

# Update 43: Brazil - Economy Contracts by 4.1% in 2020 Amid COVID-19 Pandemic; Imposes Night Curfew and Closes Business for Two Weeks Effective March 06, 2021 in Sao Paulo

- Brazil's economy shrank by 4.1% in 2020 due to the COVID-19 pandemic
- According to Central Bank Data, the 2020 plunge was also the worst since the 4.35% fall in GDP recorded in 1990
- Over the course of the year, only Brazilian agriculture showed positive growth, up 2% from 2019
- Services and household consumption fell 4.5% and 5.5%, respectively, due to COVID-19 and restrictions to combat its spread
- The Governor of the Brazilian state of Sao Paulo, Joao Doria announced on March 03, 2021, that starting on March 06, 2021, most stores, bars, and restaurant operations will be banned for two weeks, as night curfew goes into effect, to prevent the collapse of the hospital system
- The measure will run from March 06, 2021, to March 19, 2021, throughout the state of Sao Paulo
- The measure is considered the step before total lockdown, although in-person classes have not been suspended for those who voluntarily want to send their children to school
- Sao Paulo has exceeded 75% bed occupancy in intensive care units, in addition to surpassing the record of hospitalizations every day since February 2021
- Under the measure, only essential businesses are authorized to operate, including the food industry, supermarkets, pharmacies, and medical services
- In addition, bars and restaurants will only be allowed to sell take-out food
- Recreational and cultural activities will be suspended, while cinemas, museums, theaters, shopping malls, gyms, clubs, parks, and beach stays will be closed to avoid crowds
- Brazil also reported on March 02, 2021, registered a record 1,641 deaths in 24 hours from COVID-19, as the country endures a further worsening of the pandemic
- As of now, the country has reported 10,722,221 confirmed COVID-19 cases with 259,402 deaths, 2.4% of total reported cases, and 9,591,590 recoveries, 89.5% of total reported cases
- When compared to the overall population of the country, confirmed COVID-19 cases and fatality rate stands at 5.02% and 0.12%, respectively
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments
- Please consult Oswaldo Cruz Foundation (<https://portal.fiocruz.br/>) for the latest information on COVID-19 in Brazil

## Source(s)

<https://www.reuters.com/article/brazil-economy-gdp/update-3-brazil-gdp-drops-4-1-in-2020-less-than-forecast-idUSL2N2L1100>

<https://financialpost.com/pmn/business-pmn/brazil-gdp-drops-4-1-in-2020-covid-19-surge-erodes-rebound>

<https://www.wionews.com/world/brazil-reports-record-1641-covid-deaths-in-24-hours-367699>

[http://www.xinhuanet.com/english/2021-03/04/c\\_139781771.htm](http://www.xinhuanet.com/english/2021-03/04/c_139781771.htm)

<https://www.scmp.com/video/coronavirus/3124002/red-phase-alert-declared-sao-paulo-state-brazils-covid-19-deaths-hit-all>

## 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 'Lockdown/Emergency/Extension of Lockdown/Other Restrictions', 'Negative Impact on Economy' and 'Increase in Positive Cases/Deaths' under the 'COVID-19: Actions to Consider' section below / next page



## Related Alerts

**Feb. 27, 2021**

Medium

Update 42: Brasilia, Brazil - Imposes 24 Hour Lockdown in Capital City Effective February 27, 2021 to Curb the Surge in COVID-19 Cases

**Feb. 25, 2021**

Low

Update 41: Brazil - Reports Highest Mid-February Inflation of 0.48% in Four Years Amid COVID-19 Pandemic

**Feb. 17, 2021**

Medium

Update 40: Brazil - Cancels Carnival Celebrations Amid Surge in COVID-19 Cases

**Jan. 27, 2021**

Medium

Update 39: Brazil - Bans Flights from South Africa and Extends Suspension from the United Kingdom to Curb the Spread of New COVID-19 Variant

**Jan. 23, 2021**

High

Update 38: Manaus, Brazil - Identifies New COVID-19 Variant Responsible for Spike in Cases

**Jan. 13, 2021**

Low

Update 37: Brazil - Reports Highest Inflation of 4.52% in Four Years Amid COVID-19 Crisis

**Jan. 9, 2021**

High

Update 36: Brazil - Confirms First Case of Re-Infection with South Africa COVID-19 Variant

**Jan. 8, 2021**

Medium

Update 35: Brazil - Records Highest Death Toll Since July 29, 2020 Surpassing Total Death Number of 200,000 Amid COVID-19 Pandemic

**Dec. 30, 2020**

Medium

Update 34: Brazil - Records Highest Death Toll Since October 03, 2020

**Dec. 24, 2020**

Medium

Update 32: Brazil - Suspends Travel from the United Kingdom Over More Infectious COVID-19 Strain

**Dec. 24, 2020**

Medium

Update 33: Sao Paulo, Brazil - Tightens Lockdown Measures to Curb Christmas and New Year Festivities Amid COVID-19 Pandemic

**Dec. 9, 2020**

Medium

Update 31: Brazil - Reports Daily Increase of 51,088 COVID-19 Cases, Records Highest Death Toll Since November 14, 2020

**Nov. 7, 2020**

Medium

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

**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	<b>Certain</b> - 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	<b>Highly likely to occur in the near term (within 3 months)</b> - 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	<b>Likely to occur in the mid-term (within 3 to 6 months)</b> - 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	<b>Possible in the long-term (after 6 months)</b> - 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.