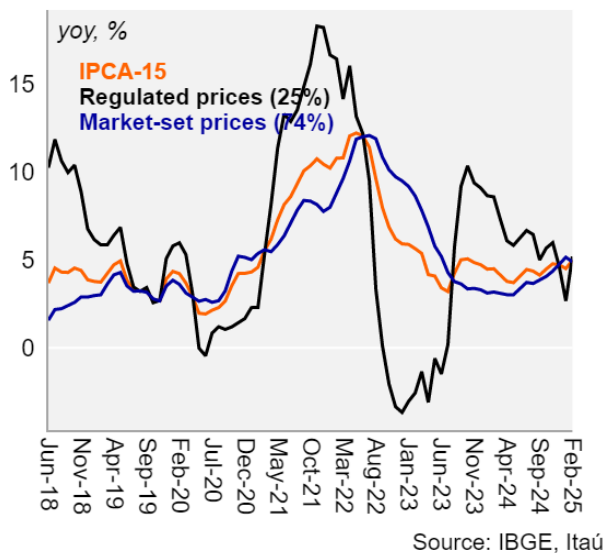


February 25, 2025

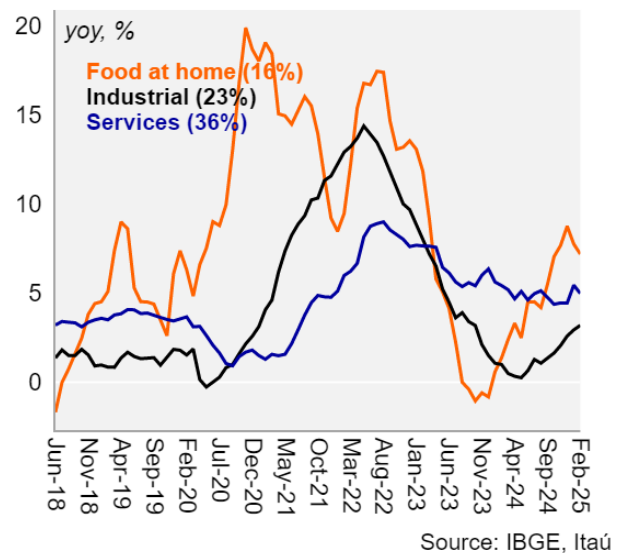
IPCA-15 moved up 1.23% in February

- ▶ February IPCA-15 came in at 1.23%, below both our call (1.36%) and market forecast (1.36%). In 12 months, IPCA-15 rose 5.0%, versus 4.5% in January.
- ▶ Compared to our forecast, we highlight the lower-than-expected prints in air ticket and personal expenses. Rents, on the other hand, came in above our forecast. Regarding core metrics, underlying services inflation was close to expectations, while underlying industrials inflation was slightly below expectations.
- ▶ Items that repeat the IPCA-15 variation at the IPCA report (air ticket, courses, rent and condominium fees, labor, domestic workers, among others) were 11 bps below our forecast.
- ▶ In the three-month moving average, with seasonally adjusted and annualized data, underlying services inflation declined to 8.2% (from 8.6%), while underlying industrials moved up to 4.3% (from 3.0%). In the same metric, the average of core inflation measures increased to 5.9% (from 5.8%).
- ▶ **Our view:** today's data came in below expectations, with the main surprise coming from air tickets, indicating that there was some payback from the upward surprise seen last month. Regarding the core components, on the other hand, underlying services came in line with our expectations and continue to indicate a poor breakdown for inflation.

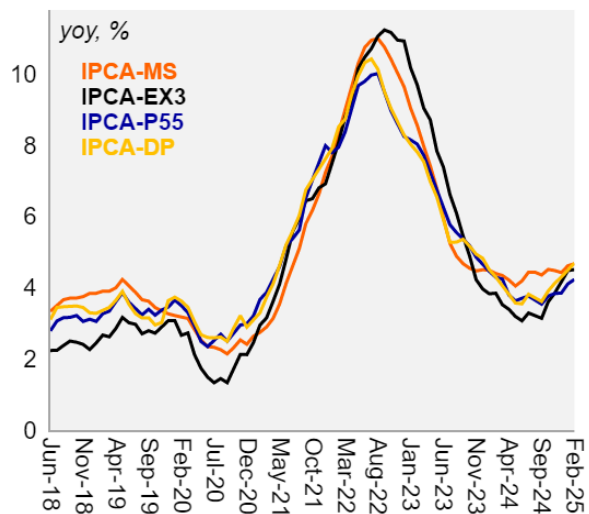
IPCA-15 - Market-set and regulated prices



