

# KWAZULU-NATAL PROVINCIAL TREASURY IGR UNIT

Tel: 033 897 4249



## MONTHLY ECONOMIC NEWS LETTER October 2010

### Brazil Economic Snapshot

- Brazil is the largest country in South America and the fifth largest country in the world in terms of geographical area with 86% of its total population living in the urban areas
- It boasts well developed agriculture, mining, manufacturing, and service sectors. Major industries are textiles, shoes, chemicals, aircraft, steel, motor vehicles, etc. Agricultural products include coffee, wheat, rice, sugarcane etc.
- Brazil's total workforce, according to 2009 estimates, was 95.21 million.

#### Key Indicators

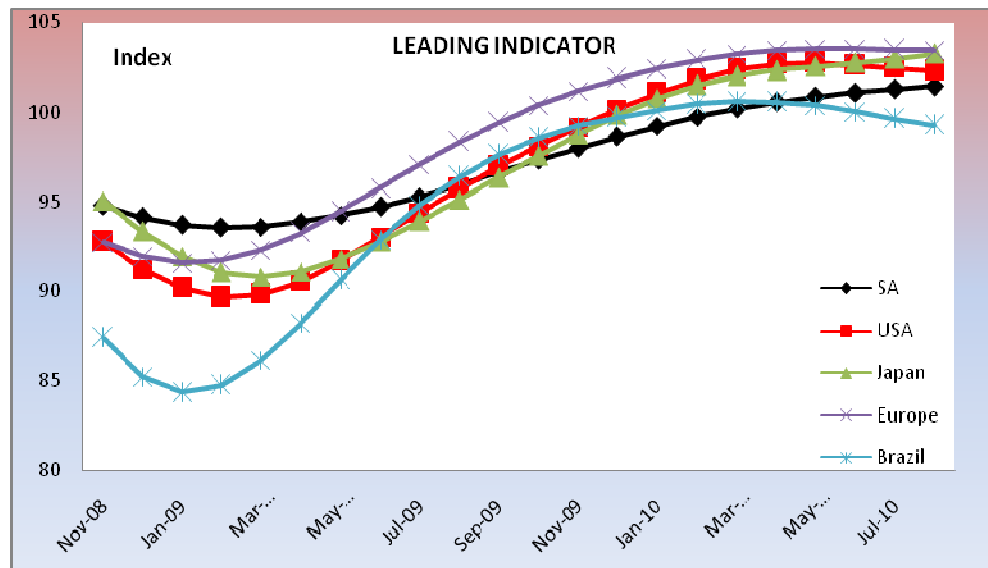
Key Indicators	Data
Consumer Price Index	4.7
Employment Situation	6.2
Exchange Rate (1\$)	1.7
GDP	8.8
Industrial Production	8.5
Monetary Policy	10.75
Retail Sales Index	10.4

#### Some Headlines

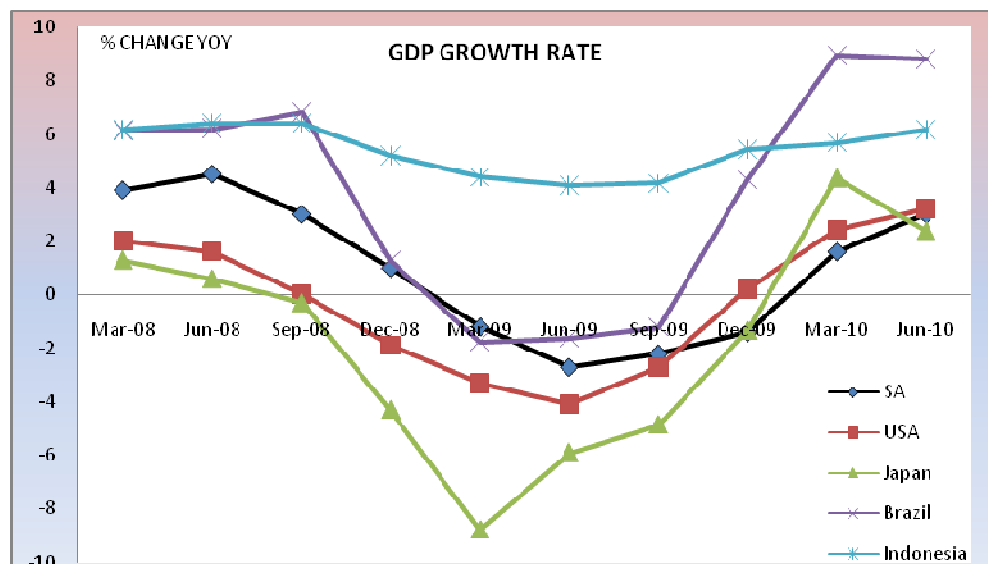
After reaching its maximum speed, growth is moderating.  
Price movement remains within central bank target rates.  
Conditions are already restrictive and demand is slowing.  
Rousseff will continue the current model of free-market policies and social programs.

