**mar** asset management

Keep the faith! The electoral impact of the growth of evangelicals

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# The impact of evangelicals on the Brazilian electoral scenario

The evaluation of Lula III's government remains low despite positive economic indicators. The unemployment rate is at its lowest level, and inflation is not high compared to historical trends. Even so, the current level of popularity would not be compatible with a victory in a re-election attempt.

The growth of the evangelical population has been reshaping the Brazilian electoral landscape. Our research aims to understand this shift and quantify its influence on government evaluations and future election outcomes. Specifically, we examine how it contributes to the current administration's negative evaluations.

We built a historical series of the evangelical population at the municipal level with monthly updates, using CNPJ data from the Federal Revenue Service. Our estimates indicate that by 2026, evangelicals will represent 36% of the population (vs. 32% in 2022 and 22% in 2010).

We observe a strong correlation between the presence of evangelical churches and voting patterns. Left-wing parties, including the Workers' Party (PT), receive fewer votes in municipalities with a higher evangelical presence. This trend is consistent across states and regions.

# The impact of evangelicals on the Brazilian electoral scenario

Evangelicals explain much of the dichotomy between strong economic results and the low approval ratings of the Lula III administration. While non-evangelicals evaluate the current government similarly to Dilma's first term, evangelicals assess it much more negatively.

In 2022, the vote conversion among the non-evangelical population for Lula was the highest in history. Even assuming this were to repeat, the larger number of evangelicals in the country would already be enough to secure a right-wing candidate's victory in 2026.

The results of municipal elections support this view. We created a Political Position Index (IPP) and identified a clear trend of increased voting for right-wing parties over the past decade. This movement has been more intense in states with a higher evangelical presence. Contrary to common assumptions, the data suggests a historical relationship between municipal and presidential elections.

The current environment is already unfavorable for a left-wing candidate in the 2026 presidential elections due to social issues. Our expectation of deteriorating economic conditions over the next two years would make a PT victory even more challenging, even if the candidate were President Lula himself.

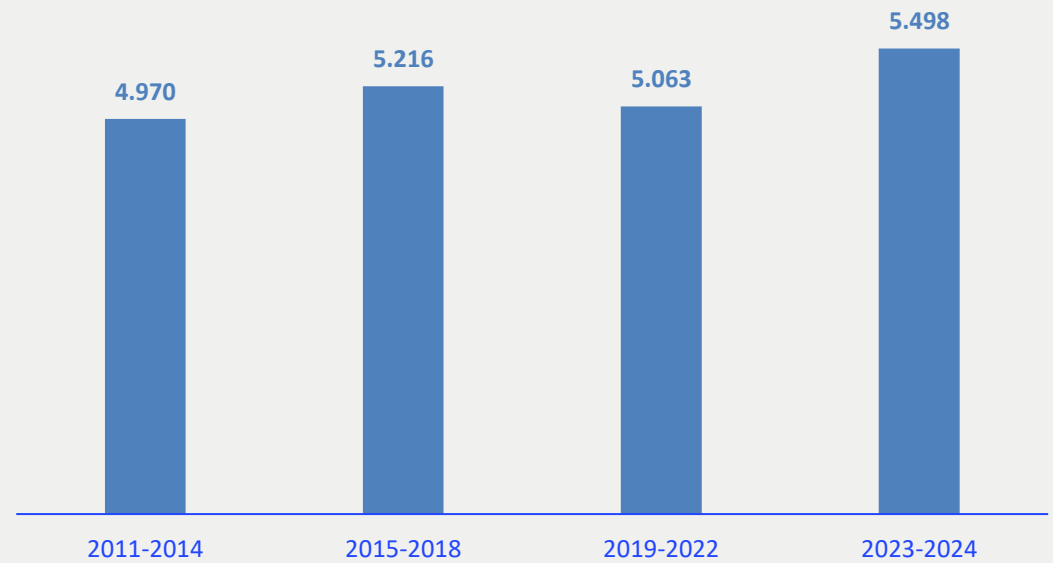# The growth of the evangelical population

# The number of evangelical churches doubled in the last decade

- Between 2010 and 2024, the number of evangelical churches with an active tax registration (CNPJ) has doubled, reaching over 140,000 churches in 2024.

- The pace of expansion has remained surprisingly steady. In every presidential cycle since 2010, there have been an average of about 5,000 new churches openings per year.

### Number of evangelical churches between 1990 and 2024 (in thousands)
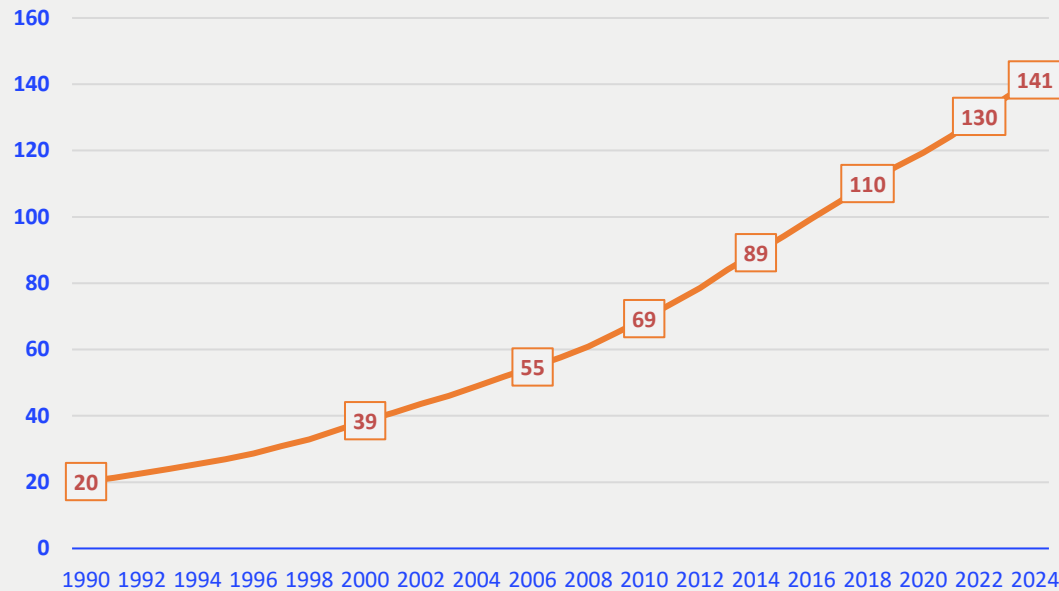


### Opening of new evangelical churches between election cycles (annual average)



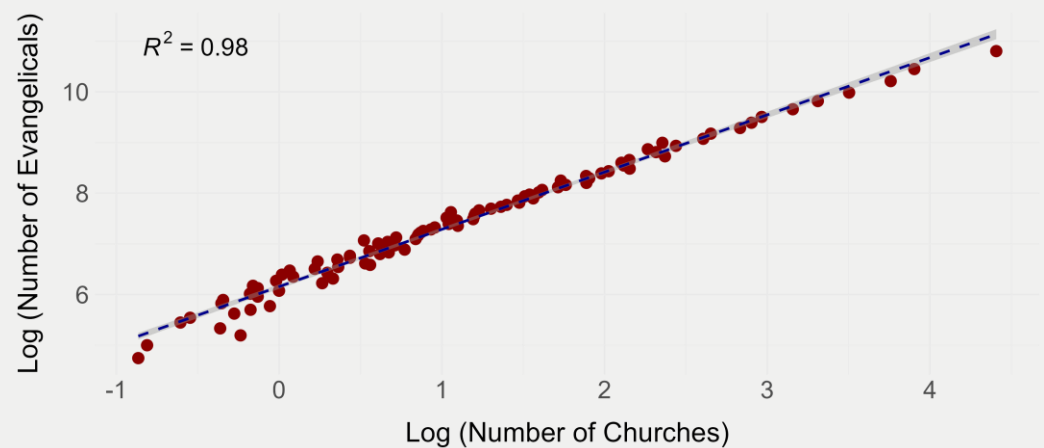Source: Federal Revenue, Mar Asset Management

# Number of churches is a good proxy for the number of believers

- The most recent data that measures the evangelical population is the 2010 Census. To understand the growth of this group in subsequent years, we used the number of evangelical churches as a proxy. There are two pieces of evidence that validate the robustness of this estimate:
    - Cross section: When we compare the evangelical population estimated by the 2000 and 2010 Censuses with the number of churches in each municipality in Brazil, it is possible to see a very close relationship – the more churches, the larger the population of evangelicals.
    - Growth between 2000-2010: Between 2000 and 2010, the proportion of evangelicals increased from 15% to 22% according to Census data. In the same period, the number of churches increased proportionally, from 21 to 33 per 100,000 inhabitants.

**Evangelical population by the Census and number of evangelical churches by municipality in 2000 (log scale)**
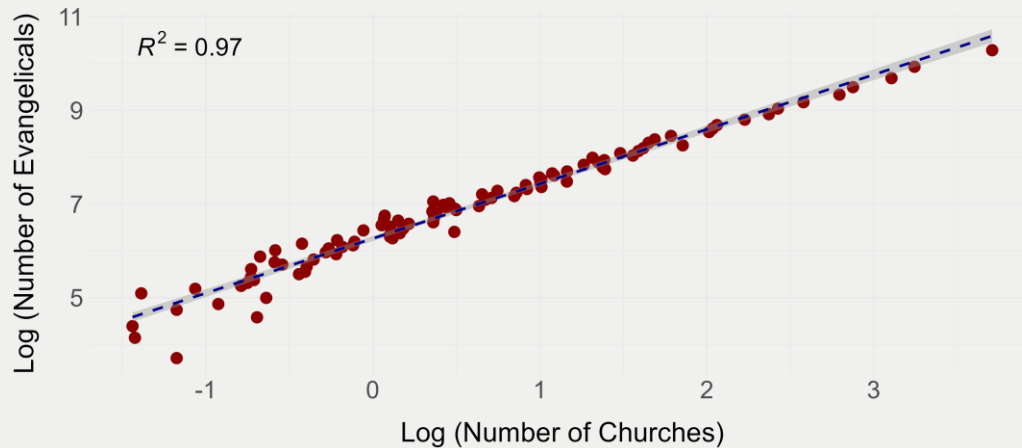
**Evangelical population by the Census and number of evangelical churches by municipality in 2010 (log scale)**



$R^2 = 0.97$

$R^2 = 0.98$

Source: Federal Revenue, IBGE, Mar Asset Management

# Projection of the proportion of evangelicals in Brazil

- Although it is a good proxy, the number of churches per capita is not exactly proportional to the size of the evangelical population. Municipalities have varying average church sizes. To address this issue, we adopted the following strategy:

- We used data from the 2000 and 2010 Censuses at the municipal level to apply a bottom-up projection, capturing specific regional dynamics and local growth trends. Subsequently, we aggregated these projections to construct the national estimate.

- The model considers the proportion of evangelicals ($P_{mt}^{evg}$) as a function of the number of churches per 100,000 inhabitants, controlling for municipal fixed effects ($\phi_m$) and adding a term $\sigma * t$ to capture expansion trends over the years.

$$P_{mt}^{evg} = \phi_m + \sigma * t + \beta \text{ Churches per Cap}_{mt} + \varepsilon_{mt}$$

- After estimating the model parameters, we used the church opening data to project the proportion of evangelicals $\widehat{P_{mt}^{evg}}$ for each year between 2010 and 2026. For 2025 and 2026, we assumed church growth equal to the average of the past decade.

Fonte: Mar Asset Management

# Widespread growth of evangelicals throughout Brazilian states

- Using the number of churches as a proxy, we estimate that the proportion of the evangelical population will increase from 22.0% in 2010 to 35.8% in 2026. Some states, such as AM and ES, are already mostly evangelical, according to our estimates.

- The regions with the greatest evangelical presence are the North and Central-West regions. The Northeast region continues to be the one with the lowest proportion of evangelicals.

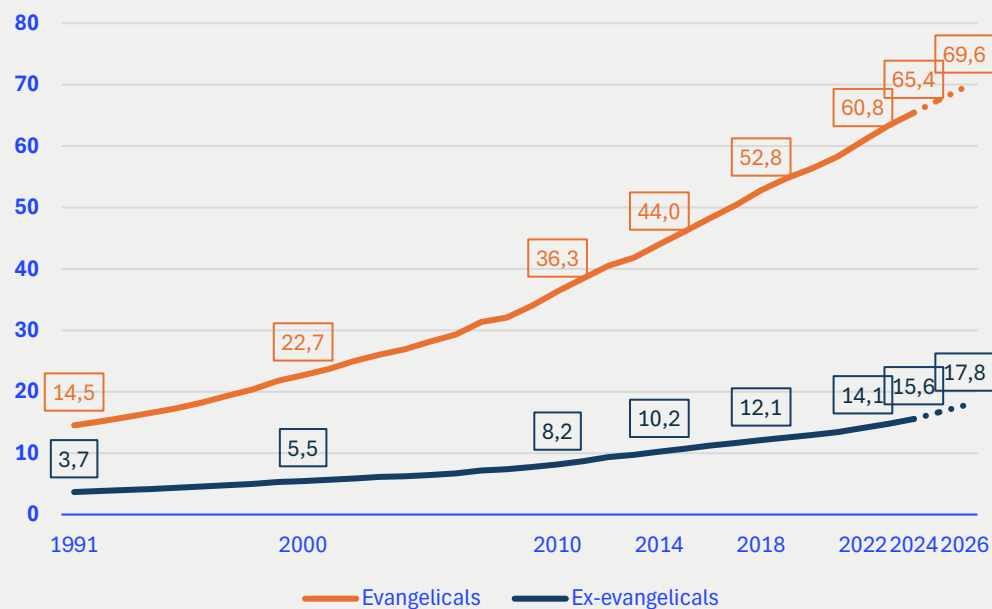**Estimated proportion of the evangelical population in Brazil (2000 – 2026)**
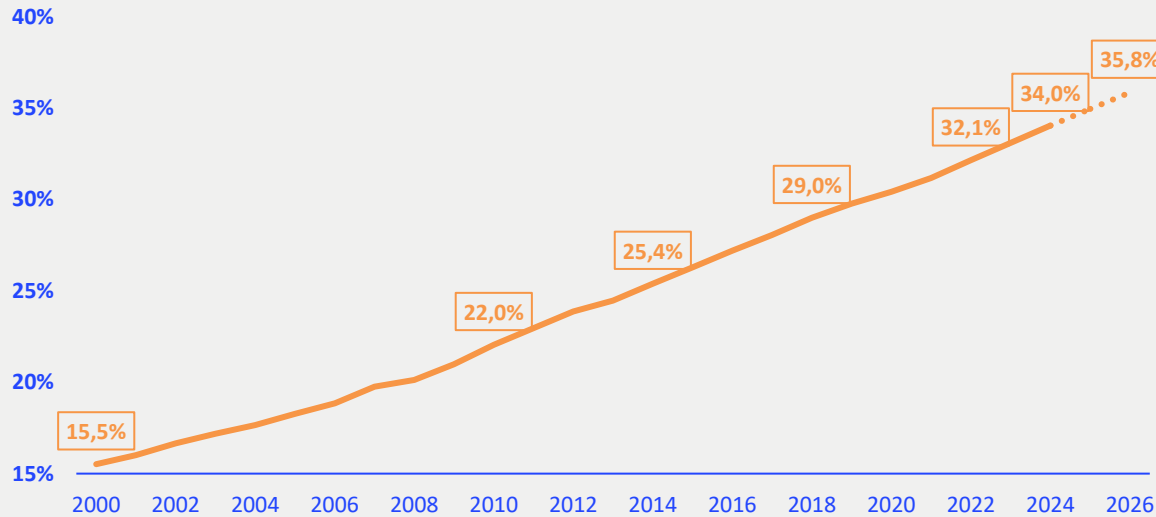


**Proportion of the evangelical population (% of the total)**

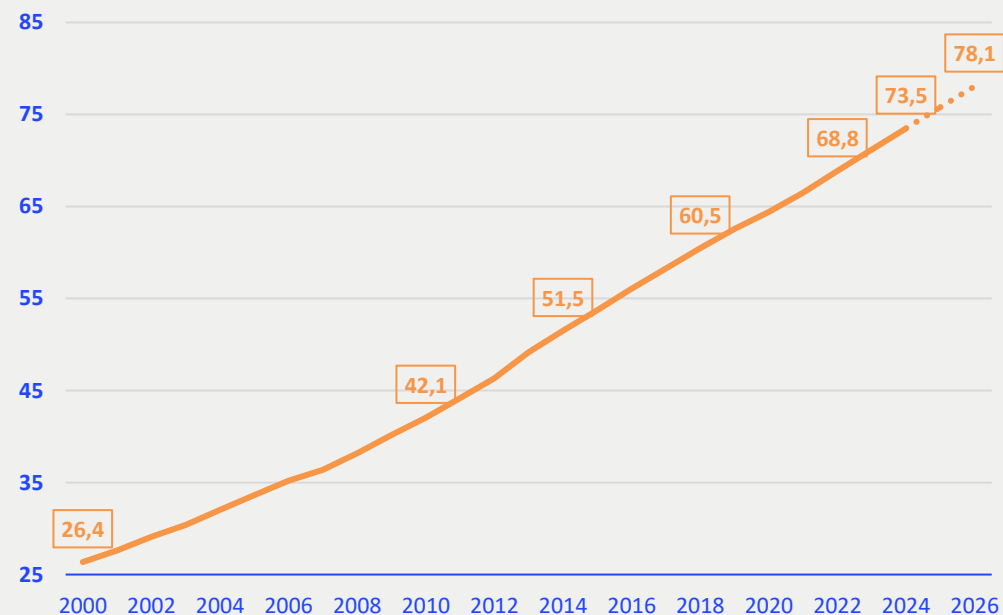| Region/State | 2000 (Census) | 2010 (Census) | 2014 (Estimated) | 2018 (Estimated) | 2022 (Estimated) | 2026 (Expected) |
|---|---|---|---|---|---|---|
| **Brazil** | **15** | **22** | **25** | **29** | **32** | **36** |
| **Central-West** | **19** | **27** | **31** | **34** | **38** | **43** |
| DF | 20 | 27 | 30 | 34 | 37 | 41 |
| GO | 20 | 28 | 33 | 37 | 42 | 47 |
| MS | 18 | 26 | 29 | 32 | 36 | 40 |
| MT | 17 | 25 | 27 | 30 | 33 | 38 |
| **Northeast** | **10** | **16** | **20** | **24** | **26** | **29** |
| AL | 9 | 16 | 20 | 22 | 25 | 28 |
| BA | 11 | 17 | 21 | 25 | 28 | 32 |
| CE | 8 | 15 | 18 | 20 | 22 | 24 |
| MA | 11 | 17 | 22 | 27 | 31 | 35 |
| PB | 9 | 15 | 18 | 22 | 24 | 26 |
| PE | 14 | 20 | 26 | 30 | 33 | 37 |
| PI | 6 | 10 | 12 | 14 | 16 | 17 |
| RN | 9 | 15 | 17 | 19 | 21 | 24 |
| SE | 7 | 12 | 15 | 17 | 18 | 19 |
| **North** | **20** | **29** | **33** | **38** | **42** | **48** |
| AC | 20 | 33 | 38 | 41 | 46 | 51 |
| AM | 21 | 31 | 38 | 44 | 50 | 58 |
| AP | 19 | 28 | 34 | 38 | 43 | 53 |
| PA | 18 | 27 | 29 | 33 | 38 | 42 |
| RO | 27 | 34 | 41 | 47 | 52 | 58 |
| RR | 22 | 30 | 33 | 35 | 36 | 38 |
| TO | 16 | 23 | 27 | 33 | 36 | 40 |
| **Southeast** | **18** | **25** | **27** | **31** | **34** | **38** |
| ES | 25 | 33 | 38 | 43 | 47 | 52 |
| MG | 14 | 20 | 22 | 24 | 26 | 30 |
| RJ | 22 | 29 | 35 | 38 | 42 | 46 |
| SP | 17 | 24 | 27 | 31 | 34 | 37 |
| **South** | **15** | **20** | **22** | **25** | **28** | **31** |
| PR | 17 | 22 | 25 | 30 | 32 | 35 |
| RS | 14 | 18 | 20 | 22 | 25 | 27 |
| SC | 15 | 20 | 22 | 24 | 27 | 31 |

Fonte: IBGE, Mar Asset Management

# 74 million Brazilians were evangelicals at the end of 2024

- The number of churches per 100,000 inhabitants increased from 22.7 to 65.4 between 2000 and 2024. We estimate that this number will reach 69.6 on the eve of the 2026 presidential election. The churches that were not identified as evangelical totaled 5.5 per 100,000 inhabitants in 2000 and today there are 15.6. Evangelical churches are, in general, smaller than Catholic churches. This explains why there are so many such churches compared to those of other religions.

