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The Conference Board Leading Economic Index[®] for Brazil, Together with Fundação Getúlio Vargas, Increased in July

Rio de Janeiro, August 18, 2014... *The Conference Board Leading Economic Index[®]* for Brazil, together with Fundação Getúlio Vargas (TCB/FGV Brazil LEI), increased 0.8 percent in July. The index now stands at 120.3 (2004 = 100), following a 1.7 percent decline in June and a 1.7 percent decline in May. Five of the eight components contributed positively to the index in July.

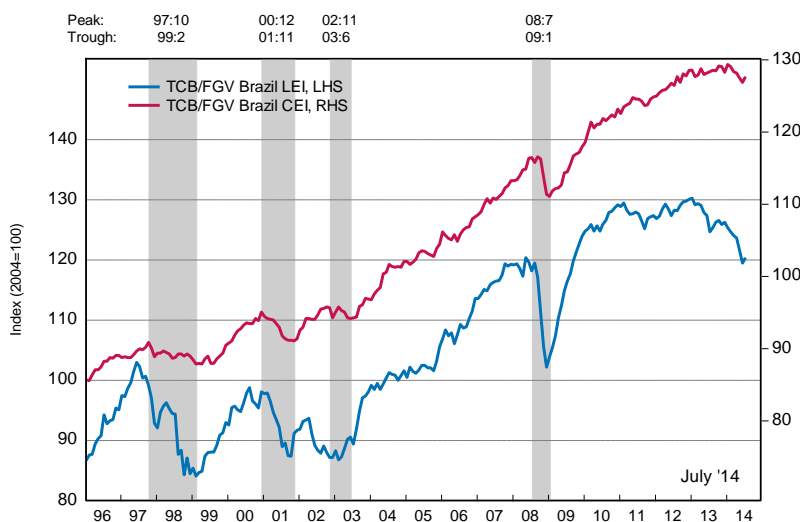
Paulo Picchetti, Economist at FGV/IBRE says, “The July gains in both the LEI and CEI are noteworthy given six months of consecutive declines, however it’s still too early to suggest a pickup in economic activity. July’s improvement was accompanied by decelerating prices which in turn helped improve expectations concerning future monetary policy, and consumers and service sector expectations also improved.”

Jing Sima, Economist at The Conference Board adds, “July’s increase in the LEI for Brazil was mainly driven by improvements in exports, the service sector, and stock prices. Nevertheless, domestic demand remains sluggish and manufacturing indicators have been declining persistently. Despite July’s

improvement, the growth in the LEI continues to suggest that the Brazilian economy is unlikely to gain much traction in the coming months.”

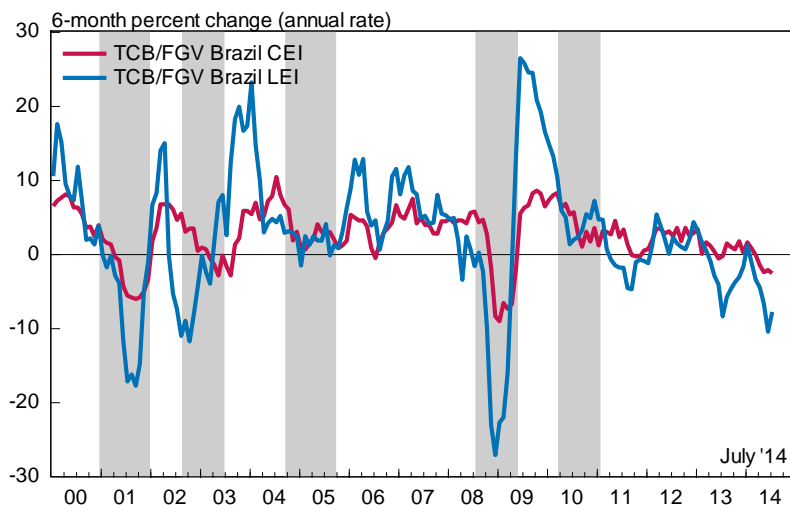
The Conference Board Coincident Economic Index[®] for Brazil, together with Fundação Getulio Vargas (TCB/FGV Brazil CEI), which measures current economic activity, increased 0.6 percent in July at 127.6 (2004 = 100), following a 0.5 percent decline in June and a 0.5 percent decline in May. Four of the six components contributed positively to the index in July.