IPCA-15 - Market-set prices

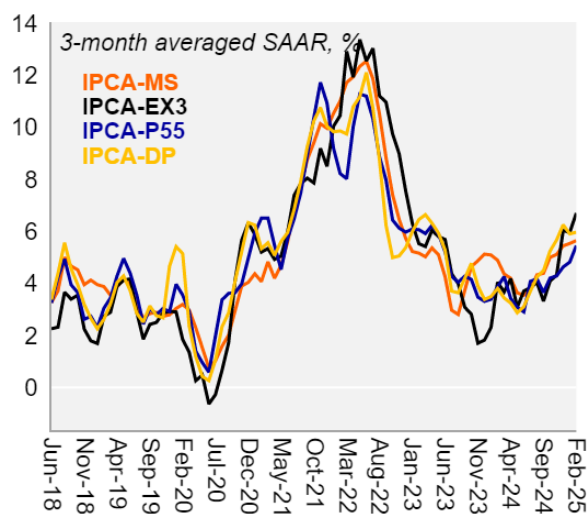


IPCA-15 - Core



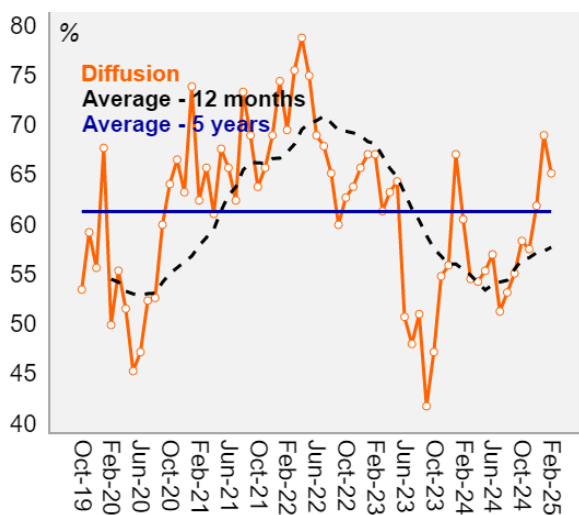
Source: IBGE, Itaú

IPCA-15



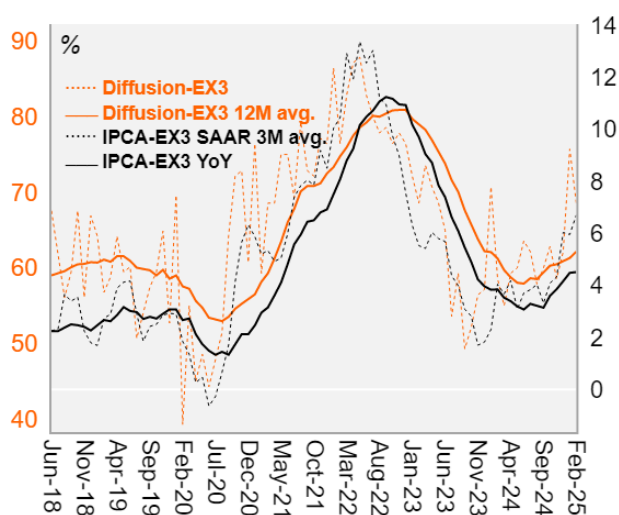
Source: IBGE, Itaú

IPCA-15 - Diffusion index



Source: IBGE, Itaú

IPCA-15 and diffusion index for EX3 core



Source: IBGE, Itaú

Weight			Feb-2024		Jan-2025		Feb-2025	Proj.	Δ bps
			IPCA-15	IPCA	IPCA-15	IPCA	IPCA-15		
100	Headline		0.78	0.83	0.11	0.16	1.23	1.36	-13.0
GROUPS	21	Food & beverage	0.97	0.95	1.06	0.96	0.61	0.64	-0.7
	15	Food at home	1.16	1.12	1.10	1.07	0.63	0.65	-0.3
	6	Food out of home	0.48	0.49	0.93	0.67	0.56	0.63	-0.4
	14	Housing	0.14	0.27	-3.43	-3.08	4.34	4.25	1.3
	3	Household articles	0.45	-0.07	0.72	-0.09	0.38	0.27	0.4
	4	Apparel	-0.39	-0.44	0.46	-0.14	-0.08	-0.24	0.7
	20	Transportation	0.15	0.72	1.01	1.30	0.44	0.90	-9.5
	13	Health and personal care	0.76	0.65	0.64	0.70	0.54	0.58	-0.5
	10	Personal spending	0.46	0.05	0.40	0.51	0.01	0.22	-2.1
	6	Education	5.07	4.98	0.25	0.26	4.78	4.95	-1.0
	4	Communication	1.67	1.56	0.15	-0.17	-0.06	0.36	-2.0
BREAKDOWN	25	Regulated prices	0.51	0.88	-1.92	-1.52	2.98	3.02	-1.1
	3	Residential electricity	-0.40	0.14	-15.46	-14.21	16.33	16.80	-1.6
	5	Gasoline	0.84	2.93	0.53	0.61	1.71	1.40	1.6
	74	Market-set prices	0.88	0.80	0.82	0.74	0.64	0.80	-12.3
	15	Food at home	1.16	1.12	1.10	1.07	0.63	0.65	-0.3
	22	Industrials	0.32	0.21	0.59	0.45	0.57	0.52	1.1
CORES AND DIFFUSION	36	Services	1.13	1.06	0.85	0.78	0.68	1.04	-13.1
	4	Underlying food at home	0.16	0.46	1.23	1.64	2.08	2.02	0.3
	15	Underlying industrials	0.21	0.05	0.67	0.41	0.29	0.34	-0.8
	21	Underlying services	0.65	0.44	0.96	0.86	0.63	0.63	0.0
	58	IPCA-EX0	0.81	0.72	0.75	0.65	0.64	0.84	-12.0
	81	IPCA-EX1	0.68	0.60	-0.06	0.02	1.36	1.53	-14.1
	41	IPCA-EX2	0.43	0.29	0.88	0.77	0.66	0.67	-0.5
	36	IPCA-EX3	0.46	0.27	0.84	0.67	0.49	0.51	-0.8