Source: Moody's Analytics

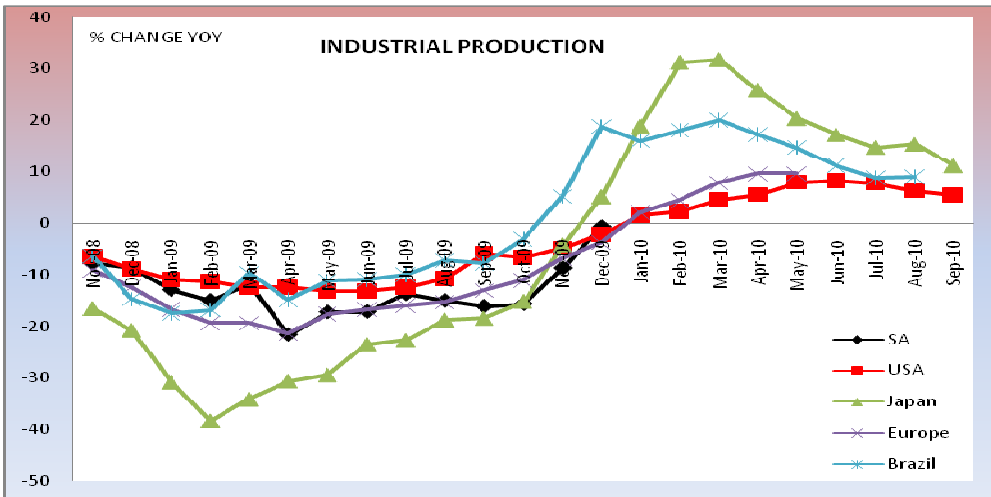
## MACROECONOMIC INDICATORS



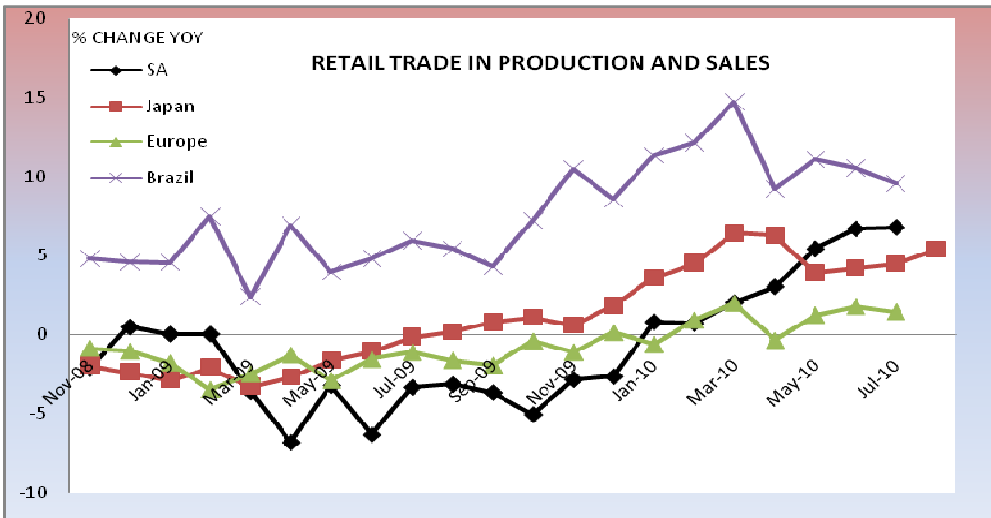
	Jul-10	Aug-10
Russia	103.78	104.27
Sweden	104.49	104.82
India	100.56	100.40
Turkey	103.40	103.11
Hungary	102.41	102.63
Indonesia	100.78	100.54
Australia	102.61	102.35
Korea	102.79	102.51
China	101.72	101.27



