



Brazil Week Ahead

What we expect from the economic indicators due next week

August 20, 2026
XP Macro Research

IPC-S 3rd Week (August) - Another Contraction Ahead

August 20, 2026

Due on August 24 – Monday

IPC-S - XP Forecasts

(%)

	3W Jul26	4W Jul26	1W Aug26	2W Aug26	3W Aug26 (F)
IPC-S	0.07	-0.08	-0.05	-0.39	-0.42
Food and beverages	-0.73	-0.87	-0.52	-0.36	-0.50
Housing	0.35	0.39	0.41	-1.29	-1.38
Clothing	-1.03	-1.22	-1.49	-1.29	-0.70
Health and personal care	0.18	0.22	0.13	0.20	0.17
Education and leisure	0.78	1.06	0.50	-0.13	-0.90
Transports	0.07	-0.29	-0.39	-0.26	-0.15
Other expenses	-0.01	-0.03	0.70	1.65	2.65
Communication	1.92	-0.06	0.05	-0.80	-0.85

Source: FGV, XP

Full incorporation of the Itaipu Bonus payment into electricity bills and falling airfare prices exert downward pressure. In the opposite direction, the growing impact of rising cigarette prices.

IPCA-15 (August) – Deflation driven by electricity bills and airfares

August 20, 2026

Due on August 26 – Wednesday

The expected decline in August will be driven by a drop in administered prices, reflecting lower electricity bills from the **Itaipu Bonus payment** and another decrease in **gasoline**. Among market-set prices, services will ease as **airfares reverse signal**. In the opposite direction, **education will capture mid-year adjustments**. Food at home will moderate its decline, with **higher meat and dairy prices partially offset by a sharper drop in fresh food**. On the industrials side, **higher cigarette prices** due to the IPI tax increase will be the main highlight.

Core inflation measures are expected to continue the **benign trend** seen in recent releases.

IPCA-15 MoM - XP Forecasts (%)

	Jul-26	Ago-26 (F)
IPCA-15	0.06	-0.31
<i>Food and beverages</i>	-0.66	-0.33
<i>Food at home</i>	-1.14	-0.66
<i>Food away from home</i>	-0.38	0.48
<i>Housing</i>	0.97	-1.78
<i>Electricity</i>	3.03	-7.47
<i>Articles of residence</i>	0.19	0.13
<i>Clothing</i>	-0.33	-0.37
<i>Transports</i>	0.11	-0.59
<i>Airfares</i>	11.70	-10.00
<i>Gasoline</i>	-0.68	-1.01
<i>Health and personal care</i>	0.28	0.30
<i>Personal expenses</i>	0.08	0.88
<i>Education</i>	-0.04	0.64
<i>Communication</i>	-0.02	-0.01
<i>Regulated Prices</i>	0.36	-1.31
<i>Market-set prices</i>	-0.05	-0.06
<i>Non-durable goods</i>	-0.71	-0.44
<i>Semi-durable goods</i>	-0.22	-0.22
<i>Durable goods</i>	-0.07	-0.07
<i>Services</i>	0.41	0.21
<i>Underlying Services</i>	0.30	0.42
<i>Industrials</i>	-0.01	0.22
<i>Underlying industrials</i>	0.11	0.03
<i>Difusion</i>	48%	58%
<i>IPCA EX0</i>	0.23	0.22
<i>IPCA EX3</i>	0.22	0.26
<i>IPCA MS</i>	0.22	0.32
<i>IPCA DP</i>	0.12	0.15
<i>IPCA P55</i>	0.23	0.31
Average core inflation*	0.20	0.25

* EX0, EX3, MS, DP and P55

IPCA-15 (August) - Benign core inflation trend likely to continue

August 20, 2026

Due on August 26 – Wednesday

IPCA-15 12M - XP Forecasts (%)

	Jun-26	Jul-26	Ago-26 (F)
IPCA-15 (headline)	4.80	4.52	4.34
Services	6.25	5.95	5.65
Underlying Services	5.25	5.08	4.95
Labor-intensive services	7.06	7.30	7.17
Industrials	2.64	2.62	2.84
Underlying Industrials	4.04	4.16	3.78
IPCA EX0	4.86	4.66	4.57
IPCA EX3	4.75	4.70	4.47
IPCA MS	3.75	3.71	3.79
IPCA DP	4.12	3.96	3.89
IPCA P55	4.26	4.26	4.26
Core average	4.35	4.26	4.20

Source: IBGE, XP

IPCA-15 3MSAAR - XP Forecasts (%)

