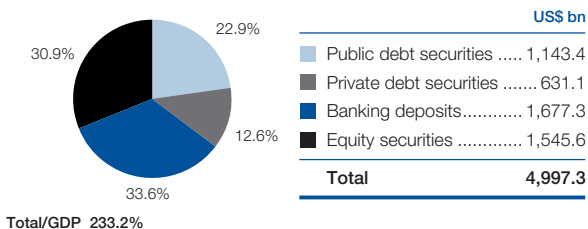


Brazil

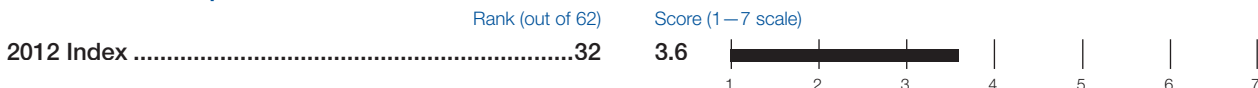
Key indicators

Population (millions), 2011	194.9
GDP (US\$ billions), 2011	2,492.9
GDP (current prices) per capita, 2011	12,788.6
GDP (PPP) as share (%) of world total, 2011	2.91
Compound annual growth rate of real GDP (%), 2007–2011	2.98

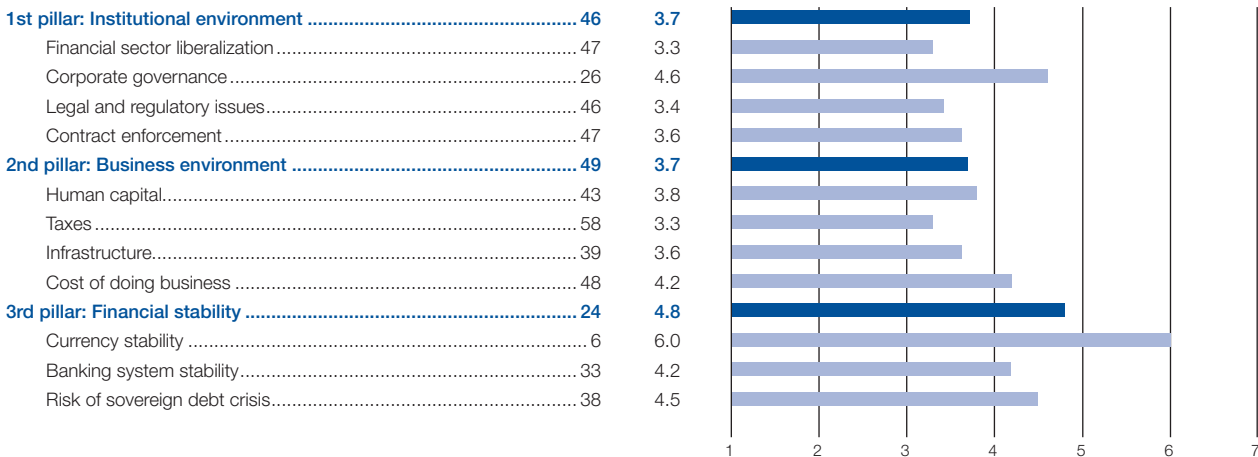
Financial assets by major type, 2010



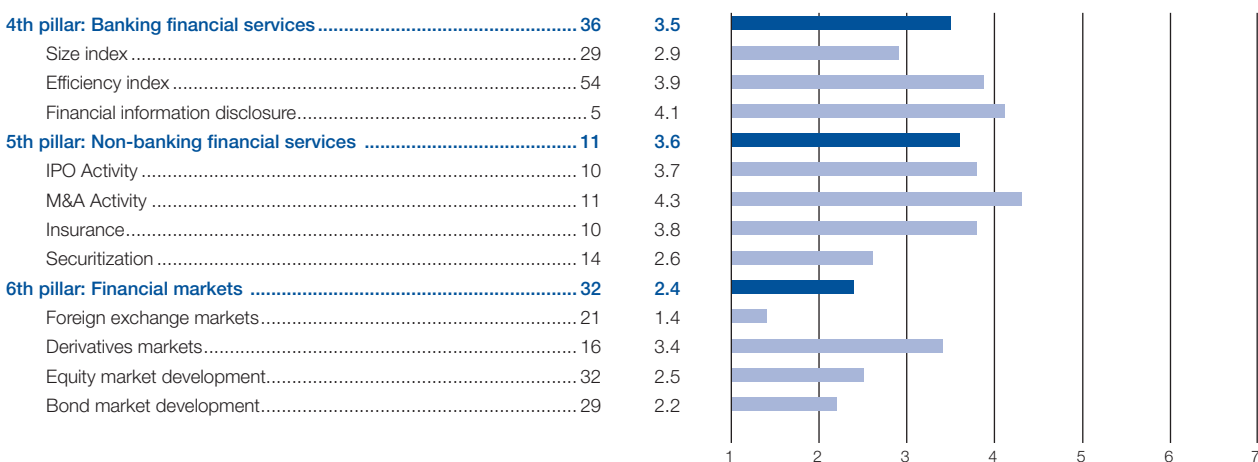
Financial Development Index 2012



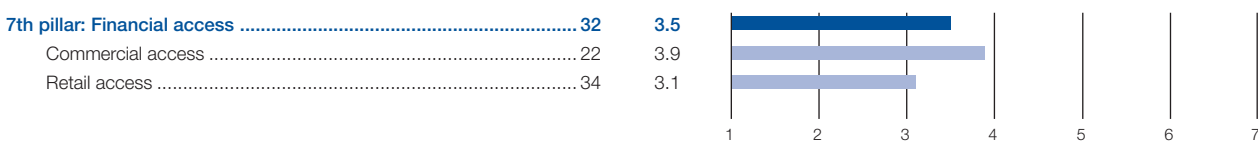
Factors, policies, and institutions



Financial intermediation



Financial access



INPUTS

OUTPUTS

Note: For further details and explanation, please refer to “How Read the Country/Economy Profiles.”

Brazil

Financial Development Index in detail

■ Development Advantage

■ Development Disadvantage

INDICATOR	RANK/62	VALUE	BEST PERFORMER	VALUE
1st pillar: Institutional environment				
Financial sector liberalization				
1.01	Capital account liberalization	42	Multiple (25)	7.0
1.02	Commitments to WTO Agreement on Trade in Services.....	55	Multiple (17)	7.0
1.03	Domestic financial sector liberalization	30	Multiple (24)	7.0
Corporate governance				
1.04	Extent of incentive-based compensation	22	United Kingdom.....	5.3
1.05	Efficacy of corporate boards.....	25	South Africa.....	5.8
1.06	Reliance on professional management.....	26	Finland.....	6.3
1.07	Willingness to delegate	25	Denmark.....	6.2
1.08	Strength of auditing and reporting standards	27	South Africa.....	6.6
1.09	Ethical behavior of firms.....	42	Finland.....	6.5
1.10	Protection of minority shareholders' interests.....	23	Finland.....	6.1
Legal and regulatory issues				
1.11	Burden of government regulation.....	62	Singapore.....	5.6
1.12	Regulation of securities exchanges.....	6	South Africa.....	6.5
1.13	Property rights	32	Finland.....	6.5