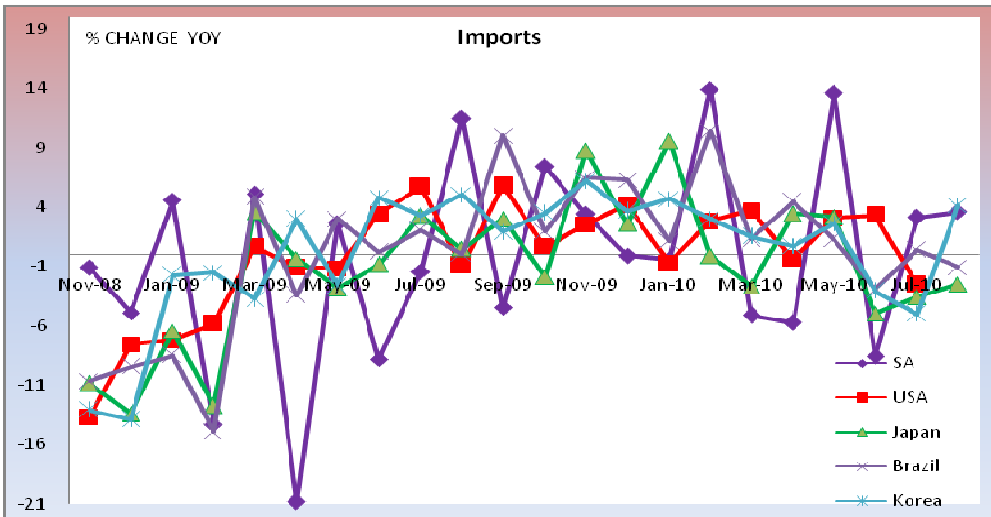
	Mar-10	Jun-10
Russia	3.10	5.20
Sweden	2.70	4.60
Brazil	8.95	8.80
India	7.40	-
Turkey	11.70	10.30
Hungary	0.20	0.80
Australia	2.70	3.30
Korea	8.10	7.20
China	11.90	10.30



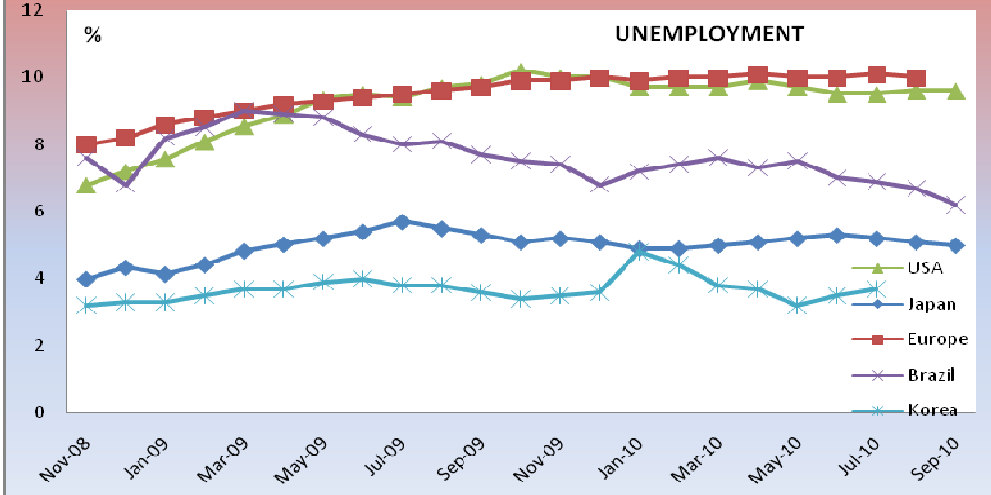
	Aug-10	Sep-10
Russia	7.0	-
Sweden	-	-
India	5.6	-
Turkey	-	-
Hungary	-	14.9
Indonesia	-	-
Korea	16.9	3.9
China	13.9	13.3



	Jul-10	Aug-10
USA	4.41	-
Brazil	9.59	-
Sweden	1.76	4.39
Hungary	1.51	-
China	-	-
Russia	4.51	5.41
Korea	9.38	8.73