	-	IPCA-MS	0.45	0.42	0.62	0.62	0.51	0.54	-
	-	IPCA-DP	0.59	0.53	0.53	0.53	0.78	0.86	-
	-	IPCA-P55	0.53	0.52	0.57	0.58	0.65	-	-
	-	Diffusion index	60.49	57.03	68.94	64.99	65.12	-	-

IPCA-EX0: excludes food and Regulated prices.

IPCA-EX3: underlying indicator for services and industrial products.

IPCA-MS (Smoothed Trimmed Means): before the items with a monthly variation above the 80th percentile or below the 20th percentile are excluded, components with infrequent variations are smoothed.

IPCA-DP (Double Weight): proportionally reduces the weight of more volatile items.

Diffusion: share of subitens with positive price changes during the month.

Source: IBGE, BCB, Itaú

	Weight	Feb-24	Nov-24	Dec-24	Jan-25	Feb-25
IPCA-15 (monthly)	100.0	0.78	0.62	0.34	0.11	1.23
Regulated prices	25.3	0.51	0.19	-0.74	-1.92	2.98
Market-set prices	74.7	0.88	0.77	0.72	0.82	0.64
Food at home	15.8	1.16	1.65	1.56	1.10	0.63
Industrials	22.8	0.32	0.27	0.26	0.59	0.57
Services	36.1	1.13	0.72	0.64	0.85	0.68
IPCA-15 (12-month)	100.0	4.49	4.77	4.71	4.50	4.96
Regulated prices	25.0	8.57	5.97	4.59	2.66	5.18
Market-set prices	75.0	3.17	4.35	4.74	5.14	4.88
Food at home	16.0	1.36	7.68	8.76	7.76	7.19
Industrials	23.0	0.99	2.06	2.59	2.93	3.19
Services	36.0	5.42	4.45	4.44	5.45	4.98
Core* (monthly)						
IPCA-EX0	59.0	0.81	0.55	0.50	0.75	0.64
IPCA-EX3	37.0	0.46	0.32	0.41	0.84	0.49
IPCA-MS	-	0.45	0.39	0.37	0.62	0.51
IPCA-DP	-	0.59	0.47	0.48	0.53	0.78
IPCA-P55	-	0.53	0.30	0.30	0.57	0.65
Average**	-	0.57	0.41	0.41	0.66	0.61
Core* (12-month)						
IPCA-EX0	59.0	3.65	3.51	3.72	4.46	4.28
IPCA-EX3	37.0	3.84	3.85	4.16	4.48	4.51
IPCA-MS	-	4.40	4.48	4.42	4.61	4.67
IPCA-DP	-	4.30	4.12	4.30	4.49	4.69
IPCA-P55	-	4.29	3.84	3.85	4.10	4.23
Average**	-	4.10	3.96	4.09	4.43	4.48
Diffusion***						
Diffusion index	-	60.49	57.49	61.85	68.94	65.12

* IPCA-EX0: excludes food and Regulated prices.