	Jun-26	Jul-26	Ago-26 (F)
IPCA-15 (headline)	7.31	4.78	3.03
Services	6.40	6.21	4.82
Underlying Services	5.22	4.62	4.29
Labor-intensive services	7.24	7.02	6.62
Industrials	4.46	3.03	3.37
Underlying Industrials	6.05	4.99	3.41
IPCA EX0	5.33	4.86	4.02
IPCA EX3	5.41	4.88	4.04
IPCA MS	4.04	3.80	3.98
IPCA DP	4.78	3.88	3.36
IPCA P55	5.21	4.65	4.39
Core average	4.95	4.41	3.96

Source: IBGE, XP

PNAD – The unemployment rate is expected to remain at all-time lows

August 20, 2026

Due on August 27 - Thursday

Non-seasonally adjusted estimates (NSA) – July

Employed Population: 103.164 million (0.7% or +727k YoY)

Labor Force: 108.988 million (0.4% or +434k YoY)

Unemployment rate: 5.3% (previous: 5.4%)

Seasonally adjusted estimates (SAS) - July

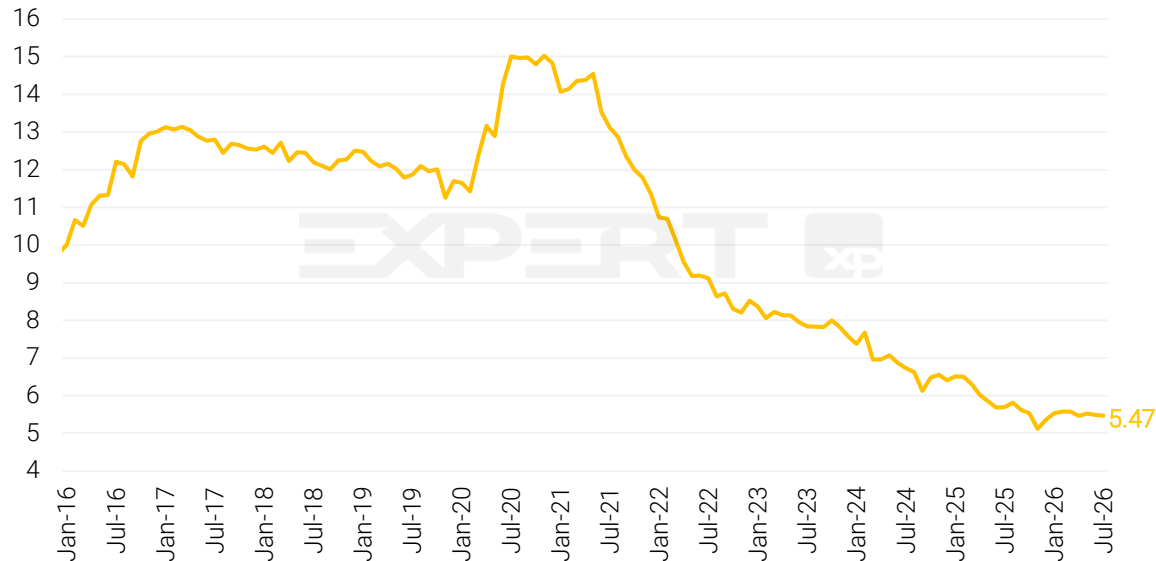
Employed Population: 103.056 million (0.1% MoM or +82k MoM)

Labor Force: 109.024 million (0.05% MoM or +58k MoM)

Unemployment rate: 5.5% (previous: 5.5%)

The unemployment rate has been hovering around 5.5% since the end of 2025

SAS. Monthly estimates (%)



Source: IBGE, XP

The labor market remains tight, despite more moderate growth in employment and income. The unemployment rate continues to hover around 5.5%, a historically low level. Real labor earnings resumed their rise in June, albeit modestly, following two months of contraction.

