Radar 4i | January 19, 2024

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The historical data and forecasts presented can be accessed in **our Feature Store. Access here.**

International

In the United States, the Consumer Price Index (CPI) recorded a 0.3% increase from November to December, ending the year of 2023 with a cumulative variation of 3.4%

The chinese economy recorded an expansion of 1.0% (QoQ) in the fourth quarter of 2023, closing the year with a growth of 5.2% - exceeding the authorities' target of 5.0%. It is worth noting the incentivizing measures taken by the government, particularly directed towards the private sector, especially in the real state market. For 2024, we expect China to grow at a rate of 4.3% amid the slow recovery of domestic demand. Our forecasts for the GDP of China may be accessed here.

Brazil

The Caged registered a net creation of 130.1 thousand new job positions in November.

The month's result points towards a market that begins to show signs of slowdown after being largely active during most of the year 2023 – evidence being the seasonally-adjusted results for the month (110,6 thousand). However, we believe this dynamic to be a natural outcome, given the robust performance of the formal labor market up to this point and the tight monetary policy in place.

The industrial output increased by 0.5% in November, On the other hand, the restricted retail remained pratically stable (+0.1%), while the volume of services resumed its growth (+0.4%) after three consecutive decreases. Finally, the IBC-Br also showed stability in November, providing evidence of the predicted slowdown by the end of 2023.

In the short-term, we expect industry to still present an unstable behavior, as consequence of the high in-
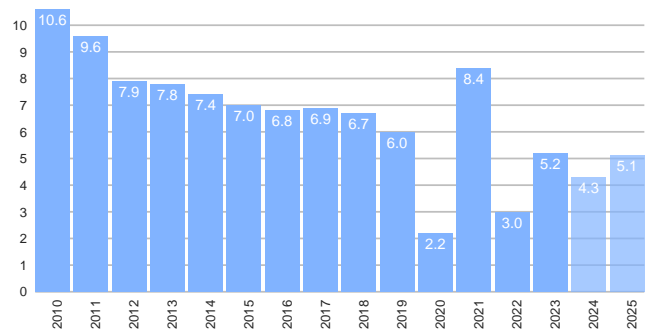
USA – Consumer Price Index (CPI)
Percent change from a year ago (%)
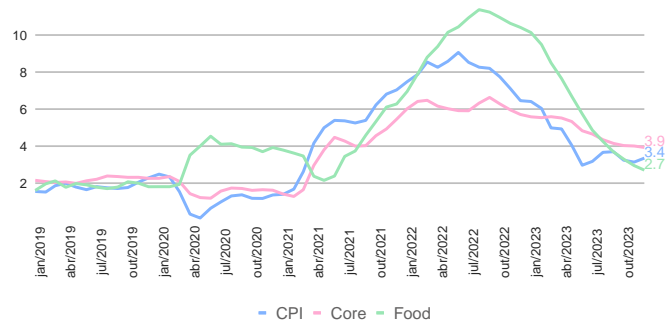
Source: Bureau of Labor Statistics Elaboration: 4intelligence
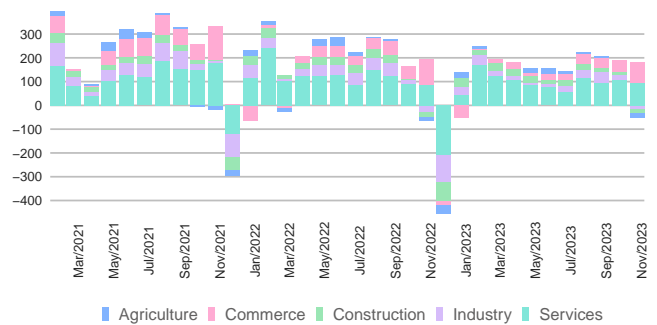
China – Gross Domestic Product (GDP)
Annual change (%)

Source: FMI Elaboration: 4intelligence
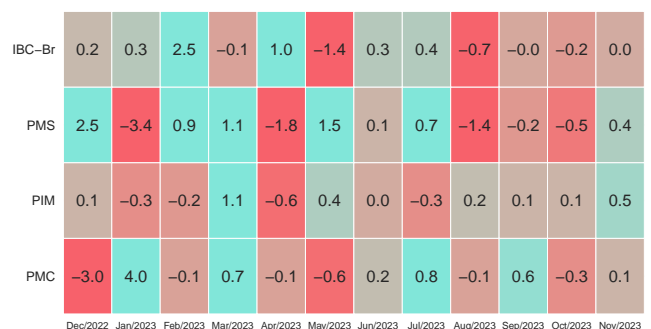
Formal Employment Balance
Thousands of People

Source: Ministério do Trabalho Elaboration: 4intelligence

Economic Heatmap
Seasonally–adjusted, mothly change (%)

	Dec/2022	Jan/2023	Feb/2023	Mar/2023	Apr/2023	May/2023	Jun/2023	Jul/2023	Aug/2023	Sep/2023	Oct/2023	Nov/2023
IBC–Br	0.2	0.3	2.5	−0.1	1.0	−1.4	0.3	0.4	−0.7	−0.0	−0.2	0.0
PMS	2.5	−3.4	0.9	1.1	−1.8	1.5	0.1	0.7	−1.4	−0.2	−0.5	0.4
PIM	0.1	−0.3	−0.2	1.1	−0.6	0.4	0.0	−0.3	0.2	0.1	0.1	0.5
PMC	−3.0	4.0	−0.1	0.7	−0.1	−0.6	0.2	0.8	−0.1	0.6	−0.3	0.1

Source: IBGE, Banco Central Elaboration: 4intelligence

terest rates and the high level of delinquency and indebtedness, with a more bening outlook ahead, given the gradual looseing of monetary policy. Regarding services, we expect the slowdown observed in previous months to persist and we foresee a milder growth ahead. Similarly, we also predict a slowdown for retail, but with a more homogenous growth all around, both in segments sensitive to income and in those sensitive to credit.

