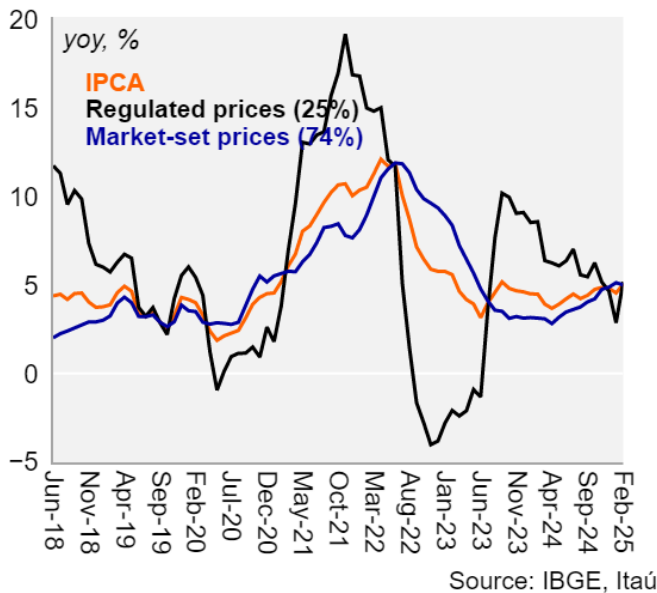


March 12, 2025

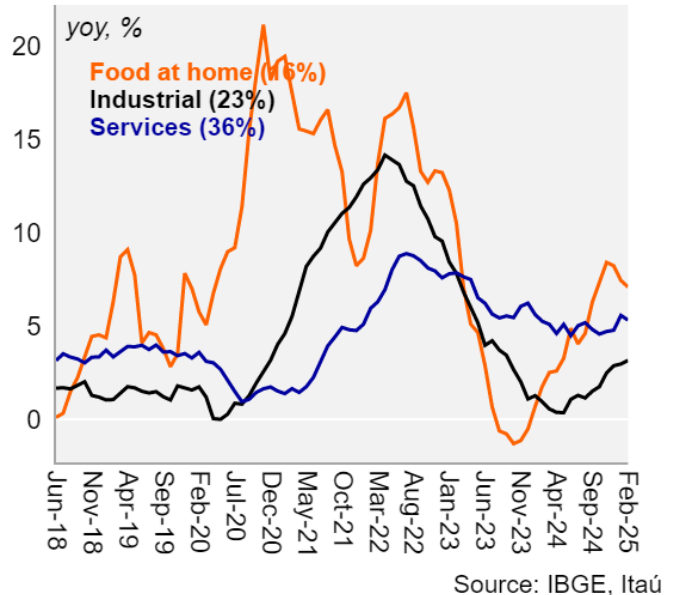
IPCA moved up 1.31% in February

- ▶ February IPCA came in at 1.31%, in line with market forecast (1.31%) and below our call (1.36%), accelerating from the 0.16% of the previous month, due to the end of the “bonus de Itaipu” - a one-off discount that was applied to electricity bills in January. In 12 months, IPCA rose 5.1%, versus 4.6% in January.
- ▶ Compared to our forecast, we highlight the lower-than-expected prints in new cars and food out of home. Transport by apps, on the other hand, came in above our forecast. Regarding core metrics, underlying services inflation was in line with our estimates, while underlying industrials came in below expectations, led by furniture and utensils.
- ▶ In the three-month moving average, with seasonally adjusted and annualized data, underlying services inflation was stable at 7.8%, while underlying industrials declined to 2.8% (from 4.1%). In the same metric, the average of core inflation measures receded to 5.5% (from 6.0%).
- ▶ **Our view:** Today's data came in below our expectations, with a downside surprise concentrated in industrials (new cars). Despite the slightly-better-than-expected breakdown, mainly for industrials, underlying services remained under pressure (7.8% in the 3MMA SAAR, stable compared to January).

