

National inferences from regional indicators

Table 6.1 – Central Bank Index of Economic Activity

Brazil and regions^{1/}

Itemization					%
	2011				2012
	Feb	May	Aug	Nov	Feb
Brazil	1,2	0,6	-0,4	-0,4	0,9
North	1,9	1,4	1,4	0,5	-0,8
Northeast	0,7	1,2	0,1	0,1	-0,5
Southeast	1,2	1,5	0,0	-0,4	0,7
South	0,9	0,7	2,1	0,5	1,4
Central-West	0,6	0,7	2,4	1,0	1,6

1/ Seasonally adjusted 3-month period/previous 3-month period % variation.

National result does not necessarily represent the average of regional results.

Table 6.2 – Sales volume index

Brazil and regions^{1/}

Itemization					Percentage change
	2011				2012
	Feb	May	Aug	Nov	Feb
Retail sector					
Brazil	1,2	1,5	1,4	1,2	3,4
North	0,8	1,1	1,9	0,7	4,6
Northeast	1,0	2,2	1,4	0,3	3,7
Southeast	1,6	1,8	0,9	1,4	2,9
South	0,4	1,4	2,9	0,8	6,1
Central-West	1,5	0,4	1,2	1,4	3,0
Broad trade					
Brazil	1,1	2,1	0,2	-0,3	3,4
North	1,4	-2,4	3,4	-0,5	2,3
Northeast	0,9	1,3	0,8	-0,7	3,9
Southeast	0,0	2,2	0,4	0,7	3,3
South	1,1	1,7	1,8	-0,8	3,9
Central-West	1,3	0,1	0,2	0,1	3,7

Sources: IBGE and BCB

1/ Seasonally adjusted 3-month period/previous 3-month period % variation.

Table 6.3 – Financial system credit operations^{1/}

February 2012

				R\$ billion					
	Balance			% growth					
	C ^{2/}	I ^{3/}	Total	3 months			12 months		
	C ^{2/}	I ^{3/}	Total	C ^{2/}	I ^{3/}	Total	C ^{2/}	I ^{3/}	Total
Brazil	1 064	839	1 903	1,7	7,7	4,2	16,4	26,5	20,6
North	34	39	73	-0,2	8,8	4,2	19,7	27,8	23,7
Northeast	125	119	244	2,7	10,2	6,2	20,3	31,3	25,4
Southeast	648	412	1 060	1,4	7,4	3,6	14,7	26,4	19,0
South	184	167	352	2,8	6,6	4,6	18,9	24,2	21,4
Central-West	73	102	175	0,8	7,1	4,4	17,7	24,4	21,6

1/ Credit operations over R\$1,000.00

2/ Corporations.

3/ Individuals.

After showing some stability in the second half of 2011, the economic activity recovered somewhat in early 2012. It is worth noting the upturn in retail sales, consistent with developments in credit and labor markets. Prospects for coming half-year periods indicate a sustained process mostly supported by a strong internal demand.

After recording quarterly declines of 0.4% in the quarters ended in August and November 2011, the Central Bank Index of Economic Activity – Brazil (IBC-BR) once again expanded 0.9% in the quarter closed in February 2012. According to Table 6.1, it is worth highlighting that the indicator rose in the Southeast, South and Central-West regions, contrasting with declines in the North and Northeast.

According to Table 6.2, retail and expanded trade sales experienced significant and across-the-board increases in regional terms, during the quarter closed in February. In the case of retail sales, the most important were respective 5,3 p.p. and 3,9 p.p. rises in the quarterly growth rates in the South and North regions. Regarding expanded sales, one should look at the respective 4.7 p.p. and 4.6 p.p. increases in the South and Northeast regions.

Credit operations carried out in the country for amounts above R\$1 thousand expanded 4.2% in the quarter closed in February. This was a result of respective 7.7% and 1.7% increases in the segments of individual persons and corporations (Table 6.3). A regional analysis discloses a sharper rise in the Northeast, 6.2% and in the South, 4.6%, noting the respective 10.2% and 6.6% expansions in the balances of operations in the segment of individual persons. In turn, a 12-month analysis shows that the country's stock of such operations rose 20.6% in February. This was a consequence of respective expansions of 26.5% and 16.4% in the above mentioned segments.