The Conference Board Leading Economic Index[®] for Brazil, together with Fundação Getulio Vargas, increased in July



Note: The shaded areas denote business cycle recessions as determined by CODACE.

But the six-month changes in TCB/FGV Brazil LEI remains negative



Note: The shaded areas denote growth cycles defined by deviations from growth trend of CEI + GDP for Brazil

TCB/FGV Brazil LEI aggregates eight economic indicators that measure economic activity in Brazil. Each of the LEI components has proven accurate on its own. Aggregating individual indicators into a composite index filters out so-called “noise” to show underlying trends more clearly.

About The Conference Board Leading Economic Index® for Brazil, together with Fundação Getulio Vargas

TCB/FGV Brazil LEI was launched in July 2013. Plotted back to 1996, this index has successfully signaled turning points in the economic cycles of Brazil. The Conference Board also produces LEIs for Australia, China, the Euro Area, France, Germany, Japan, Korea, Mexico, Spain, the United Kingdom, and the United States.

The eight components of TCB/FGV Brazil LEI include:

Swap Rate, 1 year (Source: Central Bank of Brazil)

Stock Price Bovespa Index (Source: BOVESPA - Bolsa de Valores de São Paulo/ São Paulo Stock Exchange)

Manufacturing Survey: Expectations Index (Source: FGV/IBRE)

Services Sector Survey: Expectations Index (Source: FGV/IBRE)

Consumer Expectations Survey: Expectations Index (Source: FGV/IBRE)

Physical Production of Durables Consumer Goods Index (Source: IBGE - Instituto Brasileiro de Geografia e Estatística/ Brazilian Institute of Geography and Statistics)

Terms of Trade Index (Source: FUNCEX - Fundação Centro de Estudos do Comércio Exterior/The Foundation Center for the Study of Foreign Trade)

Exports Volume Index (Source: FUNCEX - Fundação Centro de Estudos do Comércio Exterior/The Foundation Center for the Study of Foreign Trade)

<https://www.conference-board.org/data/bcicountry.cfm?cid=12>

To view The Conference Board calendar of 2014 indicator releases:

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ABOUT FGV/IBRE

The Brazilian Institute of Economics (Instituto Brasileiro de Economia—IBRE) at Fundação Getúlio Vargas (FGV) was founded in 1951 to research, analyse, produce and disseminate macroeconomic statistics and applied studies. Its purpose is to inform and help improve public policies and private activities in the Brazilian economy. IBRE is a leading institute in calculating the Brazilian GDP and producing price indices including the General Price Index (IGP) which served as Brazil’s official inflation index for many years. In addition to price indices, IBRE prepares trend and business cycle indicators that are widely used by administrators and analysts.

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Summary Table of Composite Economic Indexes

	2014			6-month
	May	Jun	Jul	Jan to Jul
Leading Economic Index	121.5 r	119.4 r	120.3 p	
Percent Change	-1.7 r	-1.7 r	0.8 p	-4.0
Diffusion	25.0	75.0	62.5	37.5
 Coincident Economic Index	 127.4 p	 126.8 p	 127.6 p	
Percent Change	-0.5 p	-0.5 p	0.6 p	-1.3
Diffusion	.0	41.7	83.3	0.0

n.a. Not available p Preliminary r Revised
 Indexes equal 100 in 2004

Sources: The Conference Board, FGV/IBRE All Rights Reserved

The next release is scheduled for Wednesday, September 17, 2014 at 11:00 A.M. (Rio de Janeiro time)

In New York – Wednesday, September 17, 2014 at 10:00 A.M. (ET)

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