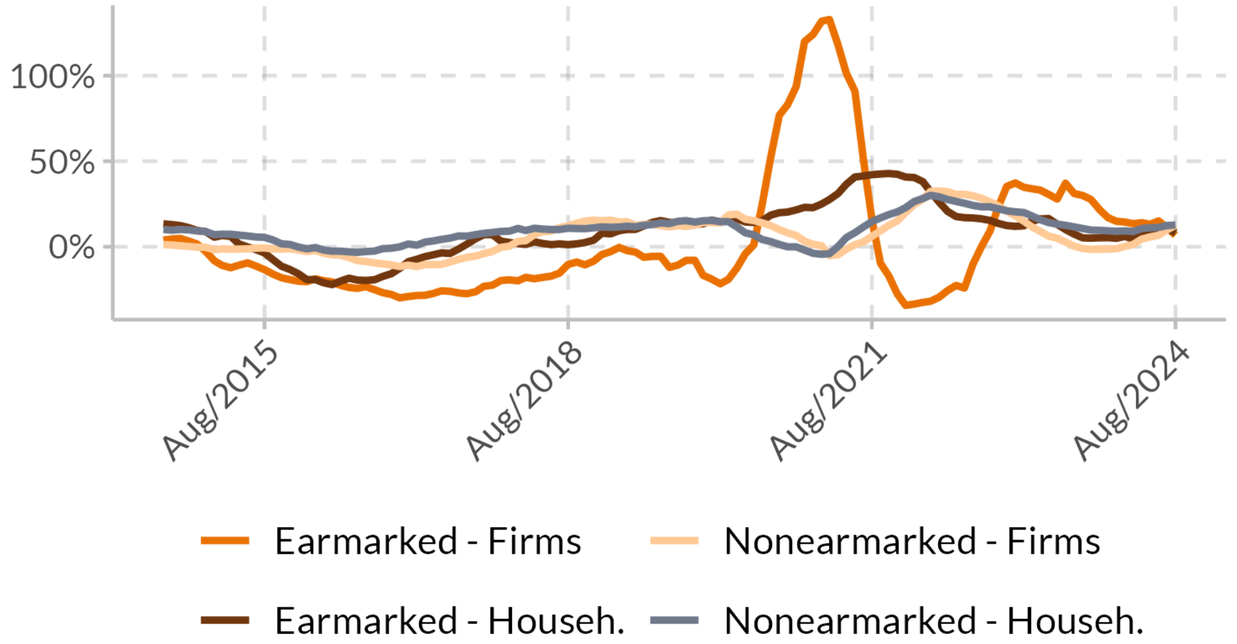
12-month accumulated change



Source: BCB, Inter; Base date: Aug/2024

Issuance of Earmarked and Nonearmarked Credit

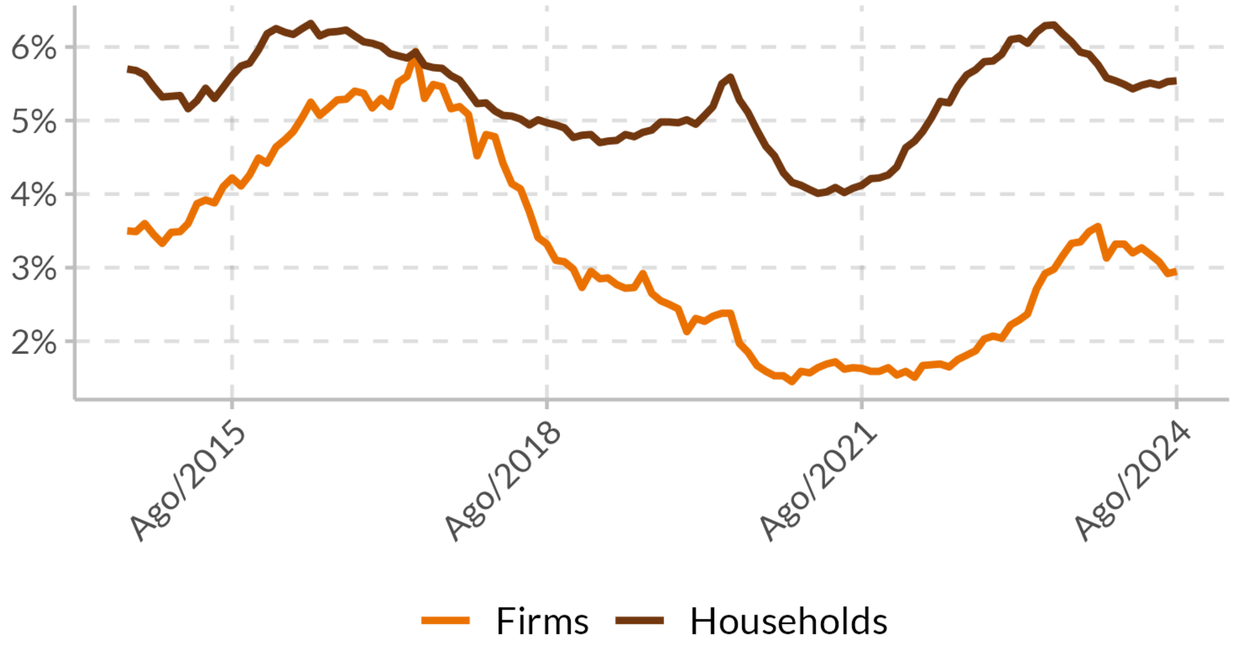
12-month accumulated change



Source: BCB, Inter; Base date: Aug/2024

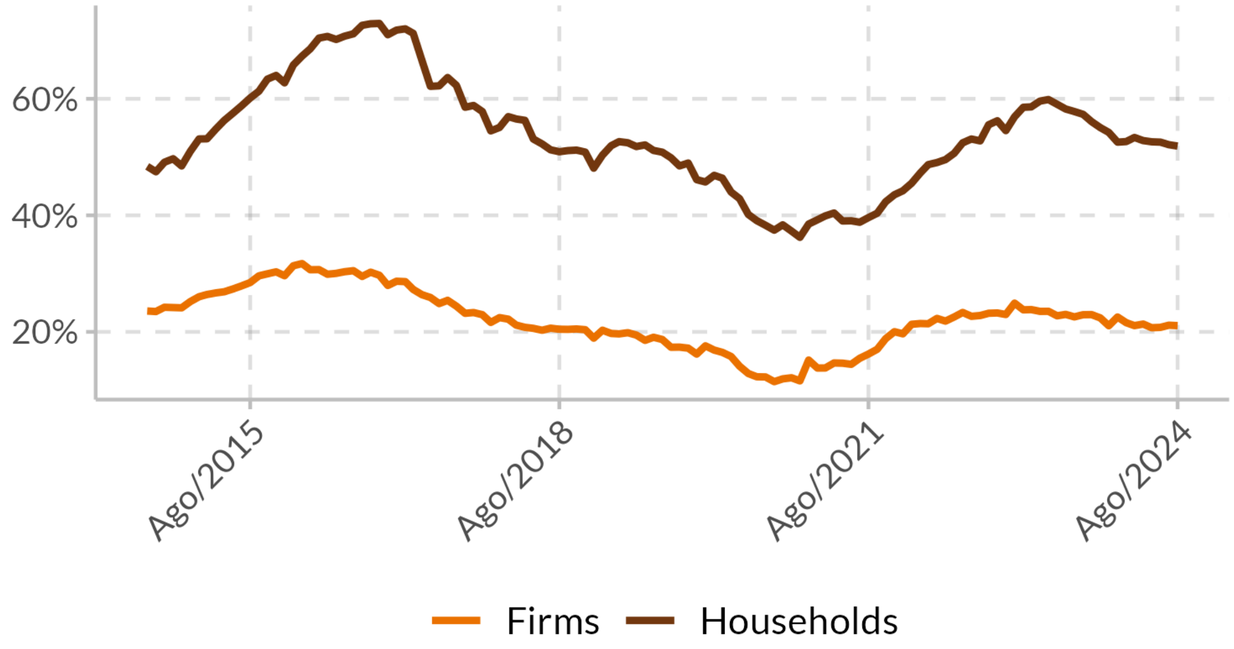
Interest rates and delinquency relative to monetary tightening

