SOBEET
Sociedade Brasileira de Estudos de Empresas Transnacionais e da Globalização Econômica

VALE COLUMBIA CENTER
ON SUSTAINABLE INTERNATIONAL INVESTMENT
A JOINT CENTER OF COLUMBIA LAW SCHOOL AND THE EARTH INSTITUTE AT COLUMBIA UNIVERSITY

# Brazilian multinationals positive after the global crisis

Report dated December 7, 2010

## São Paulo and New York, December 7, 2010:

Sociedade Brasileira de Estudos e Empresas Transnacionais e da Globalização Econômica (**SOBEET**), a Brazilian think tank dedicated to research into the internationalization of the Brazilian economy; and the **Vale Columbia Center** on Sustainable International Investment (VCC), a joint undertaking of the Columbia Law School and The Earth Institute at Columbia University in New York, are releasing the results of a survey of *outward* investors from Brazil today.[1]

The survey, conducted in 2010, covers the year 2009. The broader context of the present report is a long-term study of outward investment from emerging markets, led by the VCC, that currently includes 15 countries.

## Highlights

- The 30 listed Brazilian multinationals together had about USD 87 billion in foreign assets, nearly USD 61 billion in foreign sales (*not* including exports), and almost 179,000 foreign employees in 2009 (annex table 1).

- Vale, a mining firm, was first in the ranking by foreign assets, with nearly USD 35 billion. It alone accounted for 40% of the total foreign assets on the list. The next two firms, Petrobras and Gerdau, between them accounted for a further USD 30 billion in foreign assets, i.e., just over 34% of the total foreign assets of the top 30.

- The highest foreign sales were recorded by JBS-Friboi, a food products firm (nearly USD 17 billion), which also had about 45% of the total foreign employees (80,000). It came fifth in the ranking by foreign assets, with USD 5.3 billion in assets held abroad.

[1] The survey was carried out under the direction of Luís Afonso Lima, President of SOBEET. Research and other assistance was provided by Antonio Félix and Willian Volpato of Valor Econômico and Pedro A. Godeguez da Silva of SOBEET. SOBEET wishes to acknowledge the important cooperation of Valor in the implementation of the survey.

- Only six other firms had foreign assets exceeding USD 1 billion. Eleven firms at the bottom of the list had less than USD 100 million each.
- The leading industry on the list (well over half the firms) is manufacturing, although the top two firms are in natural resources (mining and oil & gas). Services accounted for only four firms.

**Table 1. Ranking of the top 30 Brazilian multinationals[a] investing abroad, 2009** (USD million)[b]

| Rank by foreign assets | Company | Industry | Status | Foreign assets |
|---|---|---|---|---|
| 1 | Vale | Mining of metal ores | Listed | 34,934 |
| 2 | Petrobras | Extraction of crude petroleum and natural gas | Listed | 15,937 |
| 3 | Gerdau | Manufacture of basic metals | Listed | 13,916 |
| 4 | Votorantim | Conglomerate | Unlisted | 7,809 |
| 5 | JBS-Friboi | Crop and animal production | Listed | 5,296 |
| 6 | Camargo Corrêa | Conglomerate | Unlisted | 2,161 |
| 7 | Marfrig | Crop and animal production | Listed | 1,529 |
| 8 | Ultrapar | Extraction of crude petroleum and natural gas | Listed | 1,514 |
| 9 | Embraer | Other manufacturing | Listed | 1,378 |
| 10 | Weg | Manufacture of electrical equipment | Listed | 509 |
| 11 | Brasil Foods | Manufacture os food products | Listed | 346 |
| 12 | Magnesita | Manufacture of other non-metallic mineral products | Listed | 300 |
| 13 | Minerva | Manufacture of food products | Listed | 233 |
| 14 | Telemar | Telecommunications | Listed | 210 |
| 15 | Suzano Papele Celulose | Manufacture of paper and paper products | Listed | 171 |
| 16 | Metalfrio | Manufacture of machinery and equipment | Listed | 169 |
| 17 | Coteminas | Manufacture of textiles | Listed | 143 |
| 18 | Itautec | Manufacture of computer, electronic and optical products | Listed | 131 |
| 19 | Natura | Manufacture of chemicals and chemical products | Listed | 100 |
| 20 | Tupy | Manufacture of fabricated metal products | Listed | 79 |
| 21 | Sabó | Manufacture of other transport equipment | Unlisted | 56 |
| 22 | Duratex | Specialized construction activities | Listed | 46 |
| 23 | Iochpe | Manufacture of other transport equipment | Listed | 38 |
| 24 | Artecola | Manufacture of other non-metallic mineral products | Unlisted | 34 |
| 25 | Marcopolo | Manufacture of other transport equipment | Listed | 30 |
| 26 | Indústrias Romi | Manufacture of machinery and equipment | Listed | 20 |
| 27 | Klabin | Manufacture of paper and paper products | Listed | 18 |
| 28 | Totvs | Computer programming, consultancy and related activities | Listed | 14 |
| 29 | Stefanini IT Solutions | Computer programming, consultancy and related activities | Unlisted | 14 |

| | | | | |
|---|---|---|---|---|
| 30 | G Brasil | Conglomerate | Unlisted | 14 |
| **Total** | | | | **87,148** |

***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] Note that financial firms (banks, insurance companies, etc.) are not included in the ranking and not covered by this report, except where it is explicitly indicated otherwise.
[b] The survey questionnaire on which this ranking is based was sent to 160 leading Brazilian multinationals, of whom 60 responded. In the case of companies that appeared among the top 20 published in 2009 but did not respond to the present survey, the rankings are based on the companies' financial statements for fiscal 2009.

## Profile of the top 30

### The role of the private sector

The internationalization of Brazilian companies is dominated by the private sector, although state-owned enterprises also play a role. Just one company in our list of the top 30, Petrobras, is state-controlled.

### Distribution by industry

The 30 companies on our list are from 20 different industries. Within manufacturing, we have the following: transport equipment, food products, basic metals, chemicals products, textiles, and electrical equipment. Within services, there are telecommunications, computer programming and consultancy, and specialized construction. In the primary sector, there are crop and animal production, and petroleum and natural gas extraction. Note that the pattern of industry distribution in our list may *not* necessarily be the pattern of distribution of Brazil's outward investment in general, since Central Bank data show current Brazilian FDI abroad as concentrated in the services sector. Caution is in order about these figures, though, as it is difficult in Brazilian outflows to separate authentic FDI from purely financial investment under the guise of FDI. Moreover, since much of Brazil's investment abroad goes into tax havens in the first instance, it is also not easy to know where and in what activity this investment ultimately ends up.

### Head office locations

The head offices of 19 of the companies on the list are located in the state of São Paulo, while the rest are based in the states of Rio Grande do Sul (3), Rio de Janeiro (3), Santa Catarina (3) and Minas Gerais (2) (annex figure 4).

### Major outward M&A and greenfield transactions

Annex tables 2 and 3 show the top 10 M&As and the top 10 greenfield transactions, respectively, undertaken abroad by Brazilian firms over the past three years. Note that the total greenfield value is significantly larger than the total M&A value (USD 17.3 billion as against USD 10.2 billion). Both lists are dominated by Vale (three transactions of each kind). Natural resources figure prominently in both lists – four out of the 10 M&As and five out of the 10 greenfield transactions. Most transactions in both lists were undertaken by firms on our list. That 2009 was a problematic year can be seen in both tables. Only two of the top 10 M&As over the past three years were in 2009, one of them in the financial industry, and only two of the top 10 greenfield investments over the past three years were in 2009, both by a firm not on our list.

