

Banrisul CEO predicts resumption of economic growth

“Financial institutions are the economy’s fuel, with credit playing a decisive role in driving both industry and commerce, thus facilitating both production and consumption,” pointed out Banrisul’s CEO, Fernando Lemos, at the seminar “Brazil of



Banrisul CEO, Fernando Lemos, was one of the speakers at the seminar ‘Brazil of Tomorrow’.

Tomorrow – 2009: Will it be the end of the tunnel?” organized by the Amanhã Institute, today (April 29) in Porto Alegre. Lemos was one of the speakers on the panel on “Impacts of the crisis on the real economy”.

According to him, it is paramount that individuals and companies use the funds provided by banks appropriately. “The borrower’s profile should be compatible with the purpose of the loan,” he highlighted.

He expects the basic interest rate (Selic) to reach between 9.25% and 9.75% per year by the end of the first half of 2009, with the real interest rate hovering around five percent. He also stated that the Brazilian economy is mature enough to resume growth in 2010 as it has a competent industry and a highly organized retail sector. “We can already see recovery but do not yet know the pace of it,” he added.

According to Lemos, the effects of the international crisis were lower on Brazil, thanks to the strong controls and regulations of the domestic financial system. “The Central Bank’s approach demonstrated its competence to help Brazil weather this storm and emerge stronger,” he said, stressing that Brazilian banks are among the most solid in the world.

He said that the financial system is carefully monitoring the default levels and that companies also should pay more attention to business management,

investing not only in technological innovation but also in their internal processes.