Delinquency Rates - Nonearmarked Credit



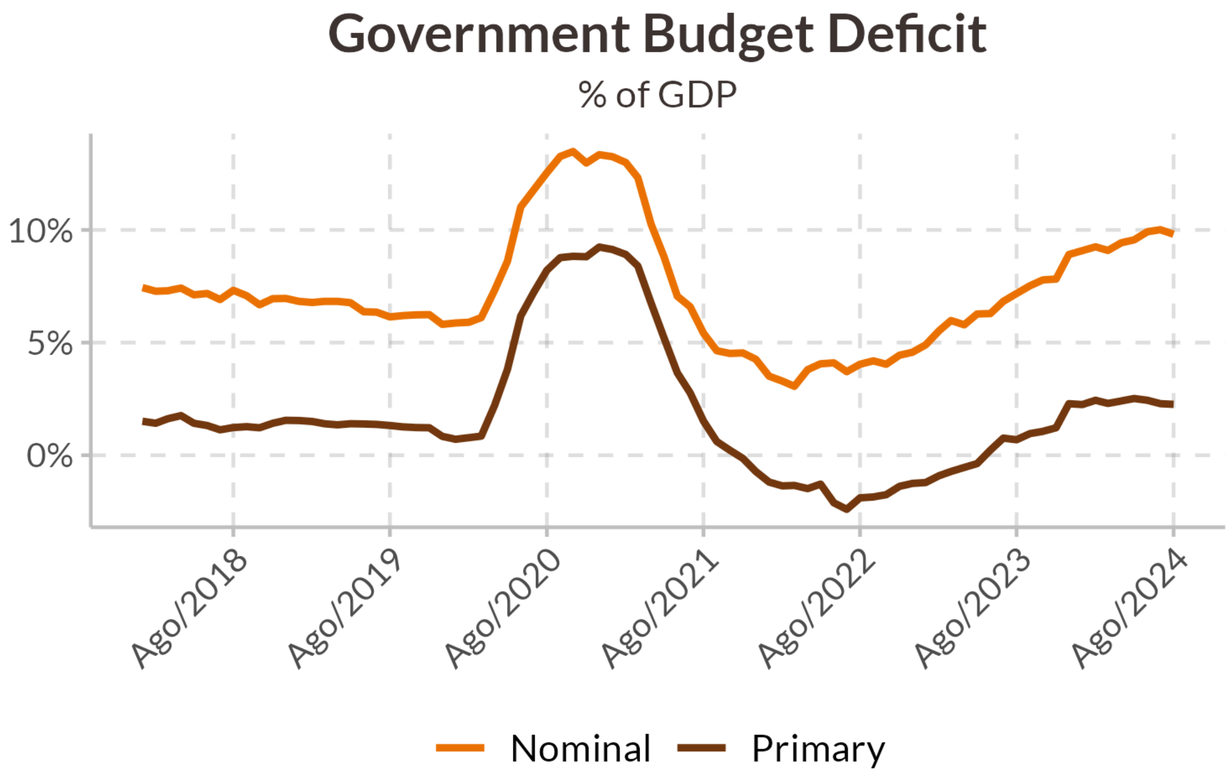
Fonte: BCB, Inter; Data-base: Aug/2024

Average APR - Nonearmarked Credit

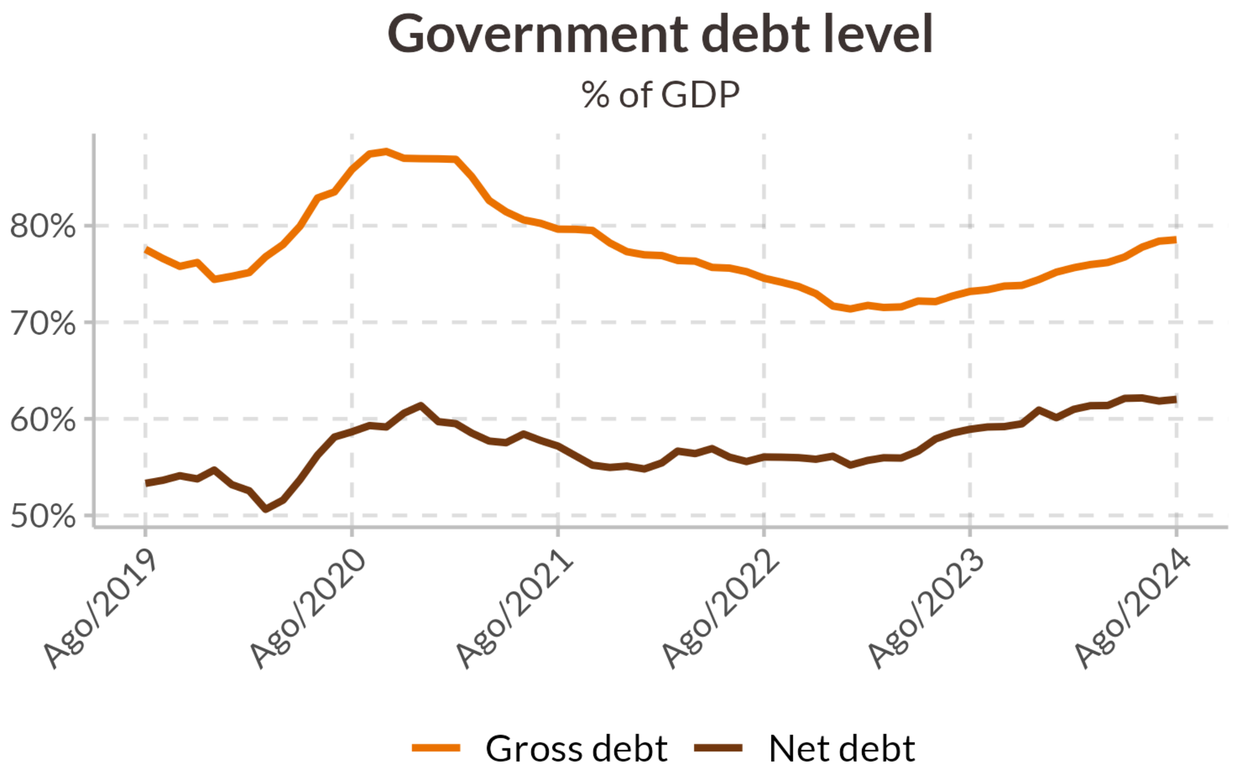


Fonte: BCB, Inter; Data-base: Ago/2024

Fiscal expansion and public debt are the main risks



Fonte: BCB, Inter; Data-base: Ago/2024

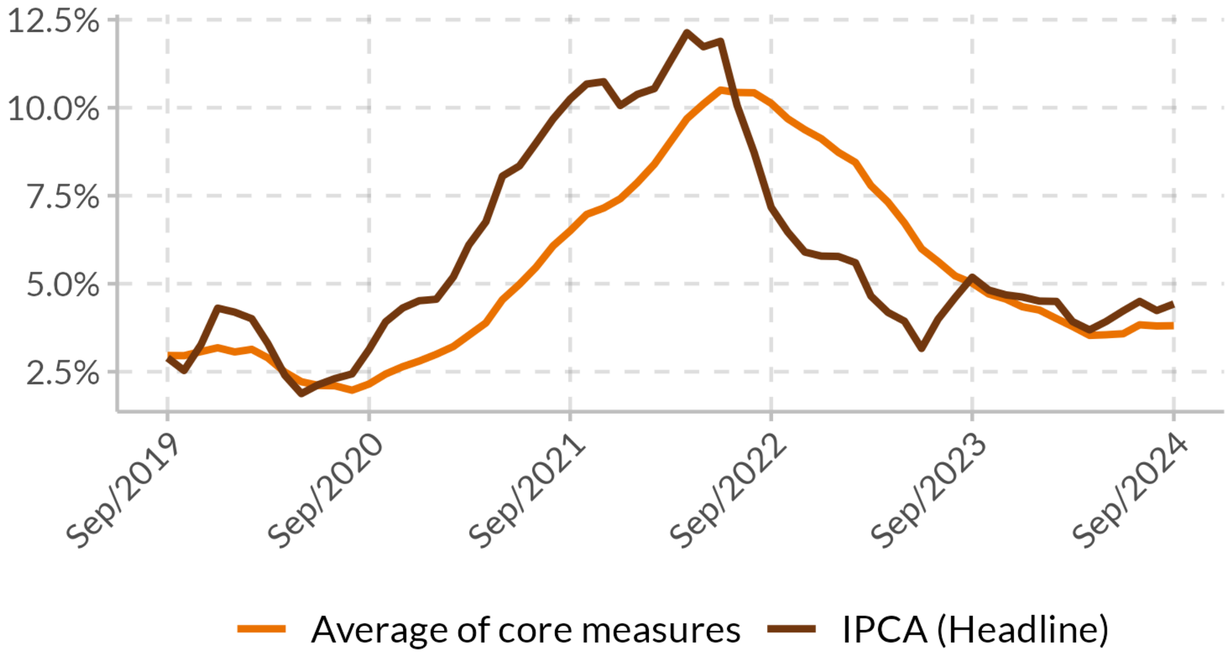


Fonte: BCB, Inter; Data-base: Aug/2024

Inflation has gradually reduced

Headline vs Core

