

Less Interest and More Jobs Contribute to 9.5% Retail Sales Growth in Brazil

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Brazilian retail sales increased by 9.5% from January until September when compared with the same period of last year. This is shown by a survey conducted by Serasa, a company specialized in analyses for backing up credit and business support decisions.

According to the study, sales by specialized retail stores, such as electric and electronic appliance, vehicle, and construction material stores grew 12.2%. Sales by hypermarkets, supermarkets, and food and beverages retail sales rose by 6.9%.

Sales have also recorded a 7.7% increase in September in comparison with the same month of 2006. The specialized retail sector led the increase, with a 9.7% growth. The volume of sales by hypermarkets, supermarkets, and retail sales of food and beverages grew by 5.9%.

According to the Serasa, contributing factors to the performance include credit expansion, longer financing terms, lower interest rates, higher formal employment rates, lower default rates, and an increased salary mass.

Paper Exports

Brazilian exports of pulp and paper totaled US\$ 3.45 billion from January to September, an increase of 15.9% over the same period of last year. The data were supplied by the Brazilian Pulp and Paper Association (Bracelpa).

According to information supplied by the organization, the rise in production capacity, the growth in international market demand, and adjustments in product prices were the main reasons for growth.

Foreign sales of pulp totaled US\$ 2.17 billion in the first nine months of this year, an 18.9% rise in comparison with the same period of 2006. Exports of paper, on the other hand, grew by 11.1%, with foreign sales totaling US\$ 1.27 billion.

Bracelpa estimates that the sector should export US\$ 4.55 billion until the end of the year. The positive performance is also a result of the investment program for the sector, which should conclude investments of approximately US\$ 3 billion this year.

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