Table 6.4 – Financial system default rate^{1/}

February 2012

	Default rate			Growth in p.p.					
	C ^{2/} I ^{3/} Total			3 months			12 months		
	C ^{2/}	I ^{3/}	Total	C ^{2/}	I ^{3/}	Total	C ^{2/}	I ^{3/}	Total
Brazil	2,1	4,9	3,3	0,1	0,1	0,2	0,4	1,2	0,8
North	2,8	5,7	4,1	0,6	-0,3	0,3	-0,3	1,2	0,5
Northeast	2,4	6,1	3,9	0,3	-0,1	0,3	0,4	1,5	1,1
Southeast	2,0	4,9	2,9	0,1	0,1	0,2	0,5	1,3	0,9
South	2,2	4,0	2,9	0,1	0,1	0,2	0,2	1,0	0,6
Central-West	2,4	4,5	3,4	0,2	0,2	0,3	0,5	0,7	0,7

1/ Credit operations over R\$1,000.00 with at least one overdue installment exceeding 90 days.

2/ Corporations.

3/ Individuals.

Table 6.5 – Industrial productionBrazil and regions^{1/}

Itemization	Participation ^{2/}	2011					%
							2012
		Feb	May	Aug	Nov	Feb	
Brazil	100,0	-0,2	1,0	-0,8	-2,2	-0,2	
North	5,9	3,7	1,6	1,6	0,2	-3,3	
Northeast	9,5	-3,6	3,0	-0,7	-0,9	0,4	
Southeast	62,7	-0,3	1,5	-1,3	-3,6	-0,8	
South	18,5	1,2	-0,4	4,1	-1,7	1,4	
Central-West	3,5	-2,3	2,3	7,3	1,5	2,6	

Source: IBGE and BCB

1/ Seasonally adjusted 3-month period/previous 3-month period % variation.

2/ Percentage of the Cost of Industrial Transformation (VTI) in 2007.

Table 6.6 – Formal jobs creation^{1/}

Itemization	Thousand				
	2011				
	Feb	May	Aug	Nov	Feb
Brazil	25,4	617,0	546,4	378,0	-138,7
North	-1,5	17,0	39,7	27,4	-15,6
Northeast	-28,9	-1,9	127,0	139,4	-44,9
Southeast	8,5	440,1	268,4	118,2	-73,5
South	32,8	108,1	60,6	101,8	1,5
Central-West	14,5	53,6	50,7	-8,9	-6,3

Source: MTE

1/ Refers to the 3-month period ending in the specified month.

Table 6.7 – Unemployment rate

Itemization ^{1/}	%				
	2011				
	Feb	May	Aug	Nov	Feb
Brazil	5,9	6,4	6,1	5,7	5,3
Northeast	8,7	9,0	8,1	7,6	6,6
Southeast	5,5	6,1	5,8	5,5	5,3
South	3,6	4,5	4,4	3,9	3,5

Source: IBGE

1/ Refers to the 3-month period ending in the specified month.

As shown in Table 6.4, there has been an upward trend of default in credit operations, which closed at 3.3% in February, against 3.1% in November and 2.5% in the same 2011 period. The sharper quarterly growth in the segment of individuals took place in the Central-West, 0.2 p.p. and a marked expansion in the segment of corporate entities, 0.6%, in the North.

Even after recording quarterly declines in the quarters ended in August and November 2011, the overall industrial sector dropped further 0.2% in the quarter ended in February 2012 (Table 6.5). This lesser falloff mostly reflected growth in manufacturing in the Central-West, 2.6% and in the South, 1.4%, as well as a smaller decline in the Southeast region.

Reflecting the seasonality in this period, the Brazilian economy laid off 138.7 thousand formal jobs in the quarter ended in February 2012, according to Caged/MTE, against 24.3 thousand job openings in the same period of the previous year (Table 6.6). This move particularly evinced net dismissals in the Southeast, 73.5 thousand, and in the Northeast, 44.9 thousand.