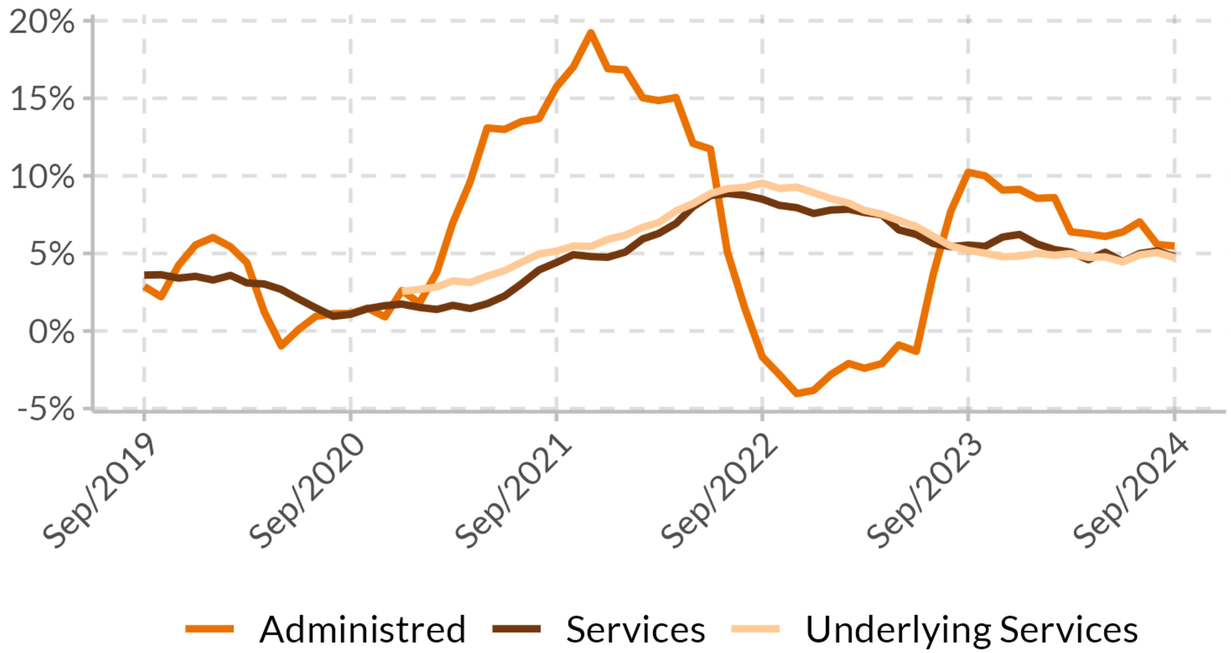
12-month accumulated inflation



Source: IBGE, Inter; Base date: Set/2024

Services Inflation

12-month accumulated inflation

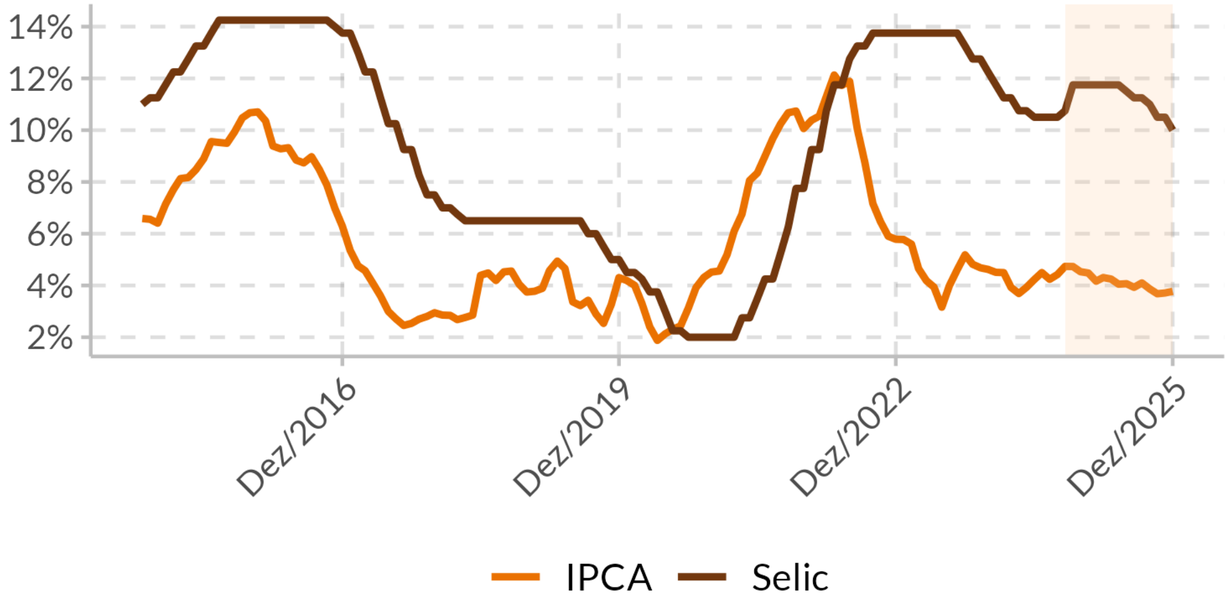


Source: IBGE, Inter; Base date: Set/2024

But interest rates are expected to increase again

IPCA and Selic - Inter Forecast (%)

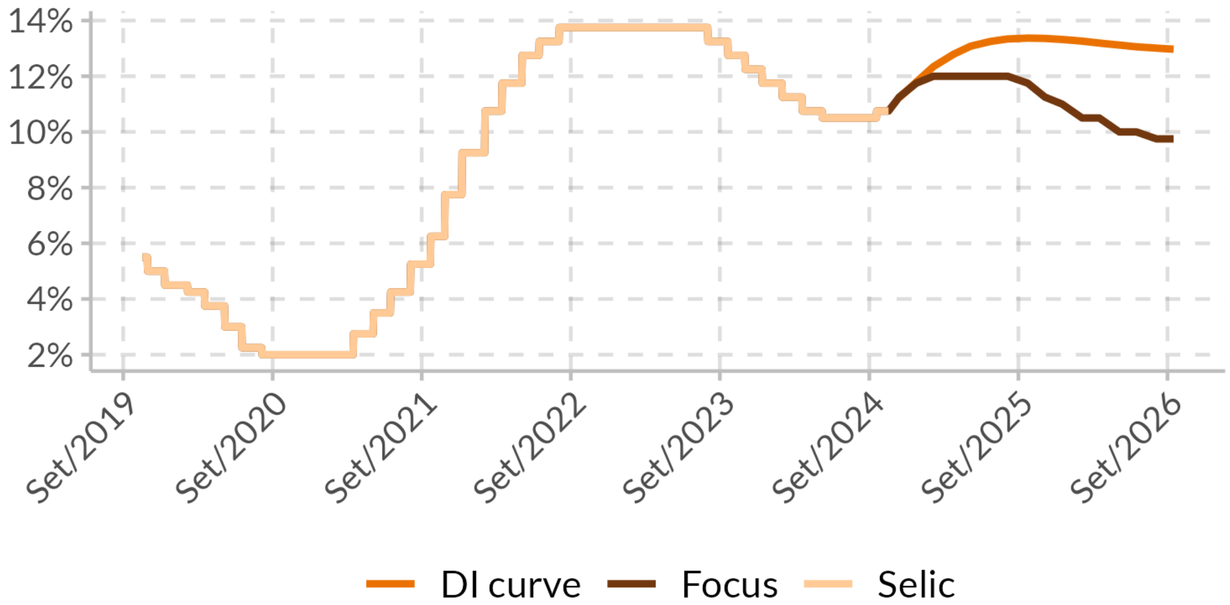
Dec/24 - IPCA: 4.53%; Selic: 11.75%
Dec/25 - IPCA: 3.77%; Selic: 10%