### Impact of the global recovery in 2010[2]

Respondents reported a very positive impact, with 38% noting a recovery in foreign demand and 30% new business opportunities abroad (annex figure 4). Other responses included recovery in product prices abroad (13%) and greater access to foreign credit (6%). Annex figure 5 indicates the specific business decisions taken in response to the recovery. Nearly 40% of respondents have modified their product mix, while nearly 30% have changed investment destinations and about 15% have acquired foreign assets.

### Outward investment plans in 2010-2011, compared to 2009

Nearly half the respondents (49%) declared their intention to increase their investment abroad in 2010-2011. Some 12% of these 49% plan an increase of more than 30%, while the remaining 37% plan a smaller increase. A further 46% of respondents planned to maintain their outward investment at current levels, thus leaving only 5% who intend actually to reduce their investment (annex figure 6). It is interesting to note in this context that Argentina still remains the preferred destination for outward investment from Brazil. Other destinations cited by the respondents were China, South Africa and India.

### Drivers of outward investment

The reason most often mentioned for expansion abroad was the company's international competitive position (26% of respondents). The second most mentioned (with 20% of respondents) was growing world demand. Other motivations include the search for economies of scale (15%) and the desire to reduce dependence on the domestic market and establish export platforms abroad (annex figure 7).

### Operations abroad

One-third of respondents said they had plants manufacturing various goods or establishments providing various services. Almost as many (29%) said their foreign operations consisted of sales offices for exporting goods manufactured in Brazil (annex figure 8).

### Most important factors influencing choice of overseas locations

Some 32% of respondents mentioned market size, while 29% cited access to international or regional markets (annex figure 9). Local market growth was cited by 18% of respondents.

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[2] Note that from this point onwards most of what is said in the 'Profile of the top 30' section is not strictly about the top 30 but about the 60 multinationals that responded to the survey.

## Principal sources of FDI financing

This question showed the greatest concentration of responses. 58% of respondents indicated their own capital as the main source of funding. It is interesting to note that the answers did not mention domestic commercial bank loans, although 13% of respondents did mention loans from *overseas* banks. The Brazilian Development Bank BNDES (Banco Nacional de Desenvolvimento Economico e Social) was mentioned as a source by 10% of respondents (annex figure 10).

## Barriers to internationalization

A diverse range of factors was mentioned when it came to barriers to outward investment. The barriers were both internal and external. The top-ranking *internal* factor (19% of respondents) was the tax burden in Brazil. Nearly as many mentioned currency fluctuations. Among other internal barriers mentioned were the cost of credit and high logistics costs (annex figure 11). Among *external* barriers, the top candidate was tough competition in mature markets, with 31% of the respondents mentioning it. In a rather distant second place (14% of respondents) came the regulatory environment of host countries. Other issues, like the lack of double taxation treaties and the lack of access to foreign credit were also mentioned (annex figure 12).

## Changes over 2008-2009

Table 2 below provides a picture of the changes in assets, sales and employment between 2008 and 2009. (Data on 2007 were not available.) Foreign assets as well as foreign sales increased in 2009, by nearly 55% and 28% respectively. However, these increases are to some extent a function of the exchange rates used to calculate these figures[3]. The Brazilian real appreciated significantly in 2009. It was BRL 2.3 to the US dollar in December 2008 and BRL 1.7 to the US dollar in December 2009. Thus, if the real had not appreciated by December 2009, there would actually have been a fall in foreign sales from BRL 109,441 to BRL 103,246 over 2008-2009. Employment, as we can see, fell significantly in 2009, total employment by nearly 18% and foreign employment by nearly 13%. This is in keeping with what is known about the activity of Brazilian multinationals in 2009. Incidentally, both outward FDI flows and (even) outward FDI stock declined in 2009, with flows going from over USD 20 billion in 2008 to *minus* USD 10 billion in 2009 (annex figures 2 and 3).

**Table 2. Snapshot of the top 30 Brazilian multinationals, 2008-2009**
(USD million and number of employees)

| | 2008 | 2009 | Percentage change, 2008-2009 |
|---|---|---|---|
| **Assets** | | | |
| Foreign | 56,601 | 87,148 | 54.5 |
| Total | 257,100 | 478,593 | 86.2 |
| Share of foreign | 22.0% | 18.2% | |

[3] These were the IMF rates of December 31st for each year.

| | | | |
|---|---|---|---|
| in total | | | |
| **Sales** | | | |
| Foreign | 47,583 | 60,733 | 27.6 |
| Total | 247,145 | 270,228 | 9.3 |
| Share of foreign in total | 19.3% | 22.5% | |
| **Employment** | | | |
| Foreign | 204,301 | 178,787 | -12.5 |
| Total | 961,505 | 792,221 | -17.6 |
| Share of foreign in total | 21.2% | 22.6% | |

***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

## The big picture

The internationalization of Brazilian companies is a relatively recent phenomenon. From 2000 to 2003, outward FDI from Brazil averaged less than USD 1billion a year. Over the four-year period 2004–2008, this average jumped to nearly USD 14 billion. In 2008, when global FDI inflows were estimated to have fallen by 15%, outward investment from Brazil almost tripled, increasing from just over USD 7 billion in 2007 to well over USD 20 billion in 2008. (As shown in annex table 3, *six* of the top 10 greenfield investments overseas took place in 2008, including the largest and the 4$^{th}$ and 5$^{th}$ largest.) In 2009, however, as noted above, net outward investment was *minus* USD 10 billion. UNCTAD data put the outward stock of Brazilian FDI at USD 158 billion in 2009 (annex figure 3), a *decrease* of 3% in comparison to 2008.

In 2009, Brazil was the 7$^{th}$ largest outward investor among emerging markets in terms of FDI stock. In terms of FDI outward stock as a percentage of gross domestic product, the ratio in Brazil, of 10%, is almost twice as high as it was 15 years ago.

Despite its relative novelty, the internationalization of Brazilian companies has achieved a wide geographic spread. Brazilian outward investment can today be found in 86 countries. Admittedly, some destinations matter more than others. The main destinations of outward investment from Brazil today are the United States and Spain, with USD 10.6 billion and USD 5.2 billion, respectively. Among emerging markets, Argentina leads, with USD 3.5 billion, followed by Uruguay, with USD 2.5 billion.

Internationalization through Brazilian direct investment overseas is not one of the priorities of public policy in Brazil. Among the few initiatives in this area, one might mention the creation by BNDES of a specific facility intended to help companies expand abroad. Furthermore, at the end of 2009, the Foreign Trade Chamber, Câmara de Comércio Exterior or CAMEX, and the Department of Foreign Trade, Secretaria de Comércio Exterior or SECEX, of the Ministry of Development, Industry and Trade (MDIC) launched the *Termo De Referência: Internacionalização De*

*Empresas Brasileiras*[4], which explores the possible public policies for encouraging the internationalization of Brazilian companies.

According to the survey of the internationalization of Brazilian companies undertaken by SOBEET, the tax burden in Brazil is one of the major internal barriers to be overcome by companies seeking to internationalize. Other factors, like exchange-rate volatility and the cost of credit in Brazil also feature among the difficulties encountered (as noted earlier). Along with public policies that overcome internal barriers, it is also important for the Brazilian government to move to increase the number of bilateral investment treaties, of which not even one was signed in the last ten years and none of those signed has been ratified.

## Conclusion

As noted above, Brazilian multinationals actually repatriated USD 10 billion in 2009, the highest such reversal of outflows since 1947. The negative outflow picture is consistent with the results of the SOBEET-Valor-VCC survey of Brazilian multinationals, which found that nearly half of the Brazilian multinationals surveyed (over 47%) opted to reduce the operational costs of their foreign affiliates last year. The results also indicate, however, that the 2009 downturn may have come to an end. The cautious optimism of our respondents is confirmed by the latest data on outward investment: Brazilian direct investment abroad reached USD 15.6 billion for the first eight months of 2010, again the highest level for any comparable period since 1947. Corporate resilience, a strong currency and increasing foreign demand have all played their part in this recovery.