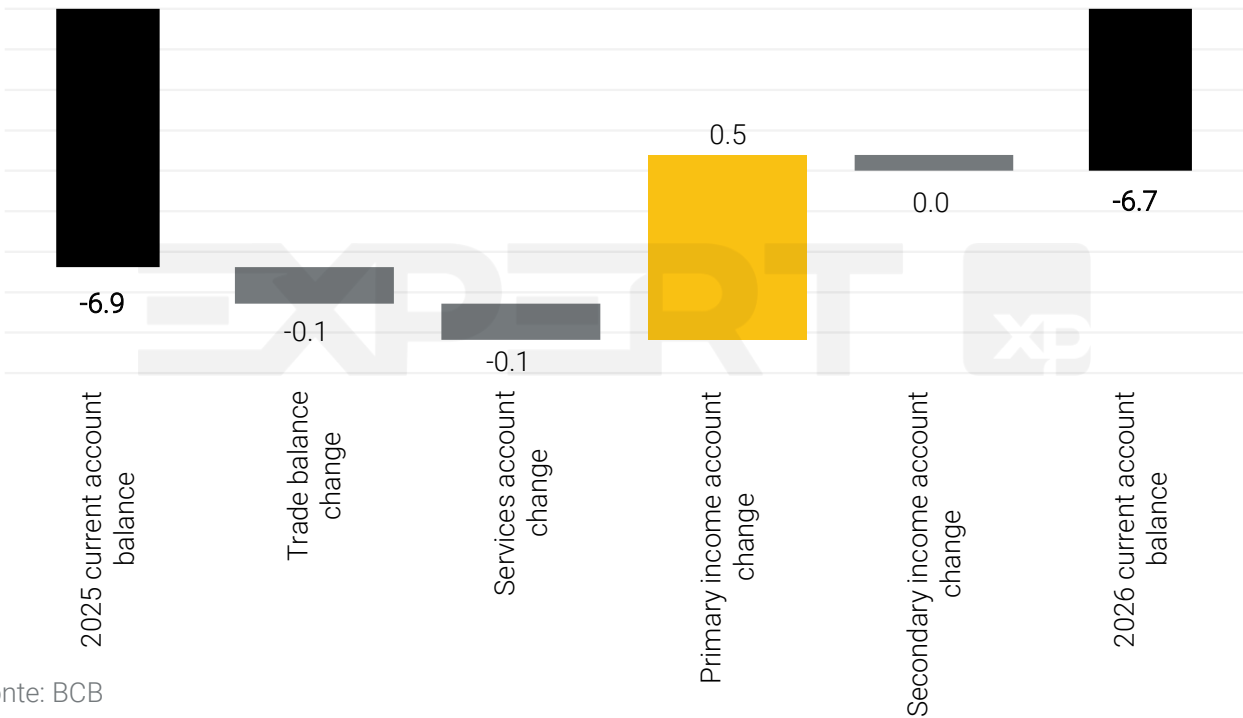
In sum, the tight labor-market scenario is unlikely to be reversed anytime soon. We expect the unemployment rate to reach 5.6% YE 2026 and 6.5% YE 2027, still below our estimate of the long-run equilibrium rate (we see the NAIRU in the 7.0%-7.5% range).

BoP – Virtually stable current account deficit

August 20, 2026

Due on August 27 - Thursday

Balance of Payments
July 2026 forecasts (USD Bn)



Fonte: BCB

Balance of Payments - XP Forecasts	US\$ Bn
	Jul26
Trade Balance	6.3
Services	-4.9
Primary income	-8.5
Secondary Income	0.4
Current Account	-6.7
FDI	8.0

Source: BCB, XP

The **trade balance** and **services account** are likely to hold broadly stable, while **primary income** is shaped by the seasonality of the interest account, with coupon payments. On a net basis, however, its deficit should come in below last July's figure, given stronger interest revenues.

Note that June's ordinary revision did not take place last month, so it is worth watching for possible revisions to the data in this release.

CAGED – Formal job creation remains in positive territory, despite some moderation in recent months

August 20, 2026

Due on August 28 - Friday

Non-seasonally adjusted estimates (NSA) - July

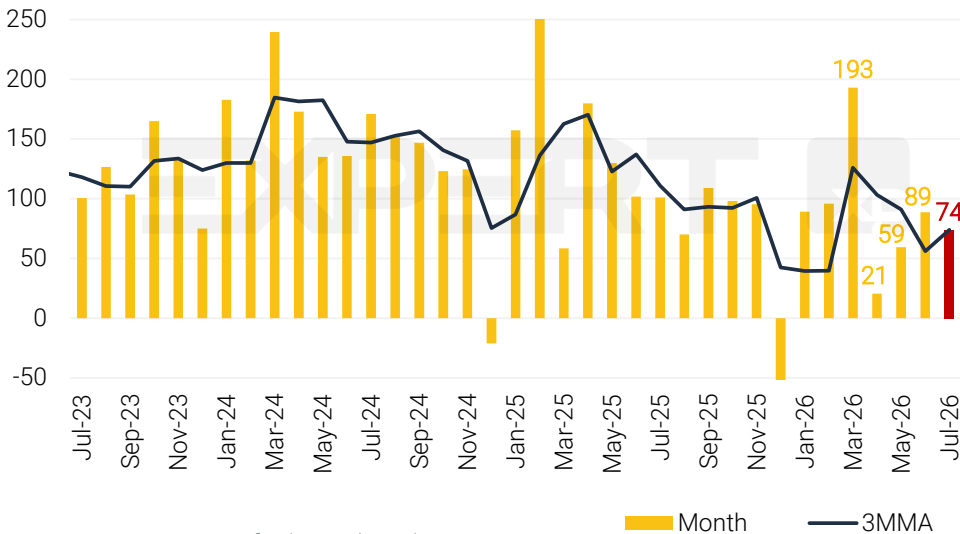
Hirings: 2,276,440 (1.1% or +25,000 YoY)
Dismissals: 2,185,665 (3.0% or +64,000 YoY)
Formal job balance: +90,775