**Religious churches per capita – evangelicals vs. other religions (churches/100k inhabitants)**



Evangelicals: 14,5 / 22,7 / 36,3 / 44,0 / 52,8 / 60,8 / 65,4 / 69,6
Ex-evangelicals: 3,7 / 5,5 / 8,2 / 10,2 / 12,1 / 14,1 / 15,6 / 17,8

Years: 1991 / 2000 / 2010 / 2014 / 2018 / 2022 / 2024 / 2026

Legend: Evangelicals — Ex-evangelicals

**Estimated evangelical population (in millions)**



26,4 / 42,1 / 51,5 / 60,5 / 68,8 / 73,5 / 78,1

Years: 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024 2026

Source: Federal Revenue, Mar Asset Management

# Widespread growth of evangelicals throughout Brazilian states

- In 2010, at the time of the election of President Dilma Rousseff, only two states (ES and RO) had more than 30% of their population composed of evangelicals. In 2022, this number rose to 18 states.

- The increase in the proportion of evangelicals was recorded in all states. According to our estimates, there was no stagnation or decrease in the proportion of evangelicals in any state between election cycles.

**Estimated proportion of the evangelical population by state (2010)**

**Estimated proportion of the evangelical population by state (2024)**



Fonte: Mar Asset Management
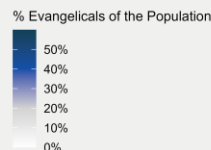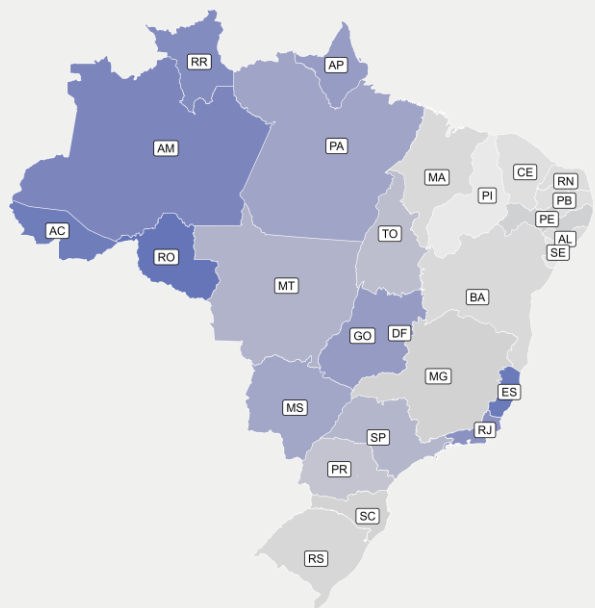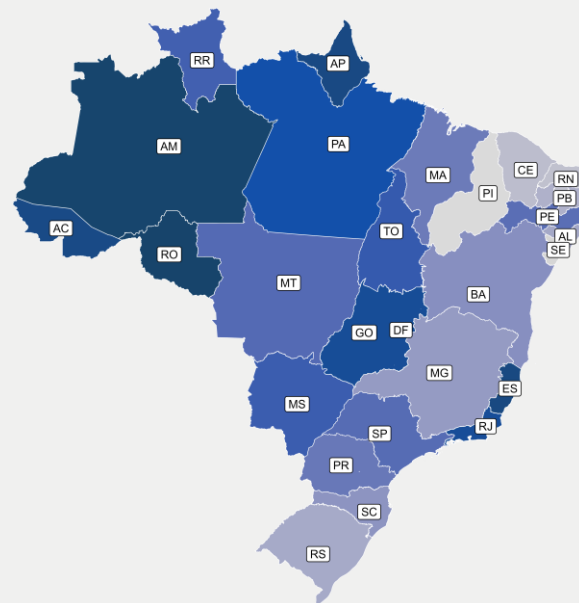
# Who are the evangelicals in Brazil?

# Segmentation of evangelical churches in Brazil

- Although evangelicals are often treated as a uniform bloc, in reality they have a wide diversity in their origins, liturgical rites, and organizational structures. This heterogeneity can be better understood by grouping them into three major and more homogeneous categories: Missionary, Pentecostal, and Neo-Pentecostal churches.

### Missionary churches

They follow a Reformed theology, focusing on salvation by grace, the authority of the Bible (*Sola Scriptura*), and traditional Protestant Christian ethics. They are characterized by sober and liturgical cults, with little emphasis on spiritual manifestations. They stand out for their educational and social work and discipleship, aimed at moral and spiritual transformation.

**Origin in Brazil:** Established in the nineteenth century by Protestant missionaries, such as Ashbel Green Simonton (Presbyterian) and William Buck Bagby (Baptist), coming from the USA and Europe, with the aim of evangelizing and implementing educational and social services.

**Major denominations and public figures**

- **Presbyterian Church:** André Mendonça, Benedita da Silva
- **Baptist Church:** William Buck Bagby (founder in Brazil), Marina Silva, Flávio Bolsonaro, Eduardo Bolsonaro, Magno Malta, Irmão Lázaro
- **Methodist Church**

### Pentecostal churches

Based on classical Pentecostalism, they emphasize baptism in the Holy Spirit, spiritual gifts (such as healing, prophecy, and manifestations of the Holy Spirit), and personal holiness. The services are marked by a strong emotional charge, with fervent prayers, spontaneous songs and supernatural experiences. There is a focus on evangelism and preparing for Christ's return.

**Origin in Brazil:** Introduced in the early twentieth century, brought to Brazil by foreign missionaries influenced by Pentecostal movements in the USA, with emphasis on the figures of William Seymour and Charles Parham.

**Major denominations and public figures**

- **Assembly of God:** Silas Malafaia, Sóstenes Cavalcante, Silas Câmara, Marco Feliciano
- **Christian Congregation in Brazil**
- **Foursquare Gospel Church**

### Neo-Pentecostal churches

Based on Prosperity Theology, preach that faith can provide material blessings, health and practical solutions to personal problems. They stand out for their spiritual combat against evil forces, the use of symbolic rituals. Modern and theatrical cults, with strong use of the media and marketing strategies.

**Origin in Brazil:** They emerged in the 1970s as an offshoot of Pentecostalism, adapting to modernity and urban demands. Edir Macedo, founder of the Universal Church of the Kingdom of God, was a pioneer in creating a pragmatic and entrepreneurial approach to church growth.

**Major denominations and public figures**

- **Universal Church of the Kingdom of God:** Edir Macedo (founder), Marcelo Crivella, Renato Cardoso
- **International Grace of God Church:** R. R. Soares (founder and main leader)
- **World Church of God's Power:** Valdemiro Santiago (founder and main leader)

Fonte: Mar Asset Management

# Main differences between evangelical churches in Brazil

| | Missionary | Pentecostal | Neo-Pentecostal |
|---|---|---|---|
| **Main emphasis** | Focus on doctrine and biblical teaching, emphasizing salvation through faith and traditional ethical values. | Emphasis on the experience of the Holy Spirit, highlighting spiritual gifts such as healing and speaking in tongues. | Emphasis on Prosperity Theology and spiritual warfare, with a focus on financial success and combating demonic forces. |
| **Worship** | Sober, liturgical services focused on preaching, prayer, and the use of traditional hymns. | Emotional services marked by fervent prayers, healings, and the pursuit of intense spiritual experiences. | Dynamic and theatrical services with strong use of technology and symbolic campaigns to attract followers. |
| **Theology** | Traditional doctrine, with little emphasis on supernatural manifestations and greater theological rationality. | Spirituality focused on baptism in the Holy Spirit, supernatural gifts, and personal holiness. | Pragmatic theology focused on material and spiritual results, with less adherence to traditional doctrines. |
| **Structure** | Democratic and decentralized structures, with councils that value congregational autonomy. | Moderately hierarchical structure, preserving local autonomy in many denominations. | Corporate and centralized model, characterized by charismatic leadership and business strategies. |
| **Relation with society** | Priority in education, social work, and moral transformation, with an ethical and conservative approach. | Social impact through spiritual and emotional support, preserving conservative values and customs. | Direct engagement in politics, with intensive media use and focus on institutional expansion. |

Fonte: Mar Asset Management

# What is Prosperity Theology?

- Prosperity Theology is a contemporary theological current that associates faith in God with material success, health, and physical and emotional well-being. Popularized from the 20th century onwards, especially in Neo-Pentecostal churches, this theology argues that material and spiritual blessings are the rights of Christians who actively exercise their faith.

  - **Blessings conditioned on faith and obedience**
    - It states that God rewards faith with financial prosperity, health and happiness while still alive.
    - It emphasizes the importance of declaring and believing in success as part of the spiritual journey.
    - Financial prosperity reduces restrictions on the spread of faith and religion.

  - **Focus on positivity**
    - Preaching aimed at success, victory over adversity and overcoming problems.
    - Motivational speeches and promises to solve difficulties.
    - Poverty and disease would be curses that can be broken through faith.

  - **Tithes and offerings as acts of faith**
    - It teaches that financial donations (tithes and offerings) are seeds that the faithful plant, activating God's blessings.
    - Financial contributions are seen as practical demonstrations of faith.

  - **Biblical interpretation with a focus on prosperity**
    - It is based on passages such as:
      - Malachi 3:10: *"Bring the whole tithe into the storehouse, that there may be food in my house. Test me in this," says the Lord Almighty, "and see if I will not throw open the floodgates of heaven and pour out so much blessing that there will not be room enough to store it."*
      - John 10:10: *"The thief comes only to steal and kill and destroy; I have come that they may have life, and have it to the full."*
      - III John 1:2: *"Dear friend, I pray that you may enjoy good health and that all may go well with you, even as your soul is getting along well."*

Fonte: Mar Asset Management

# How do evangelicals think?

# Pew Research Survey – religion in Latin America

- The Pew Research Center, a non-partisan American NGO recognized for its analysis of social, political, religious, and economic trends, conducted a survey in Latin America between 2013 and 2014 focusing on religious composition and the growth of evangelicals in the region.

- The study also examined changes in religious practice and commitment, beliefs, Pentecostalism, social attitudes, economics, poverty, politics, religion, science, and the demographic profile of religious groups, highlighting the differences between Catholics and evangelicals on these issues.

- In Brazil, the survey was conducted between November 4, 2013 and February 14, 2014, through 2000 face-to-face interviews with adults aged 18 and over. The sampling was in multiple stages, stratified by region, size of the municipality and socioeconomic status, ensuring representativeness of 97% of the adult population, with a margin of error of ±3.8 percentage points.

- The following stand out:

  - Religious conversion: explores the migration of believers between different religions, especially from Catholicism to Protestantism.

  - Religious beliefs, commitment, and practice: examines key beliefs such as faith in God, miracles, and Bible interpretation, respondents' level of devotion, attendance at services, and faith practices.

  - Social attitudes: evaluates perceptions about morality, family, marriage, and other social issues.

  - Views on the economy and poverty: addresses opinions on inequality, poverty and economic solutions based on faith.

  - Views on politics: looks at the relationship between religion and politics, including the role of faith in governments and public leadership.

Source: Pew Research Center, Mar Asset Management

# Pew Research Survey – the growth of evangelicals

- The survey estimated that, at the end of 2013, the Brazilian population was composed of 26% evangelicals (25.4%, according to the model used), 61% Catholics, 8% people with no religious affiliation and 5% belonging to other religions.

- Among religious conversions, 17% of the population was raised in another religion and converted to evangelism, while 21% was raised in Catholicism but migrated to another faith.

- These data reveal the relationship between the decline of Catholicism and the growth of evangelicals, indicating that 75% of people who left Catholicism went on to join evangelical churches.

- Among the reasons for conversion are the style of worship (68%), the greater emphasis on morality (61%), the fact that they have found a church that offers more support to members (62%) and the desire for a better financial future (21%).

### Religious affiliation in the population

|  | Catholics | Protestants | Unaffiliated | Others |
|---|---|---|---|---|
| % of Population | 61 | 26 | 8 | 5 |

### Gains and losses from religious switching

|  | Catholics | | | Protestants | | | Unaffiliated | | |
|---|---|---|---|---|---|---|---|---|---|
|  | Entering | Leaving | Net change | Entering | Leaving | Net change | Entering | Leaving | Net change |
| Religious Conversion Balance | 1 | 21 | -20 | 17 | 2 | 15 | 5 | 2 | 3 |

### Why protestant converts stopped being Catholic

| % of Catholic-to-Protestant converts who say each item was an important reason they are no longer Catholic | % |
|---|---|
| Wanted personal connection with God | 77 |
| Enjoyed worship style at new church | 68 |
| Wanted greater emphasis on morality | 61 |
| Found church that helps members more | 62 |
| Outreach by church member | 58 |
| Personal problems | 21 |
| Wanted better financial future | 21 |
| Married non-Catholic | 9 |

Source: Pew Research Center, Mar Asset Management

# Pew Research Survey – religious beliefs

- The survey shows marked differences between Catholics and evangelicals. Evangelicals stand out for their literal interpretation of the Bible, the centrality of the Holy Spirit and the charismatic manifestations during services.

- Among evangelicals, 83% believe the Bible should be taken literally, a less common view among Catholics.

- Manifestations of the Holy Spirit, such as speaking in tongues, were reported by 52% of evangelicals, while only 10% of Catholics said they had witnessed such events.

- During services, 78% of evangelicals reported observing other believers showing enthusiasm, such as shouting, jumping and movement, a fact that is directly related to the emotional appeal of services and the migration of former Catholics to evangelism.

- Almost half of evangelicals (42%) believe that their faith is the only true faith capable of leading to eternal life, a proportion that is double that observed among Catholics.

## Religious beliefs

| Questions | Protestants | Catholics | Difference |
|---|---|---|---|
| The Bible as the literal word of God (% who say the Bible is the word of God and should be taken literally) | 83 | 67 | 16 |
| Belief in hell (% who say they believe in hell) | 82 | 69 | 13 |
| **Jumping, shouting, clapping, and raising hands in church (% of churchgoers who say they always or frequently see fellow worshipers show these signs of enthusiasm during church services)** | **78** | **55** | **23** |
| Second coming of Jesus (% who say Jesus will return during their lifetime) | 74 | 55 | 19 |
| **Gifts of the Holy Spirit (% who report high levels of experiences such as the "gifts of the Holy Spirit")** | **52** | **10** | **42** |
| **One path to eternal life? (% who say that theirs is the one true faith that can lead to eternal life among...)** | **42** | **21** | **21** |

Source: Pew Research Center, Mar Asset Management

# Pew Research Survey – social aspects and customs

- The social agendas of evangelicals include the defense of the family and opposition to abortion, same-sex marriage, divorce, and alcohol consumption.

- 83% of evangelicals consider homosexual behavior morally wrong, compared to 56% of Catholics. In addition, 66% of evangelicals oppose the legalization of same-sex marriage, against 43% of Catholics.

- More than 80% of both groups morally reject abortion, but 84% of evangelicals defend its illegality in almost all cases.

- Evangelicals also have stricter positions than Catholics on sex outside marriage, divorce and alcohol consumption.

## Social aspects

| Questions | Protestants | Catholics | Difference |
|---|---|---|---|
| Most say abortion is morally wrong (% who say abortion is morally wrong) | 88 | 80 | 8 |
| More Protestants than Catholics opposed to abortion (% who say abortion should be ilegal in all or most cases among...) | 84 | 76 | 8 |
| **More Protestants than Catholics say homosexuality is morally wrong (% who say homossexual behavior is morally wrong)** | **83** | **57** | **26** |
| **Protestants strongly opposed to sex outside marriage (% who say sex outside marriage is morally wrong)** | **76** | **44** | **32** |
| Should wives obey their husbands? (% who completely/mostly agree that wives are obligated to obey their husbands) | 76 | 62 | 14 |
| Protestants raise strong objections to drinking alcohol (% who say drinking alcohol is morally wrong) | 74 | 47 | 27 |
| Prostestants, Catholics and same-sex marriage (% who oppose legal gay marriage among...) | 66 | 43 | 23 |
| **More Protestants than Catholics say divorce is morally wrong (% who say divorce is morally wrong)** | **39** | **17** | **22** |

Source: Pew Research Center, Mar Asset Management

# Pew Research Survey – social policy

- Only 16% of evangelicals see the government as responsible for those in need, reflecting the Prosperity Theology, which values faith and individual effort to overcome hardship.

- 46% of evangelicals believe that the best way to help the poor is to lead them to Christ, while most Catholics prefer direct charity.

- Even so, evangelicals demonstrate greater participation in community actions than Catholics, reinforcing the fact that 62% of converts identify the support of the church as a relevant reason for their conversion.

- While only 35% of Catholics believe their church helps people find jobs, 56% of evangelicals share this view, evidencing the strong sense of community among them.

## Social policy

| Protestants emphasize Evangelism, Catholics stress charitable works as most important means of helping the poor (among Catholics/Protestants who say the most important way Christians can help the poor and needy is...) | | |
|---|---|---|
| | Catholics | Protestants | Difference |
| Bring the poor and needy to Christ | 27 | 46 | -19 |
| Perform charity work for the poor | 46 | 37 | 9 |
| Persuade government to protect the poor | 25 | 16 | 9 |

| More Protestants say their church evangelizes and helps people finds jobs (% of Catholic/Protestant churchgoers who say their local church or house of worship...) | | |
|---|---|---|
| | Catholics | Protestants | Difference |
| Brings others to Christ | 66 | 93 | -27 |
| Helps people find jobs | 35 | 56 | -21 |
| Tries to persuade government to protect the poor | 33 | 42 | -9 |

Source: Pew Research Center, Mar Asset Management

# Organization and expansion of the evangelical community

- The evangelical community is quite organized and modern in its structure. An example of this is the existence of businesses specializing in the construction of churches at affordable prices, which reflects the efficiency and agility of this segment in promoting its expansion.



Source: União Nordeste Brasileira, Mar Asset Management

# The relationship between religion and politics

- Religion exerts a significant influence on politics, especially among evangelicals. This group shows a greater predisposition to consider the opinion of their religious leaders and the values of faith when making voting decisions at the polls and, within Congress, support for legislative measures.

- This connection reflects the central role of religion in shaping their electoral choices and preferences, helping us to understand why presidential evaluations are so different between the group of evangelicals and non-evangelicals, as we will see below.

**The influence of religion on politics – Catholics vs. evangelicals**

| | Catholics | Evangelicals |
|---|---|---|
| Usually take into account the opinion of their church leaders who campaign for politicians. | 10% | 23% |
| Religious values should have a lot/some influence on the country's political decisions. | 46% | 55% |
| The church they attend provides teachings or recommendations about giving preference to religious people in elections for public office. | 14% | 31% |

Source: Datafolha, Mar Asset Management

# Evangelical Parliamentary Front in Congress

- With a consolidated and influential base in the National Congress, the Evangelical Parliamentary Front (FPE) reaffirmed its cohesion in the current 57th legislature, with 246 valid signatures on the validation request, including 220 federal deputies and 26 senators. Throughout its history, the caucus has never held votes to define its leaderships, maintaining its unity as one of the most ideologically aligned caucuses, with a strong capacity for articulation and strength in its priority agendas.