[4] Available at: http://www.mdic.gov.br/arquivos/dwnl_1260377495.pdf.

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### Emerging Markets Global Players Project

This report on Korean multinationals was prepared in the framework of the Emerging Markets Global Players (EMGP) project, a collaborative effort led by the Vale Columbia Center. It brings together researchers on FDI from leading institutions in emerging markets to generate annual reports on the leading multinationals in each participating country. Nine country reports were published in 2009: on Argentina, Brazil, China, India, Israel, Mexico, Russia, Slovenia and Turkey. Up to 15 countries are expected to be covered in 2010. For more information, visit: www.vcc.columbia.edu/content/emerging-market-global-players.

### SOBEET

SOBEET (Sociedade Brasileira de Estudos de Empresas Transnacionais e da Globalização Econômica) is a non-party- affiliated, not-for-profit, think tank, intended to establish a forum for debate, research and reflection on the question of the internationalization different economies, in particular the developing ones. For more information, visit: www.sobeet.org.br/.

### Vale Columbia Center on Sustainable International Investment

The Vale Columbia Center on Sustainable International Investment, headed by Karl P. Sauvant, is a joint Columbia Law School – Earth Institute venture at Columbia University. It seeks to be a leader on issues related to FDI in the global economy, paying special attention to the sustainability aspect of this investment. The Center focuses on the analysis and teaching of the implications of FDI for public policy and international investment law. Its objectives are to analyze important topical policy-oriented issues related to FDI, develop and disseminate practical approaches and solutions, and provide students with a challenging learning environment. For more information, see http://www.vcc.columbia.edu.

**Annex figure 1. Brazil: The top 30 multinationals: Key variables, 2009** (USD million and numbers of employees)

| Rank by foreign assets | Company | Industry | Assets | | Employment | | Sales[a] | | TNI (%) |
|---|---|---|---|---|---|---|---|---|---|
| | | | Foreign | Total | Foreign | Total | Foreign | Total | |
| 1 | Vale | Mining of metal ores | 34,934 | 100,907 | 14,426 | 60,036 | 8,440 | 23,615 | 31.5 |
| 2 | Petrobras | Extraction of crude petroleum and natural gas | 15,937 | 198,413 | 7,967 | 76,919 | 12,173 | 104,904 | 10.0 |
| 3 | Gerdau | Manufacture of basic metals | 13,916 | 25,599 | 18,400 | 40,000 | 8,098 | 15,239 | 51.2 |
| 4 | Votorantim | Conglomerate | 7,809 | 35,140 | 7,479 | 61,676 | 2,354 | 14,642 | 14.7 |
| 5 | JBS-Friboi | Crop and animal production | 5,296 | 24,397 | 80,007 | 125,000 | 16,745 | 19,701 | 56.9 |
| 6 | Camargo Corrêa | Conglomerate | 2,161 | 14,811 | 12,235 | 57,864 | 1,669 | 9,054 | 18.1 |
| 7 | Marfrig | Crop and animal production | 1,529 | 6,575 | 16,904 | 46,984 | 2,931 | 5,524 | 37.4 |
| 8 | Ultrapar | Extraction of crude petroleum and natural gas | 1,514 | 6,368 | 400 | 9,400 | 1,103 | 20,737 | 11.1 |
| 9 | Embraer | Other manufacturing | 1,378 | 3,388 | 901 | 16,853 | 1,129 | 7,614 | 20.3 |
| 10 | Weg | Manufacture of electrical equipment | 509 | 3,085 | 2,091 | 18,670 | 999 | 2,934 | 20.6 |
| 11 | Brasil Foods | Manufacture os food products | 346 | 8,767 | 662 | 130,166 | 1,401 | 15,426 | 4.5 |
| 12 | Magnesita | Manufacture of other non-metallic mineral products | 300 | 522 | 1,394 | 6,938 | 491 | 1,259 | 38.9 |
| 13 | Minerva | Manufacture of food products | 233 | 1,190 | 474 | 7,774 | 87 | 505 | 14.3 |
| 14 | Telemar | Telecommunications | 210 | 35,177 | 37 | 28,261 | 114 | 17,224 | 0.5 |
| 15 | Suzano Papel e Celulose | Manufacture of paper and paper products | 171 | 3,997 | 162 | 4,024 | n.a. | n.a. | 4.2 |
| 16 | Metalfrio | Manufacture of machinery and equipment | 169 | 413 | 1,402 | 2,607 | 153 | 369 | 45.3 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 17 | Coteminas | Manufacture of textiles | 143 | 908 | 2,820 | 14,800 | 1,382 | 1,531 | 41.7 |
| 18 | Itautec | Manufacture of computer, electronic and optical products | 131 | 743 | 398 | 6,218 | 274 | 1,199 | 15.6 |
| 19 | Natura | Manufacture of chemicals and chemical products | 100 | 1,566 | 1,439 | 6,260 | 164 | 2,430 | 9.5 |
| 20 | Tupy | Manufacture of fabricated metal products | 79 | 1,327 | 28 | 7,481 | 170 | 703 | 10.2 |
| 21 | Sabó | Manufacture of other transport equipment | 56 | 297 | 1,190 | 3,510 | 142 | 314 | 32.8 |
| 22 | Duratex | Specialized construction activities | 46 | 2,488 | 151 | 8,832 | 75 | 1,289 | 3.1 |
| 23 | Iochpe | Manufacture of other transport equipment | 38 | 799 | 922 | 7,365 | 33 | 757 | 7.2 |
| 24 | Artecola | Manufacture of other non-metallic mineral products | 34 | 114 | 330 | 1,553 | 49 | 161 | 27.1 |
| 25 | Marcopolo | Manufacture of other transport equipment | 30 | 60 | 4,019 | 13,715 | 373 | 1,182 | 36.9 |
| 26 | Indústrias Romi | Manufacture of machinery and equipment | 20 | 30 | 305 | 2,601 | 36 | 273 | 30.8 |
| 27 | Klabin | Manufacture of paper and paper products | 18 | 373 | 110 | 7,527 | n.a. | n.a. | 3.2 |
| 28 | Totvs | Computer programming, consultancy and related activities | 14 | 694 | 300 | 4,300 | 11 | 620 | 3.6 |
| 29 | Stefanini IT Solutions | Computer programming, consultancy and related activities | 14 | 85 | 1,671 | 8,755 | 43 | 364 | 15.6 |
| 30 | G Brasil | Conglomerate | 14 | 359 | 163 | 6,132 | 96 | 658 | 7.0 |
| **Total** | | | **87,148** | **478,593** | **178,787** | **792,221** | **60,733** | **270,228** | |
| **Average** | | | | | | | | | **20.8** |