Fonte: BCB, IBGE, Inter; Data-base: Dec/2025

Selic's trajectory

Dec/24 - Focus: 11.75%; DI: 11.79%
Dec/25 - Focus: 11%; DI: 13.32%

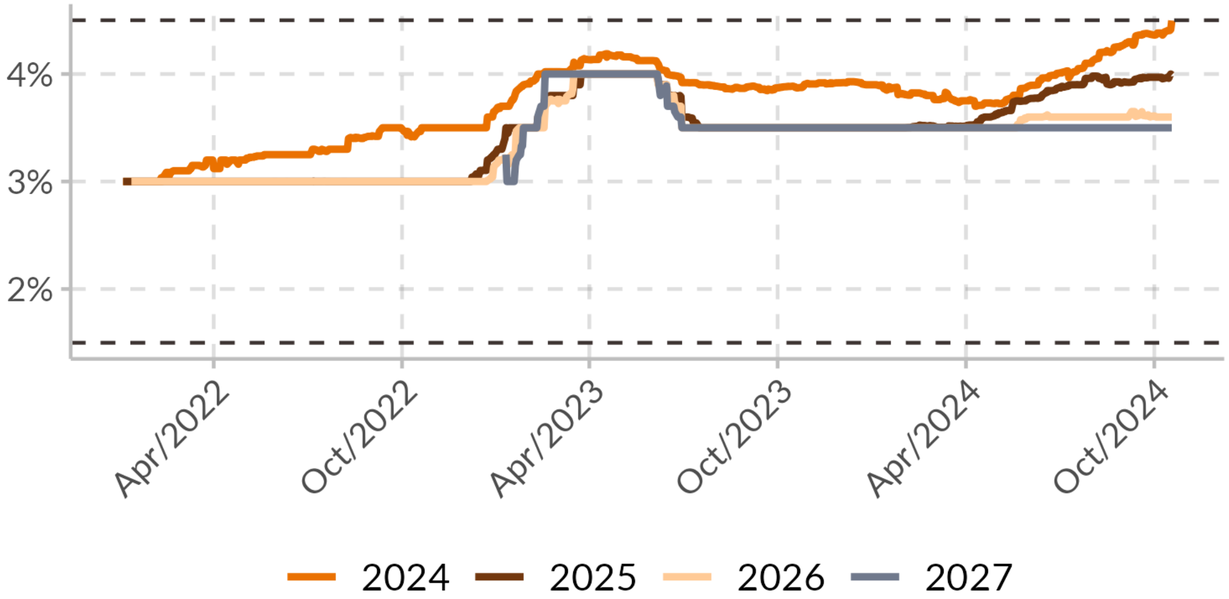


Source: Bloomberg, BCB, Inter. Base date: 18/10/2024

Inflation expectations continue to be revised up

IPCA Expectations

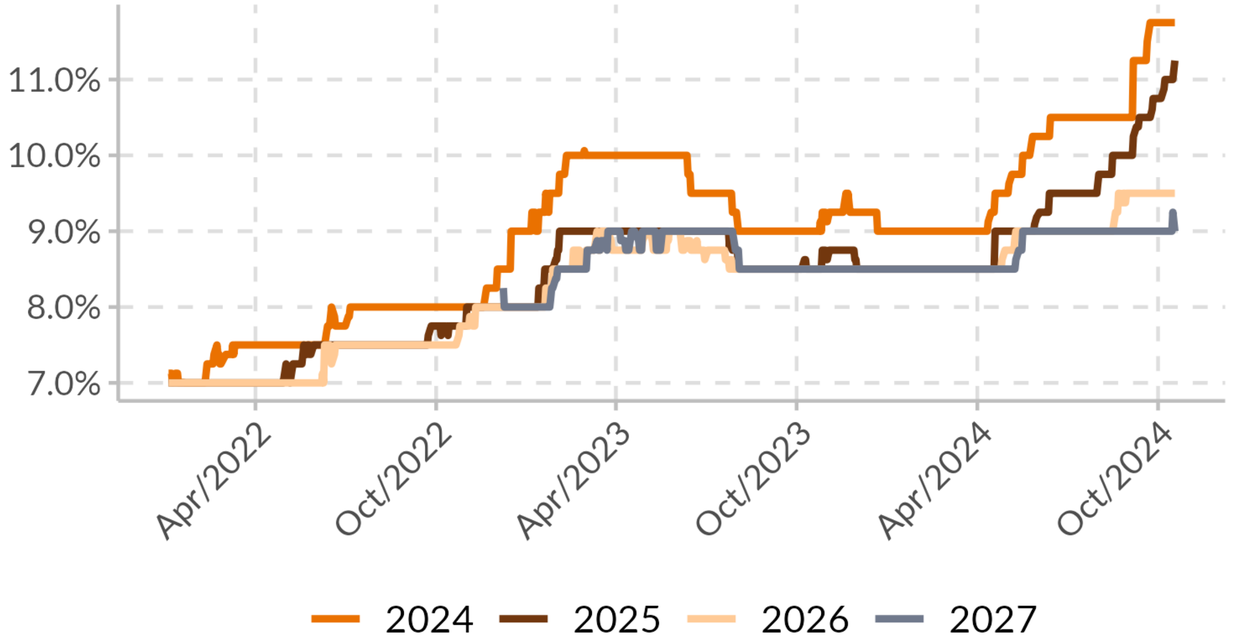
According to the Focus Bulletin
Dashed lines indicate inflation target's range