## Composition of the evangelical caucus by denomination

| | |
|---|---|
| Missionaries | 22% |
| Pentecostals | 34% |
| Neo-Pentecostals | 20% |
| Unidentified | 24% |



- Assembly of God (26%)
- Foursquare Gospel Church (3%)
- Baptist Church (16%)
- Presbyterian Church of Brazil (3%)
- Universal Church of the Kingdom of God (15%)
- International Grace of God Church (3%)
- Others (12%)
- Unidentified Evangelical Church (22%)
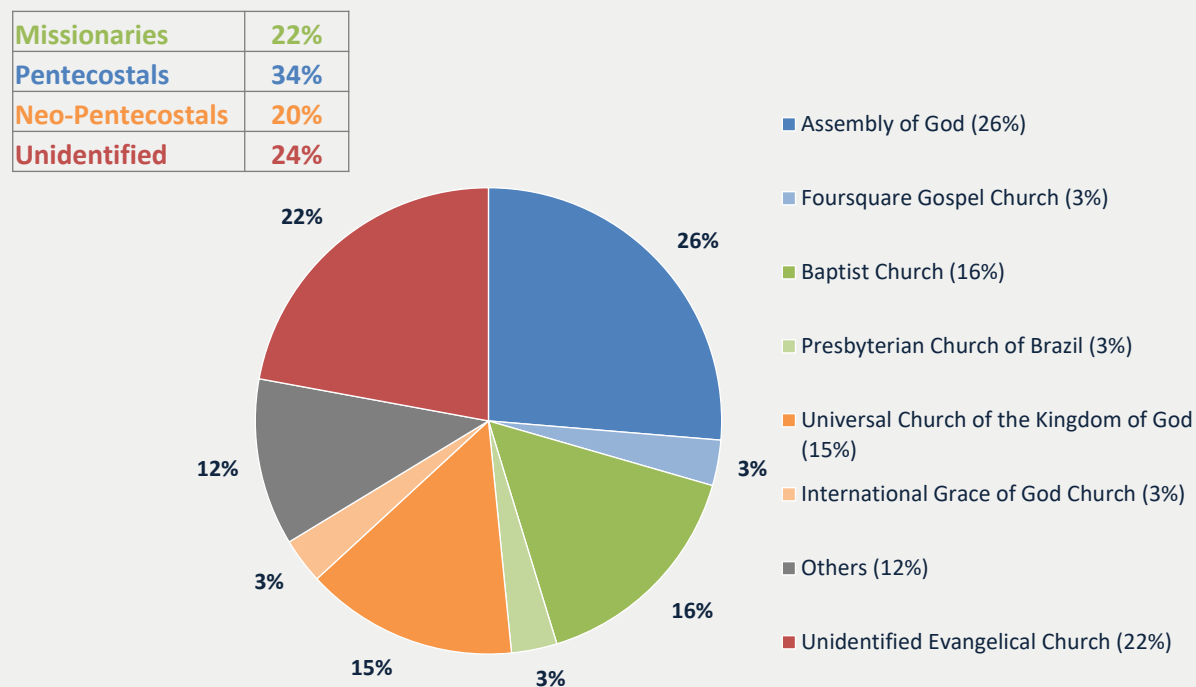
## Main leaders and members of the FPE in Congress

| | Name | Function | Party/State |
|---|---|---|---|
| **Chamber of Deputies** | Silas Câmara | President | Republicanos/AM |
| | Eli Borges | President | PL/TO |
| | Otoni de Paula | Member | MDB/RJ |
| | Gilberto Nascimento | Member | PSD/SP |
| | Sóstenes Cavalcante | Member | PL/RJ |
| | Cezinha de Madureira | Member | PSD/SP |
| | Pastor Eurico | Member | PL/PE |
| | Pastor Marco Feliciano | Member | PL/SP |
| | Eduardo Bolsonaro | Member | PL/SP |
| **Senate** | Carlos Viana | President | Podemos/MG |
| | Damares Alves | Vice-presidente | Republicanos/DF |
| | Zequinha Marinho | Treasurer | Podemos/PA |
| | Alan Rick | Secretary | União/AC |
| | Magno Malta | 1st Alternate | PL/ES |
| | Eduardo Girão | 2nd Alternate | Novo/CE |
| | Davi Alcolumbre | Member | União/AP |
| | Flavio Bolsonaro | Member | PL/RJ |

Source: National Congress, Mar Asset Management

# Government evaluation – why is it so low?

# Government evaluation and presidential voting intentions

- Electoral polls are not released with a relevant frequency. In addition, polls are not consistent when done long before the election period, as voter engagement and knowledge of potential candidates are still low. To have a real-time measure, we use presidential evaluation surveys, which fluctuate much less over time.
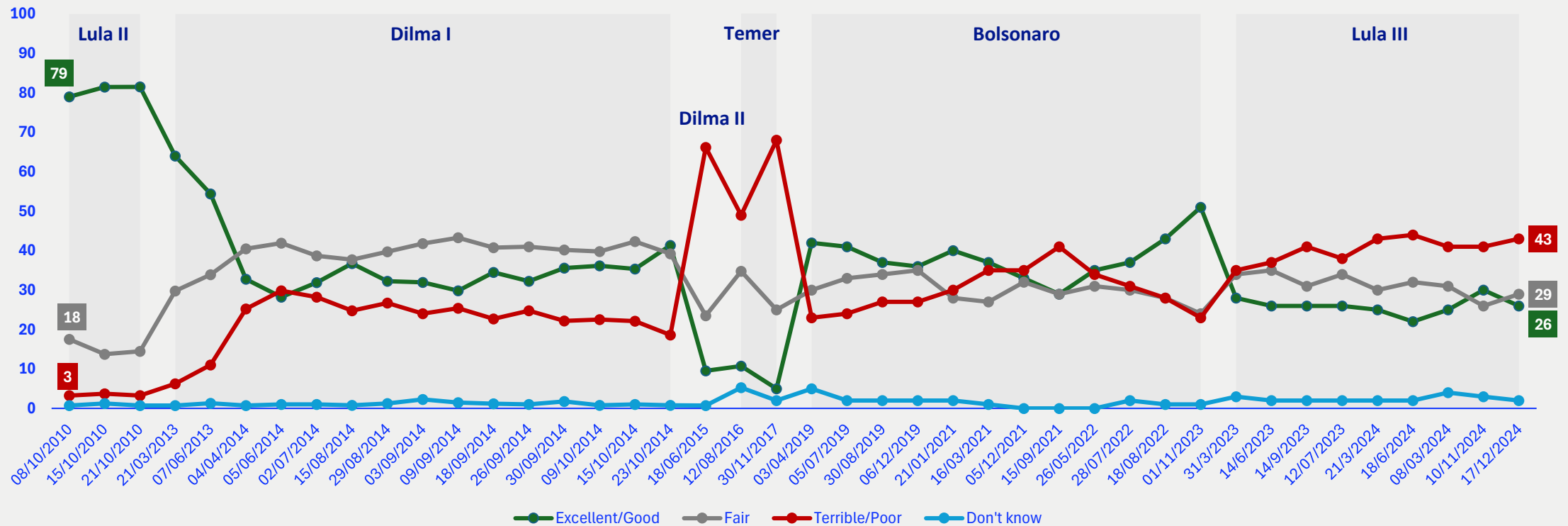
## Government evaluation (%)
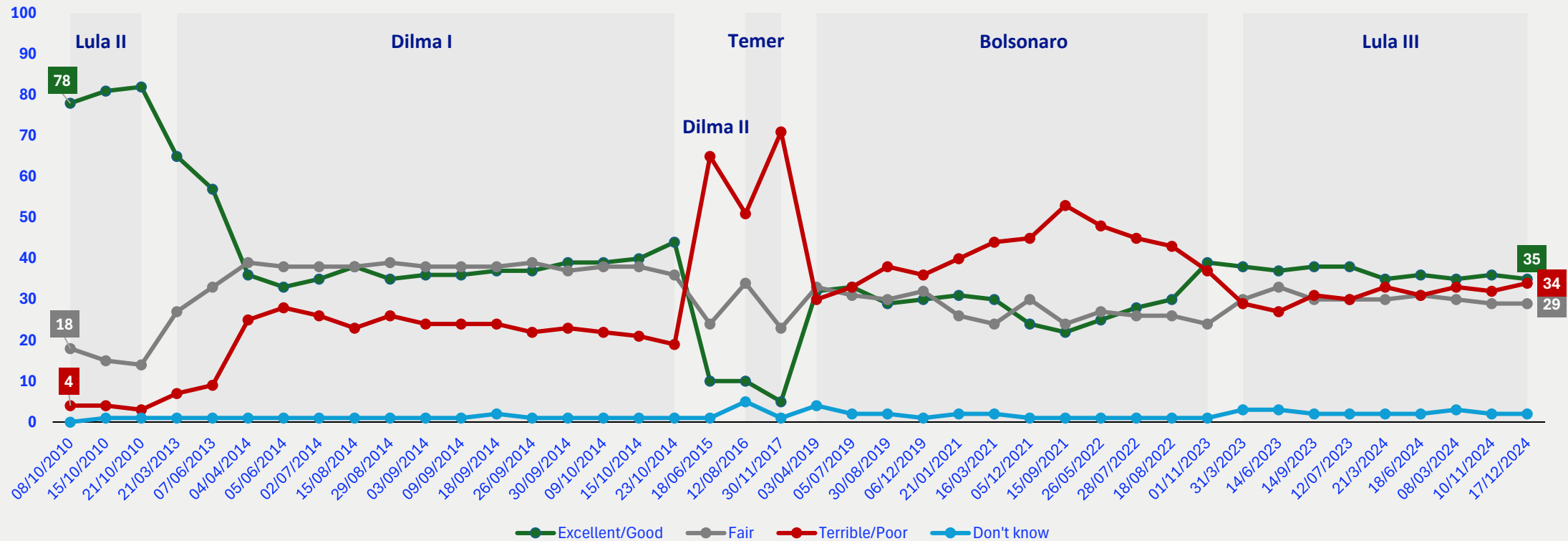


Source: Datafolha, Mar Asset Management

# Government evaluation – evangelicals

- Some polls divide the presidential evaluation according to the religion of the respondents. The evaluation of the Lula III government among evangelicals is, as a rule, worse than the total average of the sample. With the exception of Dilma II and Temer, Lula III has the lowest level of evaluation among the evangelical population. The negative evaluation among this segment is 43% of respondents, according to the December Datafolha survey.

## Government evaluation – evangelicals (%)



Source: Datafolha, Mar Asset Management

# Government evaluation – other/no religion

- Even among non-evangelicals, Lula is unable to repeat the positive evaluation of his previous terms. His current evaluation is similar to that of Dilma between 2013-2014 in this segment of society. This level was enough for Dilma to win the 2014 election, but at a time when rejection among evangelicals was much lower.
- Alternatively, the group of non-evangelicals evaluated the Bolsonaro government poorly. His level of rejection was only surpassed by Dilma II and former President Temer. The high rejection in this group was what made him lose the election in 2022.

**Government evaluation – other/no religion (%)**
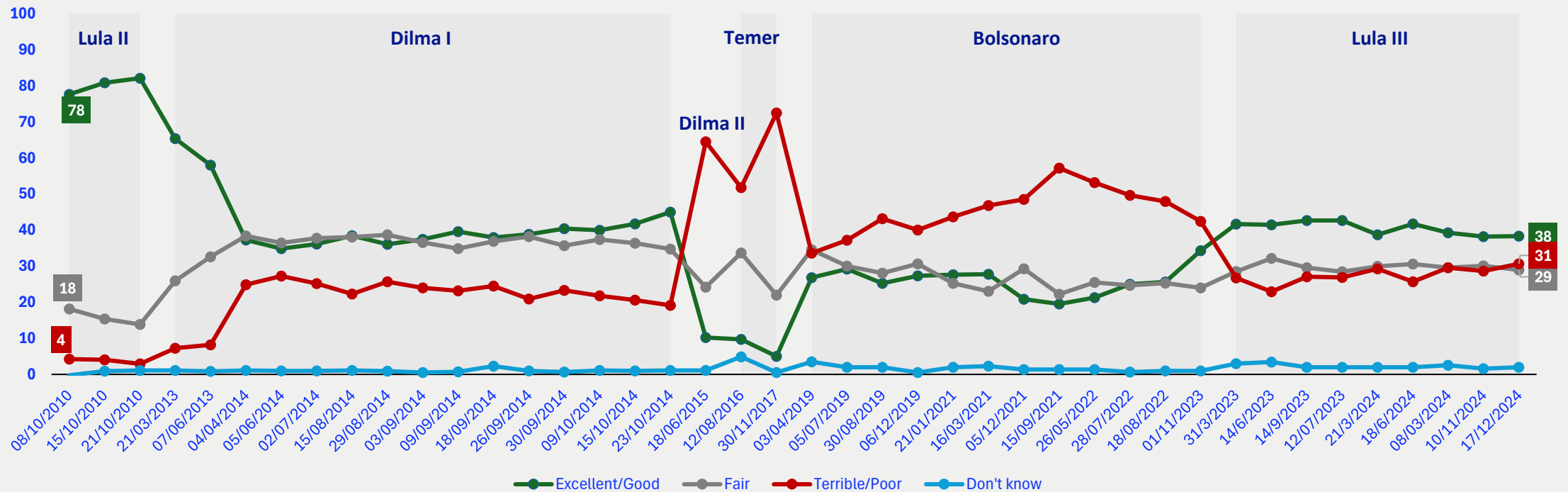


Source: Datafolha, Mar Asset Management

# The division between religions began in 2018

- The rise of the customs agenda as a protagonist in discussions about presidential elections from 2018 onwards made the religious cut very significant for us to understand the voting pattern in elections. This is clear when we compare the presidential evaluation.
- Until 2017, the net evaluation – measured between the difference between excellent/good and terrible/poor – was very similar between evangelicals and non-evangelicals. This changed when evangelicals began to evaluate the Bolsonaro government much more positively and, negatively, the Lula government. This difference is in line with the polls, which showed a very large difference in the elections from 2018 onwards in the religious stratum.



**Evaluation – evangelicals vs. non-evangelicals (%)**
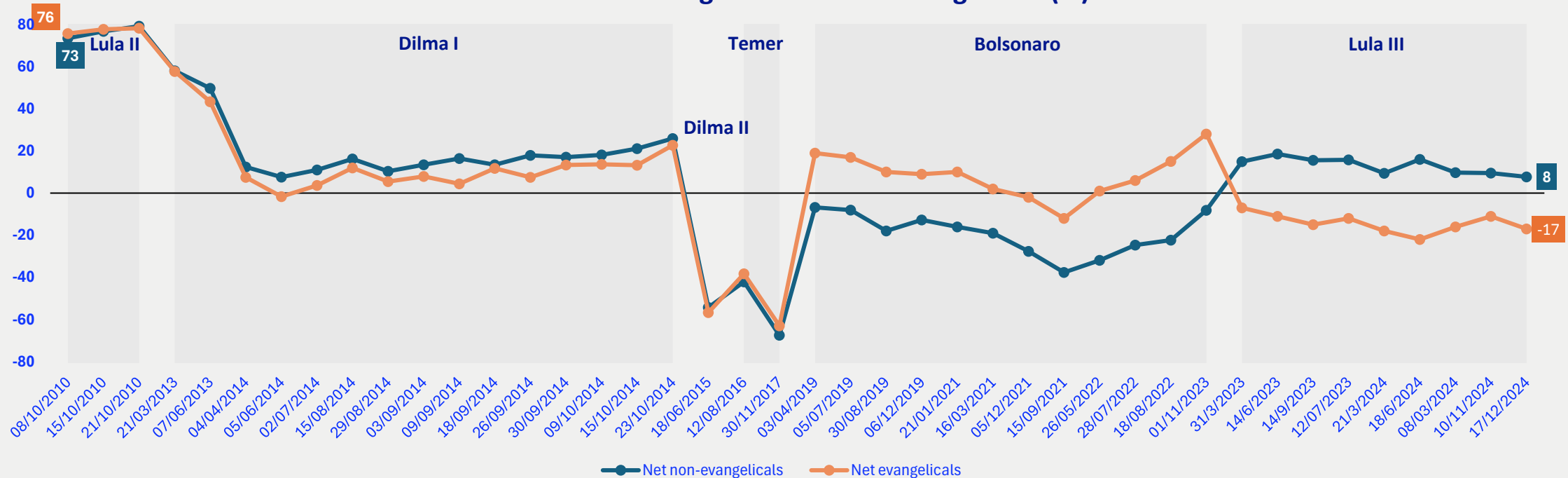
Source: Datafolha, Mar Asset Management

# Net approval of Lula III among evangelicals is negative

- The net approval of the Lula III government among the non-evangelical segment is very similar to that observed during the Dilma I government. The level of 8 percentage points (pp) in the last Datafolha poll (Dec/24) is very similar to what Dilma had in her fourth year in office.
- Among evangelicals, Lula has an evaluation about 25pp lower than that of Dilma I and Bolsonaro. Dilma managed to get elected with the support of this segment of society. Lula does not seem to have the support of evangelicals, who, in 2026, will represent 36% of the population, against 26% in 2014.

**Net evaluation – non-evangelicals (pp)**
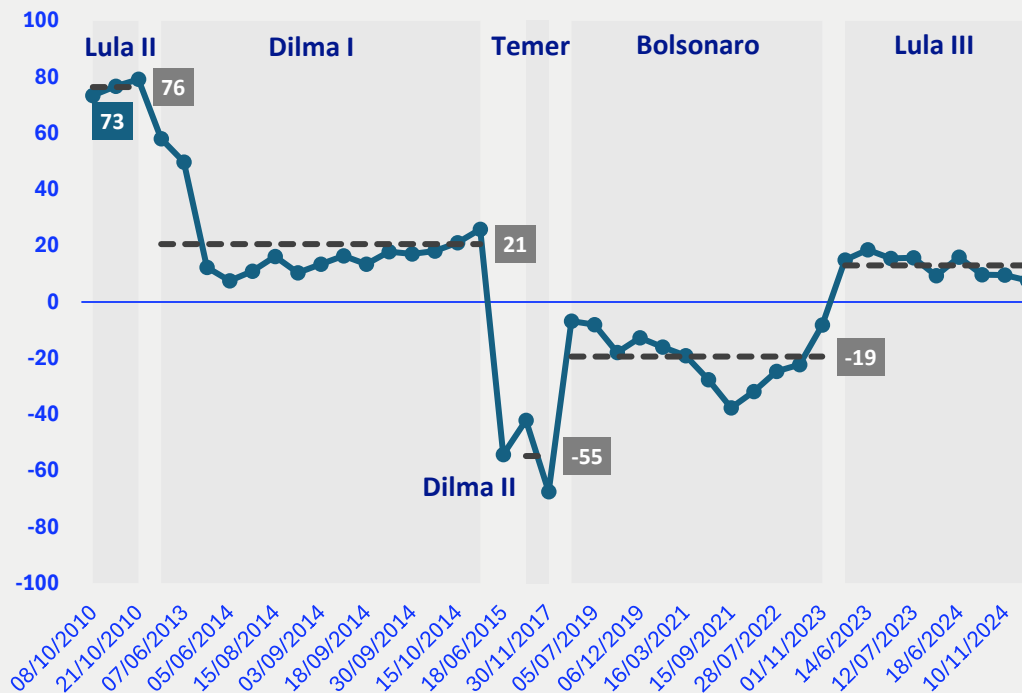


**Net evaluation – evangelicals (pp)**
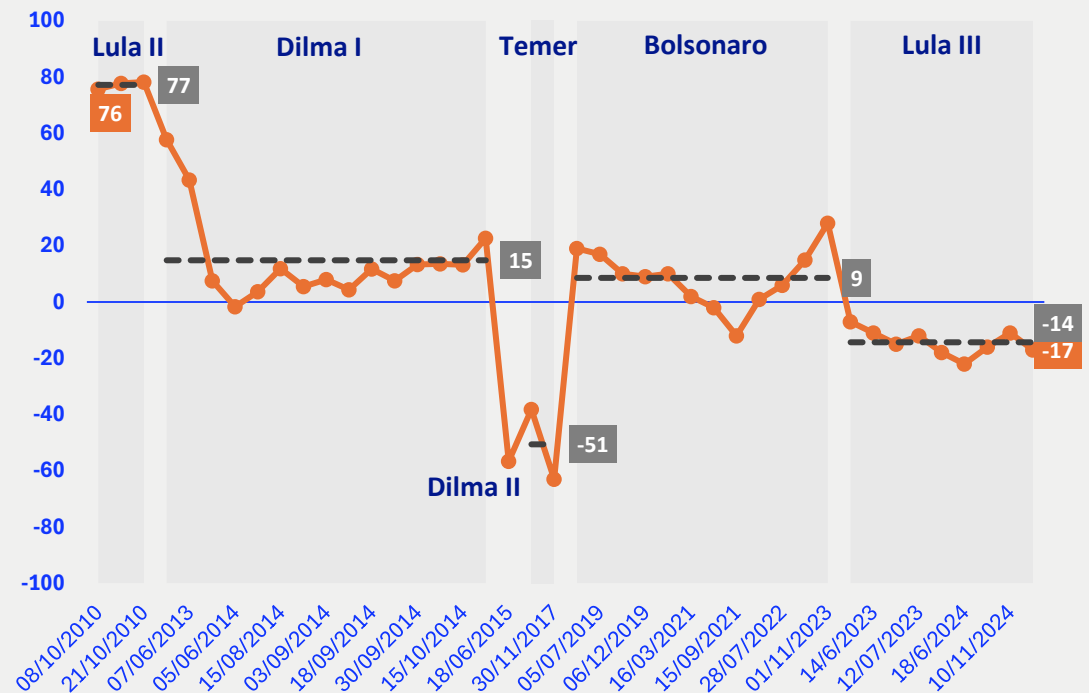


Source: Datafolha, Mar Asset Management

# Strong correlation between government evaluation and voting intentions

- Most polls divide voters into groups according to the incumbent government's evaluations (positive, fair or negative). The evaluation was a good predictor for the results of past elections when the incumbent runs for reelection. For example, the Genial/Quaest 2022 survey showed that about 90% of people who evaluated the government positively declared their vote for Bolsonaro on the eve of the second round. The reverse was true among those who had a negative evaluation – 90% declared their vote for Lula.

