

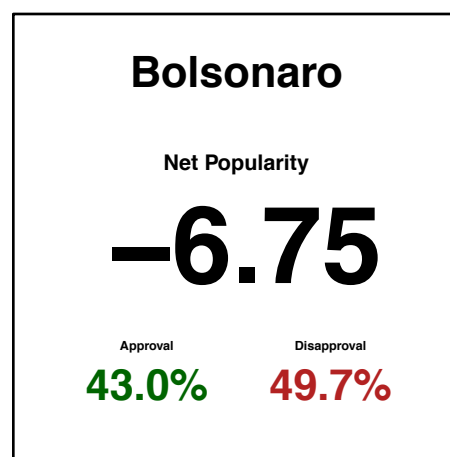
POPULARITY TREND REPORT: BRAZIL

15 August 2022

President : Jair Bolsonaro
Party : Partido Liberal
First day : 31 December 2018
Last day : 31 December 2022

Executive summary

Takeaway. Jair Bolsonaro's net approval ratings remain negative but have bounced back strongly. **Averages.** Monthly approval averages are up almost 7 points compared to July, while disapproval is down less than 1 point. **Dynamics.** Positive popularity trends reflect campaign effects, improving economic outputs, and rising business and consumer optimism. **Comparisons.** The PTG estimates Bolsonaro's current popularity to be roughly on par with that of Dilma Rousseff at the same stage of her re-election bid. Bolsonaro's campaign is driving his approval level on a clear upwards trajectory. Both the timing and degree of Bolsonaro's campaign effects highly resemble those of Lula in the 2006 elections.



Average popularity

The table on the right shows monthly popularity averages for President Jair Bolsonaro over the past 12 months according to the polls. His August net popularity score (-6.8) indicates that Bolsonaro's disapproval ratings outstrip his approval ratings by nearly 7 points. Nevertheless, this marks a massive improvement over his 12-month low (-29.2) in September 2021. Bolsonaro's July approval ratings reached a 12-month high (43%), up 6.9 points over July and 13.6 points from their 12-month low (29.4%) in October 2021. July disapproval ratings (50.5%) decreased nearly a point over July and are down significantly from their 12-month peak (58.6%) in September 2021. In sum, Bolsonaro's approval has trended up sharply, and disapproval down, in the most recent polls. His rising popularity is likely due to three factors: 1) campaign effects; 2) signs that the economic crisis could be easing; and 3) increasing economic optimism. See the next section for a more detailed discussion of these factors.

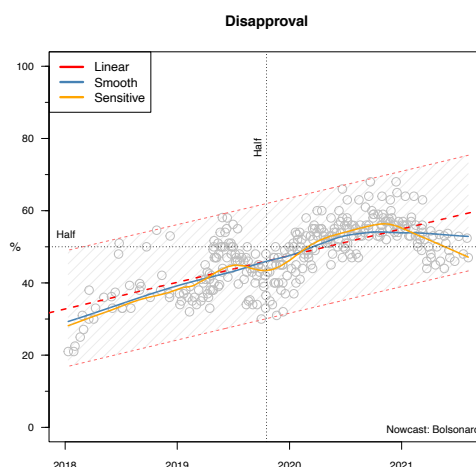
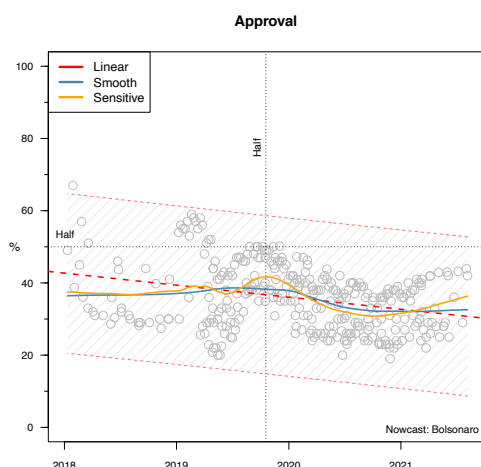
30-day average: Last 12 months