Seasonally adjusted estimates (SAS) - July

Hirings: 2,244,941 (0.9% MoM)
Dismissals: 2,171,197 (1.6% MoM)
Formal job balance: +73,744

Formal employment remains resilient, despite high volatility in the monthly data

Seasonally adjusted data (in thousands)



Source: CAGED/Ministry of Labor and Employment, XP

After two months of negative surprises, formal job creation rebounded in June and (likely) in July. Based on seasonally adjusted data, the average monthly net creation of formal occupations stood at 90,000 in the first half, still somewhat above our projected average of around 80,000 for 2026.

In other words, although elevated volatility in the monthly data, we remain confident in our expectation of net job creation of 960,000 this year.

Credit market weakens less than feared (at least for now)

August 20, 2026

Due on August 28 – Friday

Credit market statistics for July

Total outstanding balance: 9.3% YoY

Non-earmarked loans: 7.5%

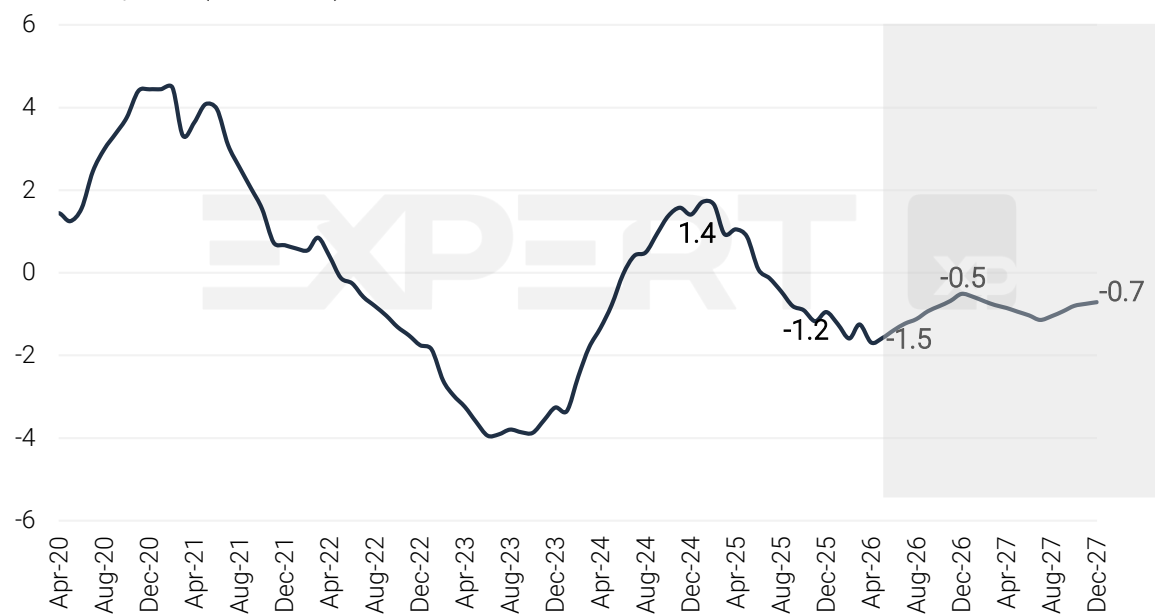
Earmarked loans: 11.8%

Households: 10.5%

Companies: 7.3%

On the one hand, credit concessions are expected to show moderate growth, supported by government credit programs. On the other hand, the household debt service ratio and delinquency rates are likely to remain at alarming levels.