***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] ‘n.a.‘ indicates the non-availability of data.

**Annex table 2. Brazil: The top 10 outward M&A transactions, 2007-2009** (USD million)

| Date | Acquirer's name | Target name | Target industry | Target country | % of shares acquired | Value of transaction |
|---|---|---|---|---|---|---|
| 01/05/2007 | Vale | Inco Ltd | Ferroalloy ores, except vanadium | Canada | 13.43 | 2,316.06 |
| 04/23/2008 | Gerdau SA | Quanex Corp | Steel works, blast furnaces, and rolling mills | United States | 100.00 | 1,749.21 |
| 07/11/2007 | J&F Participacoes SA | Swift & Co | Sausages and other prepared meat products | United States | 100.00 | 1,458.00 |
| 11/11/2008 | Magnesita SA | LWB Refractories GmbH | Brick and structural clay tile | Germany | 100.00 | 943.69 |
| 02/05/2009 | Vale | Rio Tinto Ltd-Potash Assets | Potash, soda, and borate minerals | Argentina | 100.00 | 850.00 |
| 02/26/2007 | Vale | AMCI Holdings Australia Pty | Coal mining | Australia | 100.00 | 662.57 |
| 03/16/2007 | Banco Itau Holding Financeira | BankBoston Uruguay | Banking | Uruguay | 100.00 | 650.00 |
| 10/23/2008 | JBS SA | Smithfield Beef Group Inc | Beef cattle, except feedlots | United States | 100.00 | 565.00 |
| 03/31/2009 | Banco Itau Holding Financeira | Banco Itau Europa SA | Security and commodity services | Portugal | 89.32 | 497.80 |
| 03/17/2007 | Grupo Votorantim | Acerias Paz del Rio SA | Steel works, blast furnaces, and rolling mills | Colombia | 51.89 | 488.59 |
| **Total** | | | | | | **10,180.92** |

***Source***: Adapted from Thomson ONE Banker. Thomson Reuters.

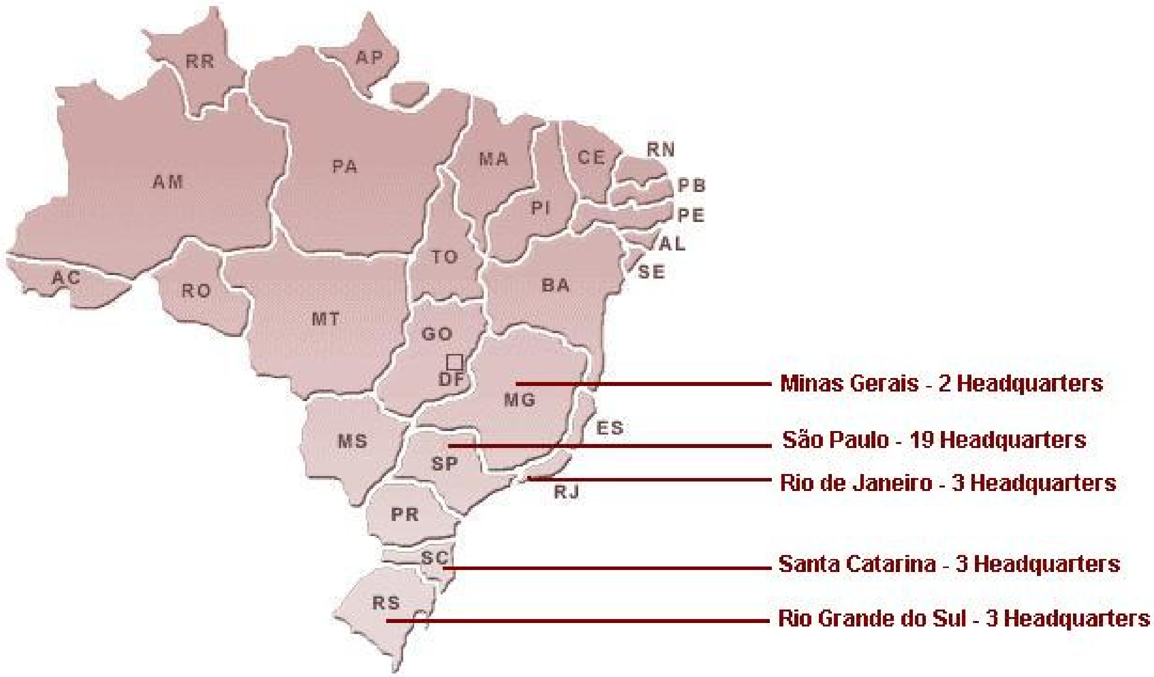
**Annex table 3. Brazil: The top 10 outward greenfield investments, 2007-2009** (USD million)

| Date | Company | Destination | Industry | Value |
|---|---|---|---|---|
| Feb-08 | Vale | New Caledonia | Minerals | 3,200.00 |
| Nov-09 | Braskem | Mexico | Plastics | 2,500.00 |
| Jun-09 | Braskem | Peru | Plastics | 2,500.00 |
| Sep-08 | Votorantim Group | Colombia | Metals | 1,500.00 |
| Sep-08 | Gerdau | Peru | Metals | 1,400.00 |
| Feb-07 | Braskem | Bolivia | Chemicals | 1,400.00 |
| May-08 | Vale | Oman | Minerals | 1,365.00 |
| Jul-08 | Petrobras | Nigeria | Coal, oil and natural gas | 1,262.90[a] |
| Mar-07 | Vale | Mozambique | Coal, oil and natural gas | 1,200.00 |
| Apr-08 | Petrobras | Japan | Coal, oil and natural gas | 976.00 |
| **Total** | | | | **17,303.90** |

***Source***: Adapted from fdiIntelligence, a service from the Financial Times Ltd.

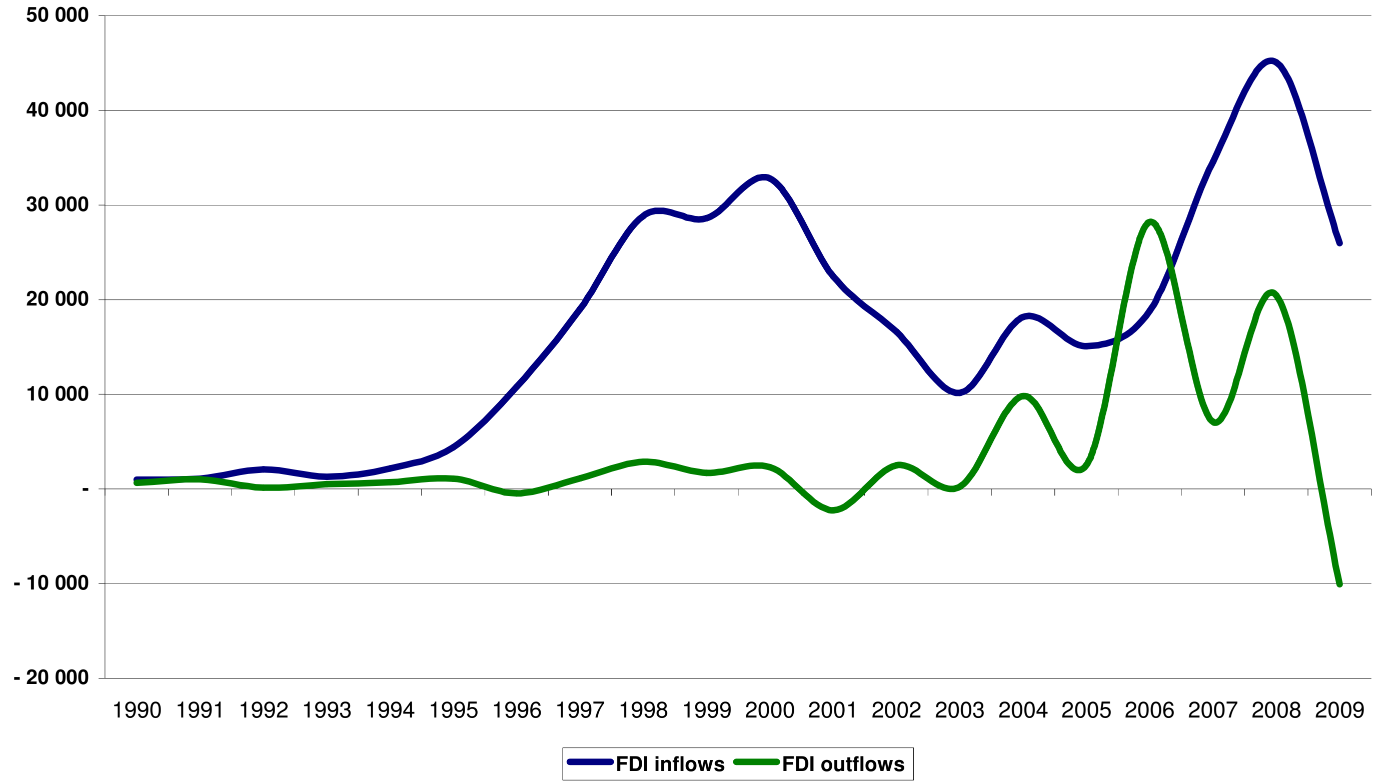
[a] This amount is an estimate.