## Voting intention as a function of the evaluation of the Bolsonaro government in the 2022 elections (%)

**Positive**

87  92  88  90  88

8  6  8  5  6
4  4
1  2  3 1  3 2  2

**Fair**

41  42  40  44  43
40  40  40  41  41

12  7
9  8  10  10  7  8  9

**Negative**

90  90  88  88  90

5 3  7 3  7 3  6 3  6 3
2  1 2  1 2  1  2

Legend:
- Lula
- Bolsonaro
- Undecided
- Blank/Null/Will not vote

X-axis labels for all three charts: 06/oct, 13/oct, 19/oct, 26/oct, 29/oct
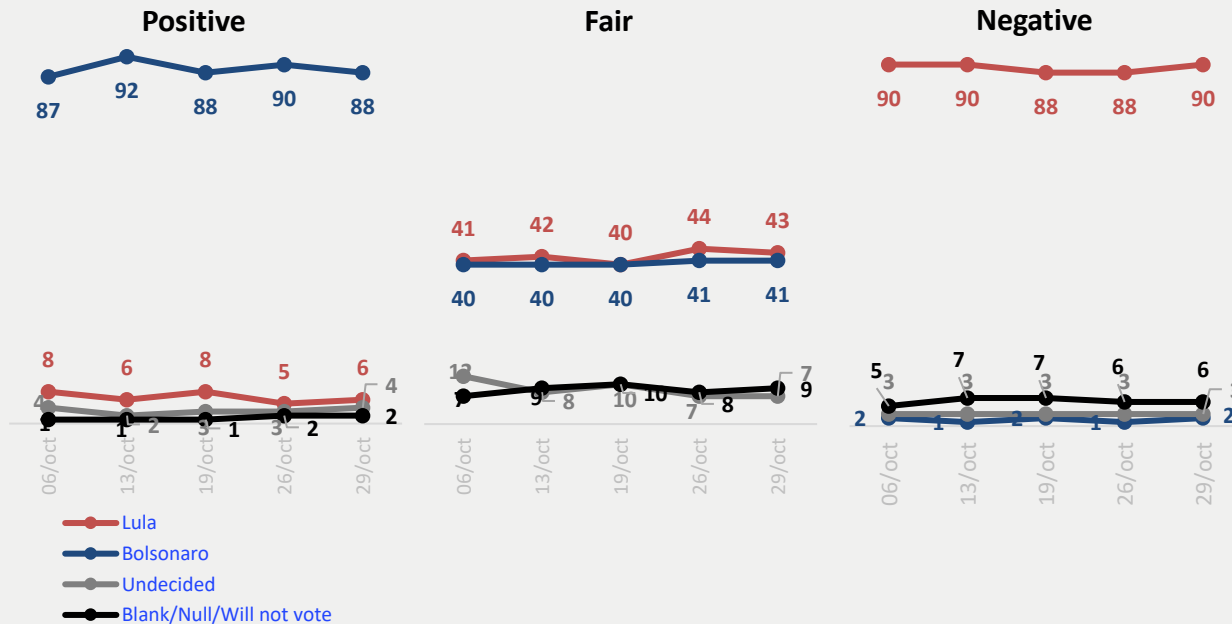
## Voting intention as a function of the evaluation of the Dilma government in the 2014 elections (%)

Q.1. On October 26, the second round of the presidential elections will take place. If the second round of elections were held today, who would you vote for? (Single and stimulated response, in %)

| | | Total | Evaluation of President Dilma Rouseff | | |
|---|---|---|---|---|---|
| | | | Excellent/Good | Fair | Poor/Terrible |
| VOTING INTENTION FOR PRESIDENT | Dilma (PT) | 48 | 81 | 31 | 2 |
| | Aécio Neves (PSDB) | 42 | 13 | 55 | 86 |
| | Don't know | 5 | 4 | 7 | 3 |
| | Blanl/null/none | 5 | 2 | 6 | 9 |
| | Total in % | 100 | 100 | 100 | 100 |
| | Sample size (weighted) | 9910 | 4389 | 3524 | 1920 |
| | Samples size (absolute numbers) | 9910 | 4295 | 3573 | 1967 |

Project PO3775
Base: Total sample
Fieldwork dates: October 22 and 23, 2014

Source: Quaest, Datafolha, Mar Asset Management

# Current rating is below what is needed to win election

- Surveys carried out on the eve of the second round allow us to create a conversion matrix of the incumbent government's evaluation and declaration of vote in the 2006, 2014 and 2022 elections.
- For example, in 2006, according to the poll on the eve of the election conducted by Datafolha, 87% of people who evaluated the government as excellent/good declared their vote for the incumbent (Lula), while 13% declared their vote for the opponent (Alckmin).
- In 2014, only 81% declared their vote for the incumbent (Dilma) versus 13% for the opponent (Aécio). In addition to a lower conversion rate, the evaluation of the Dilma I government was lower than that of Lula I. Therefore, the 2014 election was much more competitive than the 2006 one.
- The highest vote conversion rate was that of Bolsonaro in 2022, followed by Lula in 2006 and Dilma in 2014. In other words, for the same degree of evaluation of the government, Bolsonaro was able to garner more votes.
- In 2022, 88% of people who evaluated the government as excellent or good decided to vote for Bolsonaro, according to the Quaest survey. The biggest difference, however, was in the ability to convert those who evaluated the government as fair. Probably, due to the greater degree of rejection of the two candidates in 2022, the choice was between the "least worst" for a larger segment of society.

## Evaluation of the government on the eve of the election and voting intention (%)

### Government's evaluation

|  | Lula 2006 (Datafolha) | Dilma 2014 (Datafolha) | Bolsonaro 2022 (Quaest) |
|---|---|---|---|
| Excellent/Good | 52 | 44 | 37 |
| Fair | 34 | 36 | 26 |
| Terrible/Poor | 14 | 19 | 35 |

### Conversion matrix – incumbent

|  | Lula 2006 (Datafolha) | Dilma 2014 (Datafolha) | Bolsonaro 2022 (Quaest) |
|---|---|---|---|
| Excellent/Good | 87 | 81 | 88 |
| Fair | 32 | 31 | 41 |
| Terrible/Poor | 4 | 2 | 2 |

### Conversion matrix – adversary

|  | Lula 2006 (Datafolha) | Dilma 2014 (Datafolha) | Bolsonaro 2022 (Quaest) |
|---|---|---|---|
| Excellent/Good | 13 | 13 | 6 |
| Fair | 62 | 55 | 43 |
| Terrible/Poor | 60 | 86 | 90 |

### Total votes

|  | Lula 2006 | Dilma 2014 | Bolsonaro 2022 |
|---|---|---|---|
| Incumbent | 56.6 | 47.2 | 43.9 |
| Adversary | 36.2 | 41.9 | 44.9 |

### Valid votes

|  | Lula 2006 | Dilma 2014 | Bolsonaro 2022 |
|---|---|---|---|
| Incumbent | 61 | 53 | 49 |
| Adversary | 39 | 47 | 51 |

# Current rating is below what is needed to win election

- From the matrices of conversion of popularity into votes, we can simulate what Lula's performance would be in an eventual reelection for different levels of popularity and different hypotheses of conversion of votes.

- For example, the Quaest poll of Dec/2024 suggests that the government's evaluation would not be compatible with Lula's victory, regardless of the vote conversions (Lula in 2006, Dilma in 2014 or Bolsonaro in 2022).

- The combination of the results of the most recent government evaluation polls from various institutes with the conversion matrices does not point to Lula's victory. The only possibility would be a conversion rate equal to that of Lula in 2006 with the evaluation of the government indicated by the Atlas survey.

- The elections would be very competitive in most of the simulated scenarios. The biggest problem for Lula would be in the case of a low conversion rate, like the one Dilma obtained in 2014.

- In our view, this conversion is related to the profile of the opponent in the second round. If it is an opponent more aligned with the opposite extreme, the conversion rate tends to be higher.

**Simulations for votes in the presidential election based on the evaluation of the government (%)**

**Evaluation of Lula's government in the most recent survey by institute**

|  | (Quaest) | (Datafolha) | (Paraná) | (IPEC) | (Atlas) |
|---|---|---|---|---|---|
| Excellent/Good | 33 | 35 | 34 | 34 | 41 |
| Fair | 34 | 29 | 23 | 30 | 13 |
| Terrible/Poor | 31 | 34 | 43 | 34 | 45 |

**Lula – valid votes**

| Survey/Conversion | Lula 2006 | Dilma 2014 | Bolsonaro 2022 |
|---|---|---|---|
| Datafolha | 49 | 43 | 49 |
| Quaest | 48 | 43 | 49 |
| Paraná | 46 | 40 | 44 |
| IPEC | 48 | 43 | 49 |
| Atlas | 51 | 43 | 47 |

**Adversary – valid votes**

| Survey/Conversion | Lula 2006 | Dilma 2014 | Bolsonaro 2022 |
|---|---|---|---|
| Datafolha | 51 | 57 | 51 |
| Quaest | 52 | 57 | 51 |
| Paraná | 54 | 60 | 56 |
| IPEC | 52 | 57 | 51 |
| Atlas | 49 | 57 | 53 |

# Current rating is below what is needed to win election

- The evaluation of the Lula government has been showing a consistent worsening since the first survey. The current level of the net evaluation would not be compatible with his reelection. In theory, the movement would be relatively reversible, given that the current level is not far from what is necessary to win the election if the conversion is similar to what Lula obtained in 2006 or Bolsonaro in 2022. The challenge is that this worsening of the evaluation occurred in the midst of a very benign economic scenario, and it is not clear what could lead to its reversal.

**Current and minimum net evaluation to win election (pp)**



Chart showing Net Approval line across presidential terms: Collor, Itamar, FHC I, FHC II, Lula I, Lula II, Dilma I, Dilma II, Temer, Bolsonaro, Lula III. Reference lines: Conversion Lula 2006 = 17,7; Conversion Dilma 2014 = 6; Conversion Bolsonaro 2022 = 3,2.

Legend: Net Approval — Conversion Dilma 2014 — Conversion Lula 2006 — Conversion Bolsonaro 2022
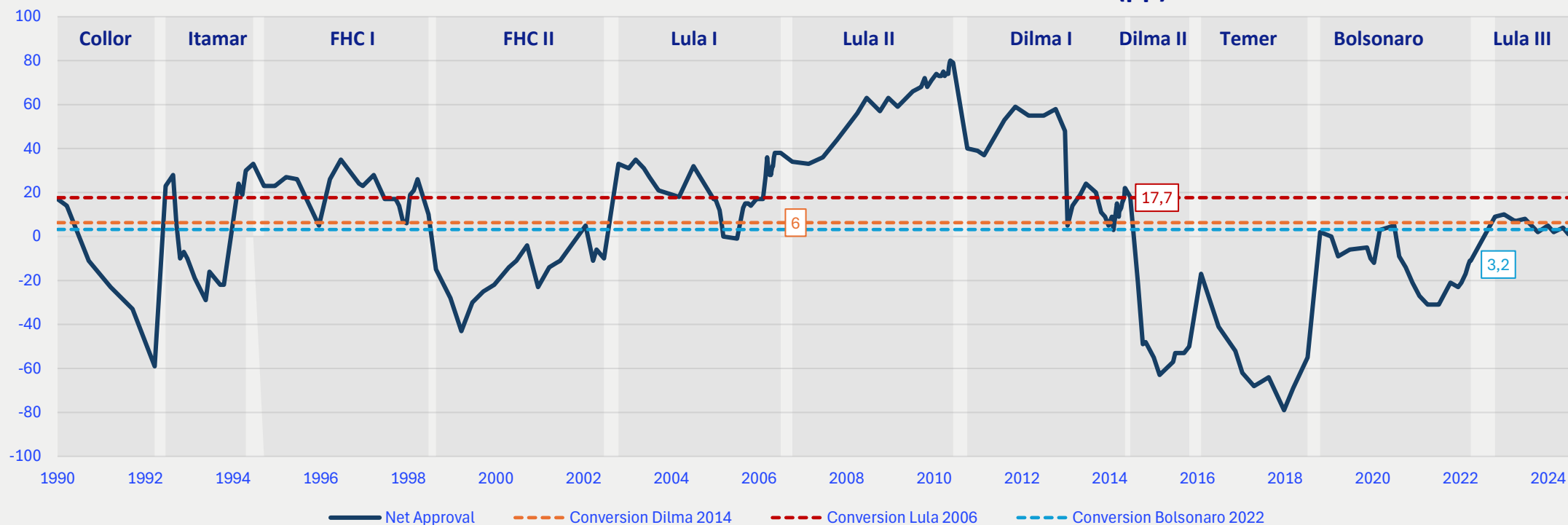
Source: Datafolha, Mar Asset Management

# Lula III approval rating did not improve alongside economic gains

- The evaluation of the Lula government does not seem to respond to the improvement in economic indicators. The unemployment rate, at 6.5%, is the lowest in the series, and the IPCA inflation of 4.9% YoY is not high when compared to historical standards. The misery index (unemployment + inflation) is at the lowest level in history and, even so, the assessment has been on a slow downward trajectory since the beginning of the Lula government.

**Misery index and excellent/good/fair evaluation of the presidential government**
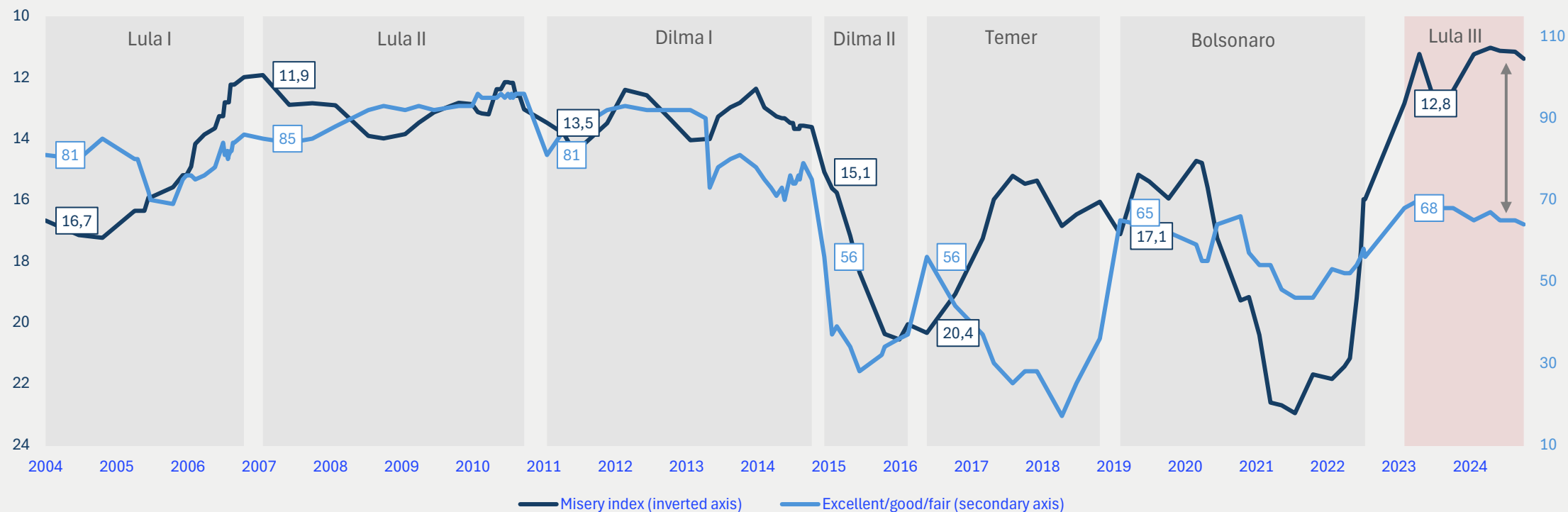


Source: Datafolha, IBGE, Mar Asset Management

# Electoral research bias done too early – the case of 2022

- In December 2024, Quaest published a poll showing Lula ahead of all other candidates with more than 50% of the votes in the stimulated poll. However, the government's evaluation released in the same poll would be compatible with a much tighter election, with Lula lagging even behind his opponent for any conversion matrix we used (Slide 30).

## Voting intention for president – 2nd round | stimulated scenarios
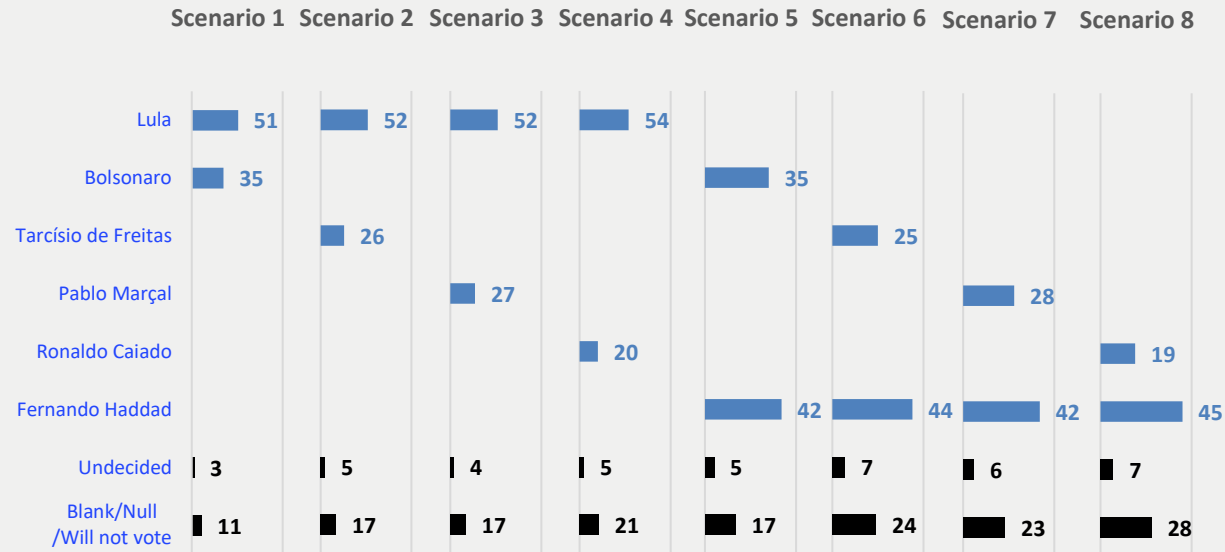


## General Evaluation of the Lula Government

# Electoral research bias done too early – the case of 2022

- This same bias appeared at the beginning of Bolsonaro's government. Quaest conducted a similar survey in 2019, simulating a second-round matchup between Bolsonaro and Lula. At that time, Bolsonaro was ahead of Lula with 46% of voting intentions compared to Lula's 32%. That same survey showed Bolsonaro's government approval rating consistent with him obtaining only 42% of the votes against 46% for his opponent, using the conversion matrix effectively observed in 2022. This suggests that surveys conducted far in advance may bias presidential election simulations in favor of the incumbent, even when the opponent is well-known.

## Evaluation of Bolsonaro's administration | aggregate



Positive: nov/19 = 26, dec/19 = 29
Fair: nov/19 = 36, dec/19 = 36
Negative: nov/19 = 36, dec/19 = 32
Don't know: nov/19 = 2, dec/19 = 2

Legend: Positive, Fair, Negative, Don't know

## If the elections were held Today, who would you vote for?



Jair Bolsonaro: 46%
Lula: 32%
Don't know: 22%
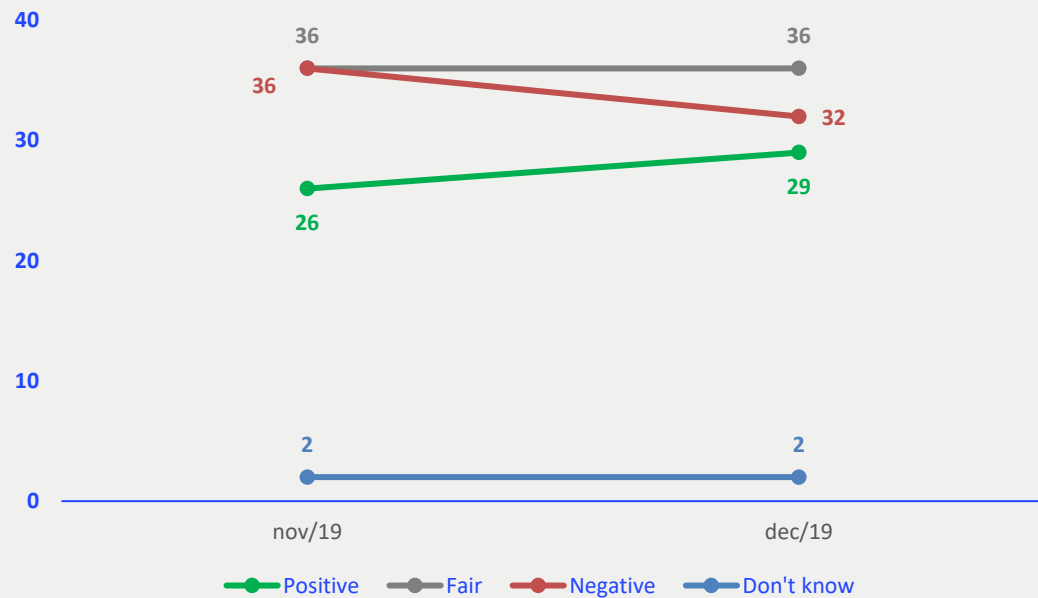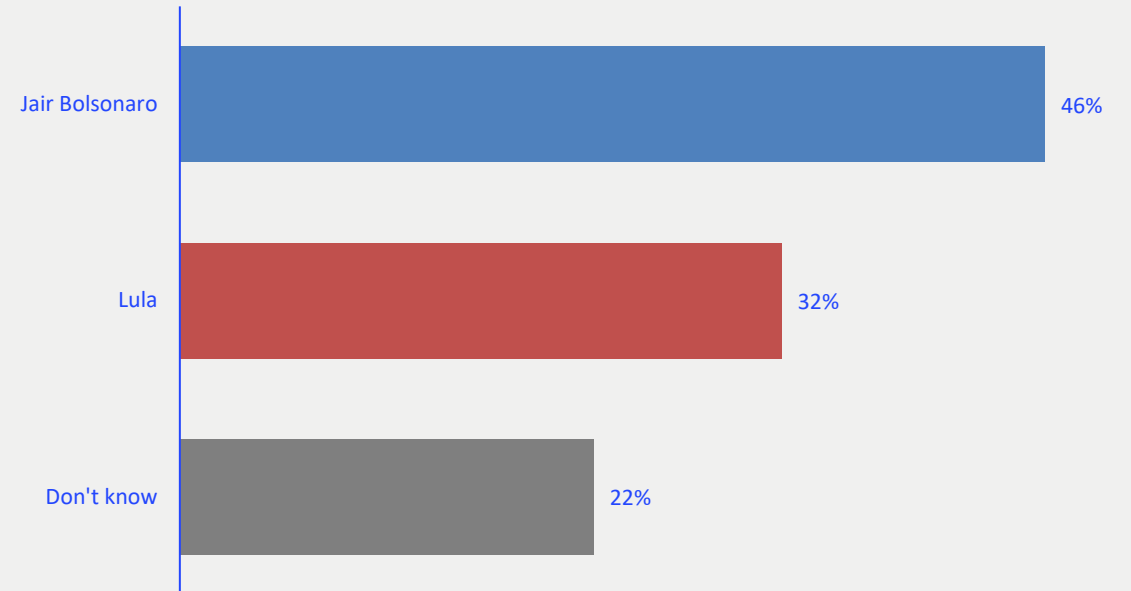
Source: Quaest, Mar Asset Management

# Evaluation – breakdown by income and region

# Evaluation varies greatly according to income and region

- In addition to religion, the cutouts by region and income range have been relevant for us to understand the voting pattern and evaluation of presidential governments. In general, the evaluations of the PT governments were better among voters in the Northeast and with lower income. These excerpts help to explain the differences and dynamics of the voting pattern in presidential elections in recent electoral cycles.



