PRESS RELEASE – April 30, 2018

1. Fiscal results

The consolidated public sector posted a primary deficit of R$25.1 billion in March. The Central Government and state-owned companies turned in respective deficits of R$25.5 billion and R$156 million, while regional governments posted a surplus of R$552 million.

In the first quarter, the primary result of the public sector was a surplus of R$4.4 billion, compared with a surplus of R$2.2 billion in the same period in 2017. Over the twelve months to March, the consolidated public sector posted a primary deficit of R$108.4 billion (1.64% of GDP), 0.21 p.p. of GDP higher than the deficit accumulated up to February.

The consolidated public sector nominal interests, appropriated on an accrual basis, reached R$32.5 billion in March, compared with R$28.4 billion in February, influenced by the increase in the number of working days in the reference month. In comparison with March 2017 (R$43.3 billion), there was a decrease, influenced by the fall of the main debt's indexing factors, the Selic rate and the price indices, especially the IPCA. Nominal interests reached R$379.5 billion (5.73% of GDP) over the twelve months up to March, decreasing by 0.18 p.p. of GDP when compared with February.

The consolidated public sector nominal result, which includes the primary result and nominal interests appropriated, turned in a deficit of R$57.6 billion in March. Over the twelve months up to March, the nominal deficit reached R$487.9 billion (7.37% of GDP), rising 0.03 p.p. of GDP compared with the deficit accumulated in the previous month.

2. Public Sector Net Debt (PSND) and General Government Gross Debt (GGGD)

PSND reached R$3,463.4 billion (52.3% of GDP) in March, rising 0.3 p.p. of GDP compared with the previous month. In the year, the 0.8 p.p. increase in the PSND/GDP ratio was due to the incorporation of nominal interests (increase of 1.3 p.p.), the primary surplus (decrease of 0.1 p.p.), the effect of the cumulative exchange rate devaluation of 0.48% (decrease of 0.1 p.p.), and the effect of nominal GDP growth (decrease of 0.5 p.p.).

GGGD – comprising the Federal Government, the National Social Security Institute (INSS), and the state and municipal governments – reached R$4,984.7 billion in March, equivalent to 75.3% of GDP, increasing by 0.2 p.p. of GDP compared with February, and 1.3 p.p. in relation to the end of the previous year.

NPSD and GGGD
% of GDP
80
75
70
65
60
55
50
45
40
Jan 17
Feb 17
Mar 17
Apr 17
May 17
Jun 17
Jul 17
Aug 17
Sep 17
Oct 17
Nov 17
Dec 17
Jan 18
Feb 18
Mar 18
PSND
GGGD