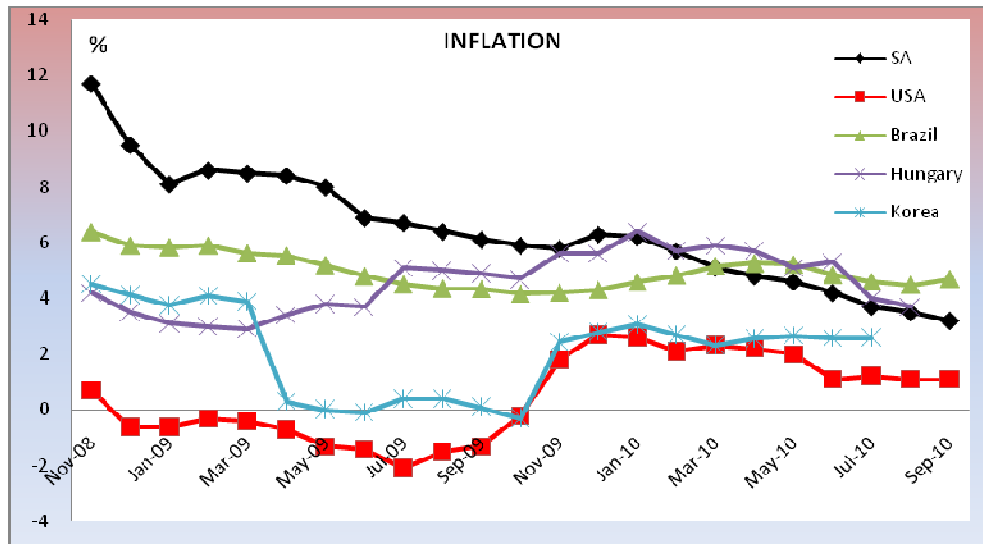


	Jul-10	Aug-10
Europe	2.86	-
Sweden	-4.64	3.49
India	-	-
Turkey	0.14	-0.16
Hungary	5.89	-
Indonesia	-4.53	1.65
Australia	7.51	-9.37

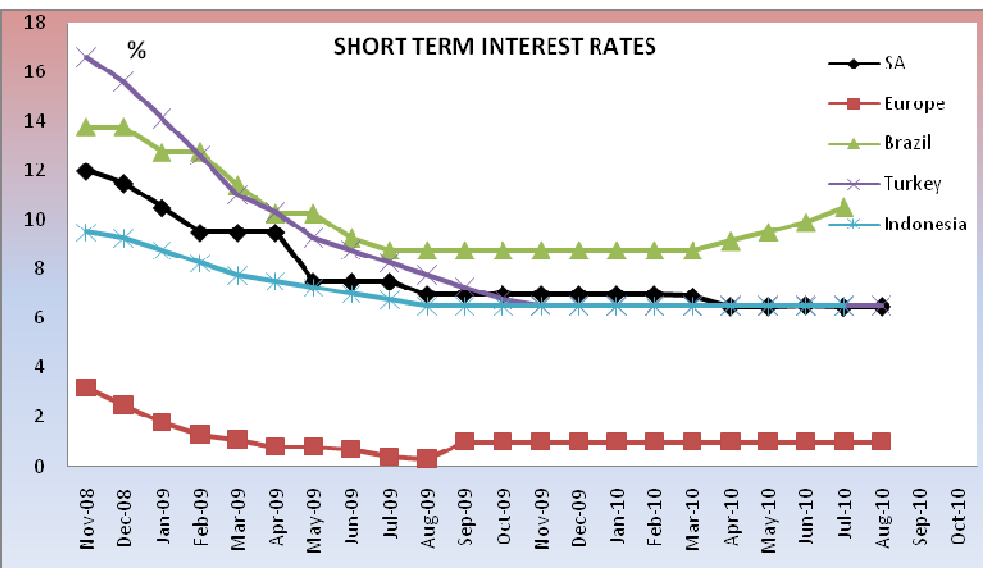


	Aug-10	Sep-10
Russia	-	-
Europe	10.00	-
Sweden	7.40	-
Japan	5.10	5.00
Australia	5.10	5.10
South Africa	-	-
USA	9.60	9.60
Korea	-	-

