

BRAZIL.

LATAM's Largest Economy



INDEX

The Brazilian market	3
Brazil's growing services sector	4
Brazil's booming e-commerce market	4
What do Brazilians shop for online?	4
Brazil's strong travel and tourism sector	5
Brazil's growing services sector	5
Why do business in Brazil	6
Large economy	6
Large consumer market	6
Young population	6
Openness to foreign investment	6
Brazil's economic expansion	7
Sectors that are leading growth	7
The rise of digital payments in Brazil	8
Brazil's growing digital payments segment	8
E-commerce	9
Main payment methods in Brazil	10
Expand your business in Brazil with PayRetailers	11
Our commitment to financial inclusion & financial education	12
Are you interested in the Brazilian market?	12
References	13

The Brazilian market.

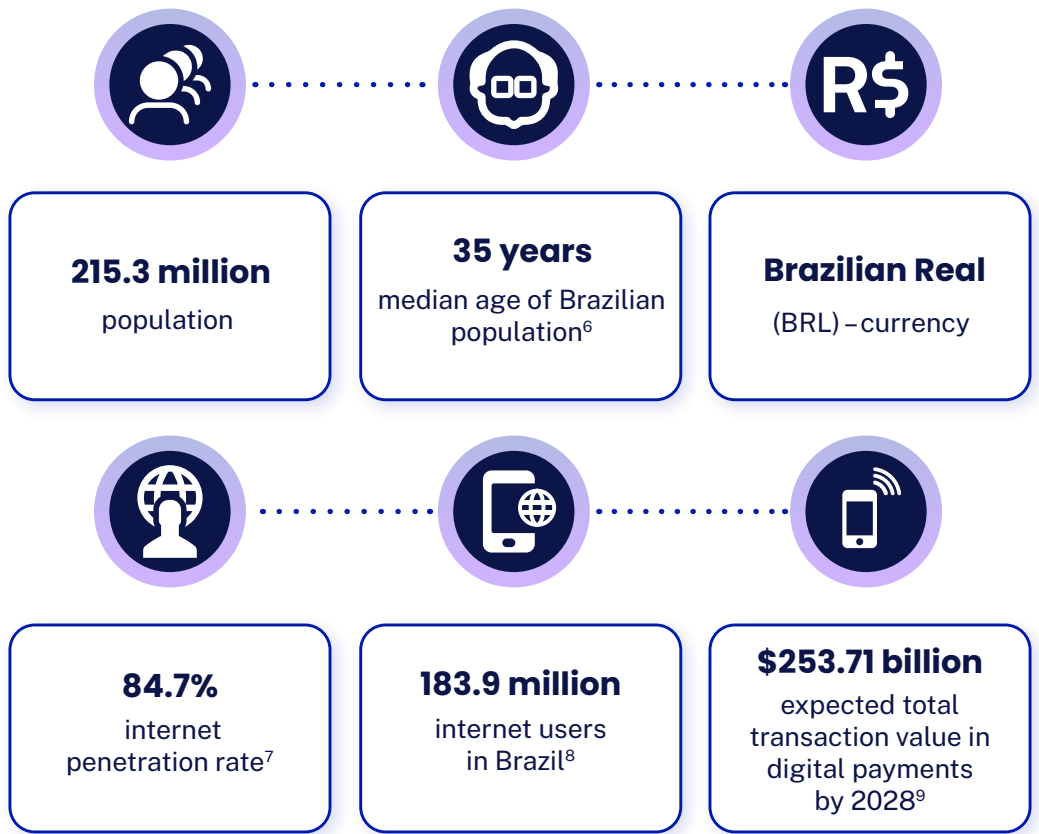
Brazil, a federal republic comprising 27 states, is by far the largest country in Latin America, spanning a total area of more than 8.5 million square kilometers.¹ The country is rich in natural resources, making it among the world's largest producers of iron ore, phosphate, and tin.² Apart from diamonds, Brazil has massive deposits of chromium, manganese, copper, and several other minerals.

