



Doing business
in Brazil

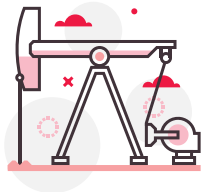
In our guide to South America's largest country, discover the thriving economy of Brazil, the ninth largest in the world. With a market of over 200 million people, Brazil offers a number of opportunities to businesses looking to export, or import to the country. And with direct access to trade in Brazilian Real the very same day, moneycorp makes doing business in Brazil easier than ever before. Reduce time between your transfers and receipt of funds, and fix the exchange rate, with all trades registered with the Central Bank of Brazil.

Contents

- Fact sheet
 - Exporting and importing
 - Overcoming payment challenges
 - Our operations in Brazil
-

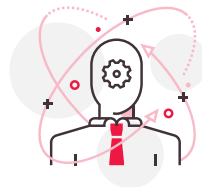


Fact sheet



The main industries in Brazil

Brazil has the second largest manufacturing industry within the Americas attracting a wealth of investment. Automobile production and textiles are particularly prominent in Brazil, while traditional industries such as mining, oil, gas, iron and agriculture still hold a strong presence.



Emerging industries in Brazil

Healthcare and life sciences is another hugely important industry in Brazil, with investment having almost doubled since the mid-2000s. In addition, with such a large landmass and wealth of natural resources, it's no surprise that Brazil has seen a rise in the number of renewable energy and environmental solution companies since the turn of the century.



Corporate taxes in Brazil

As an overseas company, expanding your business into Brazil could leave you open to local taxation should you register a local subsidiary or branch. This subsidiary or branch would be liable for corporate taxes in Brazil based on income generated within the country.





Exporting and importing

There are challenges and opportunities for British businesses looking to export and import to Brazil. An attractive market thanks to its size, GDP and purchasing power parity, the UK already has historic trade ties to the country. UK exports more than doubled between 2002 to 2012 and UK services exports were 59% higher in 2014 than in 2009.

Despite a two-year recession in 2015 and 2016, an expanding labour force together with a globally integrated business base makes Brazil an attractive prospect for exporters and importers, and businesses considering international expansion.





Importing from Brazil

With a familiar European culture and similar business practices, coupled with political stability, there are plenty of opportunities for businesses looking to import from Brazil, but it is important to understand customs procedures and import taxations. Brazil's abundance of natural resources, such as oil, gas, and iron ore, makes the country one of the emerging BRIC economies, predicted to become one of the globe's most dominant in 30 years' time. Other annual exports of interest from Brazil also include soybeans and raw sugar, with the majority of its billions in annual exports attributed to raw and agricultural materials.

Importing from Brazil could also be a gateway to working with further South American countries, such as Argentina, Uruguay and Paraguay.

When considering payment options to Brazil, you will need to take into account which providers offer the most competitive exchange rates and lowest fees, as well as how easy it is to send an international payment with them. Understand custom laws and trade compliance, and invest knowledge into logistics and how you will transport goods – researching freight forwarders and shipping merchandise is essential.





Exporting to Brazil

Population growth means that there is an expanding consumer market in Brazil and growth is also fuelling expansion in the B2B space and within services. The presence of the world's largest investment banks and a modern banking system form part of the infrastructure that demonstrate the opportunity. Significant growth in data centres and colocation facilities are also a factor, attracting major players from the tech space and supporting growth in associated services and specialist industries. Top UK exports to Brazil include machinery, vehicles, electricals, pharmaceuticals and chemical products. There are also opportunities in providing healthcare services and products, as it has the largest healthcare market in Latin America.





Considerations for UK businesses

While Brazil may present an opportunity in terms of market potential, there are some specific challenges relating to trading with the country. One of these is the complexity of the tax system – currently there are over 60 different taxes, including multiple levies on goods and services which vary between federal districts, states and municipalities.

It's estimated that a medium-sized company in Brazil spends more than 1,500 hours a year on taxes, compared with an average of 114 hours in the UK. That's a big difference, but there is change on the horizon. Plans to modernise the tax system are high on the list of government priorities; while there are currently no plans to reduce overall tax costs because of a need to invest in the country's infrastructure, a simpler system could dramatically reduce the resource costs for companies in paying those taxes.