1.14	Intellectual property protection.....	41	Finland.....	6.3
1.15	Diversion of public funds.....	56	Denmark.....	6.3
1.16	Public trust in politicians	52	Singapore	6.3
1.17	Corruption perceptions index.....	38	Finland.....	9.4
1.18	Strength of legal rights index.....	55	Multiple (6)	10.0
1.19	Central bank transparency.....	24	Sweden	15.0
Contract enforcement				
1.20	Effectiveness of law-making bodies	55	Singapore.....	6.4
1.21	Judicial independence	38	Finland.....	6.5
1.22	Irregular payments in judicial decisions	38	Denmark.....	6.8
1.23	Time to enforce a contract.....	52	Singapore	150.0
1.24	Number of procedures to enforce a contract	57	Multiple (2)	21.0
1.25	Strength of investor protection index	36	Singapore	9.3
1.26	Cost of enforcing contracts	15	Norway.....	9.9
2nd pillar: Business environment				
Human capital				
2.01	Quality of management schools.....	34	United Kingdom.....	6.1
2.02	Quality of math and science education	59	Singapore	6.3
2.03	Extent of staff training.....	24	Switzerland.....	5.6
2.04	Local availability of specialized research and training services	27	Switzerland.....	6.4
2.05	Brain drain.....	20	Switzerland.....	6.3
2.06	Tertiary enrollment	48	Korea, Rep.	103.1
Taxes				
2.07	Irregular payments in tax collection	41	Finland.....	6.9
2.08	Distortive effect of taxes and subsidies on competition	50	United Arab Emirates.....	5.9
2.09	Marginal tax variation.....	50	Kuwait	-4.8
2.10	Time to pay taxes	62	United Arab Emirates.....	12.0
Infrastructure				
2.11	Quality of overall infrastructure	53	Switzerland.....	6.6
2.12	Quality of electricity supply.....	41	Netherlands	6.8
2.13	Internet users	38	Norway.....	94.0
2.14	Broadband Internet subscriptions.....	38	Switzerland.....	39.2
2.15	Telephone subscriptions	32	Germany.....	63.1
2.16	Mobile telephone subscriptions	23	Hong Kong SAR	209.6