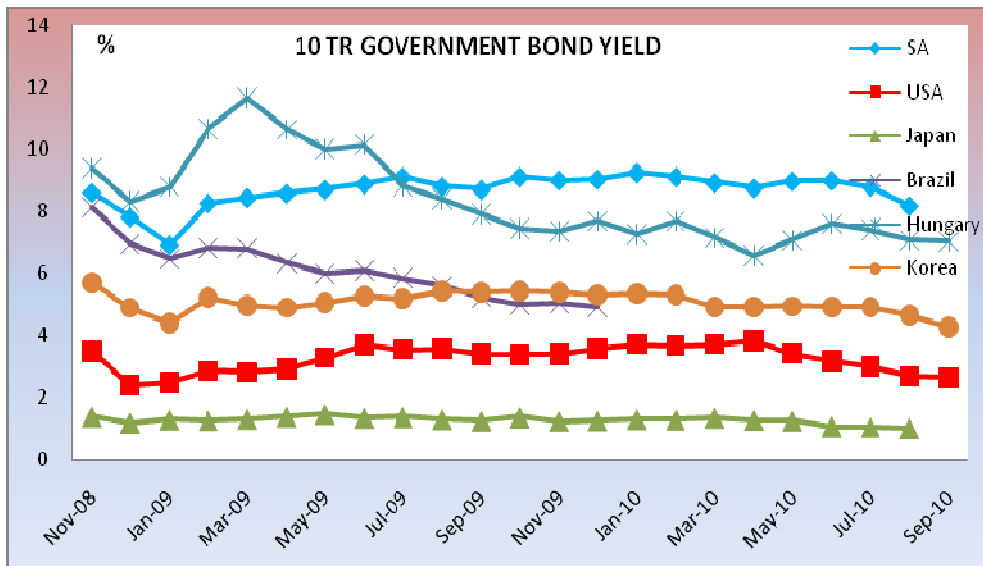
## MONETARY INDICATORS



	Aug-10	Sep-10
Japan	-0.9	-0.6
Russia	6.1	7
Europe	1.6	1.8
Sweden	1.1	0.9
India	-	-
Turkey	8.33	9.2
Hungary	3.7	-
Indonesia	6.4	-
Australia	-	2.8
China	3.5	3.6



	Aug-10	Sep-10
USA	0.25	0.25
Japan	0.10	-
Russia	7.75	-
Sweden	-	0.75
India	4.50	5.00
Hungary	5.25	-
Australia	4.50	-
Korea	2.25	-
China	5.31	-



	Aug-10	Sep-10
Russia	7.65	-
Sweden	2.45	2.53
Brazil	-	-
India	-	-
Hungary	7.07	7.04
Australia	4.98	5.00