The Brazilian economy is expected to grow by:

1.7% in 2024
2.2% in 2025³

Brazil's vast stretches of fertile land make it the world's largest producer and exporter of coffee, sugar, and orange juice.⁴ The country is also a major producer and exporter of a wide variety of agricultural produce, such as soybean, corn, cotton, and cocoa.

With a gross domestic product of \$2.13 trillion, Brazil is the world's ninth-largest economy and the largest economy in Latin America.⁵



Brazil's retail sales grew by 2.5% in January 2024, outperforming market expectations of 0.2%.¹⁰

Brazil's industry confidence rose to 52.8 in March 2024, up from 52.7 in the prior month. Entrepreneurs on average expressed less optimism, but views regarding the Brazilian economy improved.¹²

Brazil is the largest e-commerce market in Latin America.

In 2023, online shopping in Brazil generated 185.7 billion Brazilian reals.¹¹

Brazil's growing services sector.

The services sector is the largest in Brazil and accounted for nearly 67% of the GDP in 2023.¹³ Brazil's massive population offers vast potential for the growth of this sector. The main sub-sectors within the services sector are:

Online sales

Travel and tourism

Financial services

These sub-sectors have been driven in the recent years by the buying habits of Brazil's large youth population, which is internet and mobile savvy.

Brazil's booming e-commerce market

In 2020, Covid-19-related lockdowns drove online shopping, particularly mobile-powered e-commerce (m-commerce).

E-commerce sector



40%

growth in online shopping revenue from 2019 to 2021

12%

further growth in 2022¹⁴

What do Brazilians shop for online?

Electronics

Household appliances

Clothing

Home decor

32.7%

share of Latin America's ecommerce market¹⁵

185.7 bn

Brazilian reals of online sales revenue¹⁶

37 mn

number of unique e-shoppers¹⁷

Brazil's strong travel and tourism sector.

Brazil is the largest country in Latin America and the fifth-largest worldwide. It is a major player in key sectors of the region, particularly travel and tourism. Although Brazil attracts a large number of foreign tourists, the travel and tourism sector is driven by locals. Brazilians account for more than 90% of tourism spending in the country.¹⁸



US\$18.38 bn

revenue projected
from travel & tourism
in 2024¹⁹

US\$20.15 bn

projected revenue
from travel and
tourism by 2028²⁰

80%

travel & tourism revenue
is expected to be
generated via online
sales by 2028²¹

Brazil's growing services sector.

The country's rapid internet penetration and mobile phone adoption formed the perfect backdrop for fintech growth. Brazil is projected to emerge as one of the top five major smartphone markets by 2025, with 200 million mobile connections.²²

Brazil's fintech sector consists of segments such as digital payment solutions, big data, and investments.²³ The number of fintech startups in Brazil has also soared in recent years. By the end of 2022 there were 855 total active fintechs in the country, a stark contrast with the 244 fintechs operating just five years earlier at the beginning of 2017.²⁴

Nº 1

highest number of
fintechs in Latin
America

Nº 19

total unicorns
in Brazil

58%

share of all fintech
venture capital deals
in Latin America²⁵

Why do business in Brazil.

Large economy

The country's gross domestic product expanded from less than US\$510 billion in 2002 to almost US\$2.5 trillion in 2012. Although the economy shrank to US\$1.4 trillion during the pandemic, it is projected to grow to US\$2.4 trillion by 2027.²⁶