	Net	Approval	Disapproval
2022			
August	-6.8	43.0	49.7
July	-14.4	36.1	50.5
June	-13.0	34.3	47.3
May	-17.5	32.6	50.2
April	-16.3	33.3	49.6
March	-21.2	30.9	52.1
February	-19.8	35.3	55.0
January	-24.1	32.2	56.3
2021			
December	-26.7	30.9	57.6
November	-27.1	30.1	57.2
October	-27.2	29.4	56.7
September	-29.2	29.5	58.6

Popularity dynamics

The graphics below show Brazilians' approval and disapproval of President Jair Bolsonaro over the course of his government. **Cycle.** He seeks re-election on 2 October 2022 and trails in the polls. PTG notes that incumbents' popularity tends to increase as they campaign. Approval and, especially, disapproval are deviating significantly from their overall linear trajectory (see **red line** on plots). In the most recent polls (**yellow lines**), approval is trending up (see left graph) and disapproval down (see right graph). Bolsonaro's approval and, particularly, disapproval are sensitive to new information, suggested by the distance between the PTG smooth predictions (**blue line**) and the PTG sensitive predictions (**yellow line**). Thus, Brazilians remain responsive to Bolsonaro's message, actions, and policy outcomes. **Drivers.** Bolsonaro's reversal of long-run popularity trends likely reflects three factors. 1) *Campaign Effects*: Bolsonaro officially launched his campaign on 24 July, promising to maintain emergency economic aid and root out electoral fraud. As PTG predicted in April, Bolsonaro is staging symbolic events to boost support. He sought to include the military in his Independence Day parade and implored supporters to return to the streets the same day (7 September) to denounce state institutions and actors that check his power. 2) *Economic Signs of Life*: Inflation, GDP, unemployment numbers improved in July. Greater emergency economic aid keeps flowing. Gas prices are down 1.5 reais from their late-June peak. 3)

