

Brazil Issues Bonds in Reais to Help Pay US\$ 16 Billion in Debt

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Brazil's National Treasury announced today, February 7, its third issue of treasury bonds in reais, the Brazilian currency, which will mature in 2028.

The treasury did not specify, however, the volume of funds it intends to negotiate, neither the banks that are managing the foreign operation.

This is the third time that Brazil issues treasury bonds in reais. The first time was in September 2005, when the country sold the equivalent to US\$ 1.6 billion.

In the same month last year, the Treasury issued another US\$ 750 million in operations managed by Citigroup and JP Morgan. In this case, the interest was 12.50% a year and the maturity was 2022.

The objective of these bond issues on the foreign market is to extend the country's debt, while bringing in funds for payment of its foreign debt.

According to Treasury figures, Brazil will have to pay US\$ 8.9 billion in debts this year and another US\$ 7.3 billion next year.

Cars

In January 2007, vehicle production in Brazil totalled 203,703 units, 7.5% more than in December 2006 (189,432). Compared with January 2006 (195,399), production was 4.2% higher.

The data were obtained from the monthly survey of the National Association of Vehicle Manufacturers (Anfavea).