IPCA-EX3: underlying indicator for services and industrial products.

IPCA-MS (Smoothed Trimmed Means): before the items with a monthly variation above the 80th percentile or below the 20th percentile are excluded, components with infrequent variations are smoothed.

IPCA-DP (Double Weight): proportionally reduces the weight of more volatile items.

IPCA-P55: corresponds to the variation of the 55th percentile of the distribution weighted by the subitem weights.

** Average of IPCA-EX0, EX3, MS, DP and P55.

*** Diffusion: share of subitens with positive price changes during the month.

Source: IBGE, BCB, Itaú

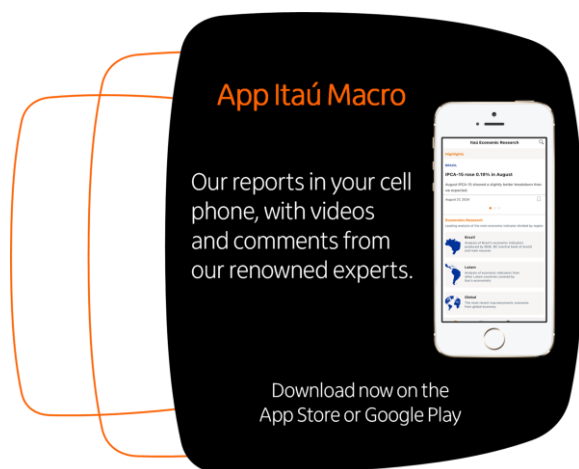
Luciana Rabelo

Macro Research – Itaú

Mario Mesquita – Chief Economist

To access our reports and forecast visit our website:

<https://www.itaubba-pt/macroeconomic-analysis>



Relevant Information

1. This report has been prepared and released by the Macro Research Department of Itaú Unibanco S.A. ("Itaú Unibanco"). This report is not a product of the Equity Research Department of Itaú Unibanco or Itaú Corretora de Valores S.A. and shall not be construed as a research report ("relatório de análise") for the purposes of Article 1 of the CVM Instruction NR. 20, dated 2021.
2. The exclusive purpose of this report is to provide macroeconomics information and it does not constitute and shall not be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial product, or to participate in any particular trading strategy in any jurisdiction. The information herein is believed to be reliable as of the date on which this report was released and it has been obtained from public sources believed to be reliable. However, Itaú Unibanco does not make any explicit or implied representation or warranty as to the completeness, reliability or accuracy of such information, nor does this report intend to be a complete statement or summary of the markets or developments referred to herein. Itaú Unibanco has no obligation whatsoever to update, modify or amend this report and inform the reader accordingly.
3. The opinions contained herein reflect exclusively the personal views of the analyst responsible for this report and were prepared independently and autonomously, including in relation to Itaú Unibanco, Itaú Corretora de Valores S.A. and any other companies within their economic group.
4. This report may not be reproduced or redistributed to any other person, in whole or in part, for any purpose, without the prior written consent of Itaú Unibanco. Additional information on the financial products mentioned in this report may be available upon request. Itaú Unibanco and/or any other company within its economic group is not and shall not be liable for any investment decisions (or otherwise) based on the information provided herein.

Additional Note: This material does not take into consideration the objectives, financial situation or specific needs of any particular client. Clients must obtain financial, tax, legal, accounting, economic, credit and market advice on an individual basis, based on their personal characteristics and objectives, prior to making any decision based on the information contained herein. By accessing the material, you represent and confirm that you understand the risks related to the financial instruments described in this material and the laws in your jurisdiction relating to the provision and sale of financial service products. You acknowledge that this material contains proprietary information and you agree to keep this information confidential for your exclusive use.

SAC Itaú: For inquiries, suggestions, complaints, criticisms and compliments, talk to Itaú's CSCC: 0800 728 0728. Or contact us through our portal <https://www.itaubba-pt/atendimento-itaubba-para-voce/>. If you are not satisfied with the proposed solution, please contact the Itaú Corporate Ombudsman: 0800 570 0011 (on weekdays from 9 AM to 6 PM) or our PO Box 67.600, São Paulo-SP, Zip Code 03162-971. Hearing impaired, every day, 24h, 0800 722 1722.