**Annex figure 1. Brazil: Head office locations of the top 30 multinationals, 2009**



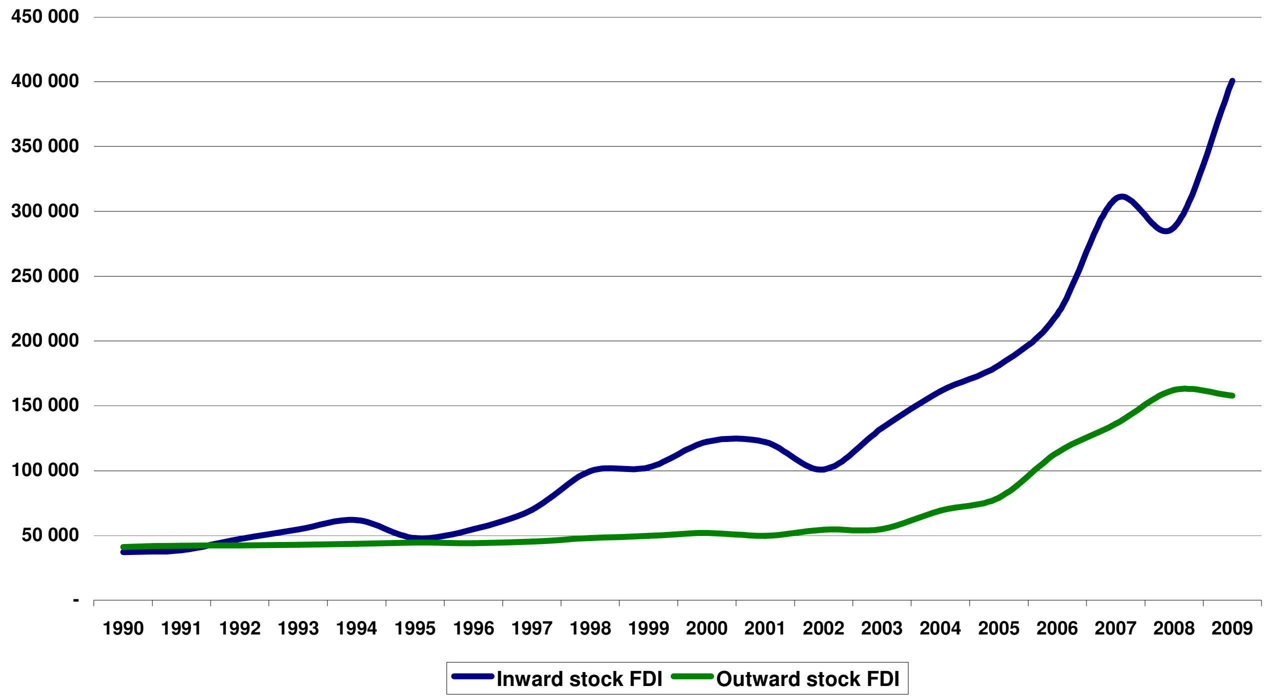

***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

**Annex figure 2. Brazil: Inward and outward FDI flows, 1990-2009** (USD million)



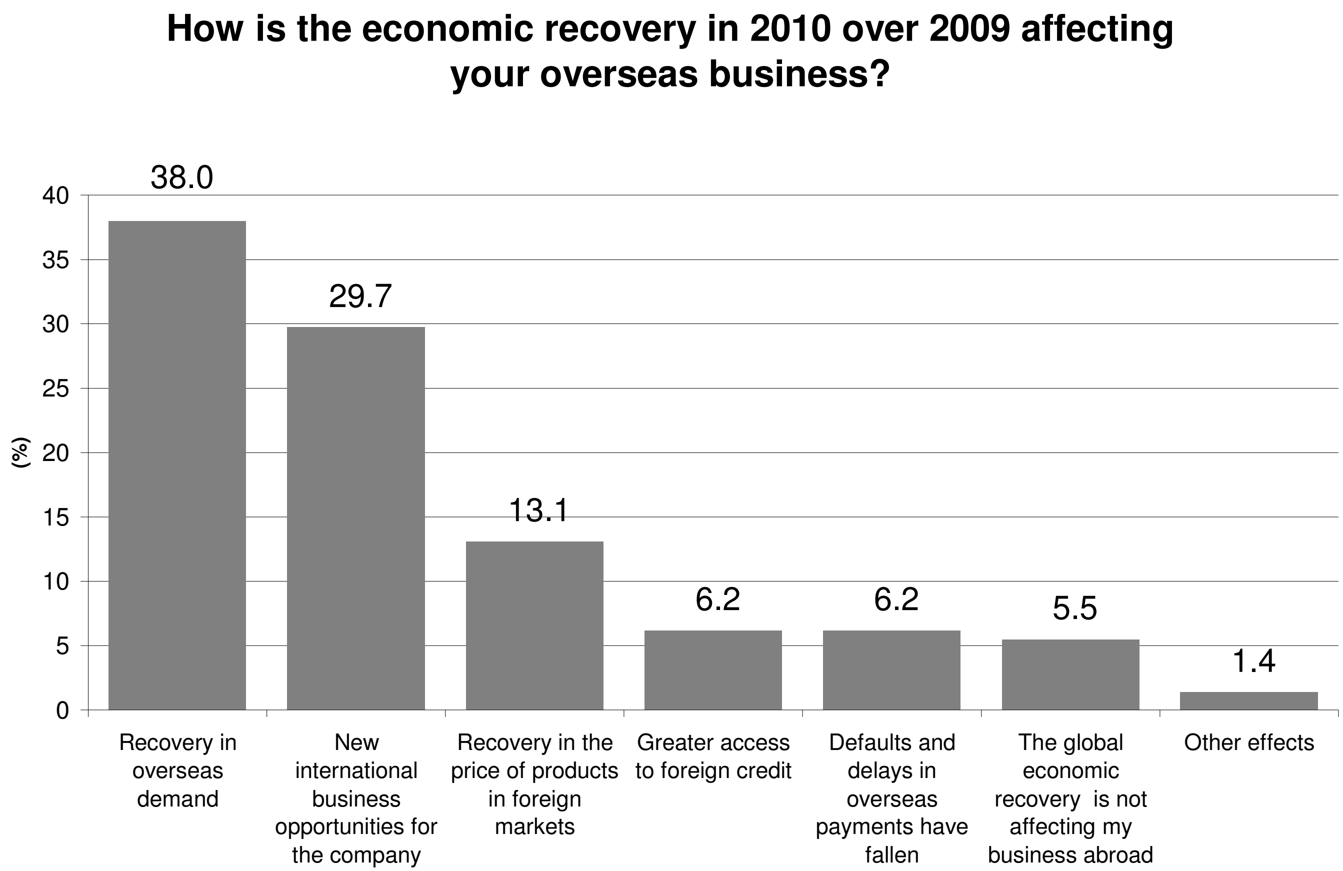

***Source:*** Adapted from UNCTAD, Annex tables to World Investment Report 2010, http://www.unctad.org/Templates/Page.asp?intItemID=5545&lang=1.