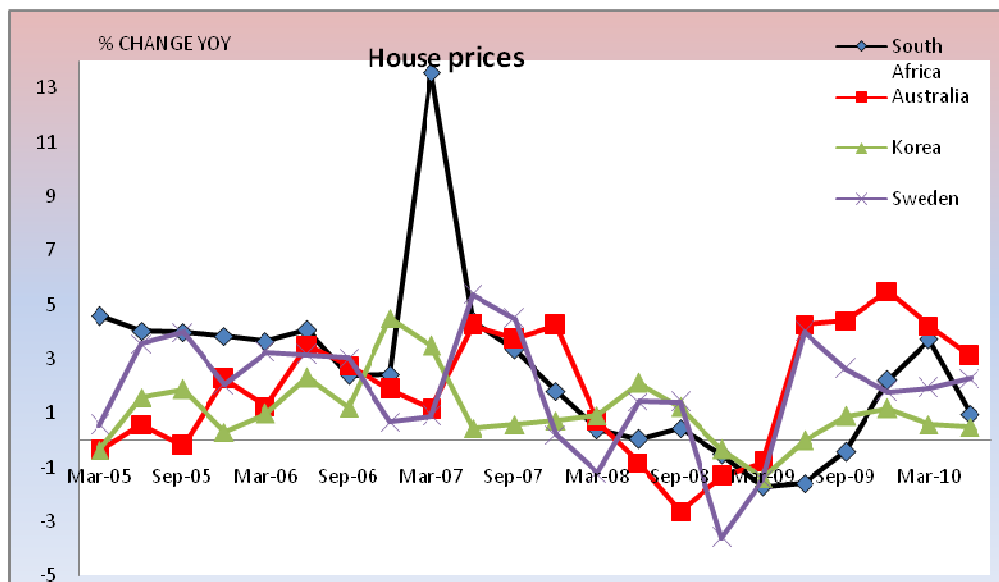
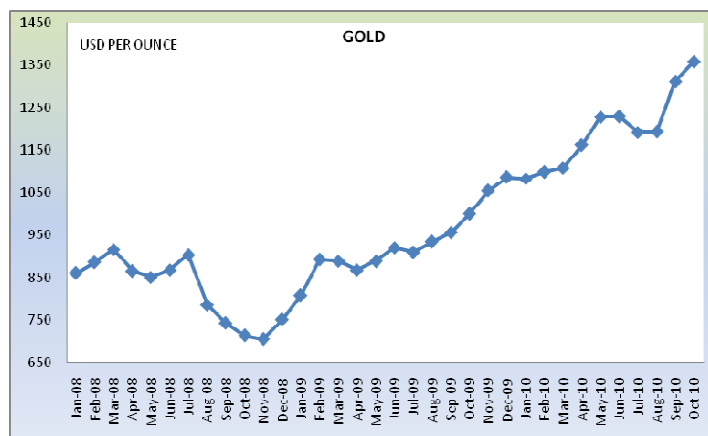
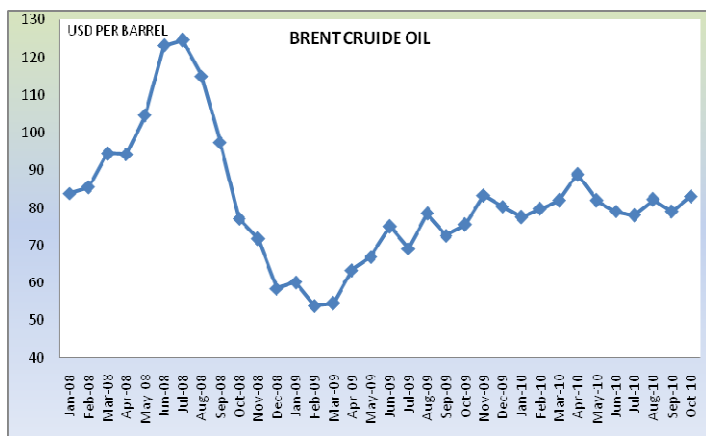
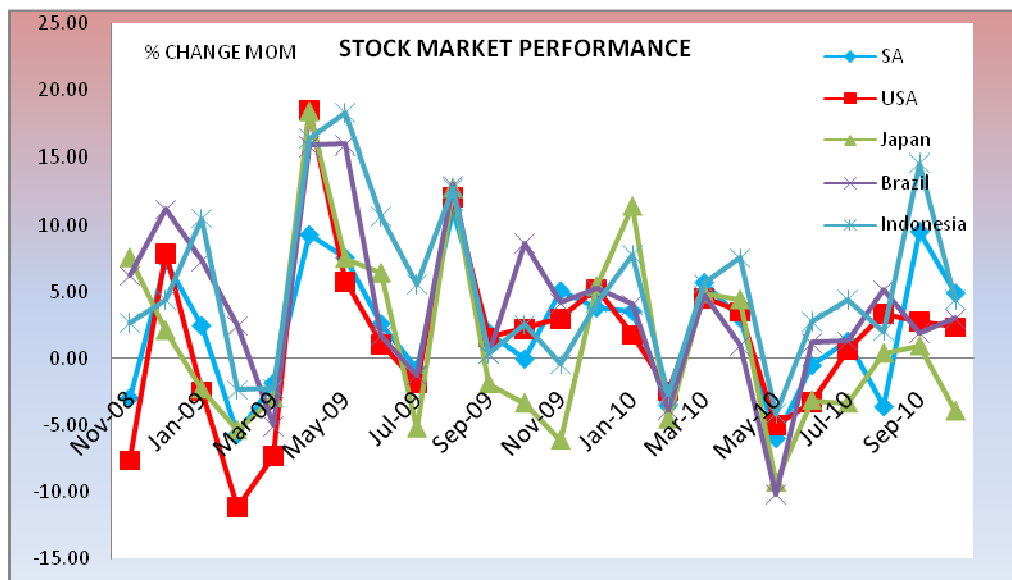
## EXCHANGE RATES (PER 1 USD END OF THE MONTH)