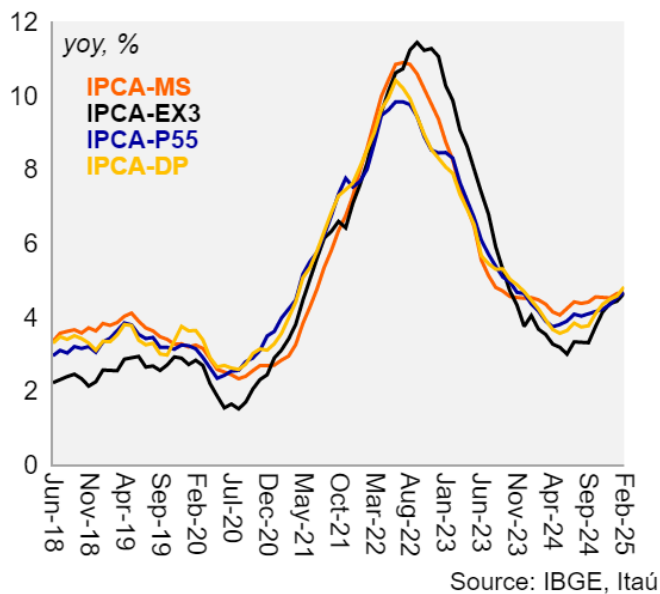
IPCA - Market-Set and Regulated Prices



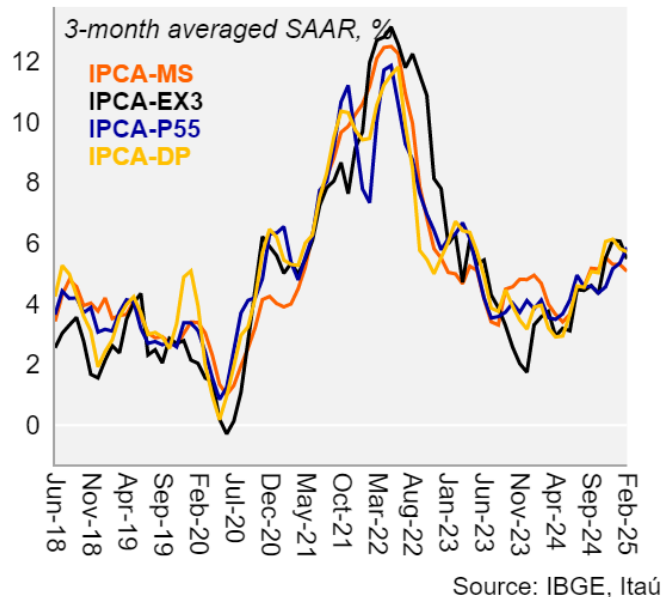
IPCA - Market-Set Prices



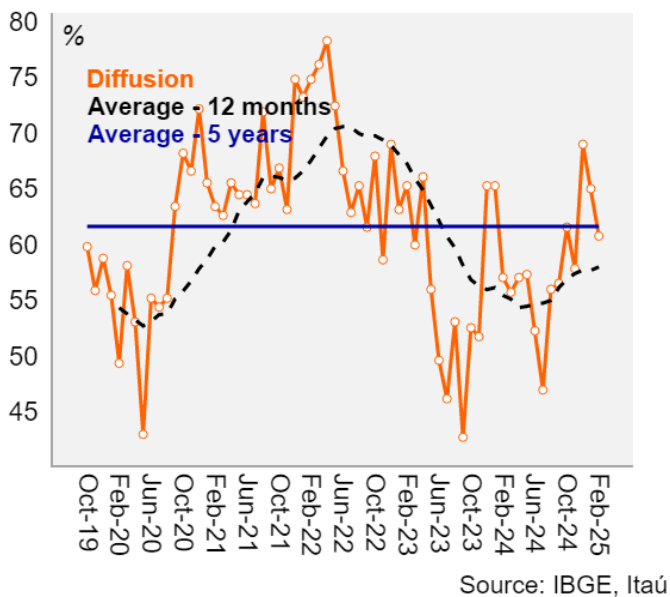
IPCA - Core



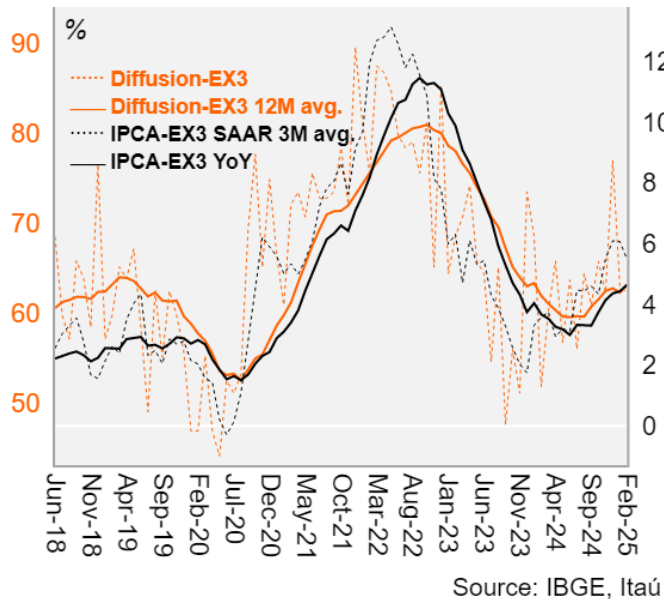
IPCA - Core s.a. annualized, 3-month averaged



IPCA - Diffusion Index



IPCA and diffusion index for EX3 core



Weight			Feb-2024		Jan-2025		Feb-2025		Proj.	Δ bps
			IPCA-15	IPCA	IPCA-15	IPCA	IPCA-15	IPCA		
100	Headline		0.78	0.83	0.11	0.16	1.23	1.31	1.36	-5.0
GROUPS	21	Food & beverage	0.97	0.95	1.06	0.96	0.61	0.70	0.81	-2.4
	15	Food at home	1.16	1.12	1.10	1.07	0.63	0.79	0.84	-0.8
	6	Food out of home	0.48	0.49	0.93	0.67	0.56	0.47	0.75	-1.7
	14	Housing	0.14	0.27	-3.43	-3.08	4.34	4.44	4.51	-1.0
	3	Household articles	0.45	-0.07	0.72	-0.09	0.38	0.44	0.50	-0.2
	4	Apparel	-0.39	-0.44	0.46	-0.14	-0.08	0.00	0.04	-0.2
	20	Transportation	0.15	0.72	1.01	1.30	0.44	0.61	0.73	-2.5
	13	Health and personal care	0.76	0.65	0.64	0.70	0.54	0.49	0.41	1.1
	10	Personal spending	0.46	0.05	0.40	0.51	0.01	0.13	0.08	0.5
	6	Education	5.07	4.98	0.25	0.26	4.78	4.70	4.70	0.0