Short-term resilience of the credit market, highlighting the contribution of government programs
Credit impulse (% of GDP)



Source: BCB, XP

Credit impulse (% of GDP)		Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Oct-27	Nov-27	Dec-27
Non-earmarked		-1.1	-1.2	-1.4	-1.3	-1.5	-1.6	-1.4	-1.3	-1.3	-1.2	-1.1	-1.0	-0.9	-0.9	-0.9	-0.9	-0.8	-0.6	-0.5	-0.5	-0.3	-0.2	0.0	0.4	0.7
	Individuals	-0.4	-0.5	-0.5	-0.6	-0.7	-0.7	-0.6	-0.5	-0.4	-0.4	-0.4	-0.3	-0.2	-0.3	-0.4	-0.4	-0.4	-0.3	-0.2	-0.2	-0.1	0.0	0.2	0.3	0.4
	Companies	-0.7	-0.7	-0.9	-0.7	-0.8	-0.9	-0.8	-0.8	-0.9	-0.8	-0.7	-0.7	-0.7	-0.6	-0.5	-0.5	-0.4	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2	0.1	0.3
Earmarked		-0.1	0.1	-0.2	-0.1	0.0	-0.1	0.0	0.1	0.2	0.3	0.3	0.3	0.4	0.3	0.2	0.1	-0.1	-0.3	-0.5	-0.6	-0.7	-0.8	-0.9	-1.1	-1.4
	Individuals	-0.6	-0.5	-0.5	-0.5	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2	-0.1	-0.1	0.0	0.0	-0.1	-0.1	-0.2	-0.3	-0.3	-0.3	-0.4	-0.4	-0.5	-0.5	-0.6
	Companies	0.5	0.6	0.3	0.4	0.2	0.2	0.3	0.4	0.4	0.5	0.4	0.4	0.4	0.3	0.3	0.2	0.1	0.0	-0.2	-0.3	-0.3	-0.4	-0.4	-0.6	-0.8
TOTAL		-1.2	-1.1	-1.6	-1.4	-1.5	-1.7	-1.4	-1.2	-1.1	-0.9	-0.8	-0.7	-0.5	-0.6	-0.7	-0.8	-0.9	-0.9	-1.0	-1.1	-1.0	-1.0	-0.9	-0.7	-0.7

Source: BCB, XP



IGP-M (August) – Milder deflation as oil drop loses steam and farm prices surge

August 20, 2026

Due on August 28 – Friday

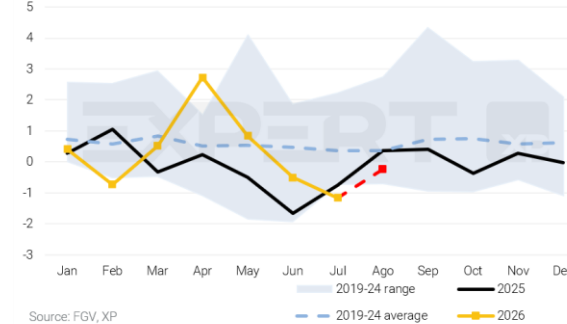
IGP-M - XP Forecasts

	M Jul-26	DI Aug-26	10 Aug-26	Aug-26	M Ytd	(%) YoY
IGP	-1.16	-0.86	-0.51	-0.25	1.83	2.14
IPA (wholesale price index) by type	-1.74	-1.31	-0.69	-0.33	1.05	1.10
Agricultural Products	-0.20	0.77	1.96	2.77	0.68	2.33
Industrial Products	-2.24	-1.99	-1.55	-1.36	1.17	0.68
IPC (CPI)	-0.01	-0.08	-0.47	-0.45	2.71	3.64
INCC (construction costs index)	0.62	0.61	0.65	0.71	5.45	6.42
Materials, equipments and services	0.40	0.31	0.21	0.25	4.84	5.57
Labor	0.93	1.02	1.25	1.36	6.30	7.60

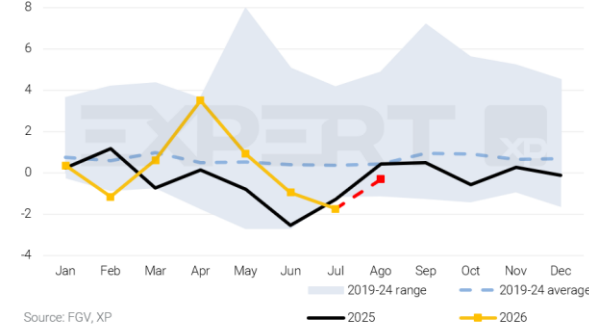
Source: FGV, XP

The IGP-M is expected to remain negative, still reflecting lower oil and fuel costs and the retreat in the IPC-M. Meanwhile, agricultural prices are set to face upward pressure from rising rice, soy, coffee and cattle prices.