Source: BCB, Inter; Base date: 18/10/2024

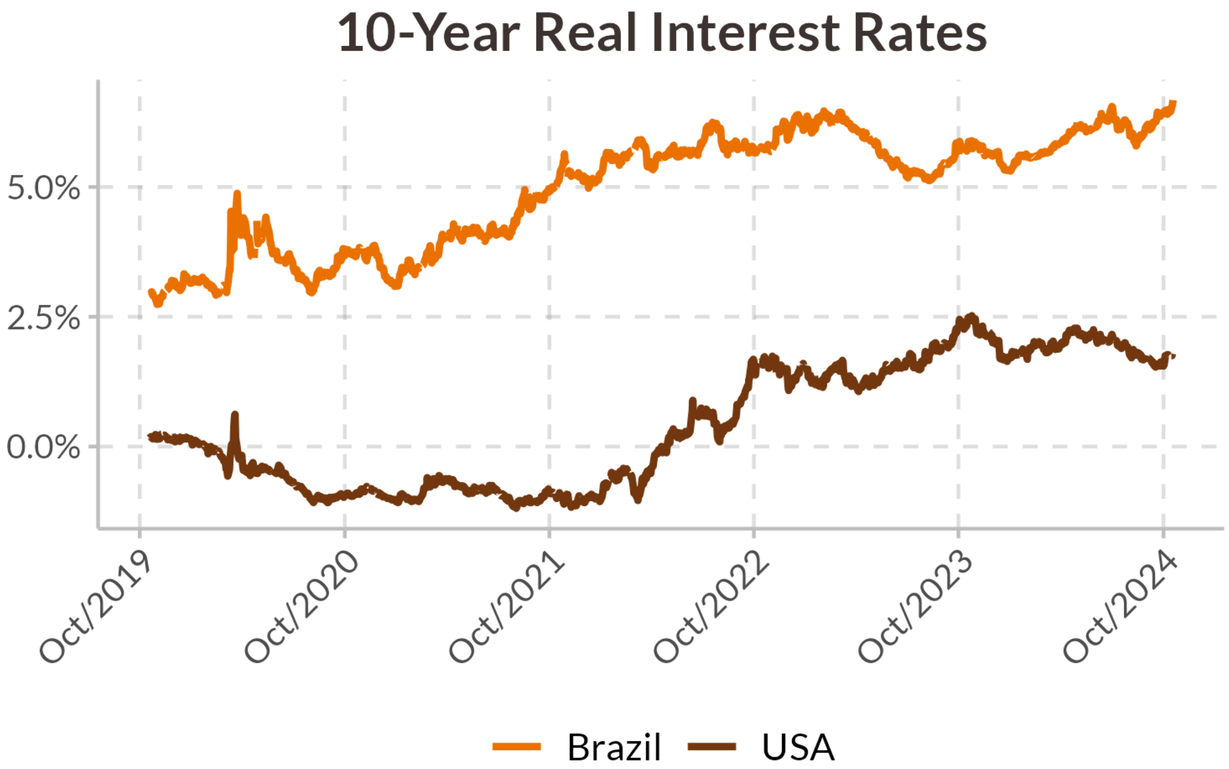
Selic expectations

According to the Focus Bulletin

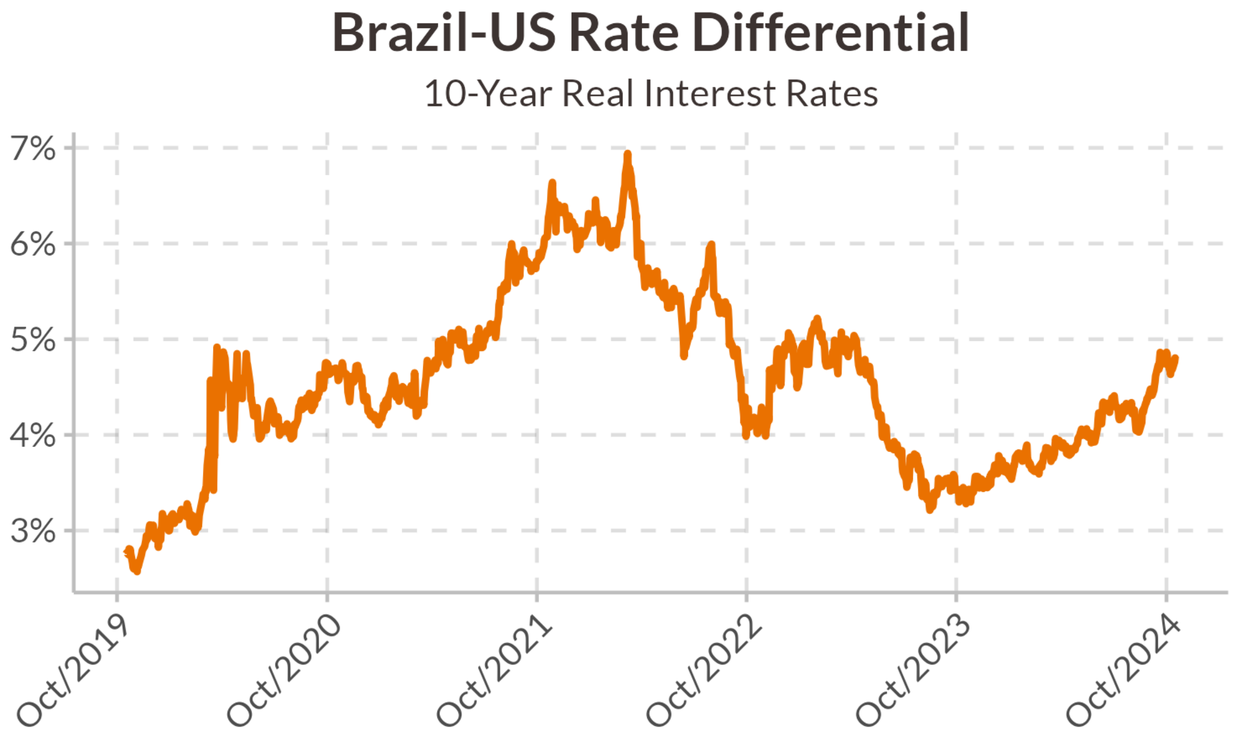


Source: BCB, Inter; Base date: 18/10/2024

Interest rate diferential has increased

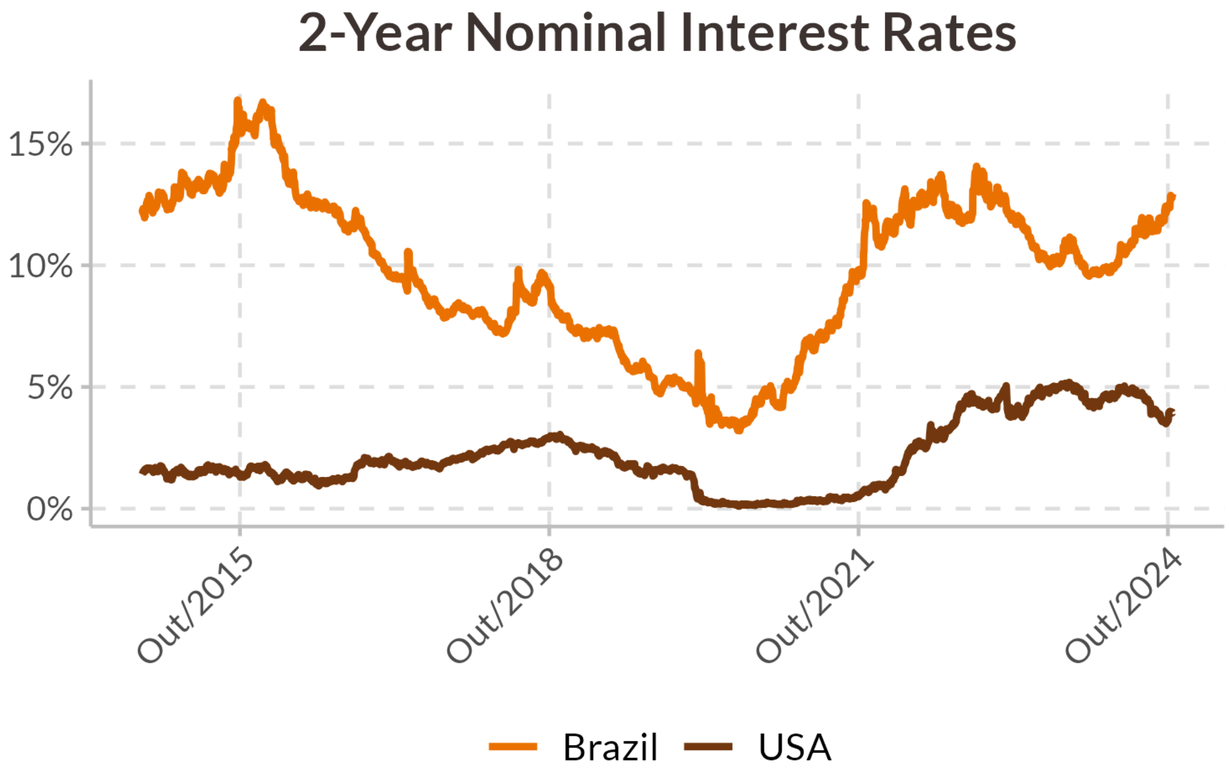


Source: Bloomberg, Inter; Base date: 18/10/2024

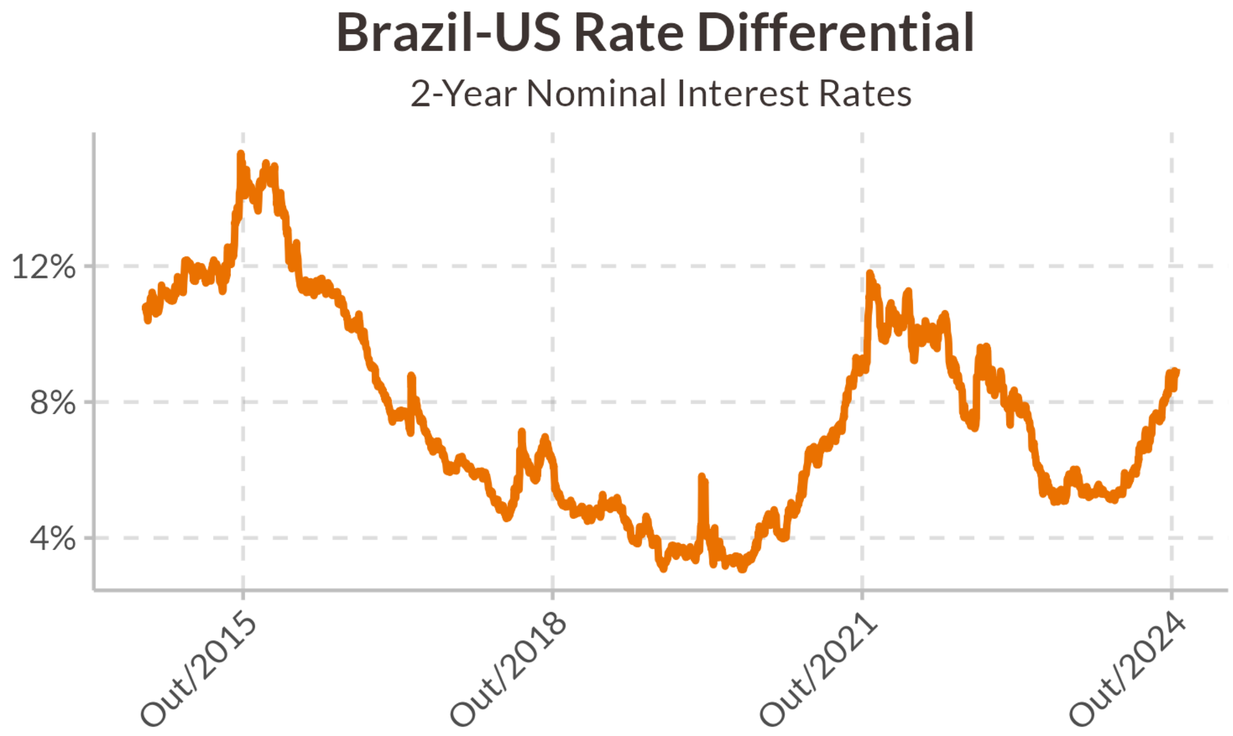


Source: Bloomberg, Inter; Base date: 17/10/2024

Interest rate diferential has increased



Fonte: B3 and U.S. Treasury Department, Inter; Data-base: 18/10/2024