According to the IBGE's PME (Table 6.7), the average unemployment rate in the country amounted to 5.3% in the quarter ended in February, against 5.7% in the previous quarter. This result reflects a falloff in unemployment in the three regions surveyed by the IBGE: 1.0 p.p. in the Northeast, 0.4 p.p. in the South and 0.2 p.p. in the Southeast.

According to Table 6.8, the primary surplus of states and most important municipalities totaled R\$38.6 billion in 2011, a 64.8% rise when compared to 2010. This result reflected improved data in all of the country's regions particularly the respective rises of R\$4,3 billion and R\$3,6 billion in the primary surplus of the Southeast and Northeast regions.

The country's trade balance recorded an average daily surplus of US\$39.3 million in the 2012 first quarter, against US\$49.9 million in the same period of the previous year (Table 6.9). It is worth noting an increase in the deficit in the Northeast region, the surplus reversal in the North region and the US\$14.0 expansion in the surplus of the Central-West.

Table 6.8 – States and municipalities borrowing requirements^{1/}

Region	R\$ million	
	Primary result	
	2010 Jan-Dec	2011 Jan-Dec
North	1 216	-2 479
Northeast	-848	-4 397
Southeast	-941	-2 203
South	-18 440	-22 741
Central-West	-4 410	-6 779
Total	-23 423	-38 599

1/ Includes information about the states and their major municipalities.

(-) surplus

(+) deficit

Table 6.9 – Regional trade balance – FOB

Daily average – January-March

Region	US\$ million					
	Exports		Imports		Balance	
	2011	2012	2011	2012	2011	2012
Total	813,2	888,4	763,3	849,1	49,9	39,3
North	62,7	60,4	52,0	61,4	10,7	-1,0
Northeast	62,3	78,2	69,3	101,4	-7,0	-23,2
Southeast	472,4	501,7	435,6	460,9	36,8	40,8
South	141,4	157,1	163,9	177,7	-22,5	-20,6
Central-West	62,9	81,9	42,0	47,1	20,9	34,9
Others ^{1/}	11,5	9,1	0,4	0,6	11,0	8,5

Source: MDIC/Secex

1/ Refer to operation not categorized regionally.

Table 6.10 – IPCA

3-month change^{1/}

		%				
Itemization	Weighting factor	2011				2012
		Mar	Jun	Sep	Dec	Mar
IPCA						
Brazil	100,0	2,44	1,40	1,06	1,46	1,22
North	4,2	1,67	1,19	0,50	1,29	1,62
Northeast	14,8	2,15	1,32	1,12	1,63	1,27
Southeast	57,6	2,61	1,41	1,04	1,36	1,32
South	16,3	2,39	1,65	1,07	1,54	0,90
Central-West	7,1	2,32	1,07	1,36	1,67	0,90
Market prices						
Brazil		2,42	1,27	1,11	1,68	1,33
North		2,40	0,54	0,66	1,75	1,83
Northeast		2,12	1,27	1,08	2,02	1,32
Southeast		2,55	1,25	1,14	1,55	1,42
South		2,28	1,59	1,05	1,61	0,99
Central-West		2,36	1,03	1,40	1,90	1,09
Regulated prices						
Brazil		2,48	1,72	0,94	0,92	0,91
North		-0,44	3,10	0,05	-0,03	0,84
Northeast		2,20	1,44	1,20	0,66	1,10
Southeast		2,74	1,75	0,83	0,93	1,07
South		2,69	1,79	1,13	1,35	0,61
Central-West		2,23	1,15	1,28	1,26	0,29

Source: IBGE and BCB

1/ Refers to the 3-month period ending in the specified month.

In March 2012, the IPCA quarterly growth totaled 1.22%, against 1.46% in December 2011 and 2.44% in March 2011 (Table 6.10). A more moderate consumer price dynamics in all of the country's regions primarily evinced smaller variations in market prices.