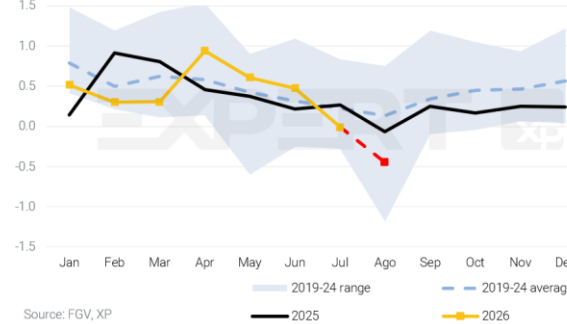
IGP-M headline
MoM (%)



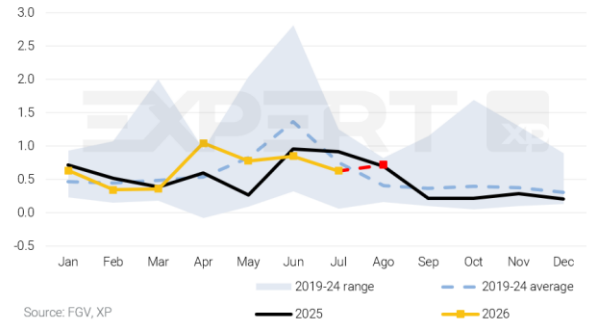
IPAM
MoM (%)



IPC-M
MoM (%)



INCC
MoM (%)



Federal tax collection - another monthly record in July

August 20, 2026

Other revenue administered by RFB, withholding income tax and social security contribution stood out

GROSS REVENUES	BRL Mn, constant prices			
	Jul/26		Change (BRL)	Change (YoY%)
	2025	2026		
TOTAL REVENUE	265.922	288.565	22.643	8,5
REVENUE ADMINISTERED BY RFB	189.041	203.755	14.714	7,8
Import tax	7.878	8.578	701	8,9
Industrialized Products Tax (IPI)	7.416	8.227	811	10,9
Income Tax (IR)	85.774	90.262	4.488	5,2
Individual (IRPF)	6.473	7.112	640	9,9
Corporate (IRPJ)	40.784	41.985	1.201	2,9
Withheld at source (IRRF)	38.517	41.165	2.648	6,9
Labor earnings	18.897	18.011	-886	-4,7
Capital gains	10.404	13.449	3.045	29,3
Remittances abroad	7.219	7.855	636	8,8
Other earnings	1.997	1.849	-147	-7,4
Financial transactions tax (IOF)	6.855	8.169	1.314	19,2
Social security financing(Cofins)	40.449	42.338	1.889	4,7
Social security funds (PIS/Pasep)	10.809	11.355	546	5,1
Social contribution on net earnings (CSLL)	21.425	22.902	1.477	6,9
Other administered by RFB	4.457	7.939	3.482	78,1
SOCIAL SECURITY CONTRIBUTION	60.960	63.747	2.787	4,6
COLLECTED BY OTHER AGENCIES	15.921	21.063	5.142	32,3

Source: RFB, Siga Brasil, XP

Highlights

- Other revenue administered by RFB expanded 78.1%, mostly due to the collection of the export tax on crude oil (+ BRL 3.2 bn);
- withholding income tax on capital gains grew 29.3%, supported by the high yields from fixed income funds;
- Social security contribution increased 4.6%, on the back of the solid labor market;
- IRPJ/CSLL change remained positive (4,3%), although decelerated from the previous months;
- On the negative side, withholding income tax on labor earnings fell by 4.7%, reflecting the effects of the tax income exemption for individuals earning up to BRL 5k per month.