**Government evaluation by region (2024, %)**
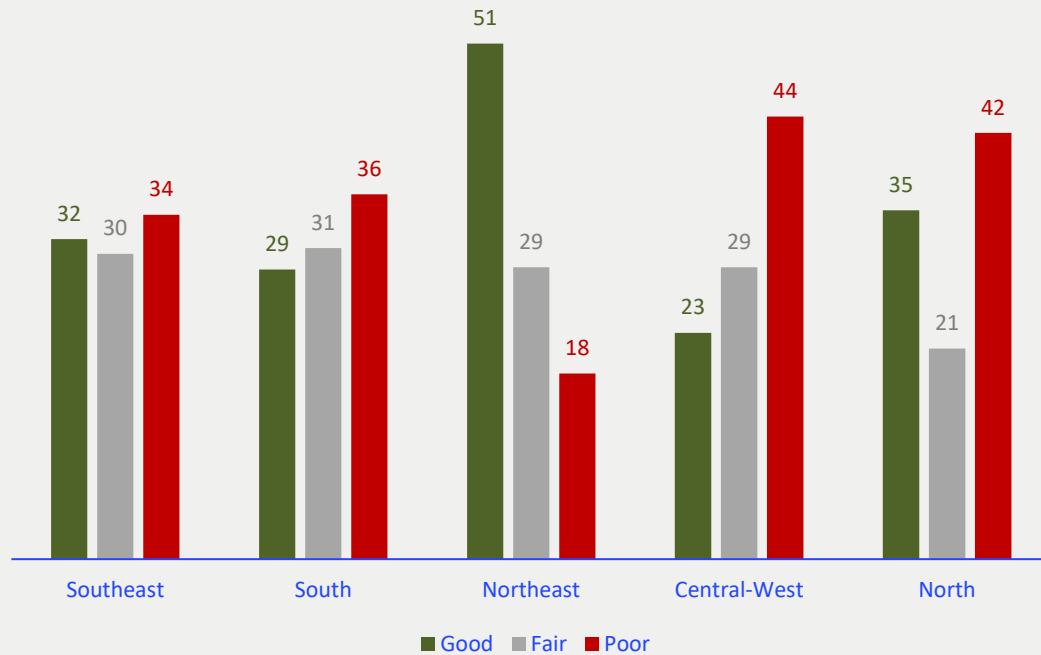
**Government evaluation by income bracket (2024, %)**
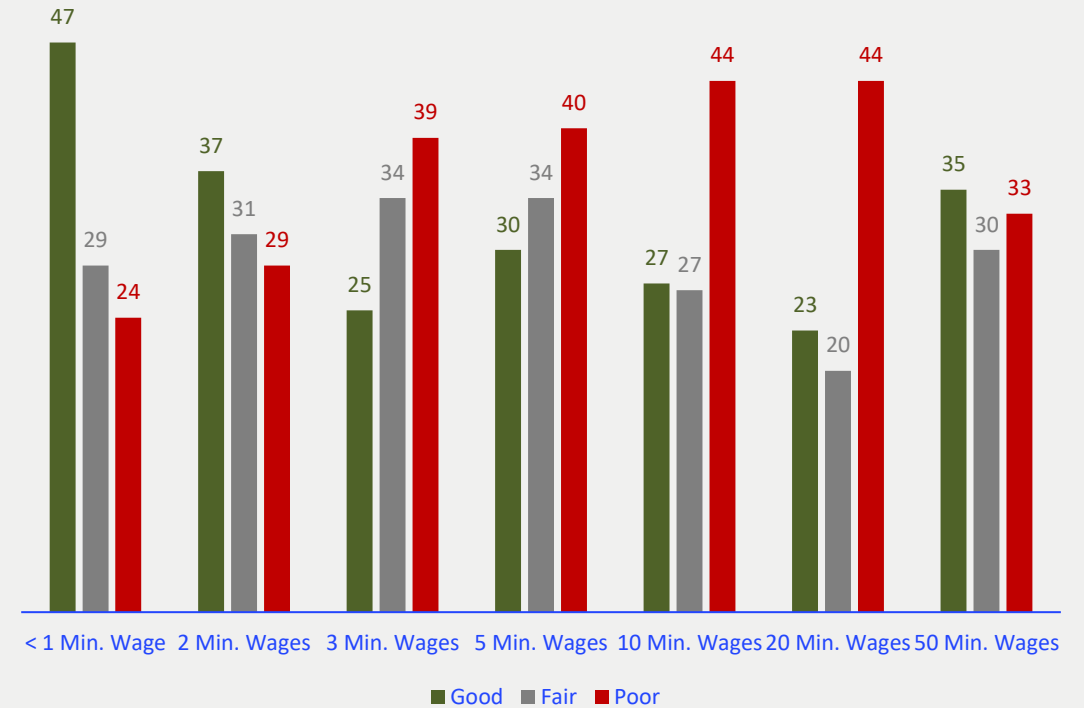
Source: Datafolha, Mar Asset Management

# Income explains part, but not all regional discrepancies

- The discrepancy in income between regions explains part but not all of the difference between how government is evaluated in different regions. We simulated what the government's evaluation should be if it responded only to the income composition of each region.
- Even when we control for income, the Northeast region has a much better evaluation than the others, while the Central-West has a much worse evaluation.
- The North region is peculiar. The degree of polarization is the highest among the regions, with good and poor evaluations being much higher than fair, which contrasts with income distribution.

**Evaluation by region – simulated vs. observed (2024, %)**

Simulated



Observed



**Weight of each income bracket by region – (2024, %)**

39
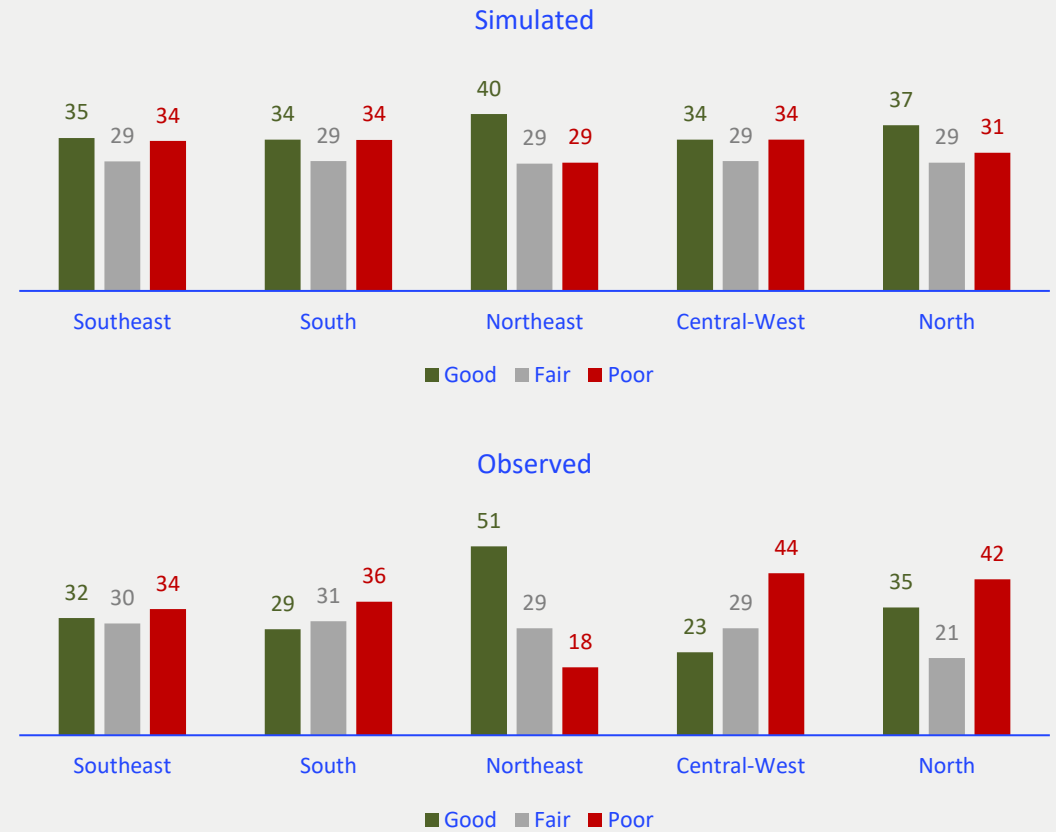
# In 2014, income better explained geographic differences

- We repeated the exercise from the previous slide for the year 2014, the last presidential election year without a significant difference in the voting patterns of evangelicals. Our analysis revealed that income accounts for a substantial part of the regional differences in evaluations.

- At the time, the Northeast region had a more positive evaluation of the Dilma I government than what would be explained only by its income composition.

- However, the regions that draw the most attention are the North and Central-West. In 2014, the North region exhibited a pattern very similar to the Northeast region, which was to be expected, given that both have a very similar income distribution.

- The Central-West region also did not differ from the others. The assessment followed very closely what would be suggested by the region's income pattern. This is very contrasting with 2024, when we see a very high degree of rejection of the Lula government.
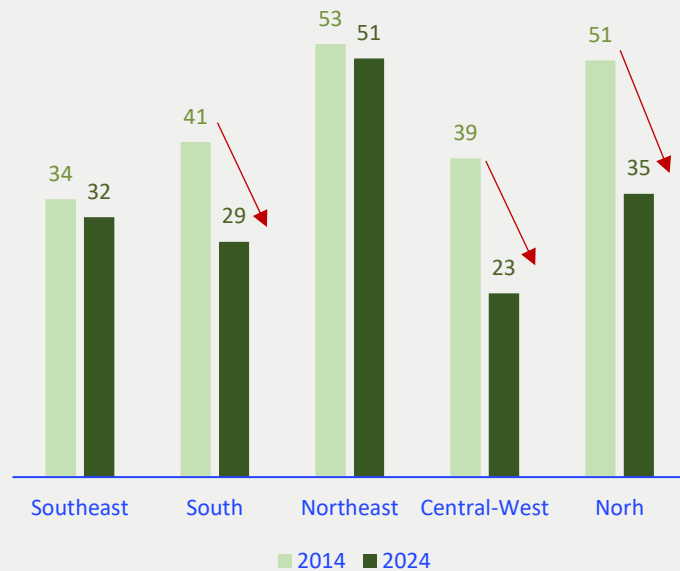
**Evaluation by region (2014) – simulated vs. observed (%)**
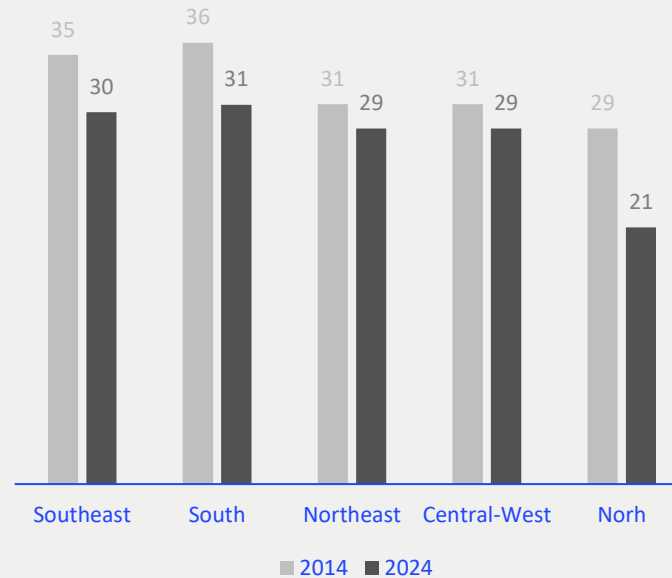


Source: Datafolha, Mar Asset Management
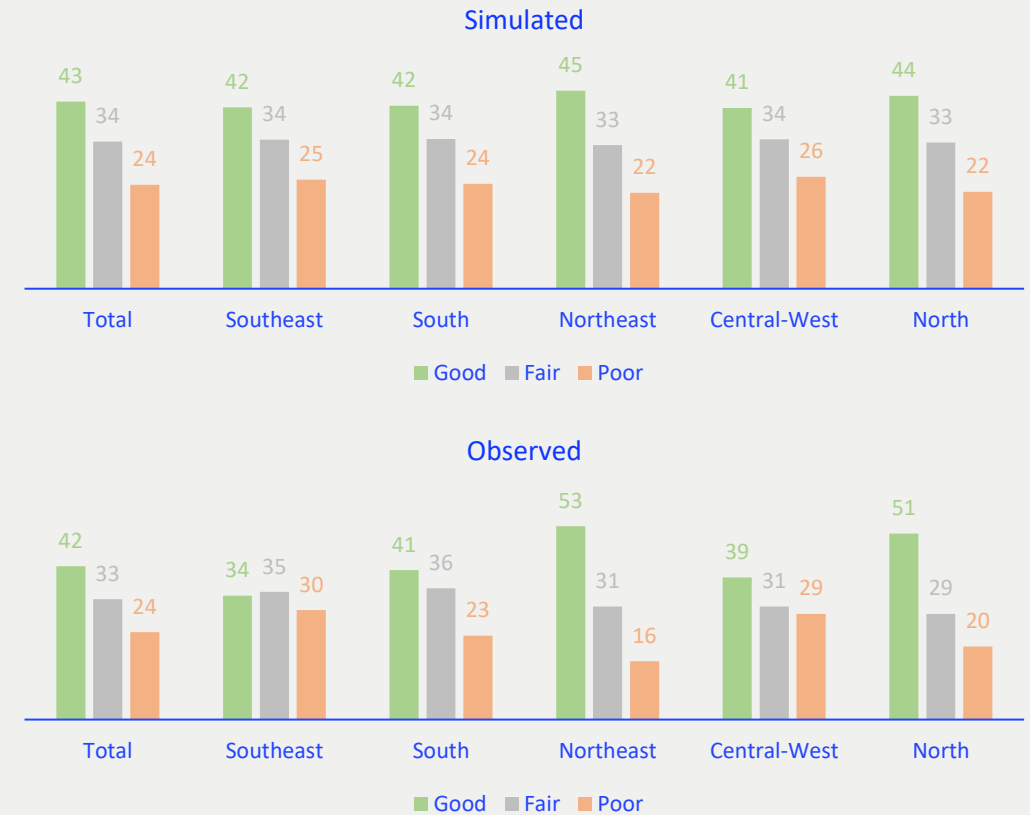
# The South, Central-West and North regions showed the most change

- The comparison between the evaluation of Dilma I (2014) and Lula III (2024) shows a worsening in all regions. The biggest differences are in the South, Central-West and North. In 2024, the Central-West region is the one with the worst evaluation.

- The North region is a separate case. The region had an income distribution and an evaluation/voting pattern very similar to those of the Northeast region. This has changed a lot, and now it is one of the regions with the highest percentage of negative evaluation of the current government. As we see later, this differentiation is due to the fact that the proportion of evangelicals is much higher in the North.



**Excellent/good by region 2014 vs. 2024 (%)**

| Region | 2014 | 2024 |
|---|---|---|
| Southeast | 34 | 32 |
| South | 41 | 29 |
| Northeast | 53 | 51 |
| Central-West | 39 | 23 |
| Norh | 51 | 35 |

**Fair by region 2014 vs. 2024 (%)**

| Region | 2014 | 2024 |
|---|---|---|
| Southeast | 35 | 30 |
| South | 36 | 31 |
| Northeast | 31 | 29 |
| Central-West | 31 | 29 |
| Norh | 29 | 21 |

**Terrible/poor by region 2014 vs. 2024 (%)**

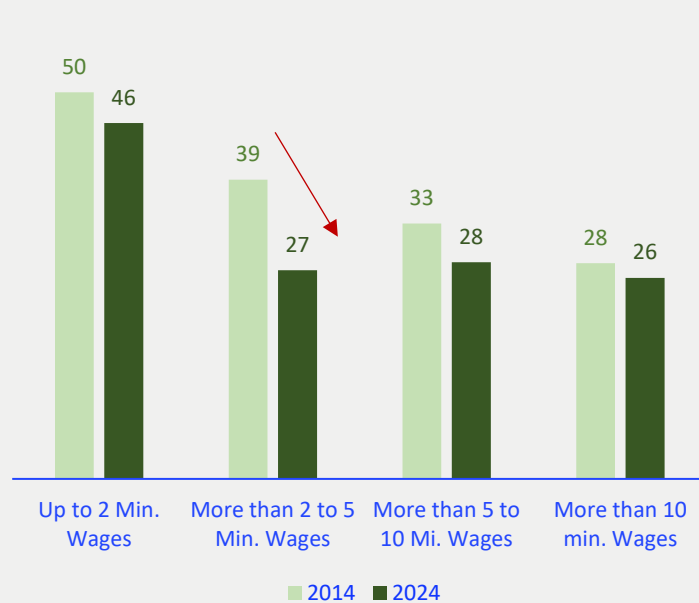| Region | 2014 | 2024 |
|---|---|---|
| Southeast | 30 | 34 |
| South | 23 | 36 |
| Northeast | 16 | 18 |
| Central-West | 29 | 44 |
| Norh | 20 | 42 |
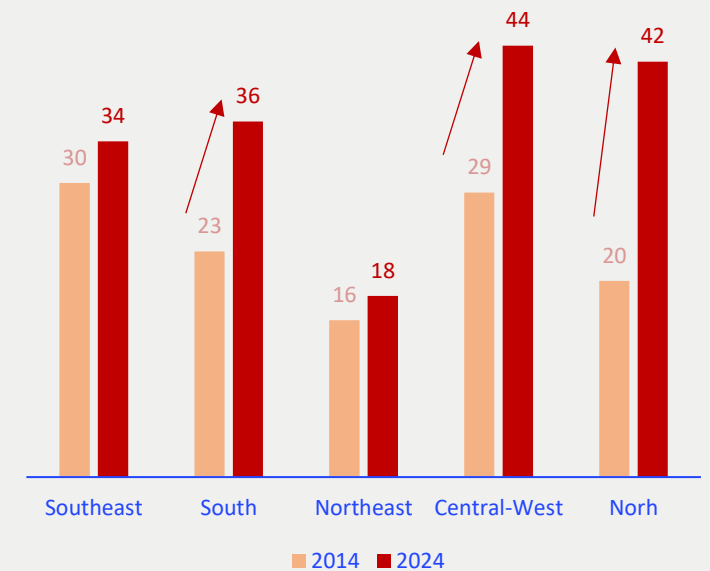
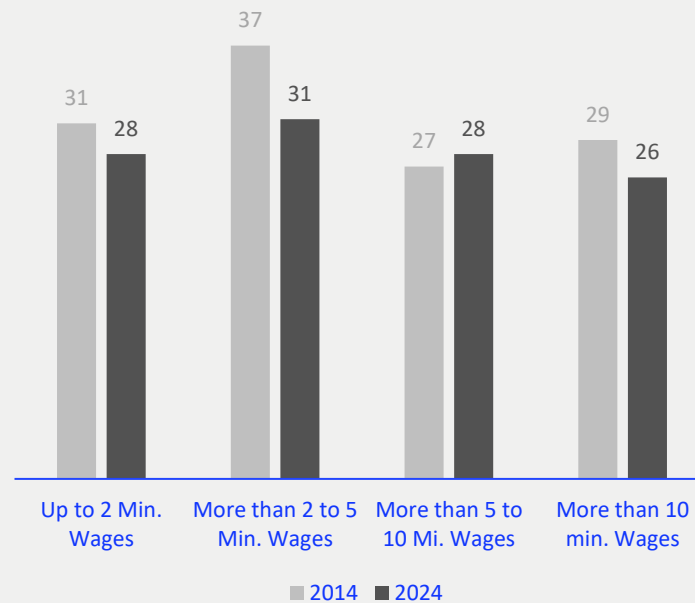Source: Datafolha, Mar Asset Management

# By income, the evaluation changed more between 2 and 5 minimum wages

- By income group, the worsening was more acute among voters who earn from 2 to 5 minimum wages. The "excellent" and "good" decreased evaluation from 39% to 27%, while the negative increased from 25% to 39%. The evaluation worsened in all other ranges, but to a lesser extent.