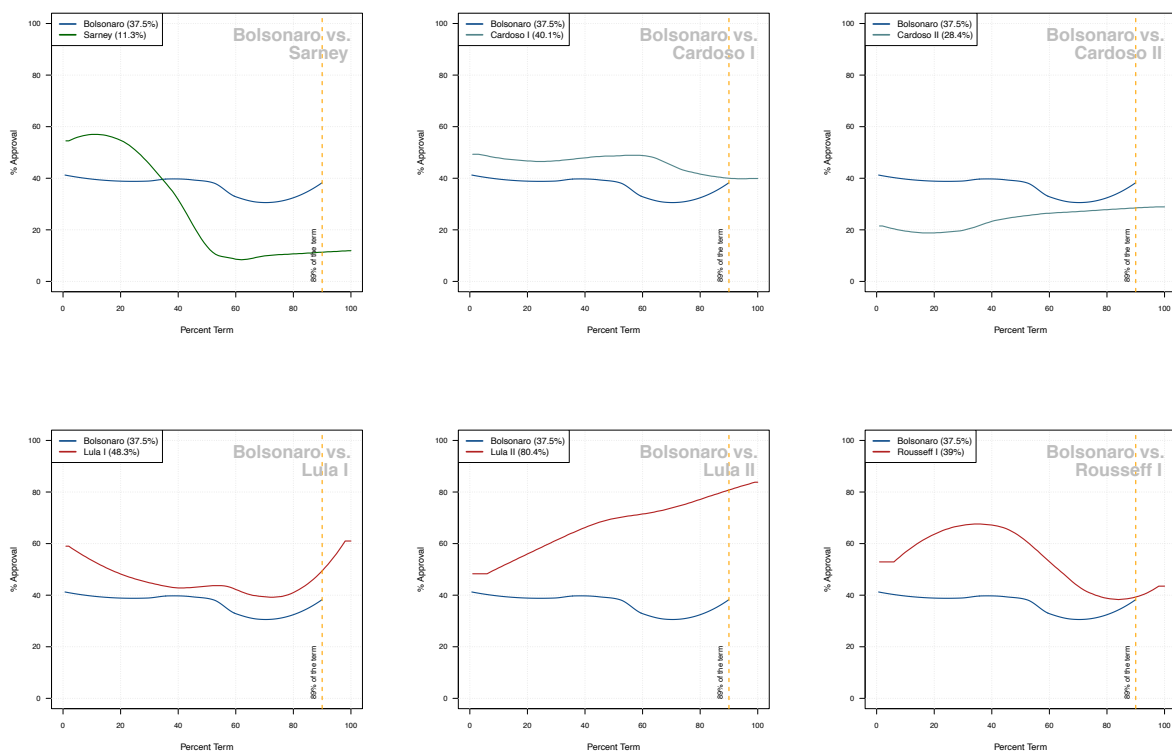
Economic Expectations: Bolsonaro's electoral strategy of focusing only on positive economic news is working. Consumer and business optimism are trending up (see Country Indicators p. 5). **Reactions.** Of the Top-25 fastest rising Google search terms associated with Jair Bolsonaro in the past 30 days, election opponents (Lula, #1, Ciro Gomes #18), his agenda (#12, 14), and surveys (#7) are prominent. Others referenced Auxilio Brasil, the expanded economic aid policy. Other searches referred to his sons Eduardo and Carlos. **Outlook.** PTG's expectations for Bolsonaro's popularity are mixed. Normally, the campaign would be expected to keep his approval on a strong upwards trajectory. Campaign effects would be expected to compound additional signs of economic revival and optimism that may continue. Overall, PTG believes these fundamentals will have positive effects in the near term. However, the rate at which Bolsonaro's popularity grows, and the heights it eventually reaches, will likely depend on Brazilians' reactions to the wellspring of pro-democracy, pro-rule of law support witnessed in São Paulo on 11 August. If these acts only further polarize an already polarized electorate, then their effects will be minimal. If they place broad swaths of Brazilian society on alert to defend democratic institutions, then it could undermine, or at least raise the stakes of, Bolsonaro's electoral strategy of attacking democratic institutions and the election process. The outcome will shape Bolsonaro's popularity.



Comparative approval

The graphics below compare the popularity of Jair Bolsonaro to the popularity of other Brazilian presidents who served at least one full term. The numbers displayed represent popularity predictions based on all available historical survey data for the presidents at similar points of their tenure. In this way, PTG predicts Bolsonaro's current popularity at 37.5%, at 89% (dashed orange line) of the way through his government. That is just below the estimated popularity of Dilma Rousseff in her first government and just above Itamar Franco (graphic not included below) 89% of the way through his abbreviated presidency (he assumed office after Fernando Collor de Mello was impeached). Bolsonaro's predicted popularity is also much higher than that of José Sarney, who was blocked from seeking re-election, but lower than that of any other Brazilian president who sought re-election – Fernando Henrique Cardoso (40.1%), Lula da Silva (48.3%), Dilma Rousseff (39%) – at this point in their first terms. As noted above, re-election campaigns tend to boost presidential popularity because they are actively seeking to raise it by taking strategic decisions. Intense media scrutiny amplifies

everything they do and, in turn, solidifies their approval among those who might, under normal circumstances, have difficulty judging presidential performance. Below we observe significant and positive campaign effects for all Brazilian incumbents who have sought re-election. Although Lula began from a stronger overall position than Bolsonaro, their campaign effects appear to have strikingly similar effects on their popularity. Not only are their curves comparable, so is their timing. Rousseff, by contrast, came into election season on a downswing and, at this point, had only begun to see her popularity rise. Bolsonaro's campaign effects are visible 73% of the way through his term compared to 86% for Rousseff. PTG estimates their approval ratings at 59% for Lula and 43% for Rousseff by their re-elections, and 61% and 44%, respectively, by their second inaugurations. Whether these campaign effects continue depends on how his message resonates on policy direction, (Bolsonaro right, Lula left), and democracy/rule of law (Bolsonaro anti, Lula pro). Polarization on both dimensions may, however, blunt further campaign effects. PTG will monitor these developments.