	Apr-10	May-10	June-10	July-10	Aug-10	Sep-10	Oct-10
SA	7.25	7.55	7.51	7.43	7.31	6.98	6.98
Japan	93.18	92.47	91.44	86.57	86.47	84.23	84.23
Russia	29.15	30.51	31.16	30.41	30.60	30.56	30.56
Europe	1.35	1.24	1.23	1.29	1.33	1.35	1.35

<b>Sweden</b>	7.20	7.75	7.77	7.31	7.45	6.79	6.79
<b>Brazil</b>	1.76	1.80	1.79	1.78	1.77	1.71	1.71
<b>India</b>	44.29	45.21	46.19	46.95	46.77	45.02	45.02
<b>Turkey</b>	1.49	1.55	1.57	1.52	1.52	1.47	1.47
<b>Hungary</b>	197.78	224.33	227.33	222.99	220.32	202.50	205.93
<b>Indonesia</b>	9032.00	9100.00	9150.00	9042.00	8949.00	8930.00	8945.00
<b>Australia</b>	0.93	0.89	0.87	0.90	0.89	0.96	0.96
<b>Korea</b>	1118.15	1130.93	1187.50	1199.15	1183.70	1146.60	1152.50
<b>China</b>	6.82	6.83	6.81	6.78	6.80	6.69	6.69

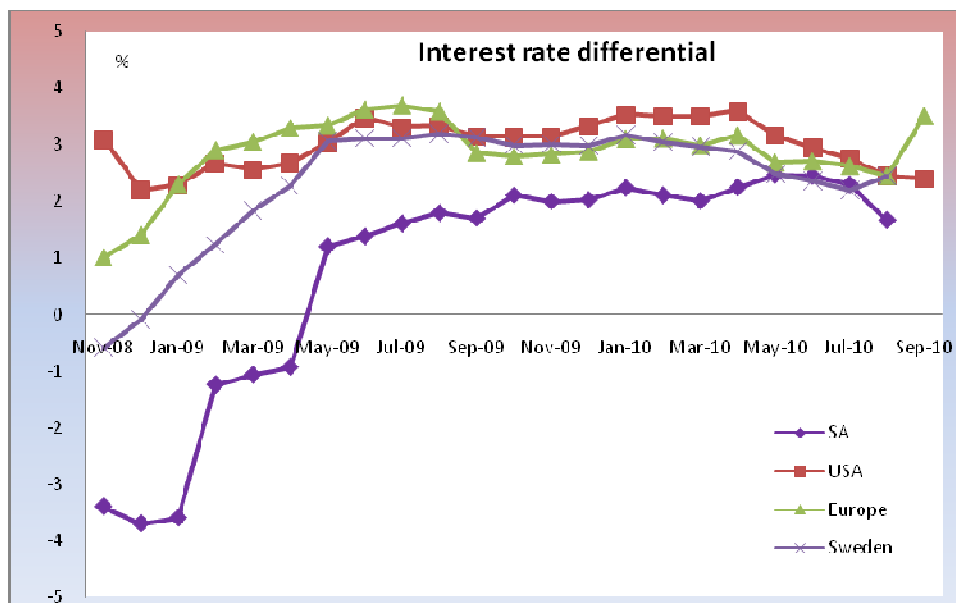
## FINANCIAL

	Sep-10	Oct-10
<b>Russia</b>	1.21	7.33
<b>Europe</b>	-0.07	2.23
<b>Sweden</b>	2.64	0.09
<b>India</b>	10.30	0.03
<b>Turkey</b>	9.19	6.00
<b>Hungary</b>	-0.76	0.93
<b>Australia</b>	2.24	0.02
<b>Korea</b>	5.13	1.02
<b>China</b>	-0.30	13.75