- No wonder, the Lula III government is already moving to approve measures aimed at this segment, such as income tax exemption for those who receive up to R$5,000. The diagnosis is that the battle in the next presidential elections will take place in this segment of society.

**Excellent/good by income 2014 vs. 2024 (%)**



| | Up to 2 Min. Wages | More than 2 to 5 Min. Wages | More than 5 to 10 Mi. Wages | More than 10 min. Wages |
|---|---|---|---|---|
| 2014 | 50 | 39 | 33 | 28 |
| 2024 | 46 | 27 | 28 | 26 |

**Fair by income 2014 vs. 2024 (%)**



| | Up to 2 Min. Wages | More than 2 to 5 Min. Wages | More than 5 to 10 Mi. Wages | More than 10 min. Wages |
|---|---|---|---|---|
| 2014 | 31 | 37 | 27 | 29 |
| 2024 | 28 | 31 | 28 | 26 |

**Terrible/poor by income 2014 vs. 2024 (%)**



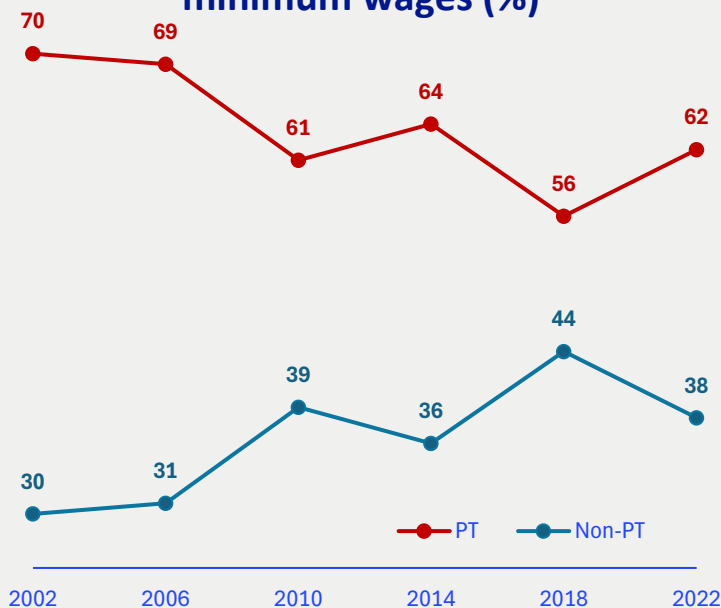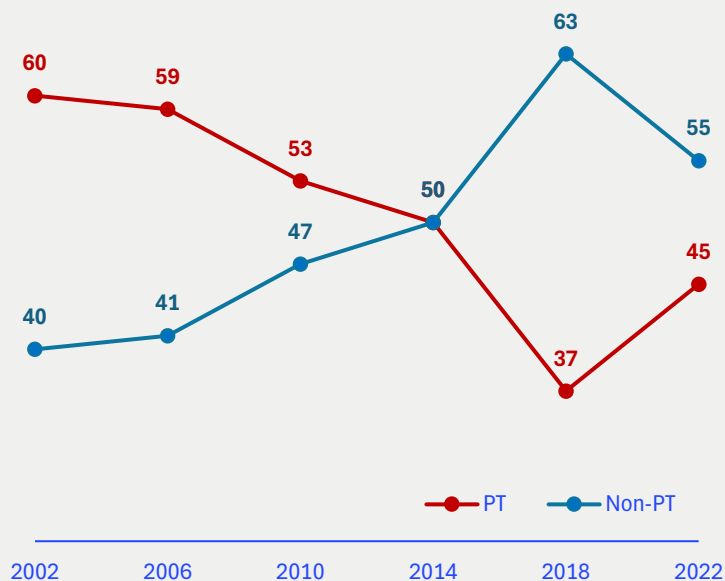| | Up to 2 Min. Wages | More than 2 to 5 Min. Wages | More than 5 to 10 Mi. Wages | More than 10 min. Wages |
|---|---|---|---|---|
| 2014 | 19 | 25 | 42 | 42 |
| 2024 | 24 | 39 | 43 | 48 |
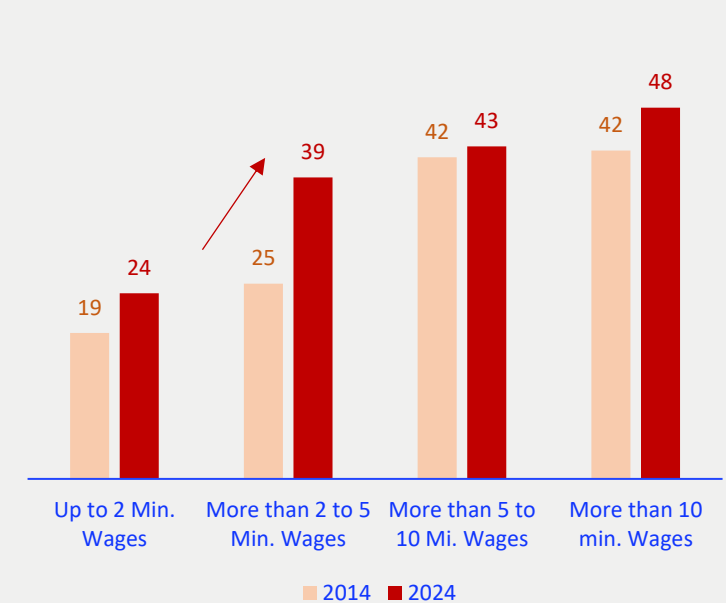
Source: Datafolha, Mar Asset Management

# PT lost votes in the range of 2 to 5 minimum wages

- Voting intentions on the eve of the second round show that the only income bracket for which the PT lost support in a relevant way in the 2022 elections was between 2 and 5 minimum wages. Lula was able to repeat Dilma's performance among those who earn less than 2 minimum wages and even obtained greater support compared to Dilma in 2014 among those who earn more than 5 minimum wages.
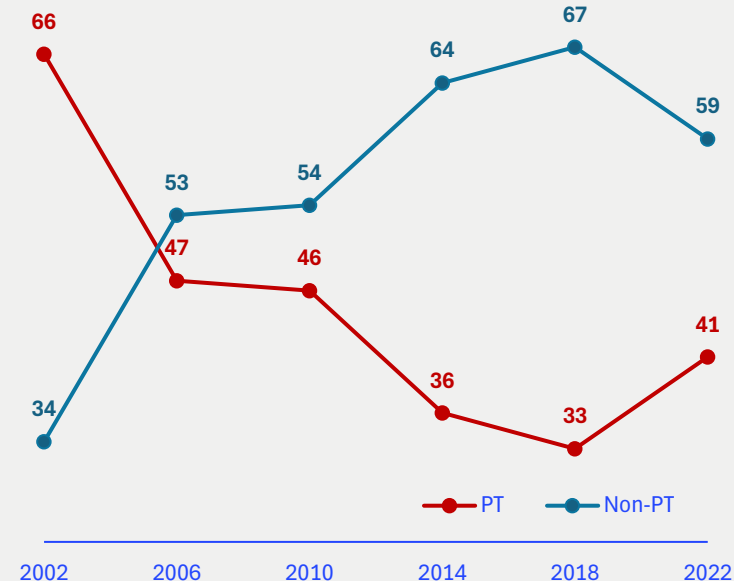


**Voting intention in the 2nd round of the presidential election – up to 2 minimum wages (%)**

PT: 70 (2002), 69 (2006), 61 (2010), 64 (2014), 56 (2018), 62 (2022)
Non-PT: 30 (2002), 31 (2006), 39 (2010), 36 (2014), 44 (2018), 38 (2022)

**Voting intention in the 2nd round of the presidential election – 2 to 5 minimum wages (%)**

PT: 60 (2002), 59 (2006), 53 (2010), 50 (2014), 37 (2018), 45 (2022)
Non-PT: 40 (2002), 41 (2006), 47 (2010), 50 (2014), 63 (2018), 55 (2022)

**Voting intention in the 2nd round of the presidential election – more than 5 minimum wages (%)**

PT: 66 (2002), 47 (2006), 46 (2010), 36 (2014), 33 (2018), 41 (2022)
Non-PT: 34 (2002), 53 (2006), 54 (2010), 64 (2014), 67 (2018), 59 (2022)
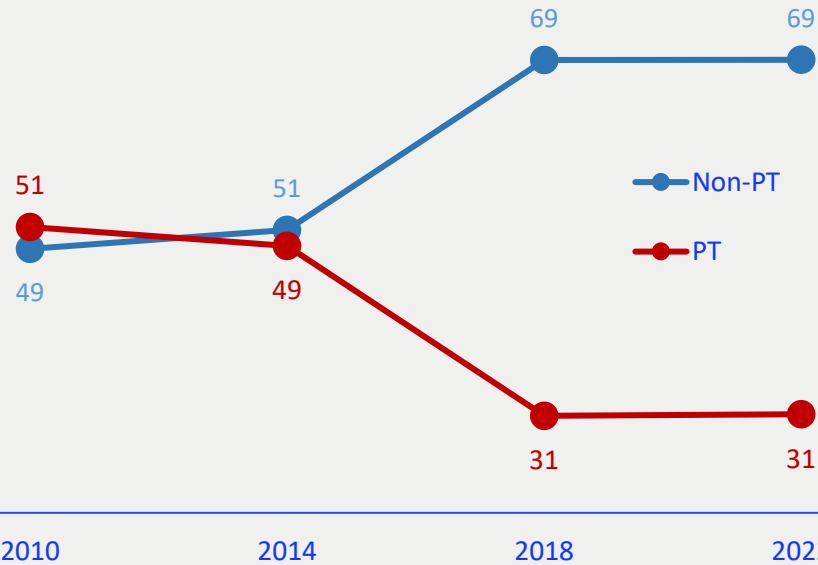
Source: Datafolha, Mar Asset Management

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# Electoral consequences of the evangelical expansion

# Evangelicals have voted against the PT for president since 2018

- The voting intention on the eve of the presidential elections is very different between evangelicals and the rest of society. Until 2014, evangelicals voted relatively evenly between the PT candidate (Dilma) and her opponent. This panorama changed significantly from the 2018 elections, when only 31% of evangelical voters declared their vote for Haddad (2018) and Lula (2022).

- The PT won the 2010, 2014 and 2022 elections because of the preference of voters who are not evangelicals. Even in 2018, a time when the rejection of the party was very high, the PT held 50% of the voting intention of this group. In 2022, Lula was elected only because of the largest advantage ever obtained among this segment of society.

**Voting intention in the 2nd round of the presidential election – evangelicals (% valid votes)**



**Voting intention in the 2nd round of the presidential election – non-evangelicals (% valid votes)**
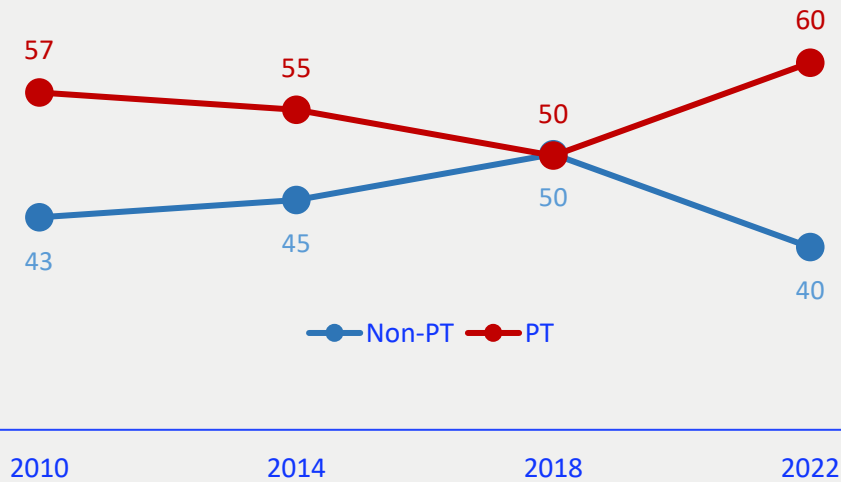


Source: Datafolha, Mar Asset Management

# Growth of evangelicals will hinder Lula in 2026

- The combination between the voting pattern of evangelicals and their growth as a proportion of society is very negative for the PT in the subsequent elections. We estimate that evangelicals will represent 35.8% of the population in 2026, up from 34% in 2022. This increase alone would be enough to change the result of the election, keeping all other factors constant. In other words, if the voting intentions for the PT between evangelicals and non-evangelicals are the same as in 2022, Lula would obtain 49.8% of the valid votes.

- In the 2022 election, Lula was quite successful in convincing non-evangelical voters. It was the highest conversion rate among this group in all the victorious PT elections, possibly due to the high rate of rejection of Bolsonaro. It is not clear whether the best strategy for the PT at this time is to increase the capture of votes in this group or to try to improve its performance among evangelicals.

**Estimated proportion of the evangelical population in Brazil (2000 – 2026)**
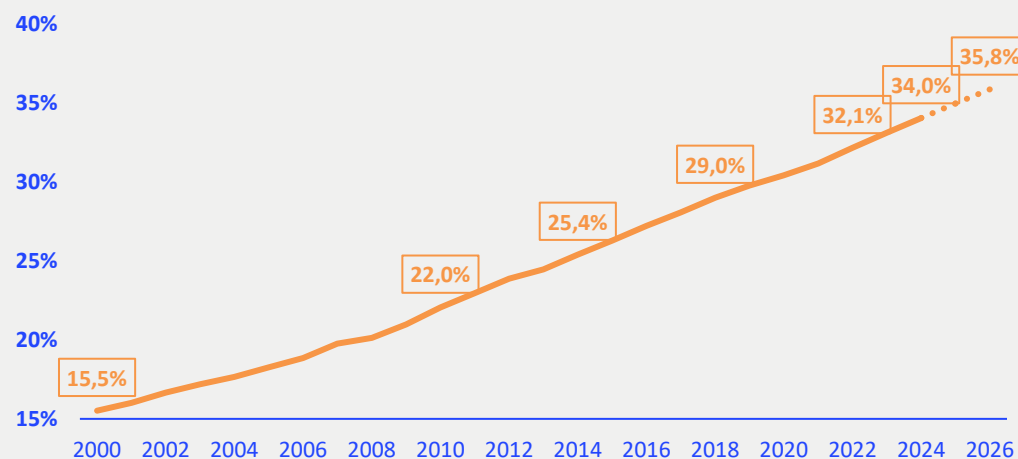


**Relationship between conversion rate, evangelical population size, and presidential election results**

|  | 2010 | 2014 | 2018 | 2022 | 2026* |
|---|---|---|---|---|---|
| **% Evangelicals** | 22,2% | 25,4% | 29,0% | 32,1% | 35,8% |
| **Evangelicals' Conversion** | 51,0% | 49,0% | 31,0% | 31,0% | 31,0% |
| **Non-Evangelicals' Conversion** | 57,5% | 52,5% | 50,5% | 60,3% | 60,3% |
| **Result** | 56,1% | 51,6% | 44,9% | 50,9% | 49,8% |

Source: Mar Asset Management

# What is the impact of evangelical expansion on PT's vote?

- The previous analysis focused on information obtained by voting intentions from electoral polls to determine the pattern of evangelicals. These polls interview a relatively small number of voters and are subject to sampling biases.

- We sought to identify the impact of evangelicals on the results of the elections actually observed. As the vote is secret, it is not possible to identify how the evangelicals voted. To get around this problem, we focus on regional differences in votes: we analyze how variations in the proportion of evangelicals between municipalities or states alter the votes for the PT in the second round of the elections.

- The relationship between evangelicals and the vote is evident. In the states with a greater number of churches, the vote for the PT tends to be lower, and vice versa. In almost all states with more than 60 churches per 100,000 inhabitants, the PT obtained less than 50% of the total votes in the second round. In the states with the least, the PT won in practically all states and years. The few exceptions were in the 2010-2014 elections, before the big shift in evangelical voting patterns captured by polls.

- The relationship, however, does not seem to be linear. From a certain number of churches, the vote for the PT does not change significantly with the addition of additional churches.

**Relationship between the number of evangelical churches per capita and the PT vote in the 2nd round, by state, in the 2010 to 2022 elections (%)**
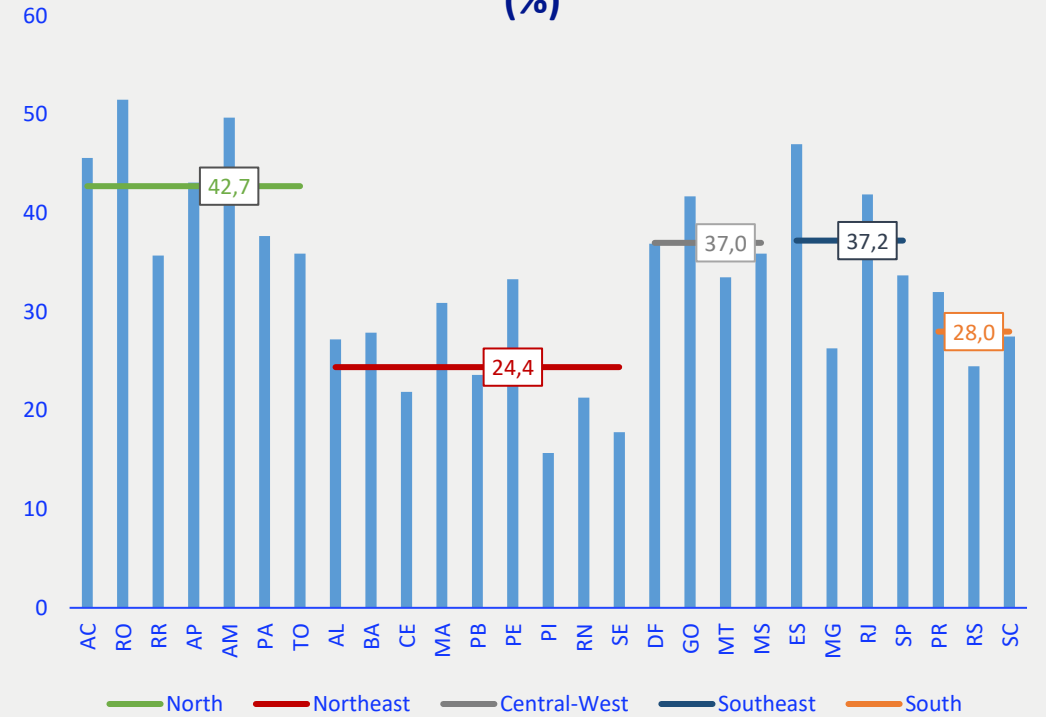


Source: TSE, Mar Asset Management

47
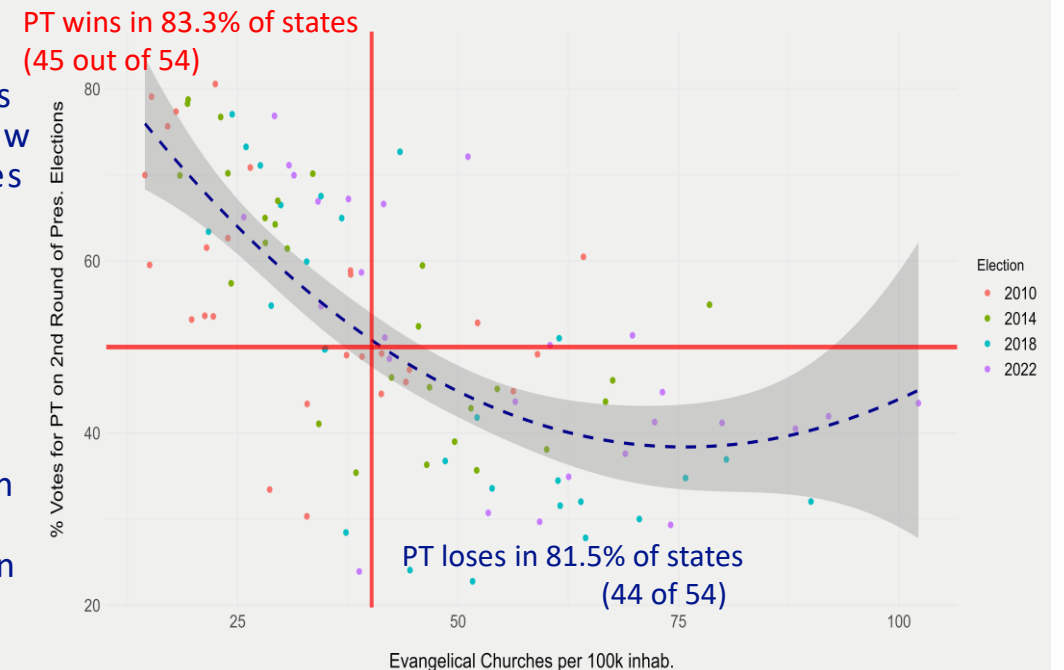
# States vary in terms of income and predominant religion

- Two potential cutouts that may explain the difference in the pattern of votes between regions are the distribution of income and the predominance of the evangelical religion. Historically, the PT has obtained greater support among the lower income classes and, as we have seen in the previous slides, less support among evangelicals.