**Annex figure 3. Brazil: Inward and outward FDI stock, 1990-2009** (USD million)




***Source:*** Adapted from UNCTAD, Annex tables to World Investment Report 2010, http://www.unctad.org/Templates/Page.asp?intItemID=5545&lang=1.

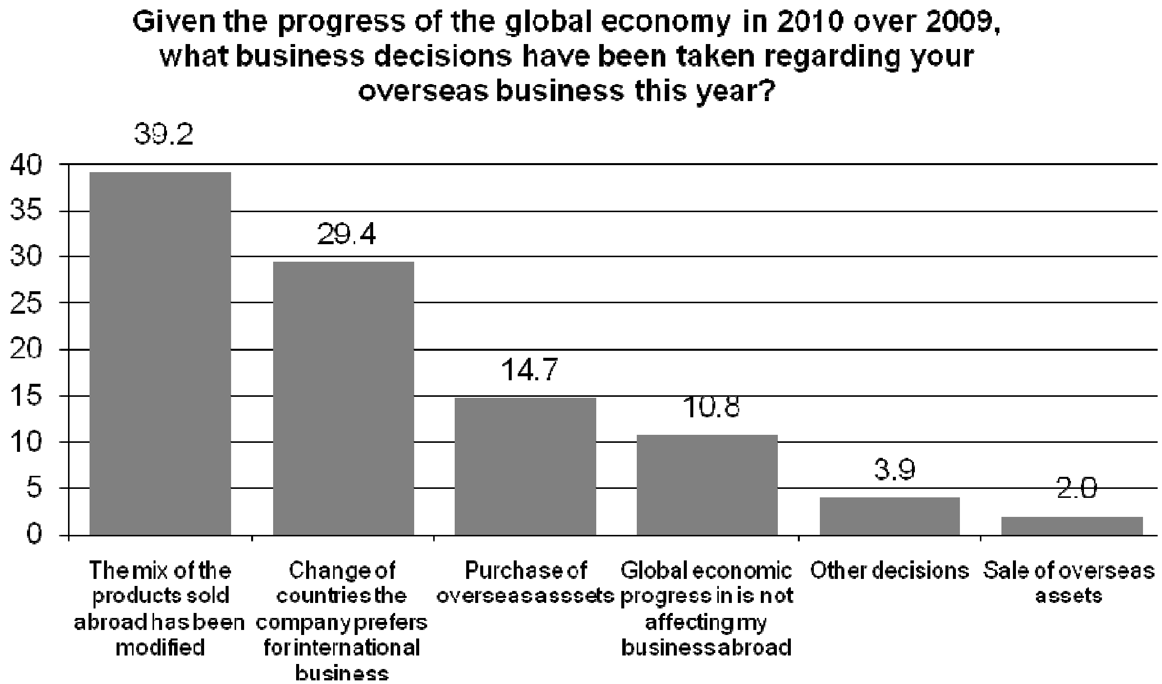
**Annex figure 4. Brazil: Impact of global economic recovery on overseas business** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.

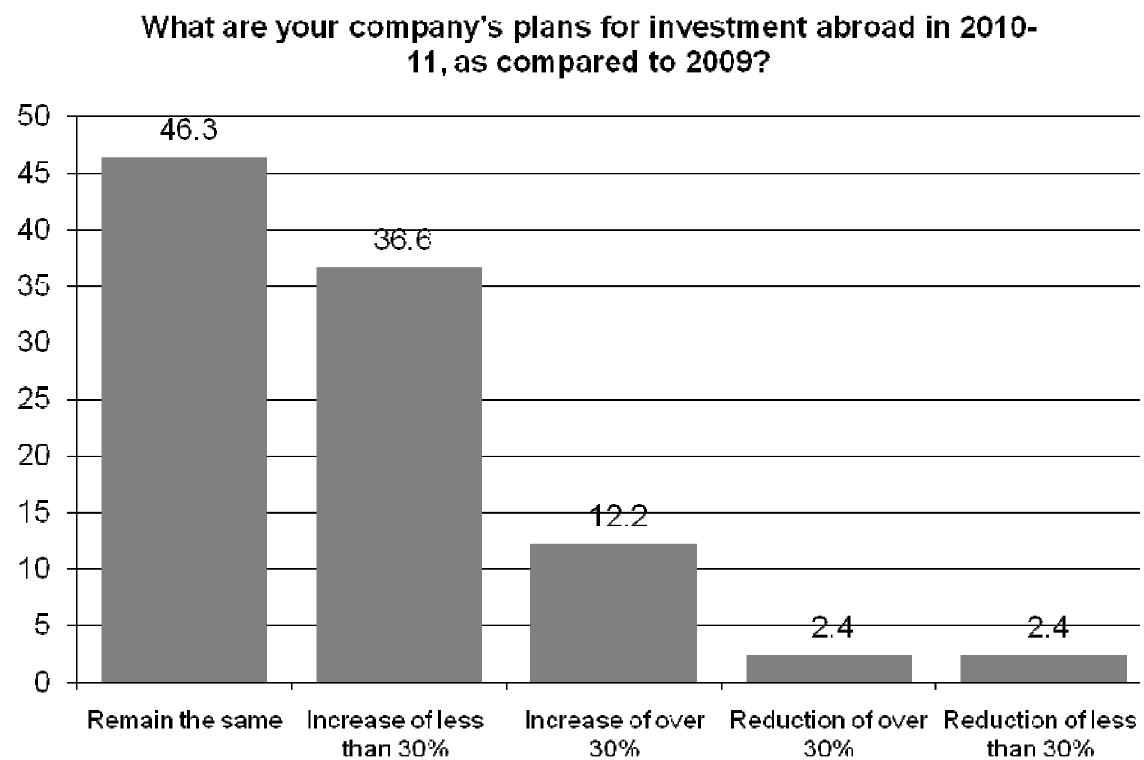
**Annex figure 5. Brazil: Response to improvement in global economy in 2010** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.

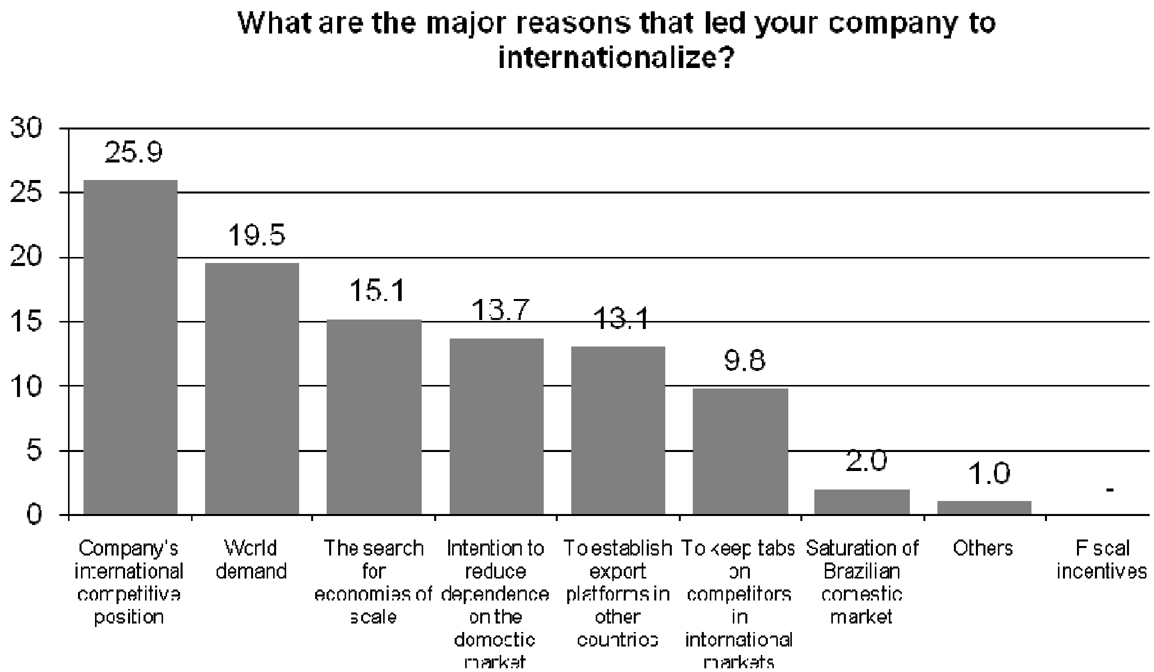
**Annex figure 6. Brazil: Plans for investment abroad in 2010-2011, as compared to 2009** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.

