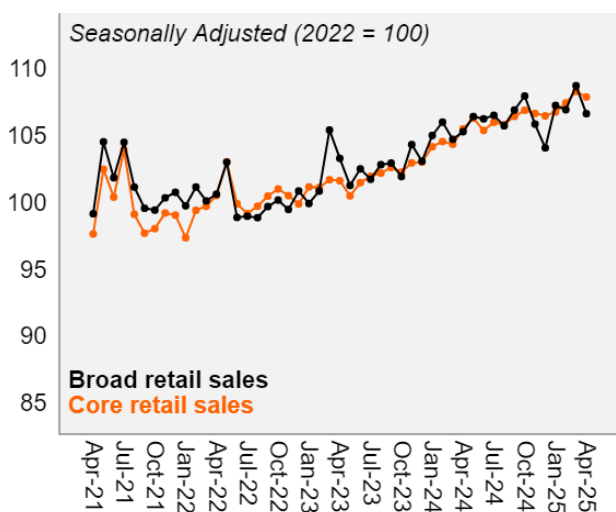


Broad Retail Sales fell 1.9% mom/sa in April

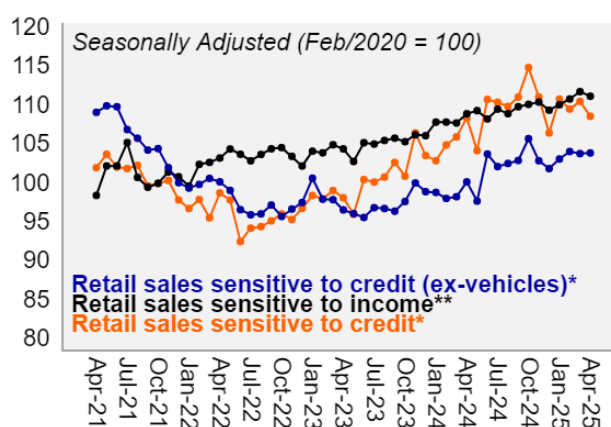
- ▶ Broad retail sales fell 1.9% mom/sa in April (+0.8% yoy), below our call (-1.1% mom/sa 2.3%yoy) and the market's expectation (-1.3% mom/sa 1.7%yoy). Core sales fell 0.4% mom/sa (+4.8% yoy), above the market's estimates (-0.5% mom/sa 3.6% yoy) and below our call (+0.1% mom/sa 5.7%yoy).
- ▶ Versus our estimates, the largest surprises were "Hypermarkets, supermarkets, food, beverages and tobacco" (6.4% vs. our forecast of 8.0% yoy) and "Auto & Parts" (-7.1% vs. our estimate of -3.9% yoy).
- ▶ Out of 10 sectors, 4 advanced and 6 contracted at the margin. The positive highlight was "Other goods of personal use" (+1.0% mom/sa), while "Auto & Parts" (-2.2% mom/sa) stood out on the negative side.
- ▶ With today's release, the carry over for 2Q25 now stands at 0.4% and -0.9% for core and broad sales, respectively.
- ▶ **Our view:** Broad retail sales came in below both our projection and the market's expectations. The main surprises relative to our forecast came from 'supermarkets' and 'auto & parts'. Today's numbers introduce a slightly negative bias for Q2 2025 GDP, reinforcing signs of a slowdown in economic activity.

Broad Retail Sales fell 1.9% mom/sa in April



Source: IBGE, Itaú

Retail sales sensitive to credit contracted



*Includes: furniture and appliances; auto and parts; construction material; equipment and material for office.

**Includes: fuel; supermarkets; apparel, footwear; pharmaceutical; books/magazines.

Source: IBGE, Itaú

Retail sales - April/25(%)		
Sector	%MoM S.A.	%YoY
Core retail sales	-0.4	4.8
Fuel, lubricants	-1.7	-1.9
Hypermarkets, supermarkets, food, beverages and tobacco	-0.8	6.4
Fabric, apparel, footwear	0.6	7.8
Furniture and appliances	-0.3	0.7
Pharmaceutical, medical	0.2	1.9
Equipment and material for office	-1.3	-5.2
Books, periodicals, magazines	1.6	-3.8
Other goods of personal use*	1.0	10.9
Broad retail sales	-1.9	0.8
Broad retail sales ex-wholesales	-1.4	1.3
Wholesale specialized in foods	-	-2.4
Auto & Parts	-2.2	-7.1
Construction material	-0.4	-2.7

*Includes sale of jewelry, watches, recreational and sporting goods, handicrafts, electronic devices for domestic use (except computers and communication items)

Source: IBGE, Itaú

Retail Sales in April/25 - forecast vs. actual (%)				
Sector	Weight	Actual (YoY)	Forecast (YoY)	Error Contribution (p.p.)
Core retail sales	59.6	4.8	5.7	-0.5
Fuel, lubricants	7.2	-1.9	0.1	-0.1
Hypermarkets, supermarkets, food, beverages and tobacco	32.2	6.4	8.0	-0.5
Fabric, apparel, footwear	3.7	7.8	0.7	0.3
Furniture and appliances	4.1	0.7	6.3	-0.2
Pharmaceutical, medical	5.6	1.9	2.2	-0.0
Equipment and material for office	0.9	-5.2	-0.3	-0.0
Books, periodicals, magazines	0.2	-3.8	-5.0	0.0
Other goods of personal use*	5.8	10.9	9.2	0.1
Broad retail sales	100.0	0.8	2.3	-1.5
Broad retail sales ex-wholesales	84.1	1.3	2.8	-1.3
Wholesale specialized in foods	15.9	-2.4	-0.9	-0.2
Auto & Parts	16.8	-7.1	-3.9	-0.5
Construction material	7.7	-2.7	-2.5	-0.0

*Includes sale of jewelry, watches, recreational and sporting goods, handicrafts, electronic devices for domestic use (except computers and communication items)

Source: IBGE, Itaú

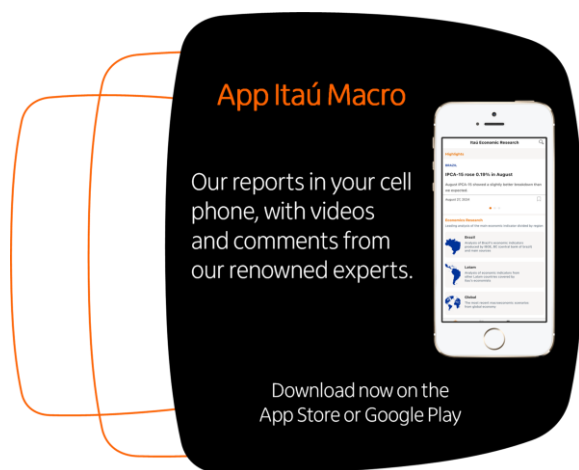
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