Latest polls

Date	House	Approval	Disapproval	Net
2022-08-05	Gerp	42.0	47.0	-5.0
2022-08-01	Paraná Pesquisas	43.9	52.4	-8.5
2022-07-20	Exame/IDEIA	29.0	48.0	-19.0
2022-07-05	Paraná Pesquisas	43.2	52.9	-9.7
2022-06-22	Exame/IDEIA	36.0	46.0	-10.0
2022-06-06	Qauest	25.0	47.0	-22.0
2022-06-03	Gerp	42.0	49.0	-7.0
2022-05-30	Paraná Pesquisas	43.0	53.7	-10.7
2022-05-24	DataPoder	29.0	51.0	-22.0
2022-05-19	Exame/IDEIA	28.0	44.0	-16.0
2022-05-19	DataPoder	28.0	53.0	-25.0
2022-05-06	Qauest	25.0	46.0	-21.0
2022-05-03	Paraná Pesquisas	42.9	53.4	-10.5
2022-04-25	DataPoder	28.0	50.0	-22.0
2022-04-20	Exame/IDEIA	33.0	45.0	-12.0
2022-04-12	DataPoder	29.0	53.0	-24.0
2022-04-06	Qauest	26.0	47.0	-21.0
2022-04-05	Paraná Pesquisas	41.8	54.4	-12.6
2022-04-05	Gerp	42.0	48.0	-6.0
2022-03-29	DataPoder	29.0	50.0	-21.0
2022-03-23	Exame/IDEIA	22.0	44.0	-22.0
2022-03-23	Datafolha	25.0	46.0	-21.0
2022-03-15	DataPoder	27.0	52.0	-25.0
2022-03-10	Gerp	41.0	54.0	-13.0
2022-03-09	XP/Ipespe	32.0	63.0	-31.0
2022-03-08	Paraná Pesquisas	39.3	56.0	-16.7
2022-03-07	Morning Consult	40.0	55.0	-15.0
2022-03-06	Qauest	24.0	49.0	-25.0
2022-03-01	DataPoder	30.0	52.0	-22.0
2022-02-28	Morning Consult	40.0	53.0	-13.0
2022-02-22	Exame/IDEIA	29.0	50.0	-21.0
2022-02-21	Morning Consult	41.0	51.0	-10.0
2022-02-15	DataPoder	28.0	56.0	-28.0
2022-02-14	Morning Consult	38.0	53.0	-15.0
2022-02-09	XP/Ipespe	31.0	64.0	-33.0
2022-02-07	Morning Consult	38.0	55.0	-17.0
2022-02-01	Paraná Pesquisas	37.2	58.2	-21.0
2022-01-31	Morning Consult	35.0	57.0	-22.0
2022-01-28	DataPoder	25.0	53.0	-28.0
2022-01-24	Morning Consult	40.0	53.0	-13.0
2022-01-17	Morning Consult	37.0	56.0	-19.0
2022-01-13	Exame/IDEIA	27.0	55.0	-28.0
2022-01-12	XP/Ipespe	30.0	64.0	-34.0

Contact the PTG for more information on individual polls.