Large consumer market

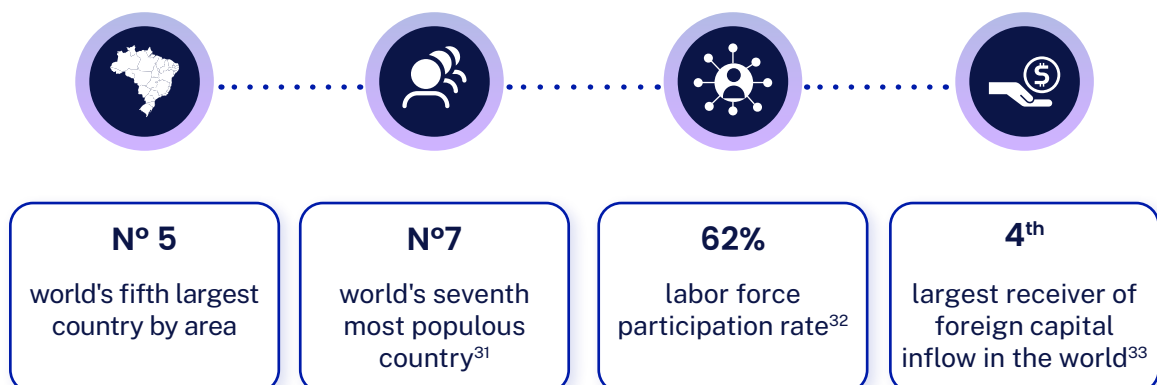
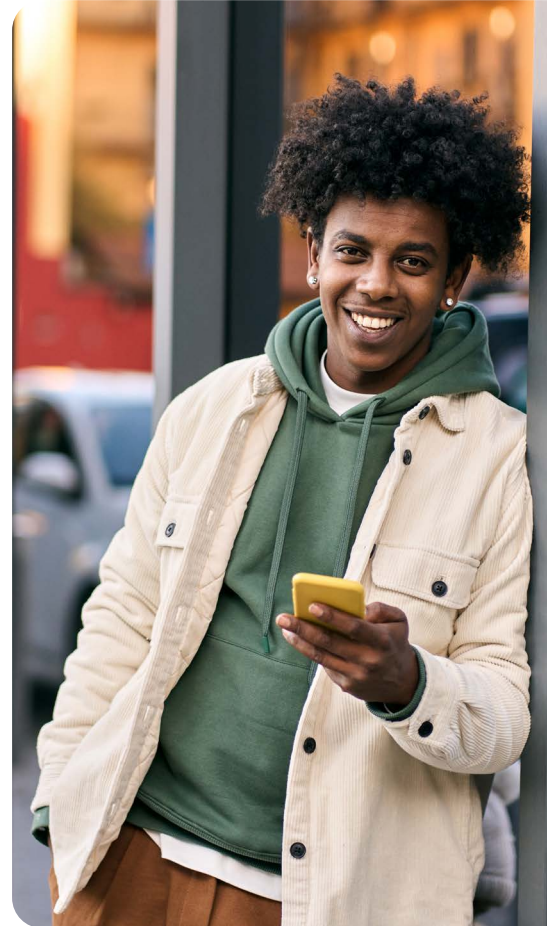
With a population of more than 217.3 million, Brazil is the biggest consumer market in Latin America. The value of the country's consumer market grew to 562.3 billion Brazilian reais in 2020, up almost 9% from around 516.2 billion Brazilian reais in 2019.²⁷

Young population

Brazil has a median age of 35 years old.²⁸ A large population of young workers increases demand for goods and services and the high adoption of innovative products.

Openness to foreign investment

Foreign direct investment (FDI) into Brazil stood at US\$ 5.01 billion in February 2024.²⁹ Brazil is the fourth-largest recipient of FDI in the world.³⁰



Brazil's economic expansion.

Sectors that traditionally led the growth of the Brazilian economy were:

Mining

Agriculture

Textiles

Automotive

Petroleum processing

Iron & steel production

Sectors spearheading growth include:

Renewable energy

Digital payments

IT sector

E-commerce



The growth of digital payments in Brazil.