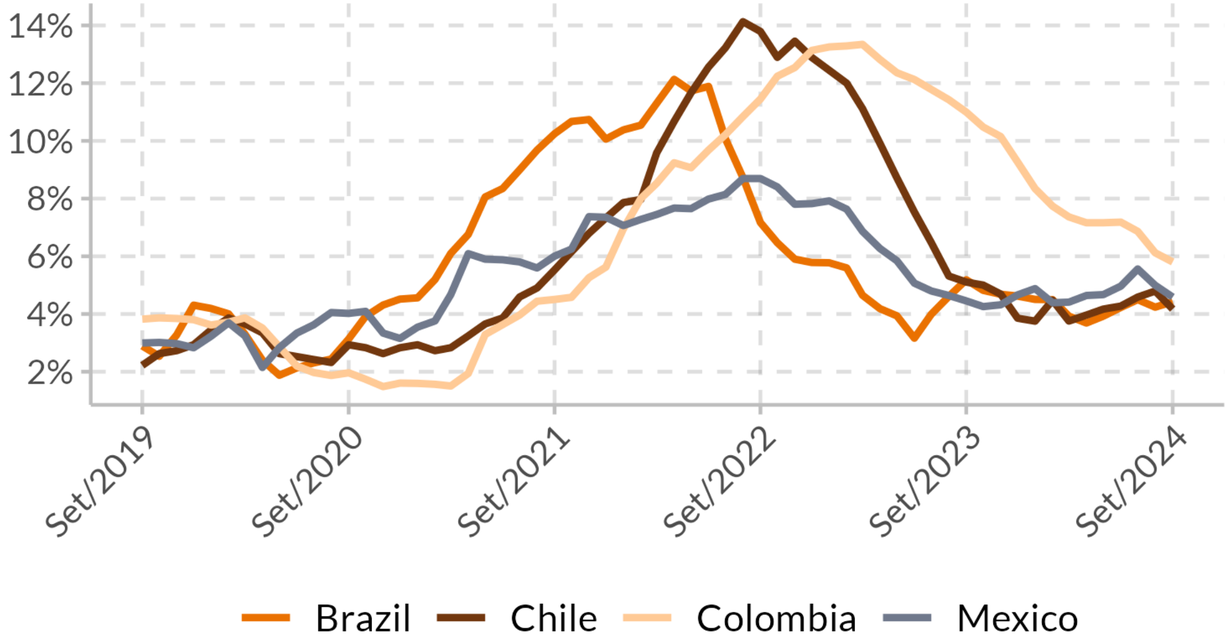


Fonte: B3 and U.S. Treasury Department, Inter; Data-base: 18/10/2024

Emerging markets inflation

Inflation - Emerging Markets

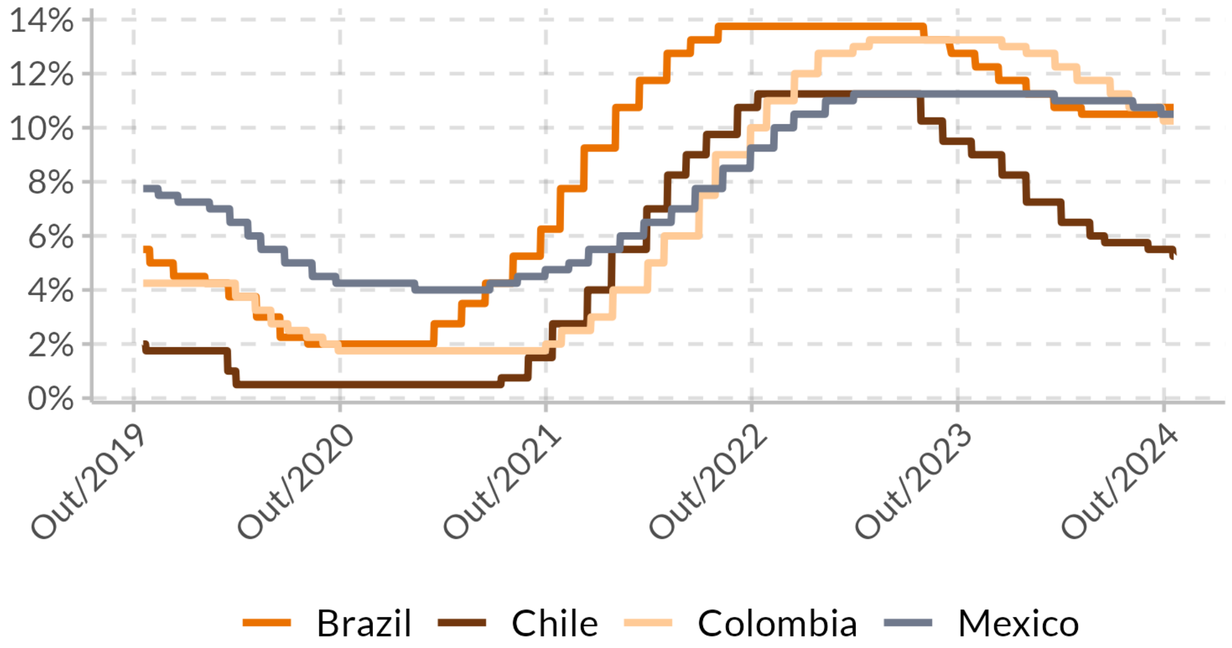
12-month annual rate of change



Fonte: Bloomberg, Inter; Data-base: Sep/2024

Interest Rates - Emerging Markets

Key interest rate for each country

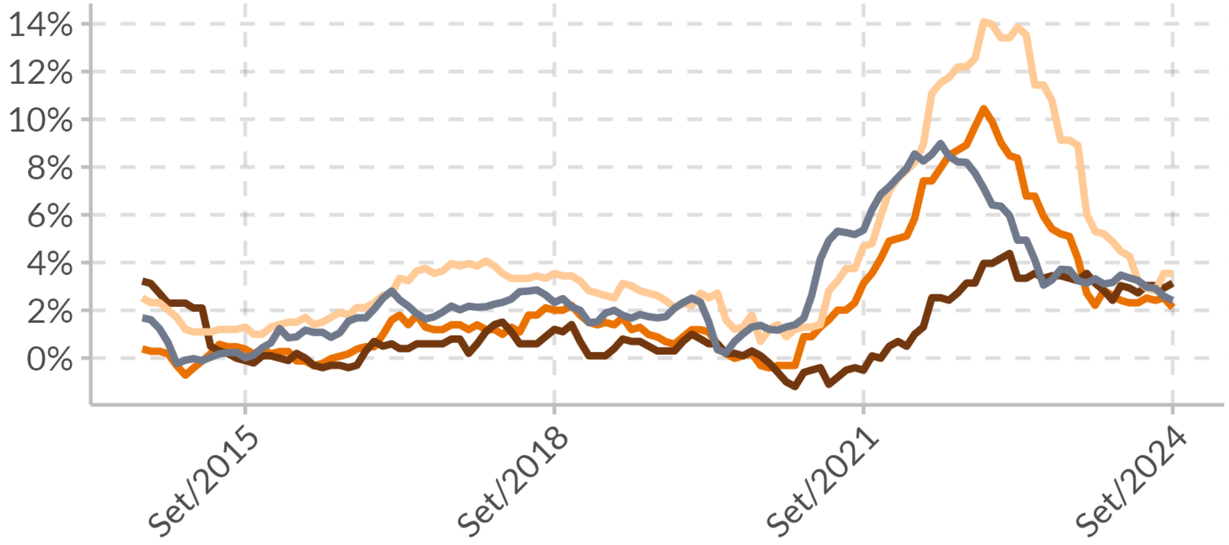


Fonte: Bloomberg, Inter; Data-base: 18/10/2024

Development markets inflation

Inflation - Developed Markets