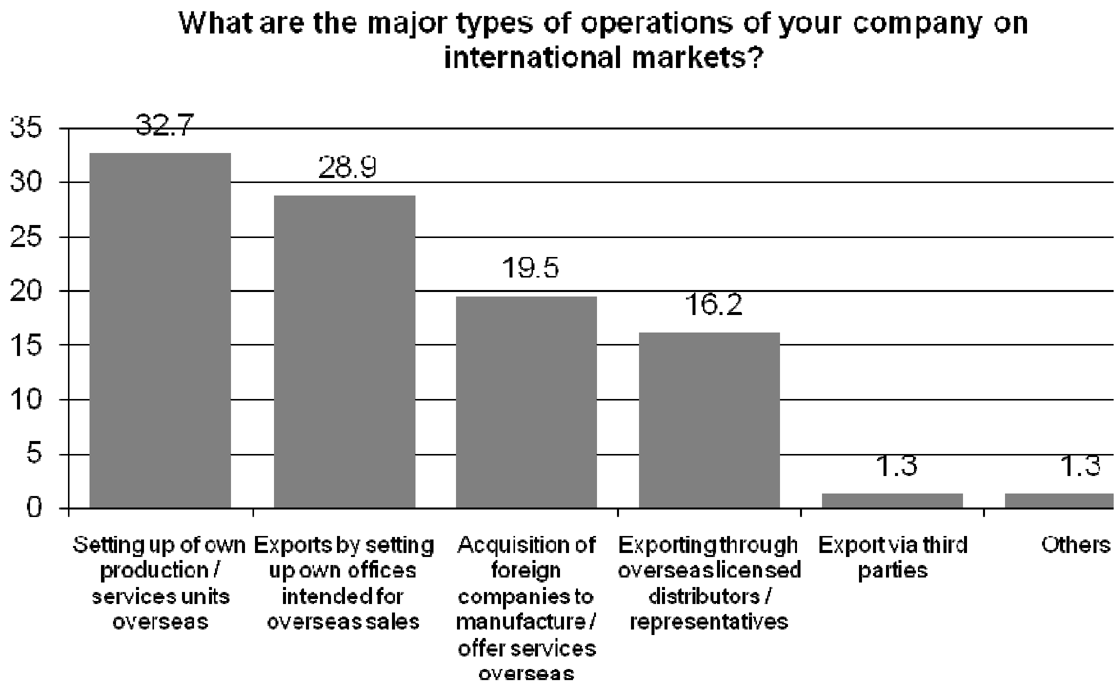
**Annex figure 7. Brazil: Drivers of foreign expansion** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.

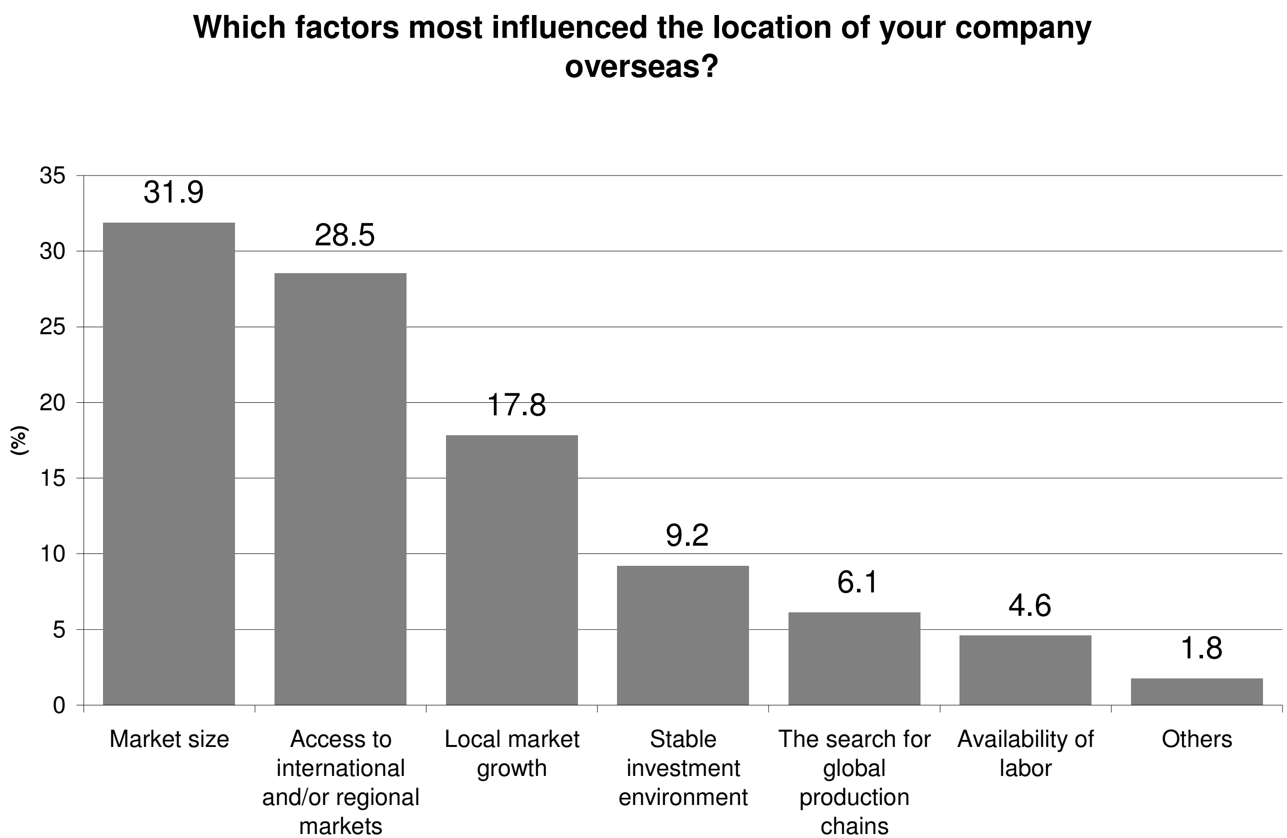
**Annex figure 8. Brazil: Types of operations abroad** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.