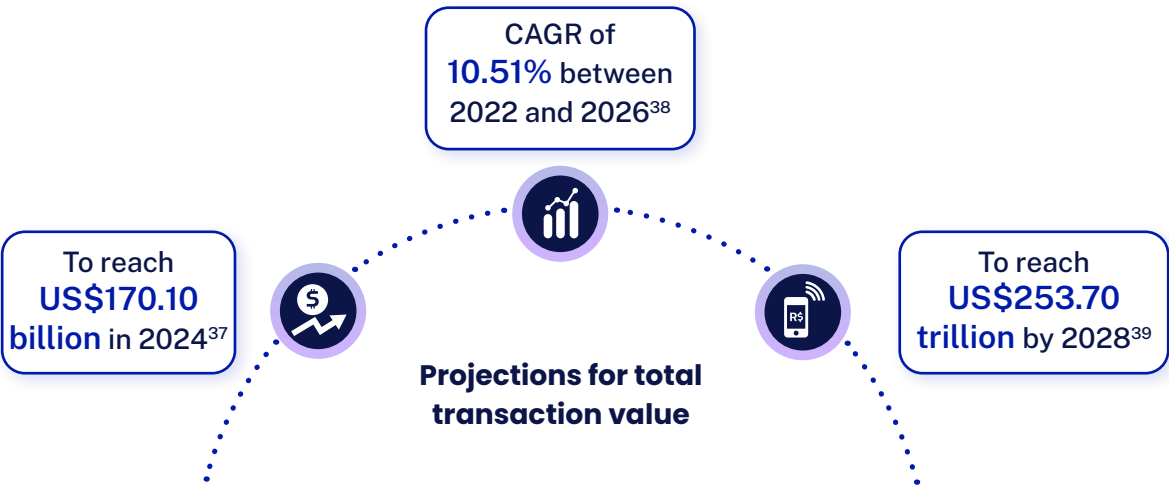
Brazil is adopting digital payments faster than any other Latin American country, in a boom spurred on by factors such as the Brazilian Central Bank's support for emerging institutions.³⁴

An increased use of technology and support for entrepreneurship have also contributed to the growth of digital payments, which has strengthened Brazil's financial ecosystem and increased financial inclusion.³⁵



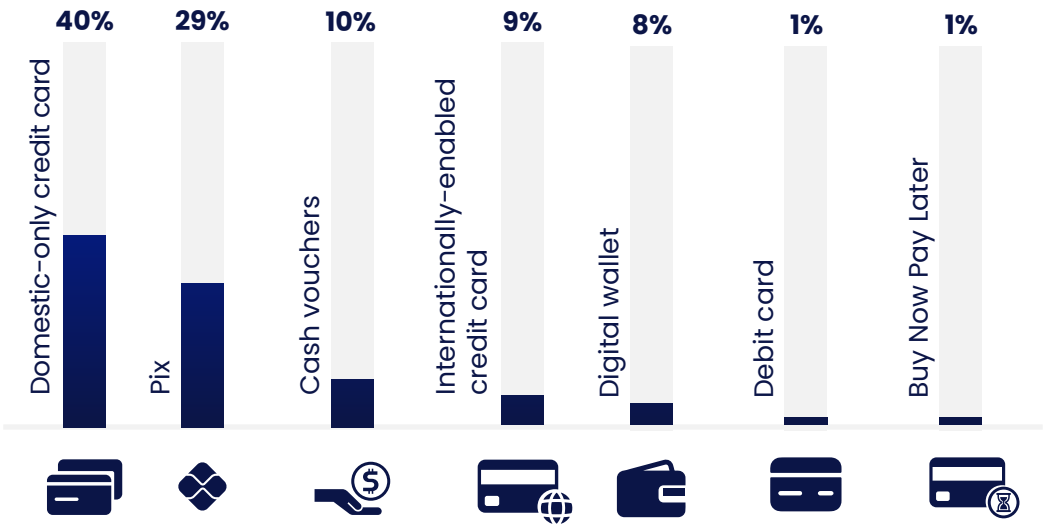
98% of Brazilian bank customers use some form of digital payment method³⁶