(continued)

Brazil

Financial Development Index in detail (continued)

■ Development Advantage

■ Development Disadvantage

INDICATOR	RANK/62	VALUE	BEST PERFORMER	VALUE
2nd pillar: Business environment (continued)				
Cost of doing business				
2.17	Cost of starting a business	30	Denmark	0.0
2.18	Cost of registering property	18	Multiple (2)	0.0
2.19	Cost of closing a business	32	Multiple (4)	1.0
2.20	Time to start a business	61	Australia	2.0
2.21	Time to register property	40	Portugal	1.0
2.22	Time to close a business	48	Ireland	0.4
3rd pillar: Financial stability				
Currency stability				
3.01	Change in real effective exchange rate (REER)	1	Brazil	8.3
3.02	External vulnerability indicator	10	Saudi Arabia	9.3
3.03	Current account balance to GDP	36	Kuwait	32.0
3.04	Dollarization vulnerability indicator	1	Multiple (25)	0.0
3.05	External debt to GDP (developing economies)	5	China	9.6
3.06	Net international investment position to GDP (advanced economies)	n/a	Hong Kong SAR	287.7
Banking system stability				
3.07	Frequency of banking crises	50	Multiple (9)	0.0
3.08	Financial strengths indicator	5	Multiple (3)	9.0
3.09	Aggregate measure of real estate bubbles	19	Ireland	6.9
3.10	Tier 1 capital ratio	38	Ghana	22.7
3.11	Output loss during banking crises	41	Multiple (20)	0.0
Risk of sovereign debt crisis				
3.12	Local currency sovereign rating	29	Multiple (10)	20.0
3.13	Foreign currency sovereign rating	34	Multiple (10)	20.0
3.14	Aggregate macroeconomic indicator	47	Peru	6.4
3.15	Manageability of public debt	41	Kuwait	6.2
3.16	Credit default swap spreads	24	Norway	36.2
4th pillar: Banking financial services				
Size index				
4.01	Deposit money bank assets to GDP	31	Ireland	245.1
4.02	Central bank assets to GDP	1	Brazil	18.3
4.03	Financial system deposits to GDP	31	Hong Kong SAR	305.8
4.04	M2 to GDP	51	Hong Kong SAR	320.5
4.05	Private credit to GDP	39	Denmark	229.8
4.06	Bank deposits to GDP	32	Hong Kong SAR	305.8
4.07	Money market instruments to GDP	25	Ireland	18.6
Efficiency index				
4.08	Aggregate profitability indicator	51	Czech Republic	6.0
4.09	Bank overhead costs	53	Finland	0.6
4.10	Public ownership of banks	52	Multiple (22)	0.0
4.11	Bank operating costs to assets	50	Sweden	0.8
4.12	Non-performing bank loans to total loans	30	Finland	0.5
Financial information disclosure				
4.13	Private credit bureau coverage	22	Multiple (12)	100.0
4.14	Public credit registry coverage	7	Portugal	86.2
5th pillar: Non-banking financial services				
IPO activity				
5.01	IPO market share	4	China	37.8
5.02	IPO proceeds amount	9	Hong Kong SAR	5.1
5.03	Share of world IPOs	17	China	30.2

