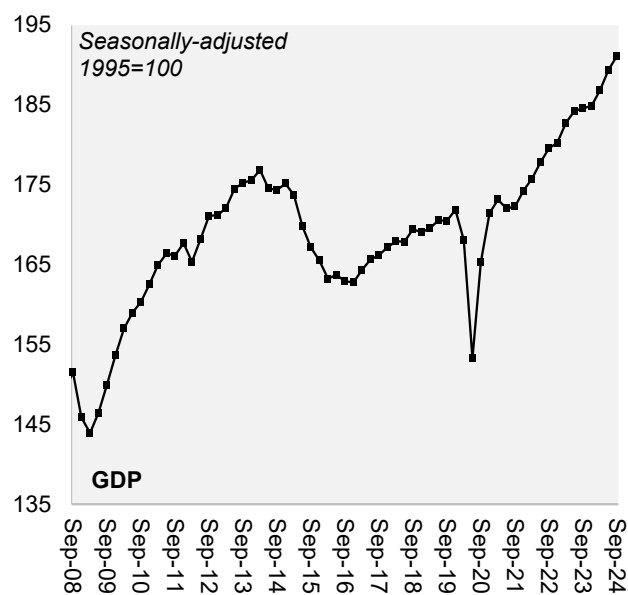


December 3, 2024

## GDP grew 0.9% qoq/sa in 3Q24, exceeding expectations

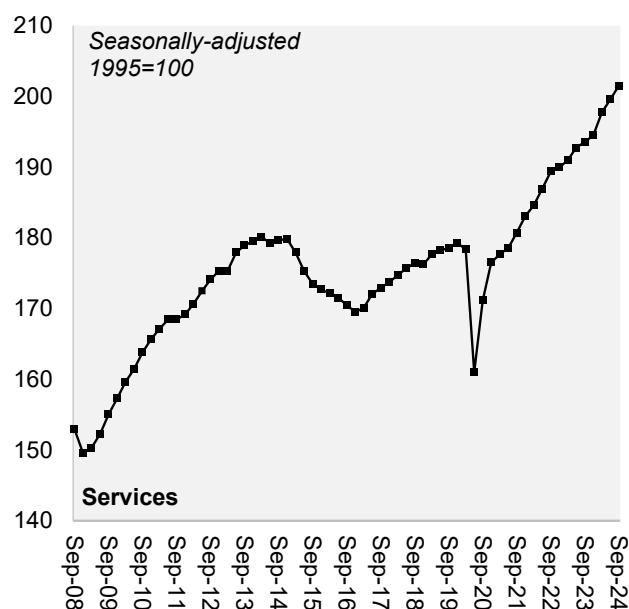
- ▶ GDP grew by 0.9% qoq/sa (4.0% yoy) in 3Q24, exceeding our estimate (+0.6% qoq/sa; 3.8% yoy), as well as the median of market expectations (+0.8% qoq/sa; 3.9% yoy).
- ▶ On the supply side, the highlight was the service sector, with other services and financial services stronger than expected. Services expanded by 0.9% qoq/sa, after an also strong first semester. The industrial sector also grew (0.6% qoq/sa), while agriculture declined by 0.9% at the margin (see table).
- ▶ On the demand side, the main surprises compared to our estimate were the stronger-than-expected growth in household consumption, supported by a resilient labor market and rising income, as well as a positive credit environment and investment.
- ▶ **Our view:** Today's results exceeded our expectations, driven by stronger-than-expected growth in the service sector and resilient domestic demand. The rise in income, supported by a robust labor market, combined with a favorable credit cycle, has significantly contributed to solid GDP growth. Our preliminary GDP tracking for Q4 2024 points to some deceleration in economic activity. However, for the full year, there is an upward bias to the 3.2% estimate.