**Proportion of the population with per capita income < 1 minimum wage (%)**
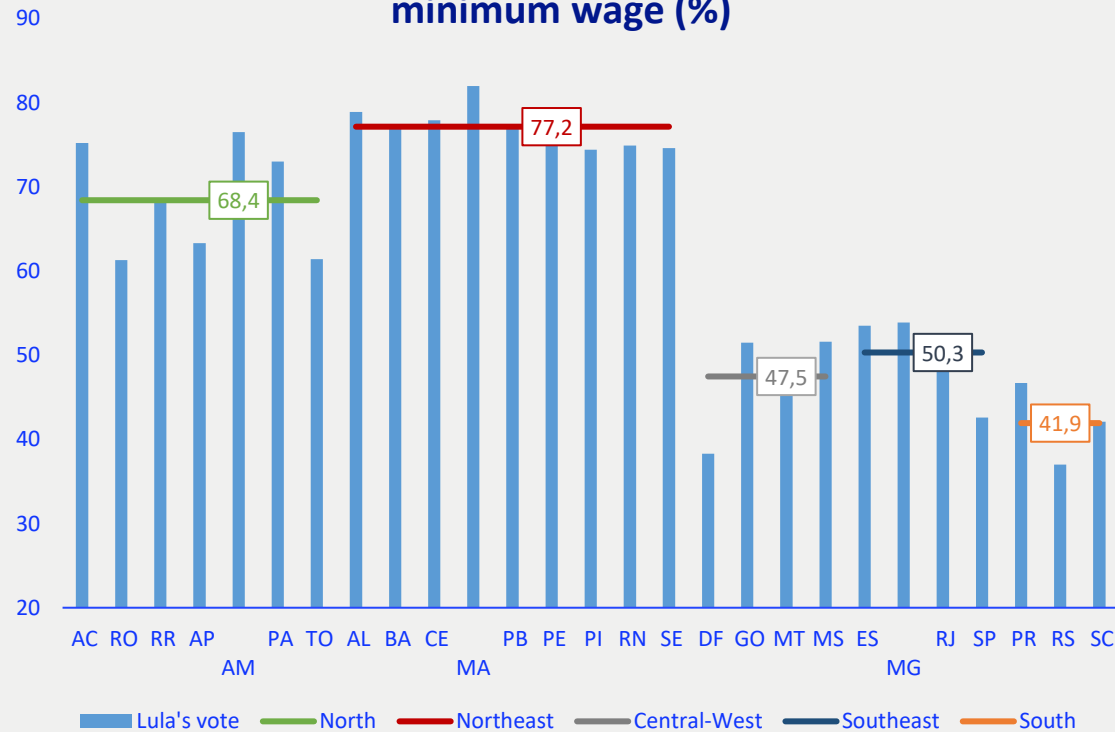
**Proportion of the population that is evangelical by state (%)**

# Lula predominantly won the elections in the Northeast

- The vote for the PT varied greatly between regions and states in the 2022 election. Lula obtained 68%, on average, of the valid votes in the states of the Northeast, while only 37% in the states of the South region. The North region had the largest discrepancy, with some states showing an advantage for Lula (AM, PA, TO) and others with clear advantages for Bolsonaro (AC, RO and RR).

**Valid votes for Lula in the 2nd round of the 2022 elections (%)**



Legend: Lula's vote | North | Northeast | Central-West | Southeast | South
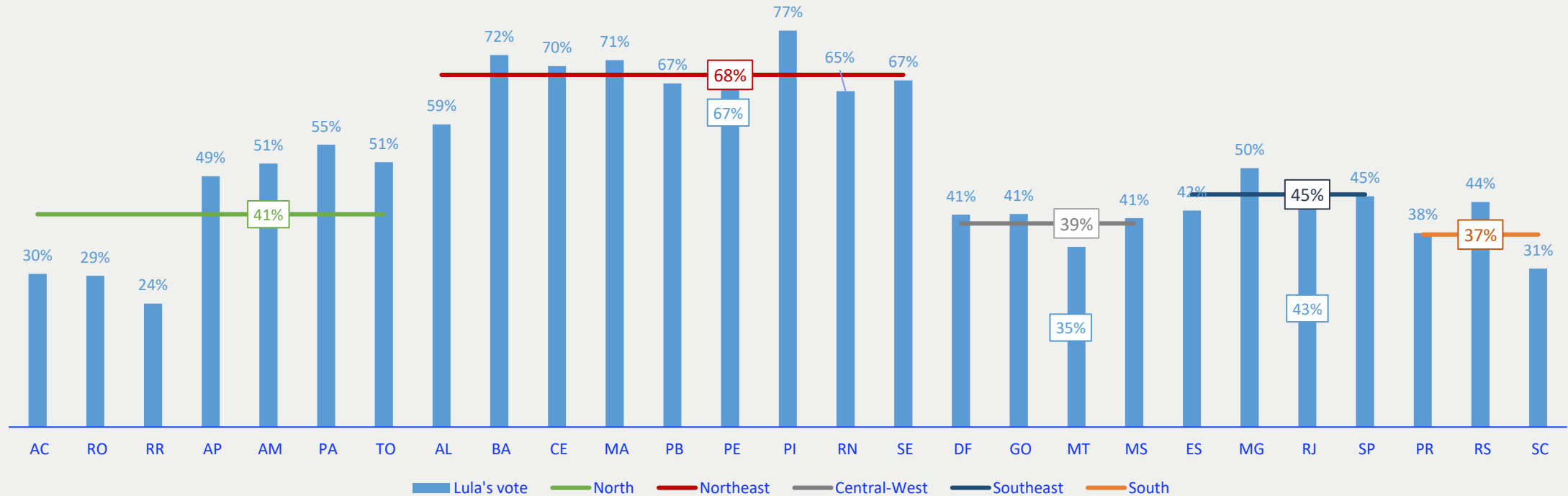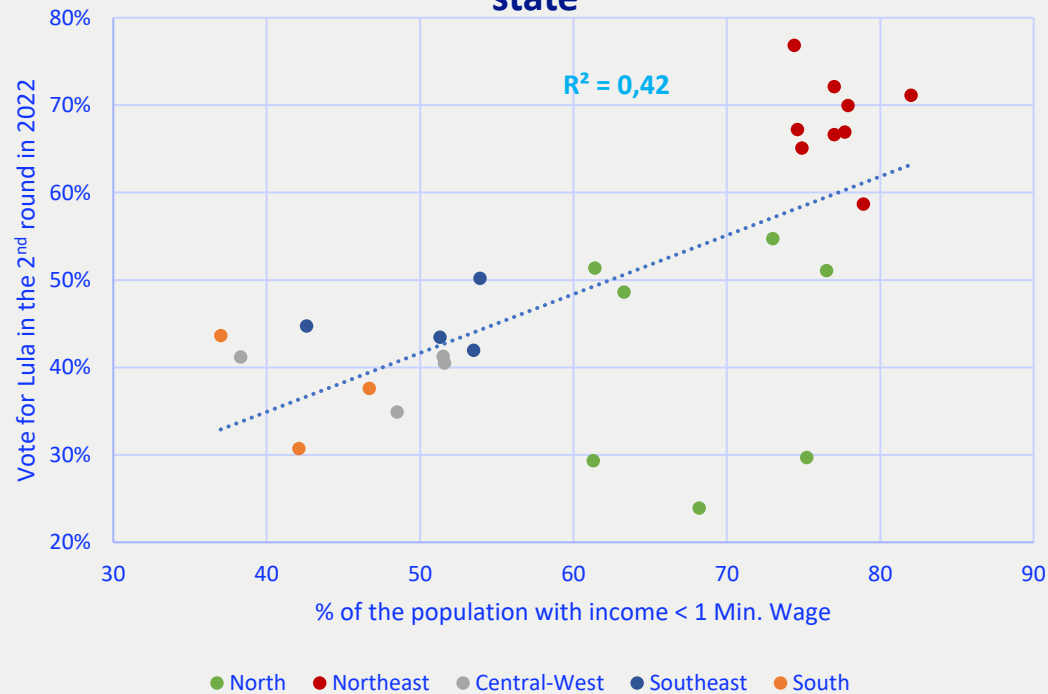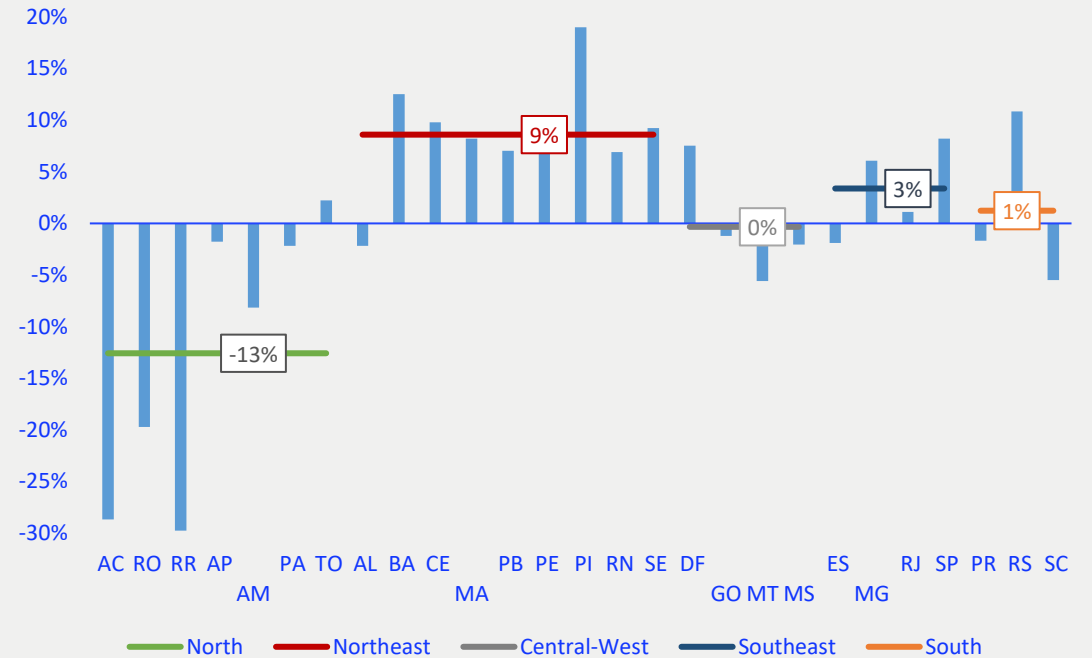
Source: TSE, Mar Asset Management

# Income explains slightly over 40% of discrepancy among states

- A simple regression between votes in the second round of the 2022 elections and the proportion of the population with income below 1 minimum wage can explain much of the difference in votes. We simulated what the vote for Lula should be in each state based only on the proportion of the population with an income below one minimum wage and compared it with the one actually observed. Income, by itself, is not able to explain the difference in voting pattern between the North and the Northeast.

### Relationship between income and vote for Lula in 2022 by state



R² = 0,42

Legend: North, Northeast, Central-West, Southeast, South

X-axis: % of the population with income < 1 Min. Wage
Y-axis: Vote for Lula in the 2nd round in 2022

### Vote for Lula – observed minus the simulated by state income (pp)



-13% | 9% | 0% | 3% | 1%

Legend: North, Northeast, Central-West, Southeast, South
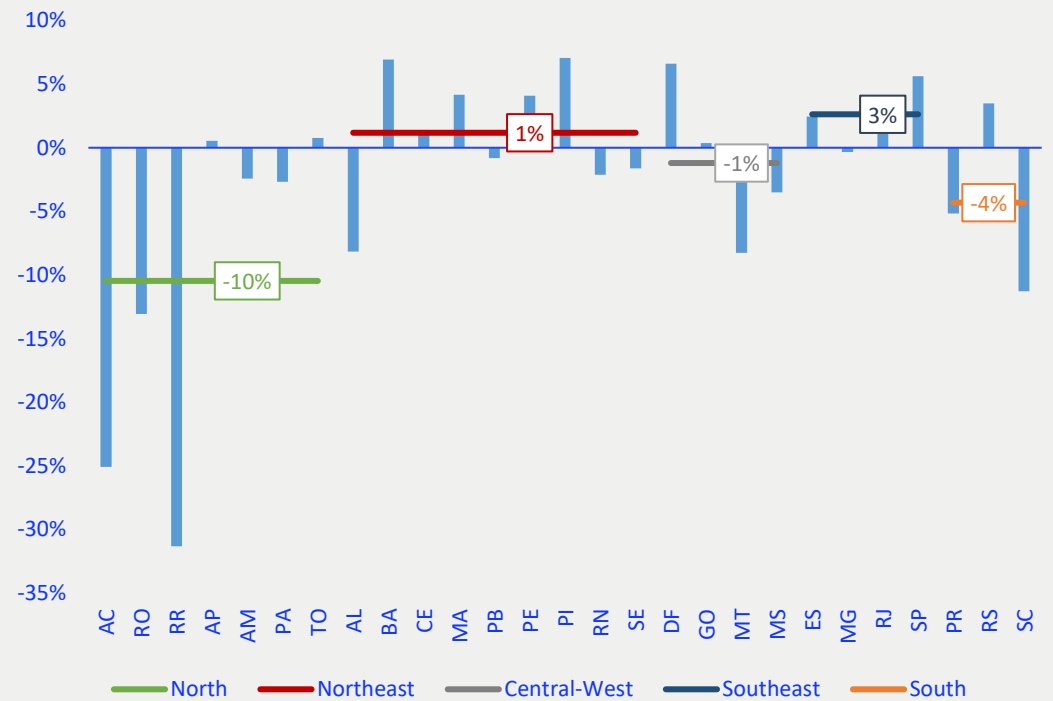
Source: IBGE, TSE, Mar Asset Management

# Evangelicals explain the other part of the difference

- A relevant part of the discrepancy in the PT's state vote that is not explained by income differences can be attributed to the evangelical presence. In general, income and evangelical presence explain almost all the difference in the state of the votes. The largest discrepancies are observed in the states of Acre, Rondônia and Roraima.

**Relationship between what is not explained by the difference in the average income of the state and the proportion of evangelicals in the population**



$R^2 = 0,47$

- North
- Northeast
- Central-West
- Southeast
- South
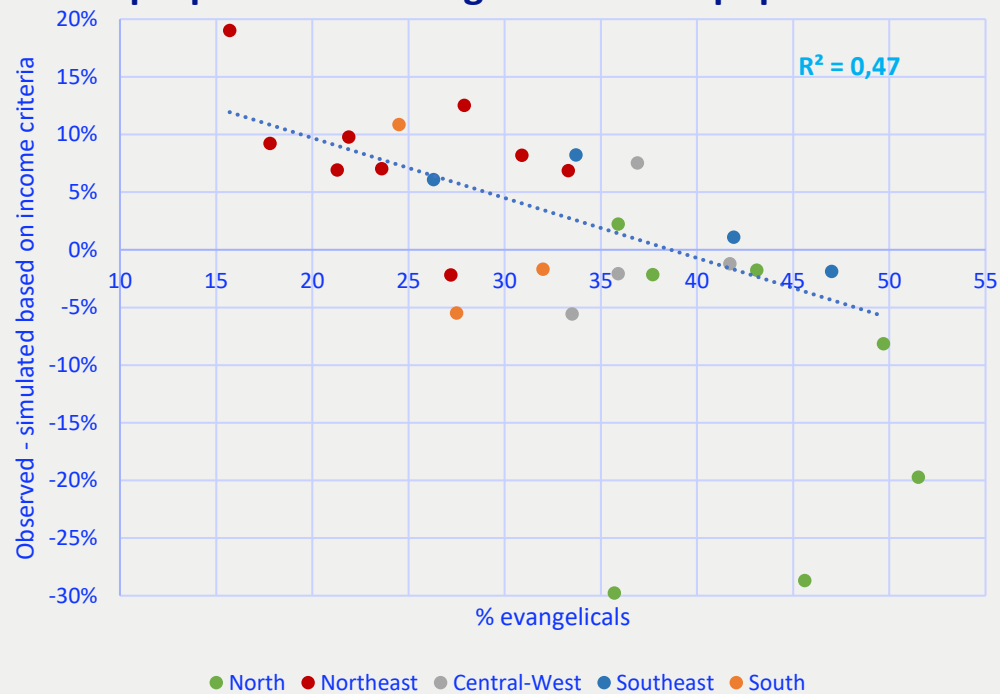
**Vote for Lula not explained either by income difference or as a % of the evangelical population (pp)**



- North
- Northeast
- Central-West
- Southeast
- South

Source: IBGE, TSE, Mar Asset Management

# Change in voting pattern occurred from 2018

- The analysis shows that the higher the density of evangelical churches per 100,000 inhabitants, the lower the proportion of votes for the PT, especially from 2018 onwards. The North region was analyzed separately due to a particularity: the churches in this region are usually larger, which reduces the density per inhabitant and makes it difficult to compare directly with other regions.

**Relationship between the number of churches and the vote for the PT in the 2nd round with the exception of North region (%)**