12-month annual rate of change

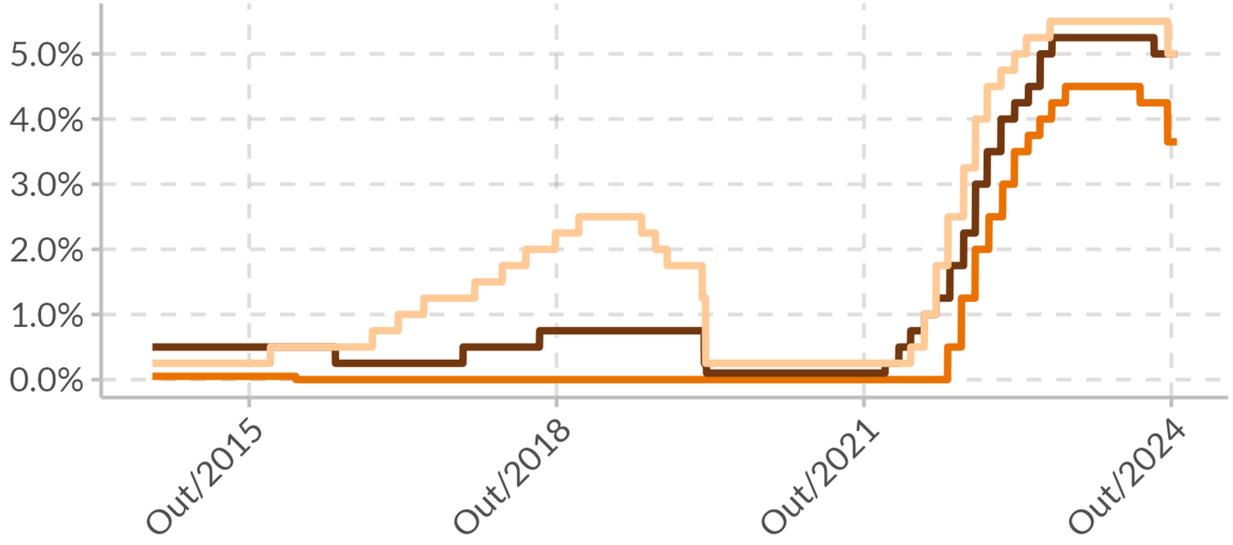


Eurozone — Japan — United Kingdom — United States

Fonte: Bloomberg, Inter; Data-base: Set/2024

Interest Rates - Developed Markets

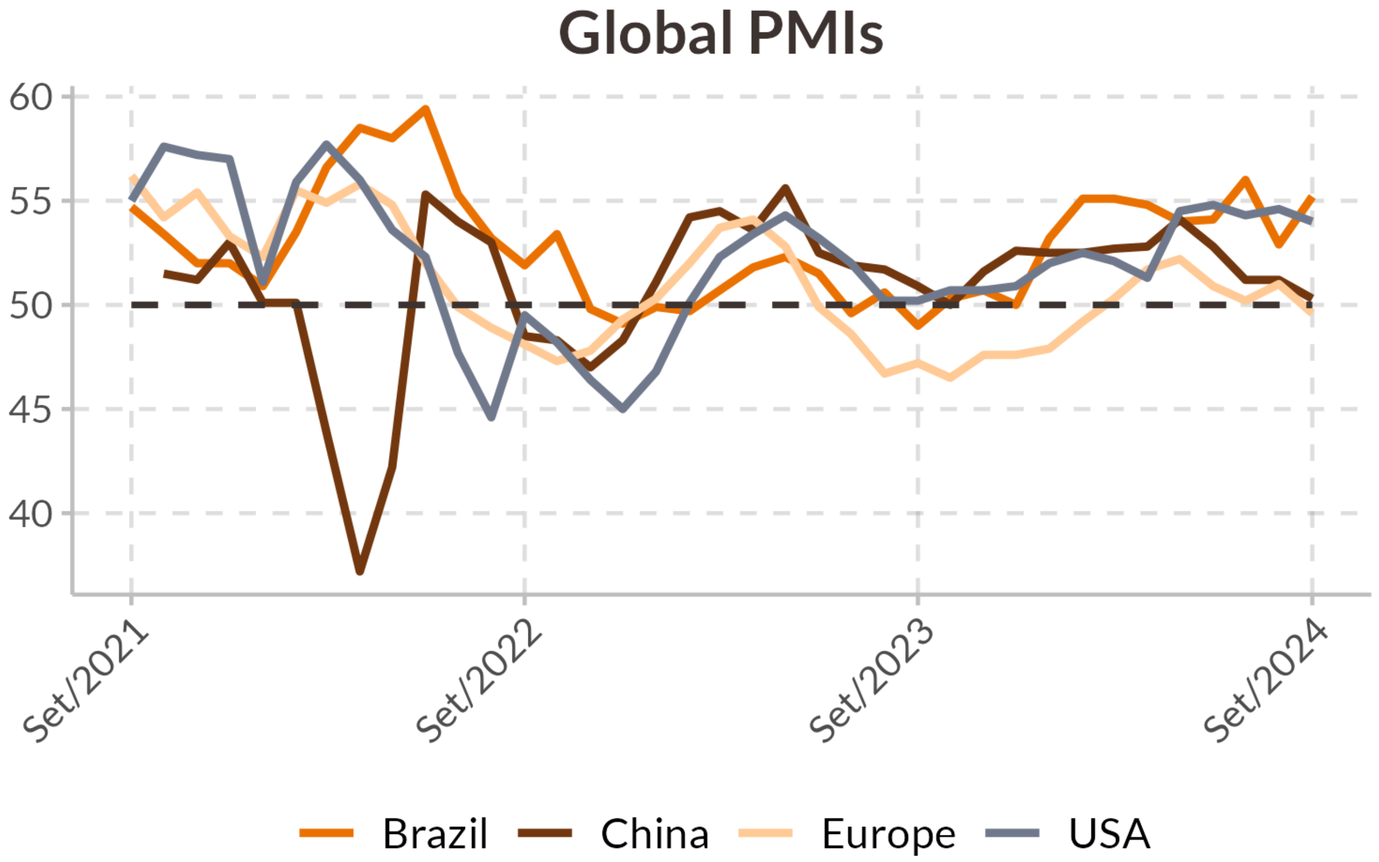
Key interest rate for each country



Eurozone — United Kingdom — United States

Fonte: Bloomberg, Inter; Data-base: 21/10/2024

Global PMIs send mixed message



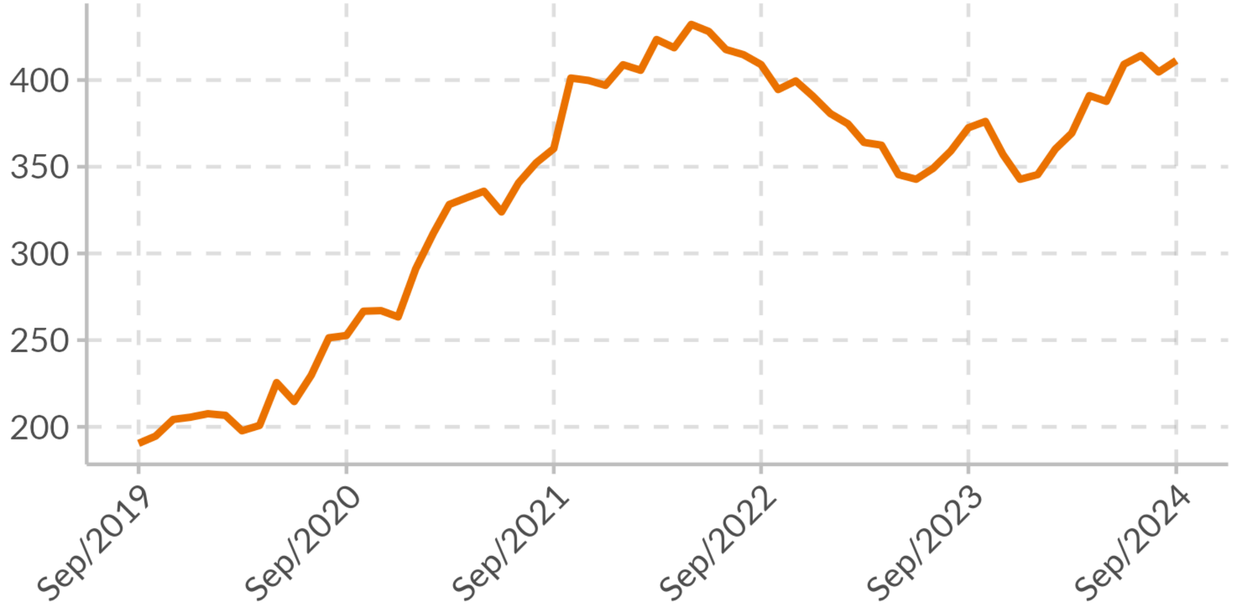
Fonte: Bloomberg, Inter; Data-base: Sep/2024

Commodity prices have accomodated