GDP grew at the margin



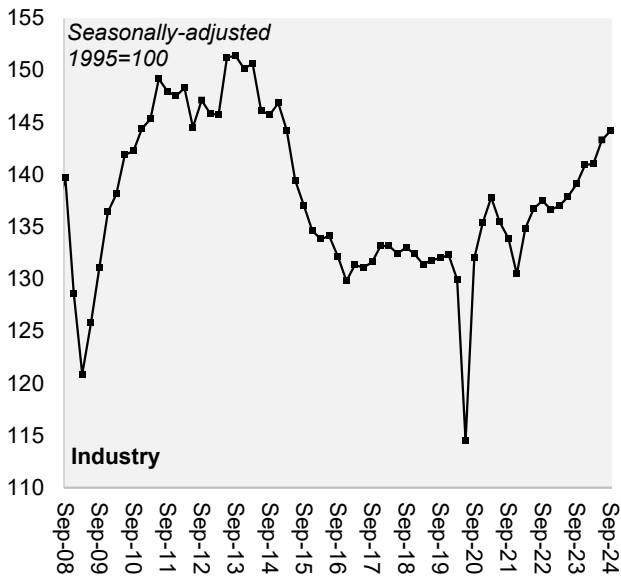
Source: IBGE, Itaú

Strong performance of the service sector



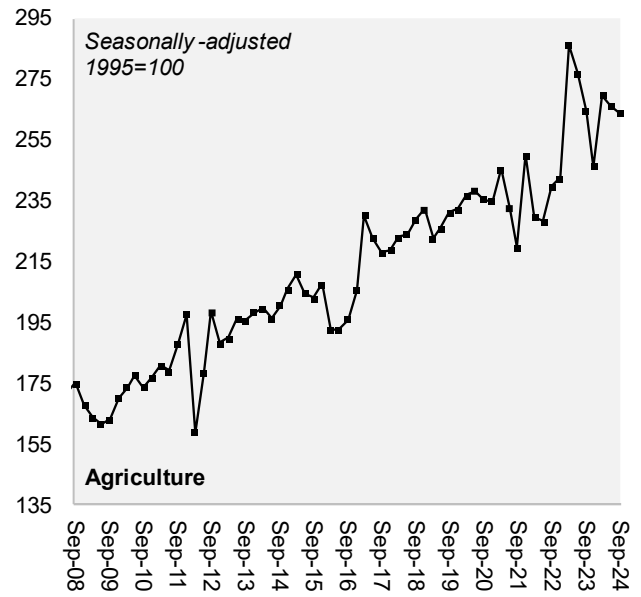
Source: IBGE, Itaú

**The industry also grew...**



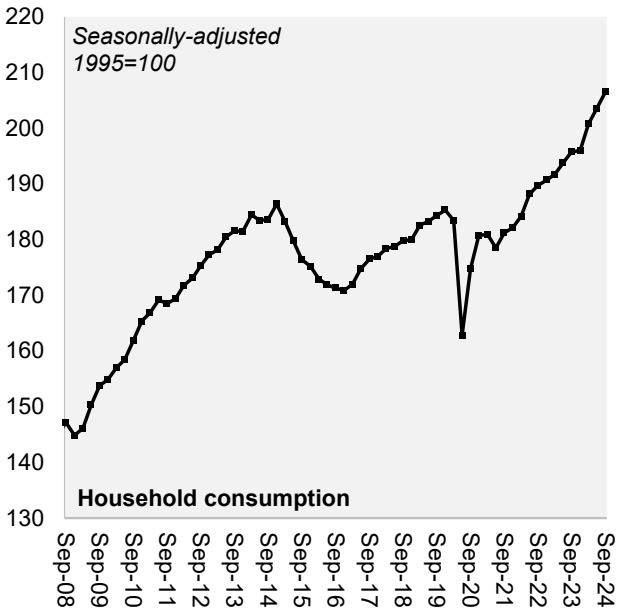
Source: IBGE, Itaú

**...while agriculture retreated**



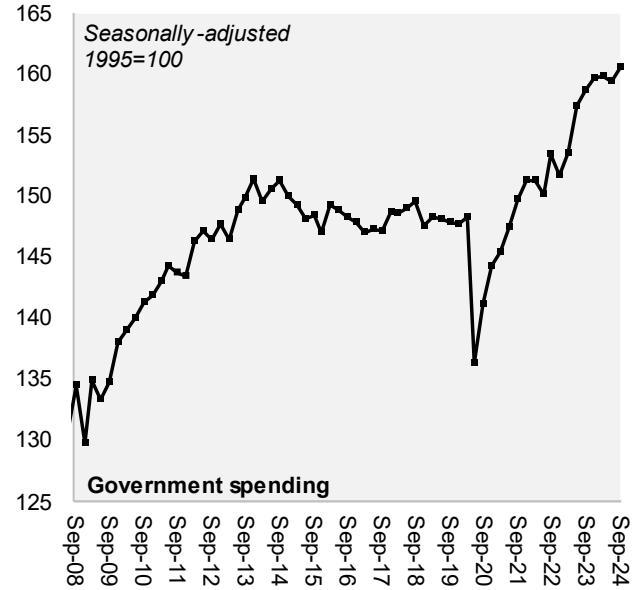
Source: IBGE, Itaú

**On the demand side, resilient household consumption**



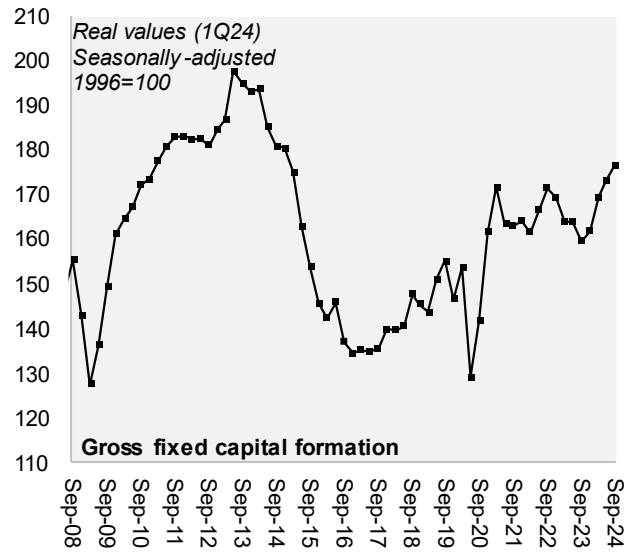
Source: IBGE, Itaú

**Robust government spending**



Source: IBGE, Itaú

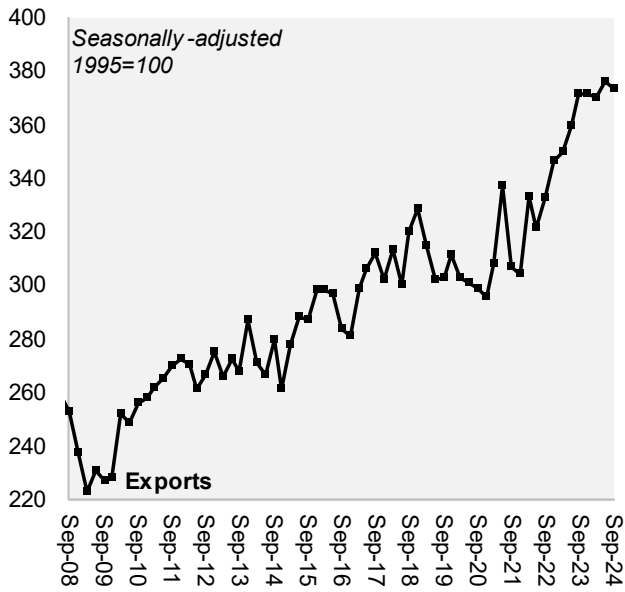
**GFCF advanced**



\*Ignoring accounting effects of REPETRO.

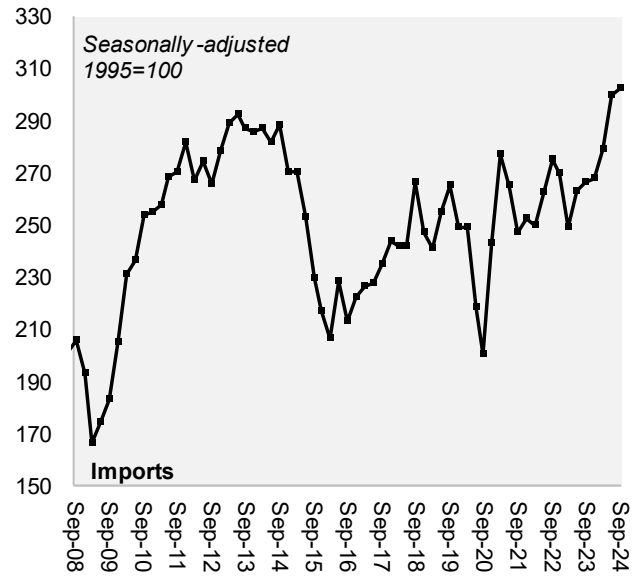
Source: IBGE, Itaú

**Exports decreased...**



Source: IBGE, Itaú

**...while imports expanded**



Source: IBGE, Itaú

	Quarter over quarter seasonally adjusted				YoY			
	4Q-23	1Q-24	2Q-24	3Q-24	4Q-23	1Q-24	2Q-24	3Q-24
<b>GDP</b>	<b>0.2</b>	<b>1.1</b>	<b>1.4</b>	<b>0.9</b>	<b>2.4</b>	<b>2.6</b>	<b>3.3</b>	<b>4.0</b>
<b>Demand</b>								
Household consumption	0.1	2.5	1.4	<b>1.5</b>	2.6	4.7	5.1	<b>5.5</b>