(continued)

Brazil

Financial Development Index in detail (continued)

■ Development Advantage

■ Development Disadvantage

INDICATOR	RANK/62	VALUE	BEST PERFORMER	VALUE
5th pillar: Non-banking financial services (continued)				
M&A activity				
5.04 M&A market share	6	3.9	United States.....	34.4
5.05 M&A transaction value to GDP	16	4.7	Hong Kong SAR	9.9
5.06 Share of total number of M&A deals	17	1.3	United States.....	23.3
Insurance				
5.07 Life insurance penetration.....	32	1.6	Ireland	19.8
5.08 Non-life insurance penetration	41	1.5	Netherlands	9.5
5.09 Real growth of direct insurance premiums	12	8.7	Argentina.....	21.9
5.10 Life insurance density	9	3.2	India	43.5
5.11 Non-life insurance density.....	6	2.9	China.....	16.1
5.12 Relative value added of insurance to GDP	15	1.9	Bahrain.....	6.0
Securitization				
5.13 Securitization to GDP	26	0.5	United States.....	5.1
5.14 Share of total number of securitization deals.....	9	1.6	United States.....	53.6
6th pillar: Financial markets				
Foreign exchange markets				
6.01 Spot foreign exchange turnover	17	0.5	United Kingdom.....	38.5
6.02 Outright forward foreign exchange turnover	15	0.7	United Kingdom.....	41.3
6.03 Foreign exchange swap turnover	42	0.0	United Kingdom.....	33.3
Derivatives markets				
6.04 Interest rate derivatives turnover: Forward rate agreements	21	0.1	United Kingdom.....	48.4
6.05 Interest rate derivatives turnover: Swaps	19	0.3	United Kingdom.....	45.3
6.06 Interest rate derivatives turnover: Options	15	0.4	United Kingdom.....	50.4
6.07 Foreign exchange derivatives turnover: Currency swaps.....	17	0.7	United Kingdom.....	32.1
6.08 Foreign exchange derivatives turnover: Options.....	16	0.3	United Kingdom.....	55.3
Equity market development				
6.09 Stock market turnover ratio	27	78.5	Turkey.....	237.9
6.10 Stock market capitalization to GDP	25	67.3	Hong Kong SAR	440.2
6.11 Stock market value traded to GDP	28	38.4	Hong Kong SAR	681.5
6.12 Number of listed companies per 10,000 people	51	0.0	Hong Kong SAR	2.0
Bond market development				
6.13 Private domestic bond market capitalization to GDP.....	22	21.0	Denmark.....	177.2
6.14 Public domestic bond market capitalization to GDP.....	18	38.5	Japan	208.5
6.15 Private international bonds to GDP.....	37	5.6	Ireland	202.8
6.16 Public international bonds to GDP	37	2.1	Greece	70.8
6.17 Local currency corporate bond issuance to GDP.....	31	0.4	Malaysia	4.9
7th pillar: Financial access				
Commercial access				
7.01 Financial market sophistication	8	6.2	United Kingdom.....	6.8
7.02 Venture capital availability	34	2.8	Hong Kong SAR	4.5
7.03 Ease of access to credit	12	4.5	Hong Kong SAR	5.0
7.04 Financing through local equity market.....	32	4.1	Hong Kong SAR	5.7
7.05 Ease of access to loans.....	31	3.1	Bahrain.....	4.8
7.06 Foreign direct investment to GDP	28	2.7	Hong Kong SAR	34.2
Retail access				
7.07 Market penetration of bank accounts	34	55.9	Denmark.....	99.7
7.08 Commercial bank branches	32	13.8	Portugal.....	75.9
7.09 Total number of ATMs.....	9	120.6	Korea, Rep.	250.3
7.10 Debit card penetration	28	41.2	Netherlands	97.6
7.11 Loan accounts at MFIs	12	10.3	Peru	121.2
7.12 Loan from a financial institution.....	49	6.3	Finland.....	23.9