Country Indicators

Overview				
Indicator	Current	Previous	Measure	Updated
Currency	5.16	5.09		Aug/22
Stock Market	109718	110236		Aug/22
GDP Growth Rate	1	0.7	percent	Mar/22
GDP Annual Growth Rate	1.7	1.6	percent	Mar/22
Unemployment Rate	9.3	9.8	percent	Jun/22
Inflation Rate	10.07	11.89	percent	Jul/22
Inflation Rate MoM	-0.68	0.67	percent	Jul/22
Interest Rate	13.75	13.25	percent	Aug/22
Cash Reserve Ratio	21	21	percent	Jul/22
Balance of Trade	5444	8769	USD Million	Jul/22
Current Account	-2764	-2414	USD Million	Mar/22
Current Account to GDP	-1.8	-1.7	% of GDP	Dec/21
Government Debt to GDP	88.83	74.26	% of GDP	Dec/20
Government Budget	-4.5	-13.4	% of GDP	Dec/21
Business Confidence	59.8	57.8	points	Aug/22
Manufacturing PMI	54	54.1	points	Jul/22
Services PMI	55.8	60.8	points	Jul/22

GDP				
GDP Growth Rate	1	0.7	percent	Mar/22
GDP Annual Growth Rate	1.7	1.6	percent	Mar/22
GDP	1609	1449	USD Billion	Dec/21
GDP Constant Prices	303391	305184	BRL Million	Mar/22
Gross National Product	2187880	2153202	BRL Million	Dec/21
Gross Fixed Capital Formation	420044	428661	BRL Million	Mar/22
GDP per capita	8551	8229	USD	Dec/21
GDP per capita PPP	14615	14064	USD	Dec/21
Full Year GDP Growth	4.6	-3.9	percent	Dec/21
GDP From Agriculture	25587	13524	BRL Million	Mar/22
GDP From Construction	7521	14988	BRL Million	Mar/22
GDP From Manufacturing	27771	29239	BRL Million	Mar/22
GDP From Mining	2203	2515	BRL Million	Mar/22
GDP From Public Admin.	38706	39007	BRL Million	Mar/22
GDP From Services	183212	189963	BRL Million	Mar/22
GDP From Transport	8931	9088	BRL Million	Mar/22

Labor				
Unemployment Rate	9.3	9.8	percent	Jun/22
Employed Persons	98.27	97.52	Million	Jun/22
Unemployed Persons	10.08	10.63	Million	Jun/22
Labor Force Participation %	62.6	62.5	percent	Jun/22
Wages	2652	2613	BRL/Month	Jun/22
Minimum Wages	1212	1212	BRL/Month	Aug/22
Population	213	212	Million	Dec/21
Retirement Age Women	62	62		Dec/20
Retirement Age Men	65	65		Dec/20
Employment Rate	56.8	56.4	percent	Jun/22
Non Farm Payrolls	278	277	Thousand	Jun/22
Productivity	102	99.77	points	Jun/22

Prices				
Inflation Rate	10.07	11.89	percent	Jul/22
Inflation Rate Mom	-0.68	0.67	percent	Jul/22
Consumer Price Index CPI	6412	6456	points	Jul/22
Core Inflation Rate	9.7	9.31	percent	Jun/22
GDP Deflator	11.1	4.8	percent	Dec/21
Producer Prices	178	176	points	Jun/22
Export Prices	135	128	points	Apr/22
Import Prices	130	117	points	Apr/22
Food Inflation	14.72	13.93	percent	Jul/22
IPC-Fipe Inflation MoM	0.16	0.28	percent	Jul/22
Mid-month Inflation Rate	0.13	0.69	percent	Jul/22
Mid-month Inflation Rate YoY	11.39	12.04	percent	Jul/22

Health				
Coronavirus Vaccination Rate	217	217	doses %	Aug/22
Coronavirus Vaccination Total	461568115	461148848	doses	Aug/22
Coronavirus Cases	24764838	24535884	Persons	Jan/22
Coronavirus Deaths	625085	624413	Persons	Jan/22

