

# Brazil

## A country guide

**The Federative Republic of Brazil is the largest country in South America and one of the main global trade hubs – particularly in commodities. Deutsche Bank has been supporting clients from the region for more than 100 years**

In 1911 Deutsche Ueberseeische Bank (a subsidiary of Deutsche Bank) opened a branch of Banco Alemão Transatlântico in Rio de Janeiro to foster trade between Brazil and Germany.

### Global Hausbank in São Paulo

Today, the bank continues to support this key trade corridor and offers a broad range of financial services across the country, including commercial and investment banking, along with treasury operations, cash management and trade finance – working with global multinational clients, financial institutions, state-owned enterprises and development finance institutions such as Brazil's own BNDES,<sup>1</sup> local corporates, as well as private equity and hedge funds.

Headed by Luis Mendes, who has been at the helm since September 2023 having started his career at Banco Pactual in 1990 as a fixed-income trader in Brazil, the focus remains on supporting trade flows between Europe and Latin America as companies

“Brazil...is very well positioned to play an important role in the new geopolitical framework”

*Luis Mendes,  
Chief Country Officer,  
Deutsche Bank, Brazil*



Brazil

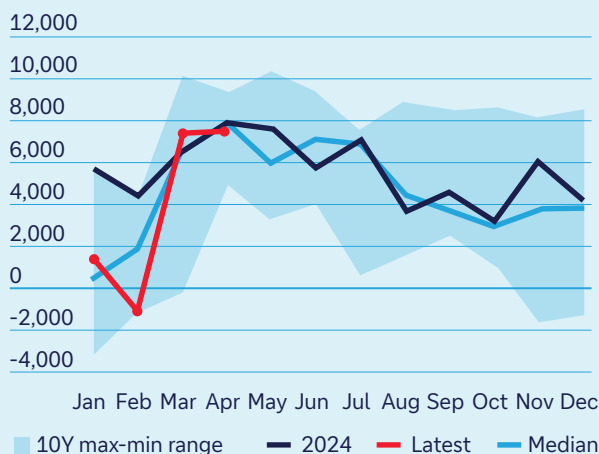


Figure 1: Brazil's global trade balance 2024–2025 (US\$m)

Source: Deutsche Bank Research

reorganise their supply chains in response to geopolitical volatility. The bank's Brazil headquarters are located in São Paulo – the industrial centre of Brazil. Brazil is a major production hub for German industrial companies.

“Due to its economic and market size, and being a clean energy and commodity producer, Brazil is very well positioned to play an important role in the new global geopolitical framework. And Deutsche Bank, with its long-standing presence and expertise in Brazil is ideally placed to help and service our clients in the region,” said Mendes.

### Economic powerhouse

Luiz Inácio Lula da Silva (known as ‘President Lula’) returned to power for the third time in 2023. According to the International Monetary Fund (IMF),<sup>2</sup> Brazil's

## Key facts

- Middle income developing mixed economy with increasing purchasing power
- World's seventh most populous nation at 213 million
- GDP was up 3.4% from 2023 to R\$11.7trn (US\$1.6trn) in 2024 – making it the ninth-largest economy
- Export volumes increased from US\$241bn in 2018 to US\$337bn in 2024<sup>5</sup>
- Top five exports are: soybeans, crude oil, iron ore, raw sugar, and corn
- World's primary source of coffee – produces a third of global supply
- Top trading partners: China, the US and the EU (particularly Germany).

economy has “grown strongly over the past three years, surprising on the upside. Inflation rebounded in 2024 amid strong demand, a rise in food prices, and currency depreciation, exceeding the target tolerance interval”. The IMF expects growth to moderate in the near term as inflation converges to target, and then strengthen to 2.5% over the medium term.

President Lula's attempt to address the country's budget issues saw pushback from Congress in June on the Regulation of the Tax on Credit, Exchange and Insurance Transactions, which was updated on 23 May 2025.<sup>3</sup>

This, notes Deutsche Bank Research,<sup>4</sup> “underscores the fragility of plans to meet the primary balance target”. However, they continue, “recent credit initiatives and a shift in public sentiment have provided modest support for the administration” and “a fragmented opposition reduces the likelihood of a coordinated presidential bid emerging in the near term”.

## Gateway to global trade

Whether financing the import of solar panels from Germany to São Paulo, enabling a Brazilian airline to source key engine components from overseas, or financing energy and food security with commodities deals, Deutsche Bank serves Latin America as the Global Hausbank – connecting the region's clients with global markets, and global businesses with opportunities across its 33 countries.

“By working closely with Brazil's leading financial institutions, Deutsche Bank helps strengthen the local system's ability to fund complex transactions, reinforcing its role as a trusted partner in the country” said Rafael Urruti, LATAM Head of Sales, Institutional Cash & Trade Finance, Deutsche Bank. He pointed

out that the bank's structured tailored trade finance solutions “meet the specific needs of Brazilian importers and local financial institutions”.

Trade tensions between major global powers are fuelling increased demand for Brazilian products and services, particularly as China looks to reduce agricultural goods imports from the US. Lula's state visit to Beijing in May 2025 to meet President Xi Jinping focused on closer trade ties between the two countries that includes a pledge of more than US\$4.5bn of Chinese investment in Brazilian sectors including automaking, renewable energy, pharmaceuticals and semiconductors.

“As Latin America's largest economy and a key gateway to global trade, Brazil plays a vital role in connecting the region to international markets. We support leading Brazilian corporates, particularly in export-driven sectors, providing them with international cash management and trade finance solutions that enable them to compete and grow on the global stage,” explained Deutsche Bank's Urruti.

## Country commitment

“While the near-term outlook presents challenges, our commitment to Brazil is built on long-term conviction – not short-term cycles,” he reflected.

“Our role in Brazil goes beyond providing products and services. It is also about promoting best practices in risk management and regulation, setting clear expectations and establishing the right guardrails to support continuous improvement,” concluded Tsvetanka Nankova, Global Head of Sales, Institutional Cash & Trade Finance, Deutsche Bank.

<sup>1</sup> <https://www.bndes.gov.br>

<sup>2</sup> <https://www.imf.org>

<sup>3</sup> <https://insightplus.bakermckenzie.com>

<sup>4</sup> LatAm Macro Strategy Monthly, ‘Stop and go’ June 2025, By Deutsche Bank Research

<sup>5</sup> <https://oec.world>

## Products and services

Leveraging the bank's international operations Deutsche Bank Brazil offers a wide range of trade finance and lending solutions such as:

- |                             |                        |
|-----------------------------|------------------------|
| – Letters of credit         | – Overdrafts           |
| – Standby letters of credit | – Guarantees           |
| – Term loans                | – Supply chain finance |
|                             | – 4,131 loans          |

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