Overcoming the challenges of payments to Brazil

While Brazil may present an opportunity in terms of market potential, there are some specific challenges relating to trading with the country. This is due to the fact that the Brazilian real is a restricted currency that cannot be sent directly into Brazil. In most cases, individuals and companies must send their native currency for conversion on arrival in Brazil and often this comes at a poor rate of exchange.

Exchange rates aren't the only issue when sending money to Brazil. All funds sent must be registered with the Central Bank of Brazil (Banco Central do Brasil). Incorrect registration can lead to further complications with repatriation. In addition, transfers are often slow and it can be difficult to secure a guaranteed delivery date, which can be difficult when looking to build strong relationships with Brazilian partners. Transfers with moneycorp will not require all paperwork to be translated into Portuguese, saving time and money.

As a licensed FX institution with the approval of Brazil's President and the Central Bank, moneycorp offers the following benefits:

- **Greater transparency on rates and the opportunity to fix the rate of exchange for a transfer**
- **Reduction in the transfer time and transfer fees**
- **Automatic registration of all transfers with the Central Bank to facilitate future repatriation**
- **Less paperwork and no requirement to translate documentation into Portuguese**

The advantages of the moneycorp Brazil office highlight one of the many benefits that we offer farmers and agribusinesses. With offices all over the world, our local knowledge and extensive global network for currency payments provides an efficient, cost effective service which can help farmers to expand into new markets across the world.



Our operations

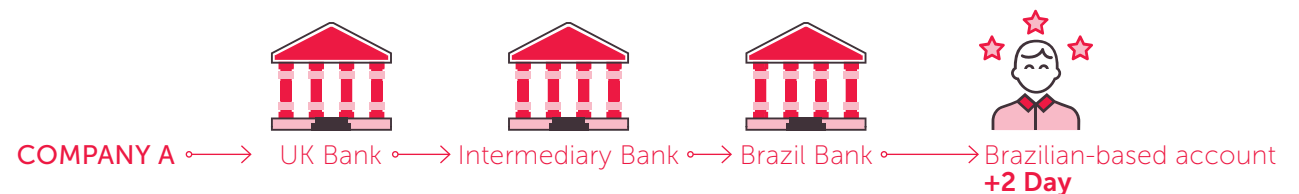
Offering direct access to trade in Brazilian Real the very same day, moneycorp makes doing business in Brazil easier than ever before.

With moneycorp banco de cambio's direct access to trade Brazilian Real, we offer customers quick, simple and transparent transactions. Securing our entry into Brazil with the recent acquisition of Novo Mundo, we are also one of only five licensed FX banks worldwide to service South America's growing foreign exchange market.

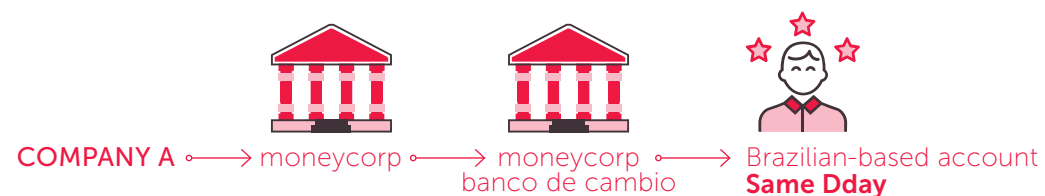
Making it easy for corporate clients to trade Brazilian Real the very same day, we offer customers the ability to manage currency exposure in real time, with full transparency and visibility.

Typically when sending funds to Brazil, there are several financial institutions involved in your transaction. However, because of our license we can easily exchange currency for clients. The date of delivery is clear and your funds will arrive at full value, as we are not using intermediaries who take a cut, meaning you can easily exchange currency with full transparency.

Sending Brazilian Real via competitors



The moneycorp way





Get in touch & learn more about how we
can send money to and from Brazil

Telephone +44 (0) 207 823 7800

Email corporate@moneycorp.com

Web moneycorp.com

moneycorp is a trading name of TTT Moneycorp Limited, a company registered in England under registration number 738837. It is registered office address is at Floor 5, Zig Zag Building, 70 Victoria Street, London SW1E 6SQ and it is VAT registration number is 897 3934 54. TTT Moneycorp Limited is authorised by the Financial Conduct Authority under the Payment Service Regulation 2017 (firm reference number 308919) for the provision of payment services.