Government Expenditure	0.6	0.1	-0.3	<b>0.8</b>	5.1	4.1	1.2	<b>1.3</b>
Investment (GFCF)	1.5	4.5	2.2	<b>2.1</b>	-4.4	3.0	5.7	<b>10.8</b>
Exports	-0.1	-0.2	1.5	<b>-0.6</b>	7.3	6.1	4.3	<b>2.1</b>
Imports	0.6	4.3	7.3	<b>1.0</b>	-0.9	10.0	14.7	<b>17.7</b>
Inventories contribution*	-0.3	0.2	-0.5	<b>-0.1</b>	-	-	-	-
<b>Supply</b>								
Agriculture	-6.9	9.6	-1.3	<b>-0.9</b>	0.5	-5.5	-3.3	<b>-0.8</b>
Industry	1.3	0.1	1.6	<b>0.6</b>	3.0	3.0	4.0	<b>3.6</b>
Services	0.4	1.7	0.9	<b>0.9</b>	2.2	3.5	3.6	<b>4.1</b>

Source: IBGE, Itaú

**Natalia Cotarelli**  
**Marina Garrido**

Macro Research – Itaú

**Mario Mesquita – Chief Economist**

To access our reports and forecast visit our website:

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

**App Itaú Macro**

Our reports in your cell phone, with videos and comments from our renowned experts.

Download now on the App Store or Google Play

## 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.

For inquiries, suggestions, complaints, criticisms and compliments, talk to Itaú's CSCC: 0800 728 0728. Or contact us through our portal <https://www.itaú.com.br/atenda-itaú/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.