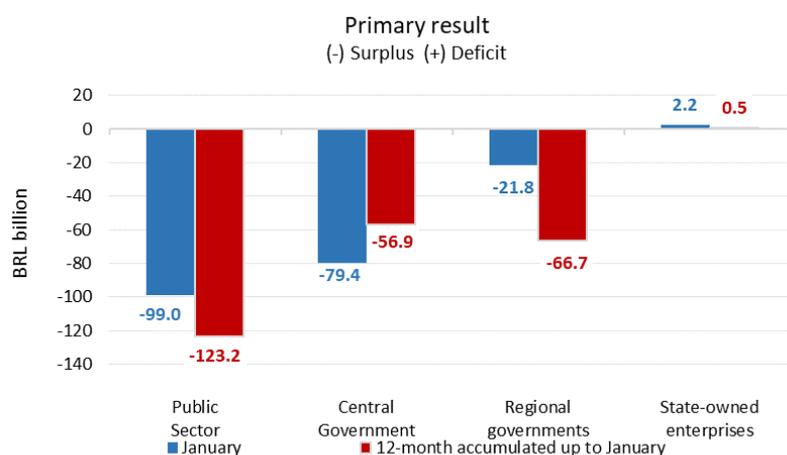


Fiscal Statistics

Press Release

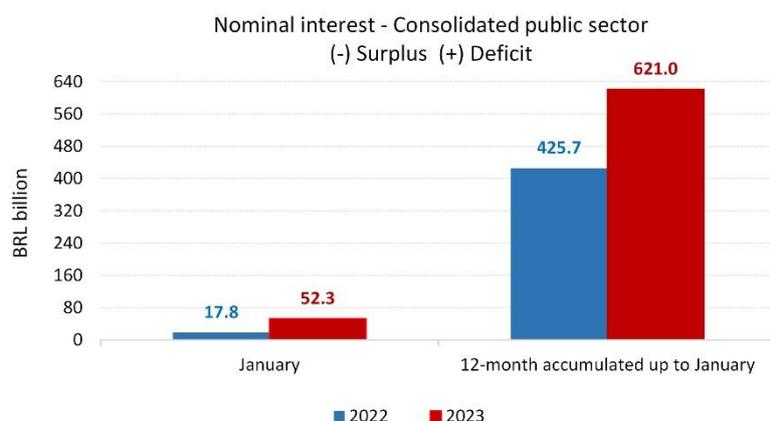
February 28, 2023

1. Fiscal results



The consolidated public sector achieved a primary surplus of BRL 99.0 billion in January, compared with a surplus of BRL 101.8 billion in January 2022. The Central Government and regional governments recorded respective primary surpluses of BRL 79.4 billion and BRL 21.8 billion, while state-owned

companies posted a deficit of BRL 2.2 billion in the month. In 12 months, the consolidated public sector primary surplus totaled BRL 123.2 billion, equivalent to 1.24% of GDP, 0.04 p.p. lower than the surplus accumulated in 2022.



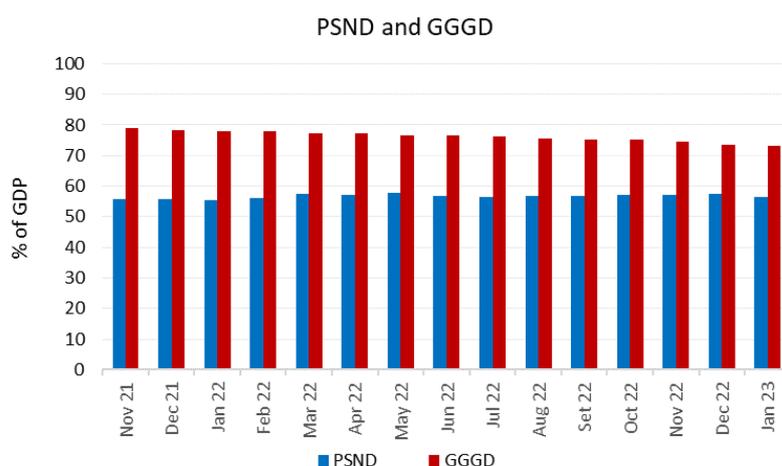
Accrued nominal interests of the consolidated public sector reached BRL 52.3 billion in January 2023, compared with BRL 17.8 billion in January 2022. This expansion was driven by the results with exchange swap operations (gains of BRL 31.9 billion in January 2022 against BRL 16.1

billion in January 2023) and the increased Selic rate in the period. In 12 months, nominal interest reached BRL 621.0 billion (6.26% of GDP) in January 2023, compared with BRL 425.7 billion (4.76% of GDP) in 12 months up to January 2022.

The consolidated public sector nominal result, which includes the primary result and accrued nominal interest, posted a surplus of BRL 46.7 billion in January. In 12 months, the nominal deficit reached BRL 497.8 billion (5.02% of GDP), compared with a nominal deficit of BRL 460.4 billion (4.68% of GDP) in December 2022.

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

The PSND reached 56.6% of GDP (BRL 5.6 trillion) in January, decreasing 0.9 p.p. of GDP in the month. This decline was mainly because of the primary surplus (-1.0 p.p.), the effect of the nominal GDP growth (-0.5 p.p.), the exchange rate variation in the basket of currencies that make up the net external debt (-0.3 p.p.), the 2.3% exchange rate appreciation (+0.3 p.p.), and the accrued nominal interest (+0.5 p.p.).



The GGGD – which comprises the federal government, INSS, and state and municipal governments – reached 73.1% of GDP (BRL 7.3 trillion) in January 2023, dropping 0.3 p.p. of GDP in the month. This monthly trajectory mainly reflected the effect of the nominal GDP growth (-0.6 p.p.), net redemptions of debt

(-0.3 p.p.), the exchange rate appreciation (-0.1 p.p.), and the accrued nominal interest (+0.7 p.p.).

3. PSND and GGGD elasticities

The following table updates the PSND and GGGD elasticities to variations in the exchange rate, interest rate, and price indexes for January 2023.

PSND and GGGD elasticities

| | PSND | | GGGD | |
|---|-------------|------------------------|-------------|------------------------|
| | BRL billion | p.p. GDP ^{1/} | BRL billion | p.p. GDP ^{1/} |
| Devaluation of 1% in the exchange rate ^{2/} | -7.1 | -0.07 | 9.3 | 0.09 |
| Increase of 1 p.p. in the Selic rate ^{2/ 3/} | 40.1 | 0.40 | 38.0 | 0.38 |
| Increase of 1 p.p. in price indices ^{2/ 3/} | 17.5 | 0.18 | 17.4 | 0.18 |

1/ Impact on the PSND/GDP or GGGD/GDP ratio, as appropriate.

2/ Impacts are symmetrical in the case of currency appreciation, decrease in the Selic rate and reduction in price indices.

3/ Variation maintained for twelve months.