	4	Communication	1.67	1.56	0.15	-0.17	-0.06	0.17	0.09	0.4
BREAKDOWN	25	Regulated prices	0.51	0.88	-1.92	-1.52	2.98	3.16	3.19	-0.8
	3	Residential electricity	-0.40	0.14	-15.46	-14.21	16.33	16.80	17.00	-0.7
	5	Gasoline	0.84	2.93	0.53	0.61	1.71	2.78	2.90	-0.6
	74	Market-set prices	0.88	0.80	0.82	0.74	0.64	0.68	0.73	-3.4
	15	Food at home	1.16	1.12	1.10	1.07	0.63	0.79	0.84	-0.8
	23	Industrials	0.32	0.21	0.59	0.45	0.57	0.40	0.59	-4.4
CORES AND DIFFUSION	35	Services	1.13	1.06	0.85	0.78	0.68	0.82	0.77	1.8
	4	Underlying food at home	0.16	0.46	1.23	1.64	2.08	1.99	2.04	-0.2
	15	Underlying industrials	0.21	0.05	0.67	0.41	0.29	0.18	0.30	-1.9
	21	Underlying services	0.65	0.44	0.96	0.86	0.63	0.69	0.71	-0.4
	58	IPCA-EX0	0.81	0.72	0.75	0.65	0.64	0.66	0.70	-2.6
	81	IPCA-EX1	0.68	0.60	-0.06	0.02	1.36	1.34	1.38	-3.4
	41	IPCA-EX2	0.43	0.29	0.88	0.77	0.66	0.64	0.69	-2.2
	36	IPCA-EX3	0.46	0.27	0.84	0.67	0.49	0.48	0.53	-2.0
	-	IPCA-MS	0.45	0.42	0.62	0.62	0.51	0.43	0.51	-
	-	IPCA-DP	0.59	0.53	0.53	0.53	0.78	0.77	0.84	-
	-	IPCA-P55	0.53	0.52	0.57	0.58	0.65	0.66	-	-
	-	Diffusion index	60.49	57.03	68.94	64.99	65.12	60.74	-	-