The national Consumer Price Index (IPCA) presented an inflation of 0.56% in December. With this result, the IPCA has ended the year of 2023 with an increase of 4.62%.

The month's result reflects, for the third consecutive time, the increase in Foods and Beverages prices, a consequence of the effects of *El Niño*, that led to a decrease in the supply of agricultural goods.

Looking ahead, we understand *El Niño* will remain as one of the main factors behind the instability in agricultural commodities prices. On the other hand, low international demand has pushed back oil prices in the short-term, favoring the overall index, but uncertainties still persist due to production cuts by OPEC+ and the ongoing conflict in the main producing region of the commodity.

Politics

The result of the Governability Index (I-Gov) of December stood at 43%, the same result obtained by Lula in November. Regarding the legislative dimension, Lula replicated the mark of 15% and relations with the Legislative body remain extremely delicate, while in the judiciary dimension he kept at 63%. Finally, in public opinion is where the good news are for Lula, where he hits the mark of 51%, the first time since 2013 a president has managed to keep his rating equal or above 50% in a year.
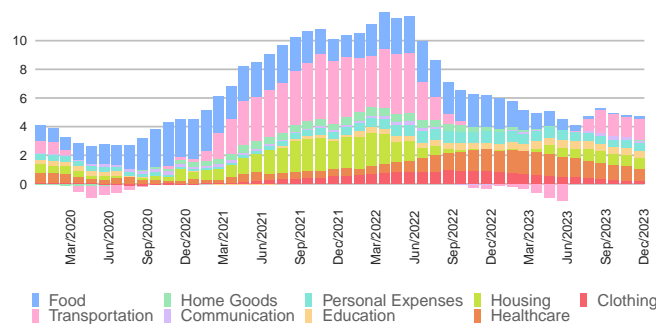
PMS
Seasonally–adjusted series, mean of 2022 = 100
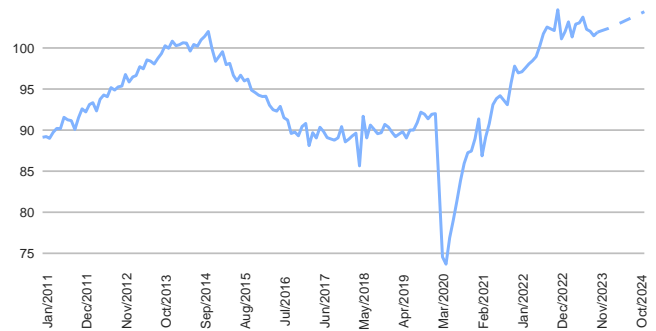
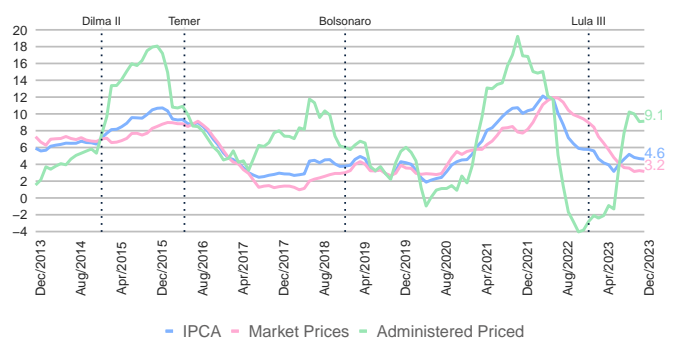Source: IBGE **Elaboration:** 4intelligence

Contributions to Annual Inflation
Percentual points, weighted by POF – 2019

Food | Home Goods | Personal Expenses | Housing | Clothing
Transportation | Communication | Education | Healthcare

Source: IBGE **Elaboration:** 4intelligence

IPCA – Market and Administered Prices
YoY Comparisons (%)

— IPCA — Market Prices — Administered Priced

Source: IBGE **Elaboration:** 4intelligence

I–GOV
Percentual points

— Governability — Judiciary — Legislative
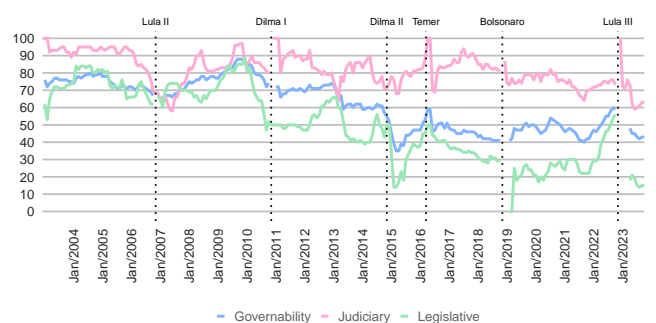
Source: 4intelligence **Elaboration:** 4intelligence

Disclaimer

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