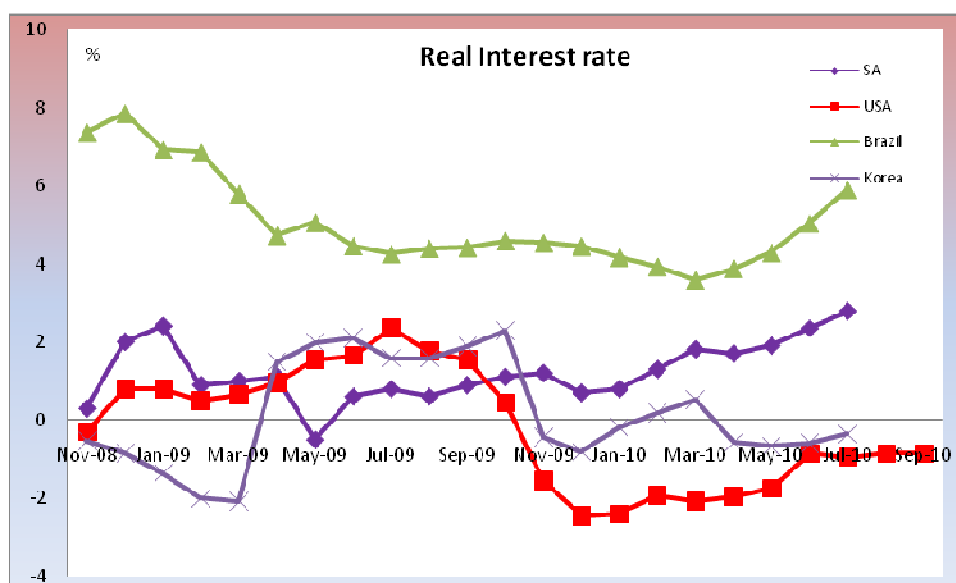


	Mar-10	Jun-10
<b>Hong Kong</b>	5.94	3.88
<b>Portugal</b>	1.56	-0.94
<b>Colombia</b>	0.69	-

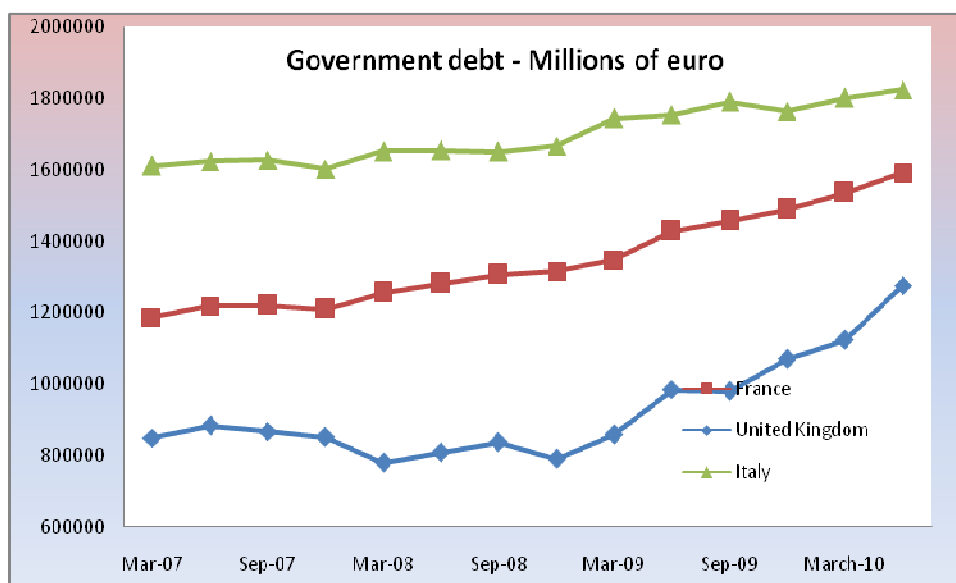
## Monetary and Fiscal Analysis



	Jul-10	Aug-10
Japan	0.98	-
Brazil	-	-
India	-	-
Turkey	-	-
Hungary	2.14	1.82
Indonesia	-	-
Korea	2.66	2.43
China	-	-



	Jul-10	Aug-10
Europe	-0.70	-0.60
Sweden	-0.60	-
India	-7.17	-
Turkey	-1.08	-1.83
Hungary	1.25	1.55
Indonesia	0.28	-
Australia	-	-
China	-0.35	1.81



	Mar-10	Jun-10
Europe	2.61	-
Hungary	4.86	-2.58
France	3.19	3.76
United Kingdom	5.60	14.15
Slovenia	6.77	0.13
Portugal	1.94	50.03
Italy	2.04	1.38
Sweden	0.81	0.70