Money				
Interest Rate	13.75	13.25	percent	Aug/22
Cash Reserve Ratio	21	21	percent	Jul/22
Money Supply M0	398191	396510	BRL Million	May/22
Money Supply M1	595130	602637	BRL Million	May/22
Money Supply M2	4432101	4360675	BRL Million	Apr/22
Money Supply M3	9087740	9021495	BRL Million	Apr/22
Banks Balance Sheet	9029326	9009475	BRL Million	Dec/21
Foreign Exchange Reserves	353169	357740	USD Million	Mar/22
Loans to Private Sector	674423	678511	BRL Million	Apr/22
Deposit Interest Rate	5.86	10.56	percent	Apr/22
Central Bank Balance Sheet	428830200	4156955771	BRL Th.	Dec/21
Interbank Rate	8.82	8.82	percent	Aug/22
Loan Growth	0.8	1.4	percent	Apr/22

Trade				
Balance of Trade	5444	8769	USD Million	Jul/22
Current Account	-2764	-2414	USD Million	Mar/22
Current Account to GDP	-1.8	-1.7	% of GDP	Dec/21
Exports	29955	32675	USD Million	Jul/22
Imports	24511	23861	USD Million	Jul/22
External Debt	678014	674122	USD Million	Jun/22
Terms of Trade	104	109	points	Apr/22
Capital Flows	-3528	-2366	USD Million	Mar/22

Government				
Corporate Tax Rate	34	34	percent	Dec/21
Personal Income Tax Rate	27.5	27.5	percent	Dec/21
Sales Tax Rate	17	17	percent	Dec/21
Social Security Rate	39.8	39.8	percent	Dec/21
Social Security Rate For Companies	28.8	28.8	percent	Dec/21
Social Security Rate For Employees	11	11	percent	Dec/21

Business				
Business Confidence	57.8	57.8	points	Jul/22
Manufacturing PMI	54.1	54.2	points	Jun/22
Services PMI	60.8	58.6	points	Jun/22
Composite PMI	59.4	58	points	Jun/22
Industrial Production	0.5	-0.5	percent	May/22
Industrial Production Mom	0.3	0.1	percent	May/22
Manufacturing Production	1.59	-0.55	percent	May/22
Capacity Utilization	80.9	80.9	percent	May/22
Changes in Inventories	29889	-84055	BRL Million	Mar/22
Car Production	203598	205916	Units	Jun/22
Car Registrations	178	187	Thousand	Jun/22
Total Vehicle Sales	133587	139465	Units	Jun/22
Leading Economic Index	-0.11	-0.64	percent	May/22
Small Business Sentiment	58.3	56.4		Jun/22
Internet Speed	6819	6392	Kbps	Mar/17
IP Addresses	26855780	26798386	IP	Mar/17

Consumer				
Retail Sales MoM	-1.4	-0.4	percent	Jun/22
Retail Sales YoY	-0.3	-0.2	percent	Jun/22
Consumer Spending	1406895	1452207	BRL Million	Mar/22
Consumer Credit	2832078	2802130	BRL Million	Apr/22
Private Sector Credit	4617478	4581072	BRL Million	Apr/22
Bank Lending Rate	50.26	49.54	percent	Apr/22
Economic Optimism Index	79.5	79	Index Pts.	Jul/22
Gasoline Prices	1.09	1.41	USD/Liter	Jul/22
Households Debt To GDP	33.8	36.6	% of GDP	Dec/21

Sources: World Bank, OECD, IMF, Forex, Bank for International Settlements, Trade Economics, Market Economics, Bloomberg, The Economist, Transparency International, World Gold Council, OTC Interbank, U.S. Energy Information Administration, World Economic Forum, The Institute for Applied Economic Research (IPEA), Local: Banco Central do Brasil, Instituto Brasileiro de Geografia e Estatística (IBGE), Confederação Nacional da Indústria (CNI), Secretaria da Receita Federal do Brasil. **Note.** Contact the PTG for more information.