Central government balance - lower expenditure led to a surplus in July

August 20, 2026

Total spending fell by 20.6% due to court-ordered payments in July last year

July	BRL Mn, constant prices			
BREAKDOWN	2025	2026 (Preview)	Change (BRL)	Change (YoY%)
TOTAL REVENUE	255.229	275.788	20.559	8,1
<i>Revenue Administered by RFB</i>	<i>168.209</i>	<i>179.032</i>	<i>10.823</i>	<i>6,4</i>
Import tax	7.852	8.511	659	8,4
Industrialized Products Tax (IPI)	7.375	8.330	955	13,0
Income Tax (IR)	76.625	83.481	6.856	8,9
Financial transactions tax (IOF)	6.802	8.280	1.478	21,7
Social security financing(Cofins)	33.434	30.367	-3.066	-9,2
Social security funds (PIS/Pasep)	9.436	8.394	-1.041	-11,0
Social contribution on net earnings (CSLL)	22.331	23.620	1.288	5,8
<i>Social security contributions</i>	<i>57.756</i>	<i>61.960</i>	<i>4.203</i>	<i>7,3</i>
<i>Revenue Not Administered by the RFB</i>	<i>29.265</i>	<i>34.796</i>	<i>5.532</i>	<i>18,9</i>
Dividends and Shareholdings	0	8	8	7.845,1
Exploitation of natural resources	17.141	22.262	5.121	29,9
Other Revenue Not Adm. by the RFB	4.957	5.116	159	3,2
TRANSFERS BY REVENUE SHARING	44.722	49.141	4.419	9,9
NET REVENUE	210.507	226.647	16.140	7,7
TOTAL SPENDING	272.297	216.200	-56.097	-20,6
<i>Social Security Benefits</i>	<i>102.405</i>	<i>84.143</i>	<i>-18.262</i>	<i>-17,8</i>
<i>Personnel and Charges</i>	<i>47.510</i>	<i>43.200</i>	<i>-4.310</i>	<i>-9,1</i>
<i>Other Mandatory</i>	<i>71.239</i>	<i>39.544</i>	<i>-31.695</i>	<i>-44,5</i>
Salary bonus and unemployment insurance	9.771	10.696	925	9,5
BPC/LOAS	11.497	11.890	393	3,4
Extraordinary credits	1.352	5.598	4.245	314,0
Court-ordered debts (funding and capital)	37.581	458	-37.123	-98,8
Subsidies and Grants	2.587	2.571	-16	-0,6
<i>Expenditure Subject to Fin. Programming</i>	<i>51.142</i>	<i>49.313</i>	<i>-1.829</i>	<i>-3,6</i>
Mandatory with Flow Control	32.787	31.492	-1.295	-4,0
Discretionary expenditures	18.355	17.821	-534	-2,9
CENTRAL GOVT PRIMARY BALANCE	-61.789	10.447	72.236	-116,9
SPENDING NOT INCLUDED IN TARGET	40.290	3	-40.287	-100,0
PRIM. BAL. FOR TARGET CALCULATION	-21.499	10.450	31.949	-148,6

Highlights

- Net revenue rose in July, driven by higher tax revenue and oil production shares. Income tax (8.9%), Social security contribution (7.3%) and Exploitation of natural resources (29.9%) stood out;
- Total spending fell 20.6% YoY due to the court-ordered debts payment in July of last year. Excluding this effect, total spending would have increased by 3.5% - still a benign change.
- Extraordinary credits reached BRL 5.6 billion due to the fuel prices subsidies (BRL 4.9 billion)
- Mandatory with flow control and discretionary expenditures fell in July due to Bolsa Familia and lower execution;
- Primary balance reached a surplus of BRL 10.4 bn, much better than last year's

XP Weekly Economic Agenda						
Date Time (BZ Time)	Country	Event	Period	Survey(BBG)	XP Forecast	Prior
August 24						
08:00	BZ	FGV CPI IPC-S	--	--	--	-0.4%
08:25	BZ	Central Bank Weekly Economist Survey	--	--	--	--
09:30	US	Chicago Fed Nat Activity Index	Jul	--	--	-2.0%
15:00	BZ	Trade Balance Weekly	--	--	--	\$635m
August 25						
02:00	JN	Leading Index CI	Jun F	--	--	116.4
02:00	JN	Coincident Index	Jun F	--	--	118.2
02:30	JN	Nationwide Dept Sales YoY	Jul	--	--	2.3%
02:30	JN	Tokyo Dept Store Sales YoY	Jul	--	--	4.4%
03:00	GE	GDP SA QoQ	2Q F	--	--	0.2%
03:00	GE	GDP NSA YoY	2Q F	--	--	0.9%
05:00	GE	IFO Business Climate	Aug	--	--	86.6
05:00	BZ	FIPE CPI - Weekly	--	--	--	0.04%
08:00	BZ	FGV Consumer Confidence	Aug	--	--	88.3
09:15	US	ADP Weekly Employment Change	--	--	--	9.500k
09:30	US	Philadelphia Fed Non-Manufacturing Activity	Aug	--	--	7.4
11:00	US	Richmond Fed Manufact. Index	Aug	--	--	5.0
11:00	US	New Home Sales	Jul	620k	--	628k
11:00	US	Richmond Fed Business Conditions	Aug	--	--	-5.0
11:00	US	New Home Sales MoM	Jul	-1.3%	--	1.6%
11:00	US	Conf. Board Consumer Confidence	Aug	90.2	--	90.8
20:50	JN	PPI Services YoY	Jul	--	--	3.2%
August 26						
08:00	BZ	FGV Construction Costs MoM	Aug	--	--	0.62%
09:00	BZ	IBGE Inflation IPCA-15 MoM	Aug	--	-0.31%	0.06%
09:00	BZ	IBGE Inflation IPCA-15 YoY	Aug	--	4.34%	4.52%
09:30	US	Personal Income	Jul	0.2%	--	0.2%
09:30	US	Personal Spending	Jul	0.2%	--	0.3%
09:30	US	Real Personal Spending	Jul	0.1%	--	0.4%
09:30	US	PCE Price Index MoM	Jul	0.1%	--	-0.1%
09:30	US	PCE Price Index YoY	Jul	3.6%	--	3.7%
09:30	US	Core PCE Price Index MoM	Jul	0.2%	--	0.1%
09:30	US	Core PCE Price Index YoY	Jul	3.3%	--	3.3%
09:30	US	Durable Goods Orders	Jul P	0.5%	--	0.5%
09:30	US	GDP Annualized QoQ	2Q S	1.5%	--	1.5%
09:30	US	Cap Goods Orders Nondef Ex Air	Jul P	0.9%	--	1.2%
09:30	US	Personal Consumption	2Q S	3.2%	--	3.2%
09:30	US	Cap Goods Ship Nondef Ex Air	Jul P	--	--	2.0%
09:30	US	Core PCE Price Index QoQ	2Q S	--	--	3.4%
22:30	CH	Industrial Profits YTD YoY	Jul	--	--	18.7%
22:30	CH	Industrial Profits YoY	Jul	--	--	15.1%

