

## Introduction

Brazil is the largest country in South America bounded by the Atlantic Ocean. Neighboring countries include Argentina, Bolivia, Colombia, French Guiana, Guyana, Paraguay, Peru, Suriname, Uruguay, and Venezuela. A geographically large country, the terrain includes lowlands, hills, and some mountains. The Amazon River runs through northeastern Brazil, and the Amazon Rainforest covers about one-third of the country. The government system is a federal republic; the chief of state and head of government is the president. The economic system is a market economy in which the prices of goods and services are determined in a free price system. Brazil is a member of the Common Market of the South (Mercosur).



**Location:** South America

**Capital City:** Brasilia (-3 GMT)

**Chief of State:** President Michel Temer

**Head of Govt.:** President Michel Temer

**Currency:** Brazilian real (BRL)

**Major Languages:** <p>Portuguese (official and most widely spoken language)</p>

**Primary Religions:** <p>Roman Catholic 64.6%, other Catholic 0.4%, Protestant 22.2% (includes Adventist 6.5%, Assembly of God 2.0%, Christian Congregation of Brazil 1.2%, Universal Kingdom of God 1.0%, other Protestant 11.5%), other Christian 0.7%, Spiritist 2.2%, other 1.4%, none 8%, unspecified 0.4%</p>

**Calling Code:** 55

**Voltage:** 110/220

## Key Websites

Main Government Page: [brazilgovnews.gov.br](http://brazilgovnews.gov.br)

Commerce Ministry: [mdic.gov.br](http://mdic.gov.br)

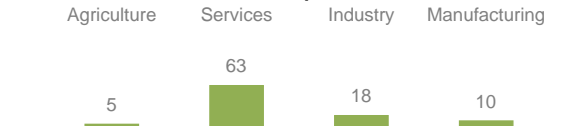
Export Promotion Agency: [investexportbrasil.gov.br](http://investexportbrasil.gov.br)

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## Key Economic Facts

|  |                             |
|--|-----------------------------|
| Income Level (by per capita GNI):                                    | Upper Middle Income         |
| Level of Development:  | Developing                  |
| GDP, PPP (current international \$):                                 | \$3,240.52 billion (2017)   |
| GDP growth (annual %):   | 0.98% (2017)                |
| GDP per capita, PPP (current international \$):                      | \$15,483.54 (2017)          |
| External debt stocks, total (DOD, current US\$):                     | \$543,257,252,000.00 (2016) |
| Manufacturing, value added (% of GDP):                               | 10.15% (2017)               |
| Current account balance (BoP, current US\$):                         | -\$9.76 billion (2017)      |
| Inflation, consumer prices (annual %):                               | 8.74% (2016)                |
| Labor force, total:  | 104,278,222 (2017)          |
| Unemployment, total (% of total labor force) (modeled ILO estimate): | 12.88% (2017)               |
| Imports of goods and services (current US\$):                        | \$237.46 billion (2017)     |
| Exports of goods and services (current US\$):                        | \$258.33 billion (2017)     |

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

| Index   | Rank      |
|---|-----------|
| Corruption Perceptions Index                      | 96 / 178  |
| EY Globalization Index                            | 45 / 60   |
| Global Competitiveness Index                      | 76 / 137  |
| Global Enabling Trade Index                       | 110 / 136 |
| Global Manufacturing Competitiveness Index (GMCI) | 29 / 40   |
| Global Services Location Index                    | 5 / 55    |
| Index of Economic Freedom                         | 153 / 180 |
| International Logistics Performance Index (LPI)   | 55 / 160  |
| Inward FDI Potential Index                        | 70 / 139  |
| KOF Index of Globalization                        | 73 / 185  |
| Networked Readiness Index (NRI)                   | 72 / 139  |
| Open Budget Index                                 | 7 / 115   |

## Risk Assessment (Provided by Coface)

**Country rating: B** - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

**Business Climate rating: A4** - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

### Strengths

- Varied and rich mineral resources and agricultural harvests
- Well diversified industry
- Improving institutional transparency following recent corruption scandals
- Strong internal reserves position (import coverage of roughly 30 months)

### Weaknesses

- Very sensitive fiscal position
- Bottlenecks in infrastructure
- Low investment level
- High cost of production (wages, energy, logistics, credit)
- Shortages of qualified labor; inadequate education system

## U.S. Embassy

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<https://br.usembassy.gov>