Brazil's growing digital payments segment

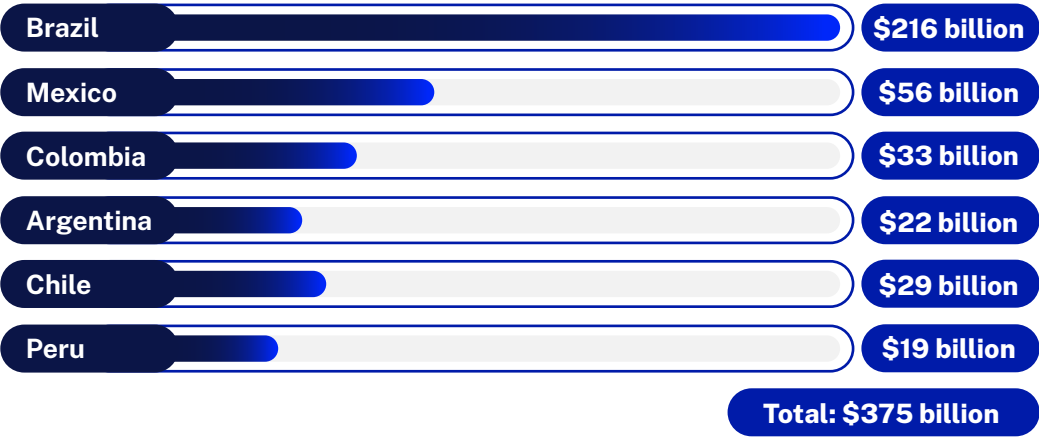


E-commerce

Segments that account for maximum e-commerce revenues⁴⁰



If we compare Brazil to the rest of Latin America, we'll find that Brazil boasts the strongest and largest e-commerce market in the region. In 2022, Brazil held a 57.6% market share of the region's top six e-commerce markets.⁴¹



Main Payment Methods in Brazil



1. Pix

The Central Bank of Brazil unveiled this payment platform in 2019, which was followed by the platform's release and first transactions on November 16, 2020.⁴² The platform supports all forms of instant money transfers, between individuals (P2P), between individuals and businesses (P2B), between businesses (B2B), between individuals and the government (P2G), and between businesses and the government (B2G).⁴³ Pix promotes greater financial inclusion among the unbanked population, delivers instant payment solutions, and offers secure transactions.⁴⁴

Pix has more than 150 million users,
including both private and corporate accounts
as of December 2023.⁴⁵

One area in which Pix has grown in importance is online gaming. Today, Pix is a leading payment method in Latin American e-commerce, with the platform expected have a CAGR of 20% until 2025.⁴⁶

For 81% of online gamers, Pix is their preferred way to pay.⁴⁷ With online gaming depending heavily on secure, digital payments, Pix has emerged as a reliable method that has overtaken options such as bank cards and e-wallets.



Expand your business in Brazil with PayRetailers.

PayRetailers takes your business to Brazil with more payment alternatives for your customers, all in a single platform.

Being able to offer flexibility in payments can empower your business to grow. With PayRetailers, you get to achieve just that from anywhere in the world to drive business growth in Latin America. We offer a fully localised solution for payment processing in the region. With a single API integration, you gain access to over 300 local payment methods. Our API opens the door to new possibilities in multiple countries, including Brazil.

Our payment gateway supports multi-channel and multi-currency payments, enabling you to provide unparalleled customer check-out experiences to maximise sales.

Fraud prevention & risk management

PayRetailers ensures a completely compliant solution with a focus on the highest standards of security as part of our fraud prevention solutions.

Local collection, global settlements

Make sales in Brazilian reals and receive US dollars, anywhere in the world. We offer unified settlement across all currencies through a 24-hour fixed foreign exchange rate in USD and EUR.

Turnkey merchant services

With our highly scalable cloud-based solutions, you can access data quickly and easily, at any time and from anywhere.

Online Payments



Cash Payments





Fintech associations



Our commitment to financial inclusion & financial education

We foster business growth for your company to drive innovation in financial solutions with an aim to building financial inclusion. We believe that we can further ensure inclusion by providing knowledge and skills for people to better manage their personal finances and improve their well-being. We use our collective knowledge and industry best practices to improve financial services for everyone.

Are you interested in the Brazilian market?

Our team of experts can help you:

- Understand your Brazilian customer and their preferences.
- Use our single API integration to break into the Brazilian market.
- Find the reliable payment methods trusted by Brazilian consumers in your industry to form a local payment strategy.

50+ leading companies trust us.

We're here to help you grow your business. Contact our expert sales team to discover our solutions and elevate your business.

LATAM



AFRICA



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