

Update 30: Brazil - Reports Highest Inflation in October 2020 Since 2002 Amid COVID-19 Crisis

- Brazil's inflation rate in October 2020, rose to its highest level since 2002
- This was driven by rising food and transport costs and lifting annual inflation to within sight of the central bank's year-end target
- Central bank officials stated that the spike is temporary and that long-term inflation expectations and baseline forecasts remain well-anchored
- The IPCA consumer price index rose 0.86% in October 2020, from 0.64% compared to September 2020
- Prices rose 3.92% in the 12 months through October 2020, the highest since February 2020
- The biggest drivers in October were a 1.9% rise in food and drink prices and a 1.2% increase in transport prices
- The 1.9% rise in food prices was slightly lower than the 2.3% increase in September 2020
- Within the transport segment, air fares jumped almost 40% in October 2020
- Of the nine sectors covered, eight showed inflation and one exhibited falling price in the month of October 2020
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments

Source(s)

- <https://in.reuters.com/article/brazil-economy-inflation-idINL1N2HS0W7>
- <https://financialpost.com/pmn/business-pmn/brazil-inflation-rises-to-highest-for-any-october-since-2002>
- <https://www.nasdaq.com/articles/brazil-inflation-rises-to-highest-for-any-october-since-2002-2020-11-06>

Targets Affected:

Brazil

Category(s):

Macro-Economic Risk - Geo-Political Risk

Event:

Coronavirus (COVID-19) Incident(s)

Guidance

Actions to consider:

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

Related Alerts

Nov. 1, 2020

Medium

Update 29: Brazil - Reports Daily Increase of 18,947 COVID-19 Cases, Totaling 5,535,605

Oct. 31, 2020

Medium

Update 28: Brazil - Reports Highest Unemployment Rate Since 2012 Amid COVID-19 Crisis

Oct. 15, 2020

Medium

Update 27: Brazil - Reports Daily Increase of 27,235 COVID-19 Cases, Totaling 5,140,863

Sept. 2, 2020

High

Update 26: Brazil - Reports Recession as Economy Contracts by 9.7% in Q2 2020

July 31, 2020

Medium

Update 25: Brazil - Resumes International Air Travel to Foreign Tourists Despite Surge in COVID-19 Cases

June 26, 2020

Immediate

Update 24: Brazil - Faces Multiple Crisis Amid Attack by Zika Virus, Locusts, and COVID-19

June 23, 2020

Medium

Update 23: Brazil - Extends Restriction on Foreign Travelers for Another 15 Days

June 22, 2020

Medium

Update 22: Brazil - Confirmed COVID-19 Cases Surpass One Million with 50,659 Related Deaths

June 11, 2020

Medium

Update 21: Brazil - Records Highest Daily Average of COVID-19 Deaths Worldwide as Economy Reopens

May 30, 2020

High

Update 20: Brazil - Expects Worst Recession as Economy Contracts by 1.5% in Q1 2020

May 28, 2020

High

Update 19: Sao Paulo, Brazil - Plans to Reopen Certain Businesses Starting June 1 Amid COVID-19 Pandemic

May 23, 2020

Immediate

Update 18: Brazil - Reports Second Highest COVID-19 Cases Worldwide, Totaling 330,890

May 19, 2020

Immediate

Update 17: Brazil - Reports Third Highest COVID-19 Cases Worldwide, Totaling 254,220

May 13, 2020

High

Update 16: Brazil - Sao Paulo Announces Opening of Certain Businesses; COVID-19 Death Toll Exceeds 12,000, with 881 Cases Reported in Last 24 Hours

May 4, 2020

Immediate

Update 15: Brazil - Reports 4,588 COVID-19 Cases in Last 24 Hours, Exceeds 100,000

April 30, 2020

Immediate

Update 14: Brazil - Extends Travel Restriction of Foreigners for One Month

April 27, 2020

Immediate

Update 13: Brazil - Reports 3,379 Confirmed COVID-19 Cases in Last 24 Hours, Totaling 61,888

April 22, 2020

High

Update 12: Brazil - Anticipates Economic Contraction by 5.2% in 2020 Amid COVID-19 Pandemic

April 18, 2020

Immediate

Update 11: Brazil - Confirmed COVID-19 Cases Increases to 33,682 with 2,141 Deaths

April 12, 2020

High

Update 10: Brazil - Public Sector Deficit Reaches 7% of GDP as Coronavirus Deaths Mount

April 10, 2020

Immediate

Update 9: Brazil - Reports 141 COVID-19 Related Deaths in Last 24 Hours, Totaling 941

April 6, 2020

Immediate

Update 8: Brazil - Reports Over 11,000 Confirmed COVID-19 Cases, Nearing 500 Deaths

April 1, 2020

Immediate

Update 7: Brazil - Increase in Confirmed COVID-19 Cases

March 26, 2020

Immediate

Update 6: Brazil - Massive Spike in COVID-19 Cases with Maximum Deaths Reported in Sao Paulo

March 24, 2020

Immediate

Update 5: Brazil - Restricts Entry of Foreigners Amid Rapid Spike in COVID-19 Cases

March 21, 2020

Immediate

Update 4: Brazil - Declares COVID-19 State of Emergency; Warns of Healthcare Collapse

March 20, 2020

Immediate

Update 3: Brazil - Coronavirus Infection
Cases Continues to Rise

March 18, 2020

Immediate

Update 2: Brazil - Steep Rise in
Coronavirus Infection Cases

March 11, 2020

Immediate

Update 1: Brazil - Surge in Coronavirus
Infection Cases

Feb. 27, 2020

Low

Brazil - Coronavirus Infection Cases -
Sao Paulo

Impact level Definitions

Impact Level	Definitions
Immediate	Certain - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	Highly likely to occur in the near term (within 3 months) - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	Likely to occur in the mid-term (within 3 to 6 months) - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	Possible in the long-term (after 6 months) - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.