XP Weekly Economic Agenda						
Date Time (BZ Time)	Country	Event	Period	Survey(BBG)	XP Forecast	Prior
August 27						
03:00	JN	Machine Tool Orders YoY	Jul F	--	--	50.4%
03:00	GE	GfK Consumer Confidence	Sep	--	--	-29.6
08:30	BZ	Current Account Balance	Jul	--	-\$-6700m	-\$2330m
08:30	BZ	Foreign Direct Investment	Jul	--	\$8000m	\$9075m
09:00	BZ	National Unemployment Rate	Jul	--	5.3%	5.4%
09:30	US	Advance Goods Trade Balance	Jul	-\$99.7b	--	-\$101.5b
09:30	US	Retail Inventories MoM	Jul	--	--	0.0%
09:30	US	Wholesale Inventories MoM	Jul P	--	--	0.2%
09:30	US	Initial Jobless Claims	--	--	--	206k
12:00	US	Kansas City Fed Manf. Activity	Aug	--	--	9
20:30	JN	Tokyo CPI YoY	Aug	1.9%	--	2.0%
20:30	JN	Tokyo CPI Ex-Fresh Food YoY	Aug	1.7%	--	1.9%
20:30	JN	Tokyo CPI Ex-Fresh Food, Energy YoY	Aug	2.0%	--	2.0%
20:30	JN	Jobless Rate	Jul	2.5%	--	2.5%
August 28						
04:55	GE	Unemployment Claims Rate SA	Aug	--	--	6.4%
06:00	EC	Economic Confidence	Aug	--	--	96.9
06:00	EC	Consumer Confidence	Aug F	--	--	--
08:00	BZ	FGV Inflation IGPM MoM	Aug	--	-0.25%	-1.16%
08:00	BZ	FGV Inflation IGPM YoY	Aug	--	2.14%	2.76%
08:30	BZ	Outstanding Loans MoM	Jul	--	--	0.7%
08:30	BZ	Total Outstanding Loans	Jul	--	--	7356b
08:30	BZ	Personal Loan Default Rate	Jul	--	--	7.6%
10:45	US	MNI Chicago PMI	Aug	--	--	57.6
11:00	US	Prelim. Benchmark Payrolls Revision	2026	--	--	-911k
11:00	US	U. of Mich. Sentiment	Aug F	--	--	51.0
11:00	US	U. of Mich. Current Conditions	Aug F	--	--	51.8
11:00	US	U. of Mich. Expectations	Aug F	--	--	50.6
11:00	US	U. of Mich. 1 Yr Inflation	Aug F	--	--	4.3%
11:00	US	U. of Mich. 5-10 Yr Inflation	Aug F	--	--	3.3%
12:00	US	Kansas City Fed Services Activity	Aug	--	--	14
14:30	BZ	Formal Job Creation Total	Jul	--	90,775	145,161
15:00	BZ	Central Govt Budget Balance	Jul	--	--	-48.2b