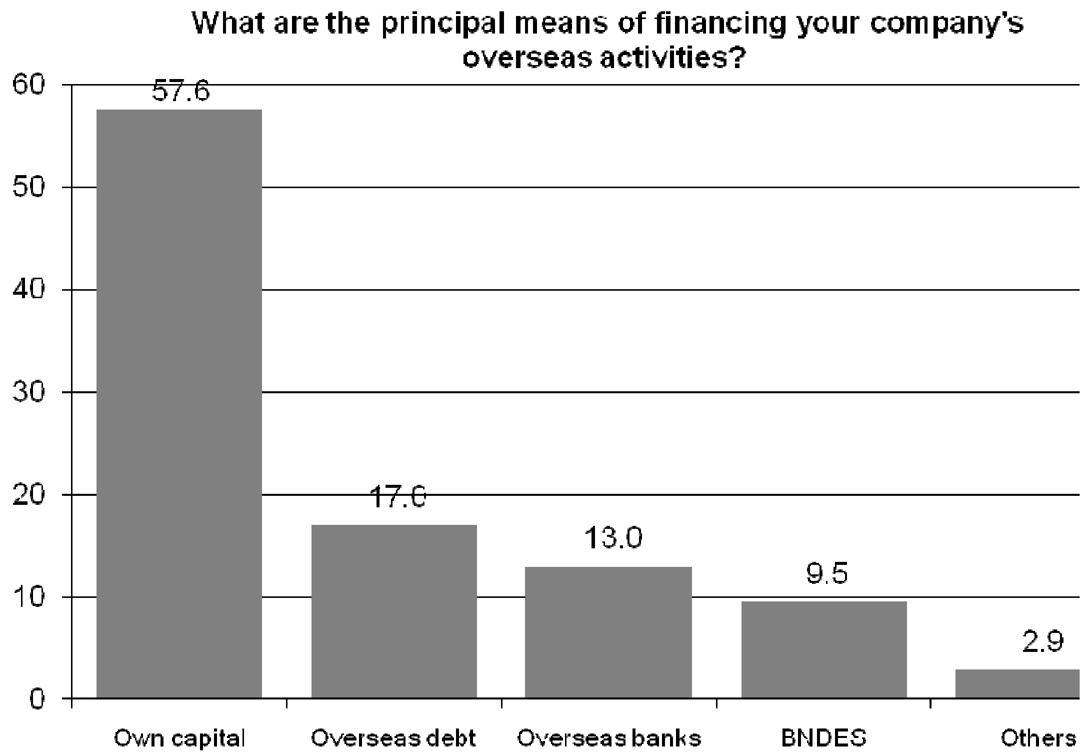
**Annex figure 9. Brazil: Most influential factor in choice of foreign location** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.

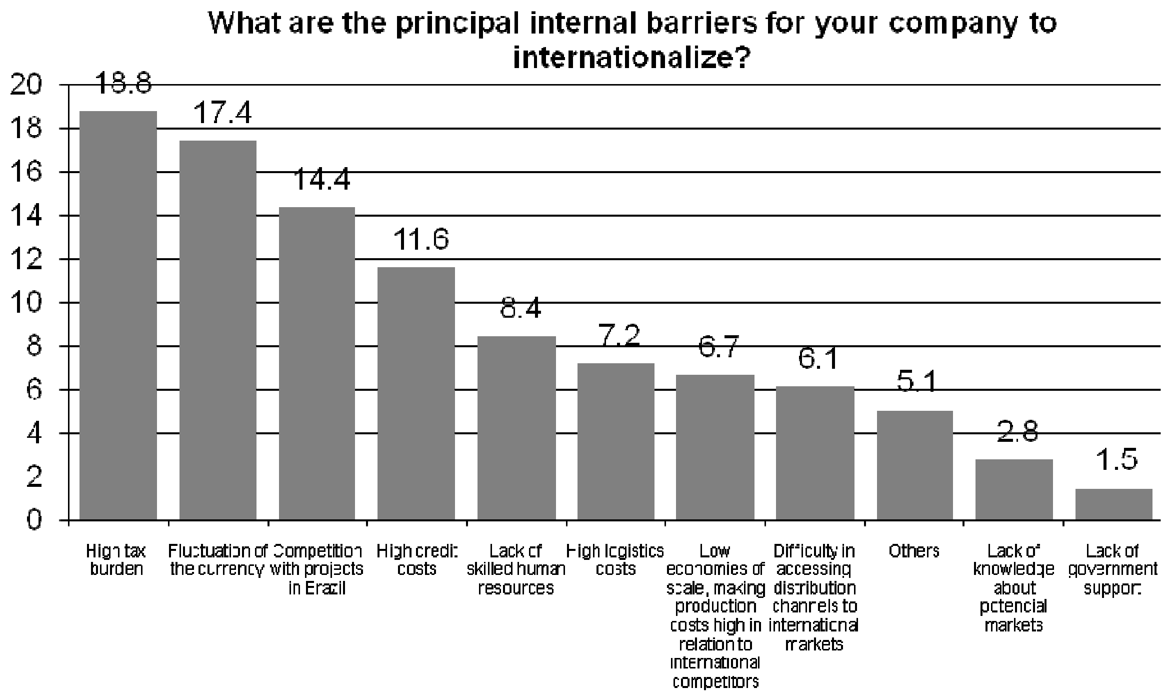
**Annex figure 10. Brazil: Means of financing outward investment** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.

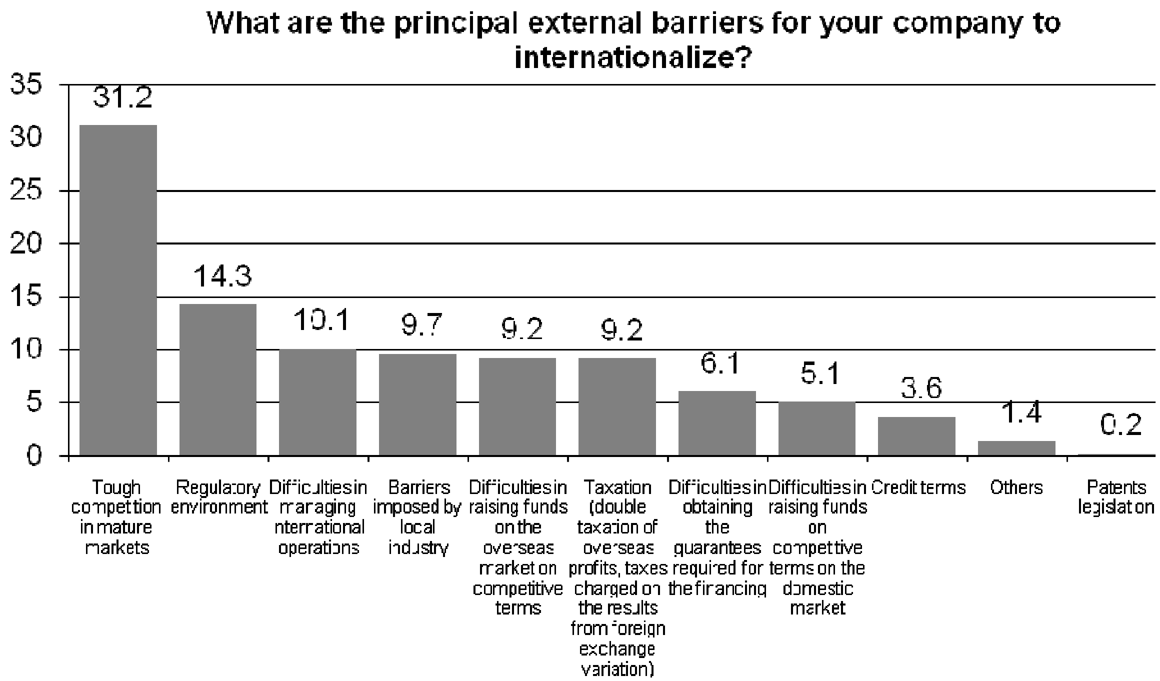
**Annex figure 11. Brazil: Internal barriers to outward investment** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.

**Annex figure 12. Brazil: External barriers to outward investment** (percentages)[a]




***Source***: SOBEET-Valor-VCC survey of Brazilian multinationals, 2010.

[a] The figure shows the percentage of 60 respondents offering a specific answer.