CRB - Commodity Index (US$)

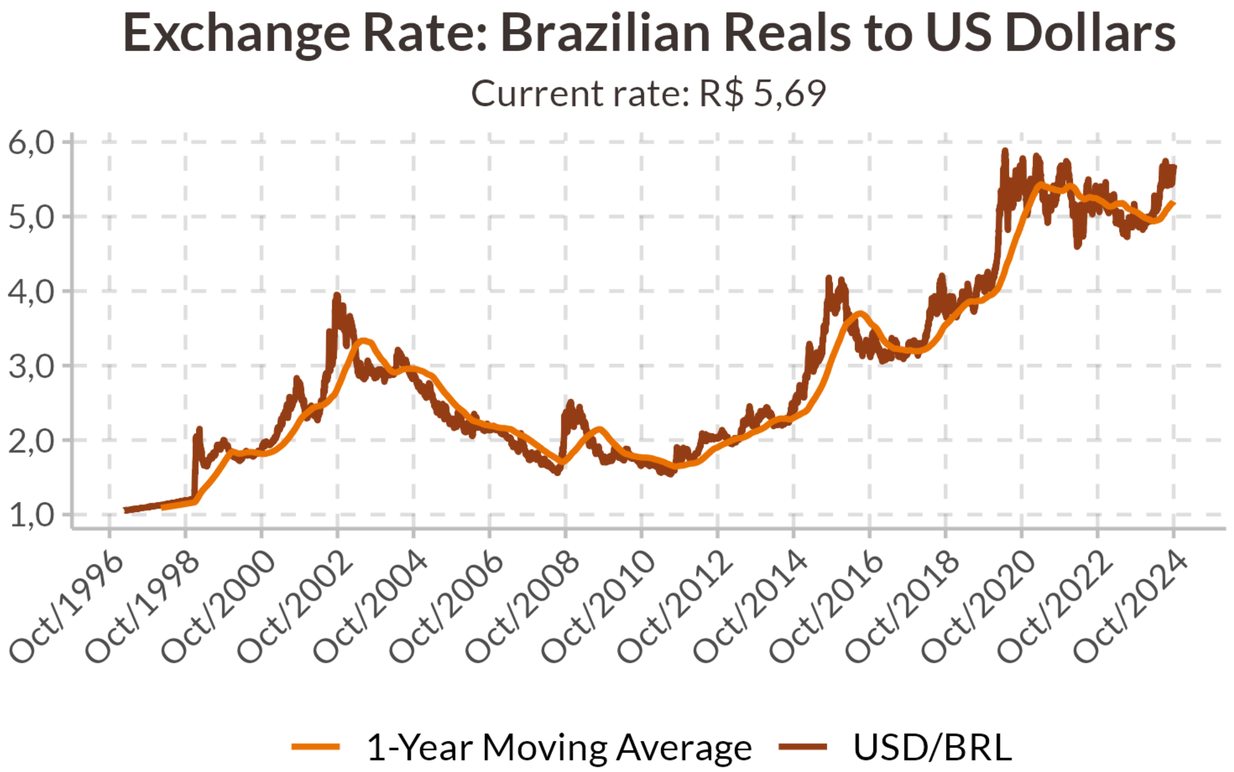
Source: Bloomberg, Inter; Base date: 21/10/2024

IC-Br - Brazil Central Bank's Commodity Index



Source: BCB, Inter; Base date: Sep/2024

Exchange rate volatility in back

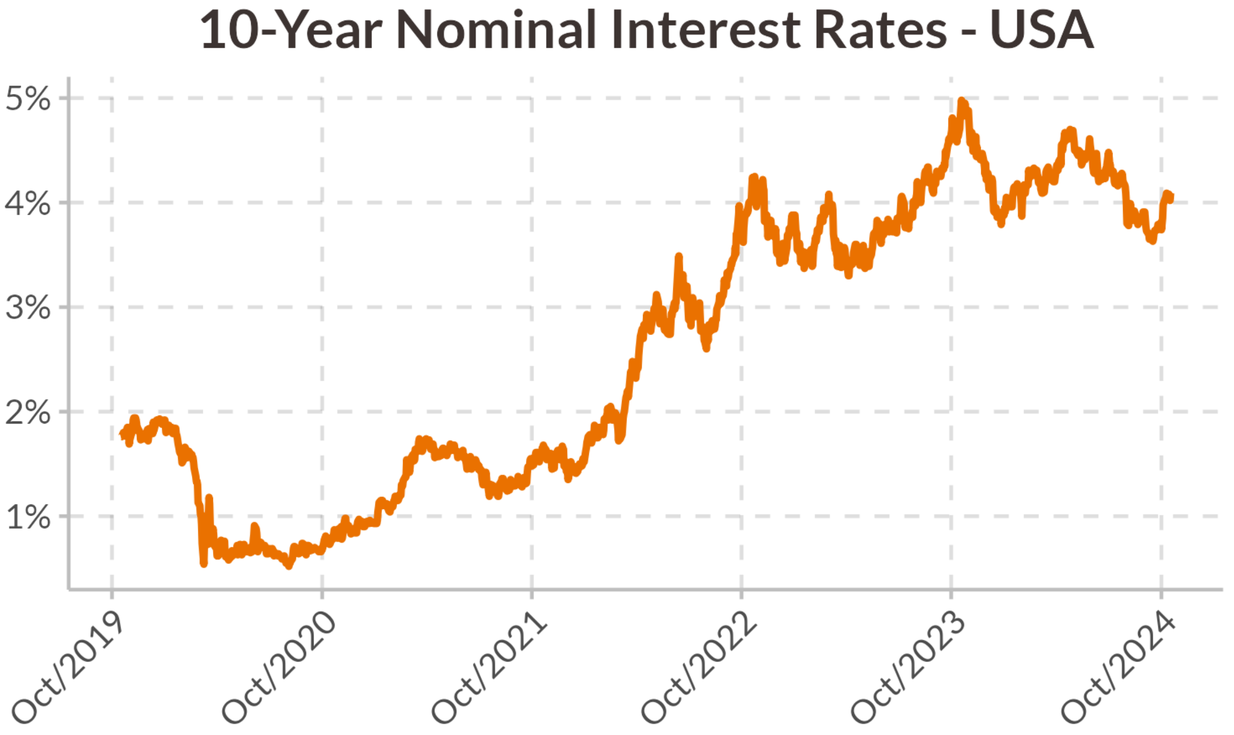


Source: Bloomberg, Inter; Base date: 18/10/2024

Source: Yahoo Finance, Inter; Base date: 20/10/2024

Stock market still performing well amid uncertanties

Source: Bloomberg, Inter; Base date: 18/10/2024



Source: Fed, Inter; Base date: 17/10/2024

inter