Methods and disclaimer

Methods

Politico Tech Global's (PTG's) Popularity Trend Report (PTR) is intended to measure the net impact of public opinion on leader, coalition or party popularity distributions for selected cases over the course of specific tenures. The PTR is based on the PTG's worldwide national election survey dataset. The popularity data are collected by PTG professionals and are backed by original sources, archived in their original format, and updated daily.

The PTR is composed of 4 different sections: average popularity; popularity dynamics; comparative approval; and latest polls. Analyses in these sections are based on the PTR dataset, but the data are transformed in various ways to ease interpretation. While our datasets contain vast historical data, sometimes spanning decades, PTG often uses a subset of these data to assess the net impact of recent developments most accurately.

The PTR average popularity section is composed of 30-day rolling averages of leader, coalition, or party popularity approval and disapproval indices. These averages synthesize all polls published in a given time frame using the mean. The tables show the average approval and disapproval for the sitting leader each month, as well as net popularity (approval minus disapproval). All three variables tap distinct, but complementary, dimensions of reputation.

The PTR popularity dynamics section plots the polling marginals in the PTG dataset that shed light on the popularity of the current leader, coalition, or party. These include, but are not limited to job approval, management evaluations, personal support, and general image. The section includes plots representing both approval and disapproval trends. The distinction is intended to represent the difference in determinants for each variable.

The PTR frontrunner section shows plots for the top-two frontrunners. Three estimators are adopted. The first is a best-fit line based on a naïve linear model ("Linear"; color: yellow). The second is a locally weighted regression line based on a model that detects sudden shifts in support ("Sensitive"; color: blue). The third is a local linear polynomial fit line with a lower floor based on a more context-sensitive model ("Sensitive"; color: red).

The PTR comparative approval section contrasts the popularity of the incumbent leader, coalition, or party with the popularity predecessors. The trends in the plot are locally weighed regression lines around all the polls available in the PTG database. The trend is measured over the full extent of a leader's term, whether it be a complete term or not. As such, the horizontal axis of each plot begins the day a president debuts (0%) and ends the day they leave office (100%).

Disclaimers

The PTR should be used exclusively for informational purposes. It should not be relied upon as electoral or investment advice. Forecasts and analyses do not indicate actual variations in vote support for candidates and have no value in the political market. Forecasts and analyses are based on data deemed to be reliable; they do not guarantee accuracy or completeness. The Forecasts and analyses indicate PTG's political outlook in a single election under specific circumstances. Forecasts represent an PTG analyst's net quantitative assessment of a country's electoral outlook.

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Politico Tech Global

Mission

Politico Tech Global (PTG) aims to simplify complex public opinion landscapes and bring its clients reliable insights into who holds power today and who will hold power tomorrow. PTG deciphers data trends and presents its patrons with a clear perspective on how the public views their political leaders over space and time. PTG uses cutting-edge statistical algorithms and machine-learning techniques to gather complex data and report it in plain terms. It enhances risk assessments by measuring uncertainty and reporting probability margins for all relevant outcomes.

PTG delivers regular, reliable, dependable, and private research through its market-minded, academically oriented team of dedicated experts. It ensures clients receive the most scientifically rigorous assessments of government and election prospects on the market. It delivers information in four main ways: through its Vote Trend Report (VTR); through its Popularity Trend Report (PTR); through scheduled and tailored online or in-person meetings with its clients; and through regular seminars and presentations. The firm is managed and advised by a board of top-level academics, career politicians and concerned stakeholders.

Santiago

Politico Tech Global
Avda. Presidente Kennedy 7900
Vitacura, Región Metropolitana 7630000
Chile
Tel: + 56 942602007
Email: santiago@politicotechglobal.com

Atlanta

Politico Tech Global
2742 N. Thompson Rd. NE
Atlanta, GA 30319
United States
Tel: +1 9198242026
Email: atlanta@politicotechglobal.com

Milan

Politico Tech Global
Via Felice Bellotti 11
Milano, Lombardia 20129
Italy
Tel: + 39 3515881007
Email: milan@politicotechglobal.com

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