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 subitems with positive price changes during the month.

Source: IBGE, BCB, Itaú

	Weight	Feb-24	Nov-24	Dec-24	Jan-25	Feb-25
IPCA (monthly)	100.0	0.83	0.39	0.52	0.16	1.31
Regulated prices	25.4	0.88	-0.87	-0.17	-1.52	3.16
Market-set prices	74.6	0.80	0.84	0.77	0.74	0.68
Food at home	15.9	1.12	1.81	1.17	1.07	0.79
Industrials	23.0	0.21	0.18	0.65	0.45	0.40
Services	35.7	1.06	0.83	0.66	0.78	0.82
IPCA (12-month)	100.0	4.50	4.87	4.83	4.56	5.06
Regulated prices	25.0	8.59	5.17	4.66	2.87	5.19
Market-set prices	75.0	3.13	4.76	4.89	5.14	5.02
Food at home	16.0	1.77	8.41	8.22	7.44	7.09
Industrials	23.0	0.94	2.49	2.87	2.96	3.16
Services	36.0	5.25	4.71	4.77	5.57	5.32
Core* (monthly)						
IPCA-EX0	59.0	0.72	0.58	0.66	0.65	0.66
IPCA-EX3	37.0	0.27	0.29	0.68	0.67	0.48
IPCA-MS	-	0.42	0.35	0.45	0.62	0.43
IPCA-DP	-	0.53	0.44	0.56	0.53	0.77
IPCA-P55	-	0.52	0.29	0.54	0.58	0.66
Average**	-	0.49	0.39	0.58	0.61	0.60
Core* (12-month)						
IPCA-EX0	59.0	3.50	3.83	4.02	4.53	4.46
IPCA-EX3	37.0	3.67	4.14	4.36	4.43	4.64
IPCA-MS	-	4.46	4.53	4.51	4.63	4.64
IPCA-DP	-	4.22	4.34	4.48	4.57	4.81
IPCA-P55	-	4.16	4.21	4.33	4.52	4.67
Média núcleos**	-	4.00	4.21	4.34	4.54	4.64
Difusão***						
Diffusion index	-	57.03	57.82	68.97	64.99	60.74

* 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

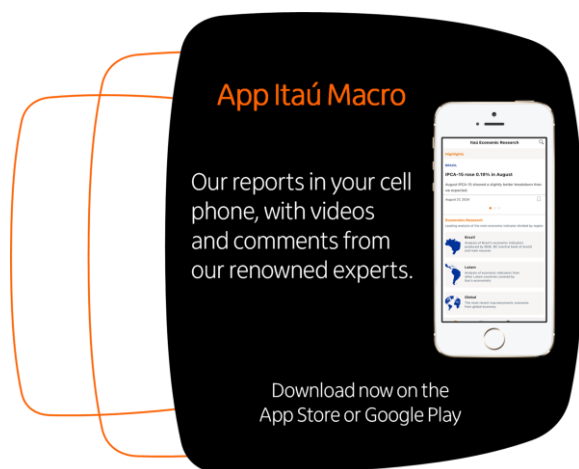
Luciana Rabelo

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.

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/atenda-itaubba-pt>. 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.