**Relationship between the number of churches and the vote for the PT in the 2nd round in the North region (%)**
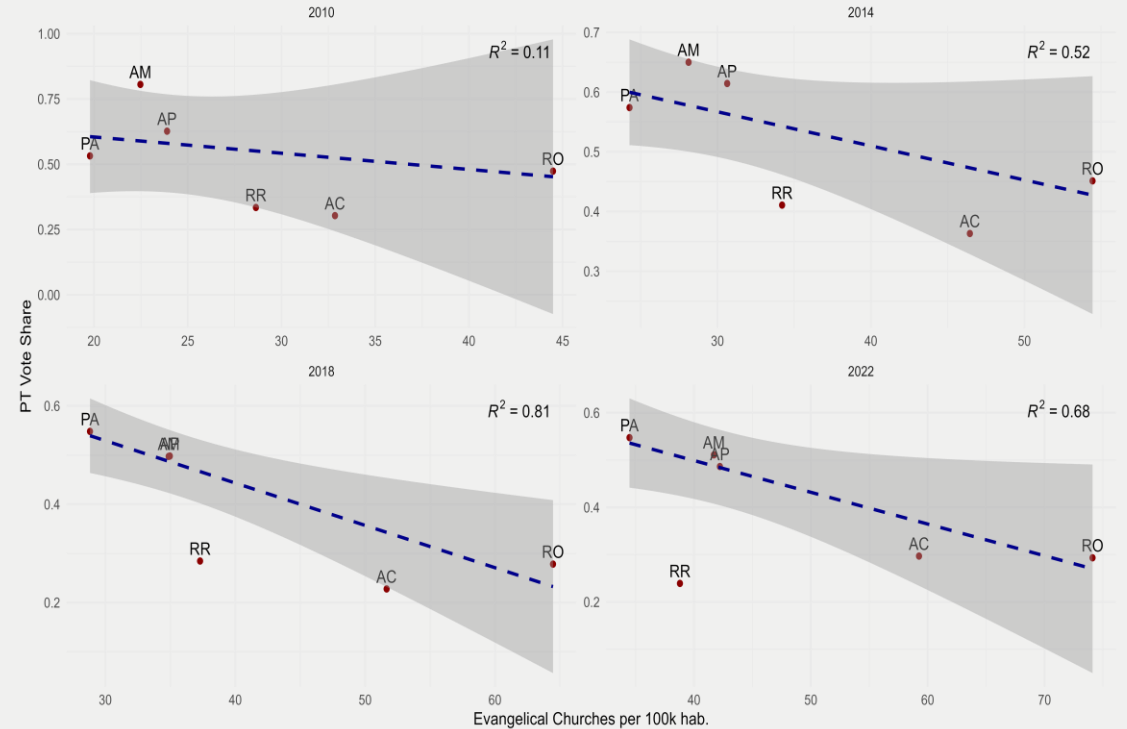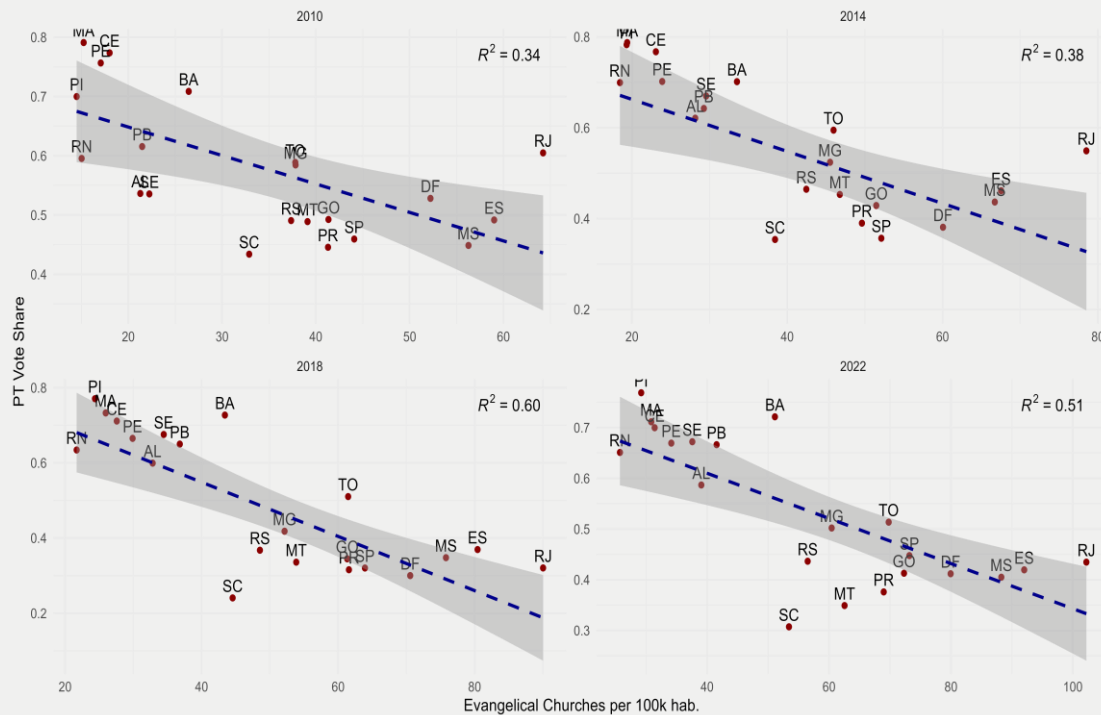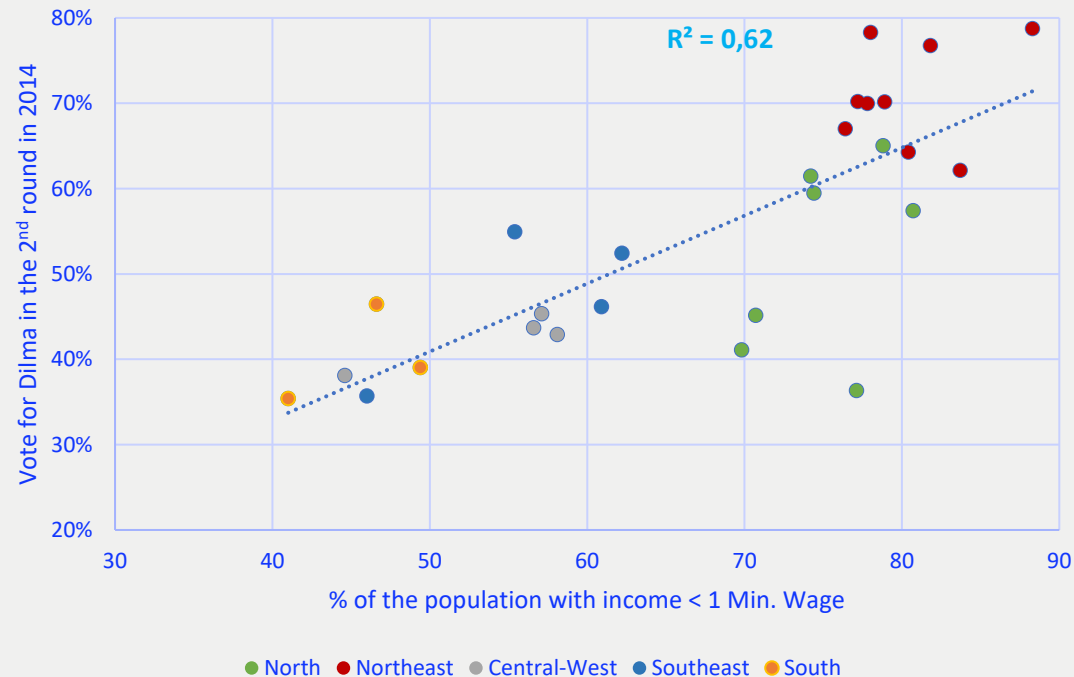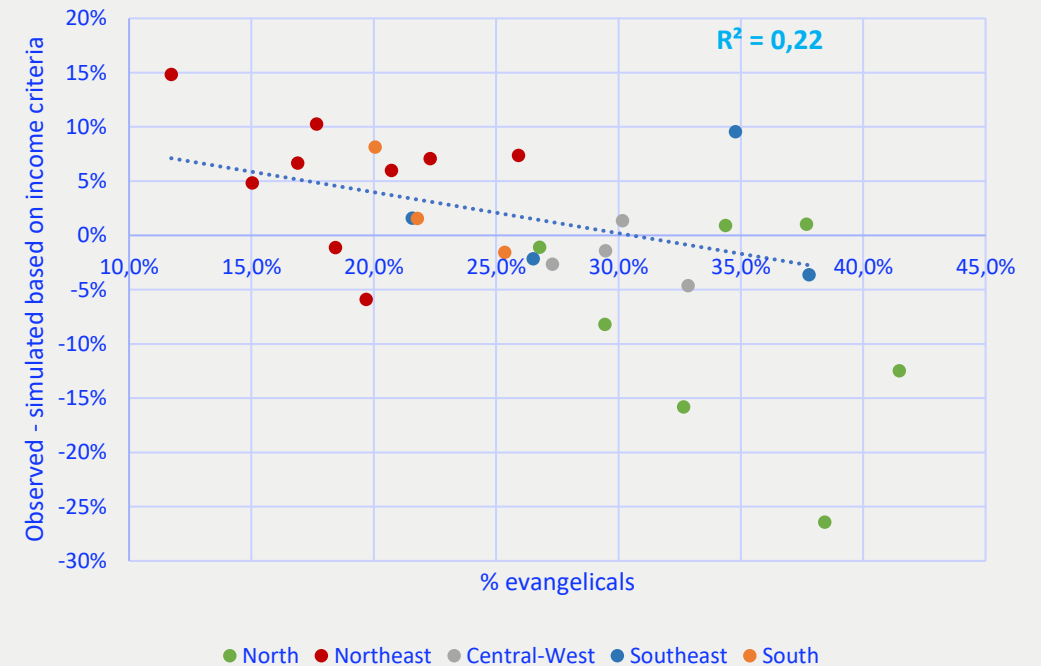


Source: TSE, Mar Asset Management

# Income explained voting in 2014 better than religion

- Replicating the same exercise for the 2014 elections, it is possible to infer that income was more relevant to explain the voting pattern than in 2022. The ratio ($R^2$) between the proportion of the population with a per capita income of less than 1 minimum wage and the vote for Dilma Rousseff in the second round was 62% (vs. 42% in 2022). Discounting the income effect, the evangelical predominance explained only 22% of the votes, while in 2022 it explained 47%. In other words, the economic vote was more relevant at that time than religious discrepancies.

**Relationship between income and vote for Dilma in 2014 by state**



**Relationship between what is not explained by the difference in the average income of the state and the proportion of evangelicals in the population**



Source: IBGE, TSE, Mar Asset Management

# Municipal data strengthen the relationship between evangelicals and PT votes

- We constructed a panel where we can control for the specific effects of each municipality and election. The objective is to estimate the sensitivity between the proportion of estimated evangelicals and PT votes in the second round in each municipality during the presidential elections from 2010 to 2022. This method controls for spurious correlation effects among municipalities that inherently exhibit an anti-PT bias and a higher evangelical population. This way, it is possible to isolate the effect of an increase in the evangelical population between elections on the propensity to vote for the PT.

- The basic model is represented below. The variable to be explained is the proportion of votes the PT received from municipality $m$ during election $t$, as a function of the estimated proportion of evangelicals in that municipality. Additionally, we include dummies to control for fixed effects of munipalities ($\phi_m$), elections ($\delta_t$), and states ($\mu_s$).

$$Votes\ PT_{mt} = \phi_m + \delta_t + \mu_s * \delta_t + \beta \times P^{evg}_{mt}{}_{mt} + \varepsilon_{mt}$$

- We estimate that the elasticity of PT votes concerning the proportion of evangelicals is $\hat{\beta} = -0.56\%$. That is, for each 1 percentage point increase in evangelicals in the population, PT would have -0.56 percentage points fewer votes in the second round, on average, over the last four elections. A statistically significant and negative coefficient gives us confidence that the evangelization process has a direct and relevant effect on the outcomes of presidential elections.

# What is the impact of evangelical expansion on PT votes?

- To illustrate the importance of the recent expansion of evangelicals, we conducted a counterfactual exercise: what would the result of the 2022 election have been if the proportion of evangelicals was at the projected level for 2026?
  - In 2022, Lula won the second round with 50.9% of the votes.
  - By 2026, we estimate that the proportion of evangelicals will grow by 3.7 percentage points. If this expansion had occurred in 2022, Lula's vote share would have fallen by 2.2 percentage points (calculation:     -0.56 * 3.7), sufficient to alter the election result.
  - In fact, even an increase of 1.6 percentage points in the share of evangelicals would have been enough for PT to lose, according to our model.

- We also calculated the lower elasticity of conversion for recent evangelical adherents that would have been sufficient to alter the electoral result. Based on 2022 parameters, this value is $\beta' = -0.24$. In other words, even if new converts had less resistance to voting for PT compared to the rest of the evangelicals, the election outcome would have been different in our counterfactual scenario

- These findings align with pre-election vote intention surveys (see slide 45): the growth of the evangelical electorate represents a challenge for PT to win the 2026 election.

**Estimated effect of the increase in the proportion of evangelicals in the votes for the PT**

|  | % Votes PT 2nd Round |
|---|---|
|  | (1) |
| $\hat{\beta}$ | -0.56*** |
|  | (0.05) |
| $R^2$ | 0.91 |
| Obs. | 22,260 |
| Municipality F.E | ✓ |
| Year F.E | ✓ |
| Year × State F.E | ✓ |

Statistical significance levels: * 10%, ** 5%, e *** 1%

Source: Mar Asset Management

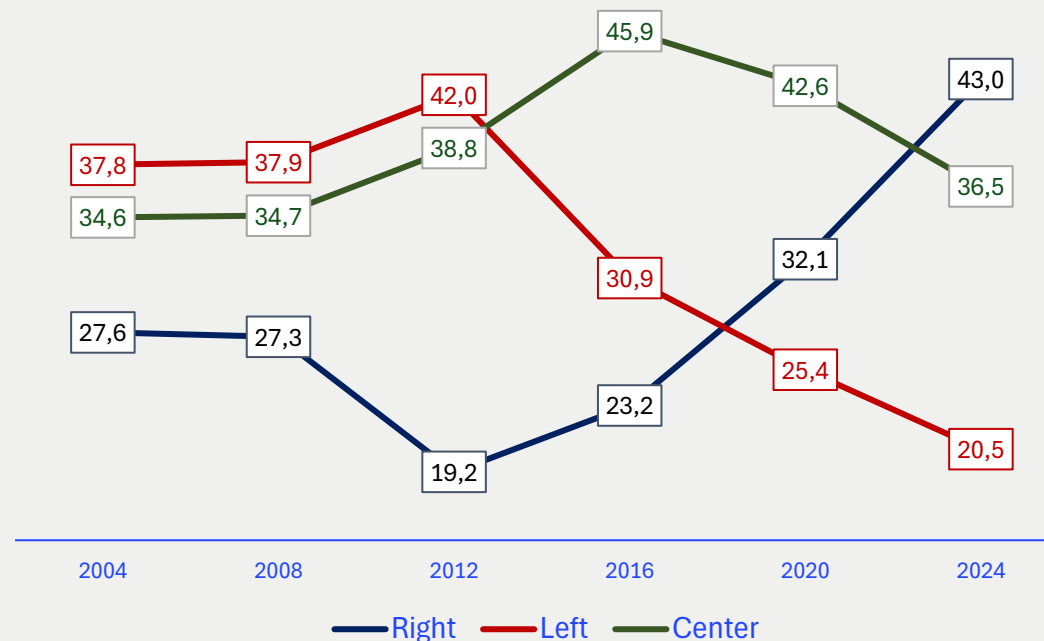# 2024 municipal elections and implications for the presidential election

# Right-wing parties gained significant ground over the decade

- We classified the political parties in the municipal elections as right-wing, left-wing, and centrist, analyzing the absolute number of votes each of them received in the first round. Thus, it is possible to observe how society has changed its voting profile over time.
- The exercise demonstrates a clear strengthening of the right between 2012 and 2024. Right-wing parties received 43% of the total vote in 2024, up from less than 20% in 2012. This growth is mainly explained by the drop in votes for left-wing parties. The centrist parties, on the other hand, maintained the same proportion of votes recorded in the 2004 election.

## Classification of political parties (sample)

### Left
PDT, PT, PSB, PSoL, PCdoB, cidadania23, Partido Verde

### Center
MDB, PSDB PELO BRASIL, psd, Podemos, AVANTE 70

### Right
PL, UNIÃO BRASIL 44, PATRIOTA 51, NOVO, Republicanos 10, Progressistas, PTB 14

## Voting in municipal elections in the 1st round according to party bias (% of total valid votes)

| | 2004 | 2008 | 2012 | 2016 | 2020 | 2024 |
|---|---|---|---|---|---|---|
| Right | 27,6 | 27,3 | 19,2 | 23,2 | 32,1 | 43,0 |
| Left | 37,8 | 37,9 | 42,0 | 30,9 | 25,4 | 20,5 |
| Center | 34,6 | 34,7 | 38,8 | 45,9 | 42,6 | 36,5 |

Source: TSE, Mar Asset Management

# Right-wing parties gained significant ground over the decade

- From this classification, we built the Political Position Index (IPP), which classifies parties on a scale from -2 (left) to +2 (right), with the center represented by 0. This tool facilitates the analysis of ideological trends and changes in the voting profile, using the absolute votes of each party over time.

**Ranking of political parties (-2 to +2)**



**Political Position Index of 1st round votes – Mayor**
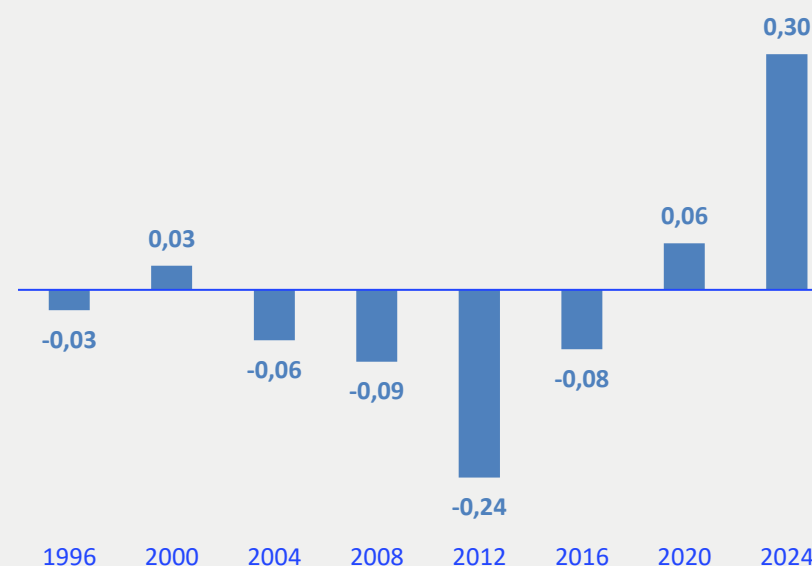
# The Brazilian political pendulum has shifted to the right

- The evolution of the election results reflects the movement of the Brazilian political pendulum. Between 2000 and 2012, the period of the PT's rise as the main political party, the IPP migrated from the center to left-wing parties. Since 2012, there has been a continuous movement of vote migration from the left to the right. This trend points to a process of societal shift to the right, in which the left faces increasing difficulties in maintaining its electoral base, while the right progressively consolidates its political space.

**The municipal election IPP showed a pendular movement between 2000 and 2024 and is currently at its most right-leaning level**
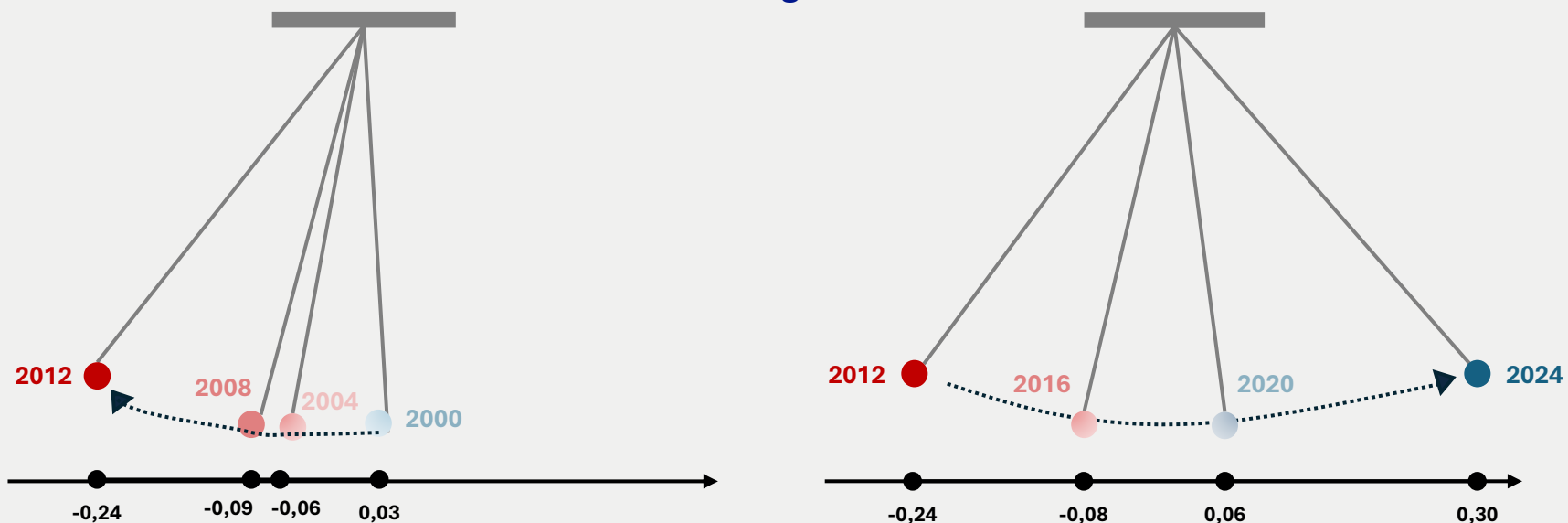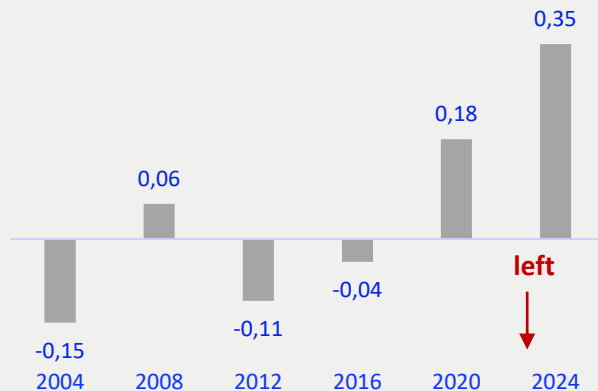


Source: Mar Asset Management

# The shift to the right is observed across all regions

- When we exclude the most radical parties (e.g., PSOL, PSTU, PL), we observe a movement towards center-right parties over time, to the detriment of the center-left.

- In the 2024 election, this trend is confirmed in all regions, including the Northeast.
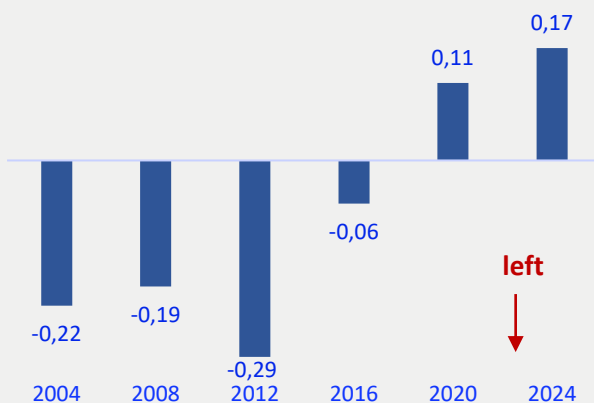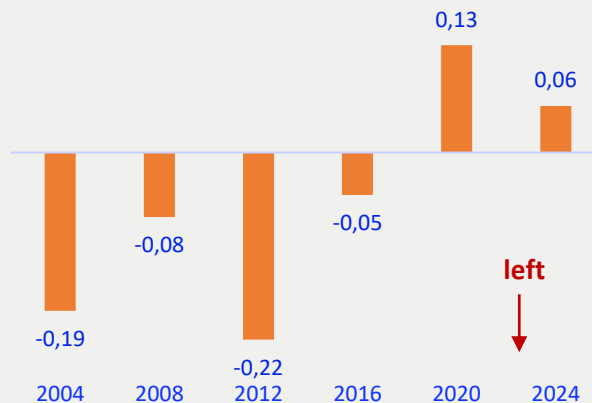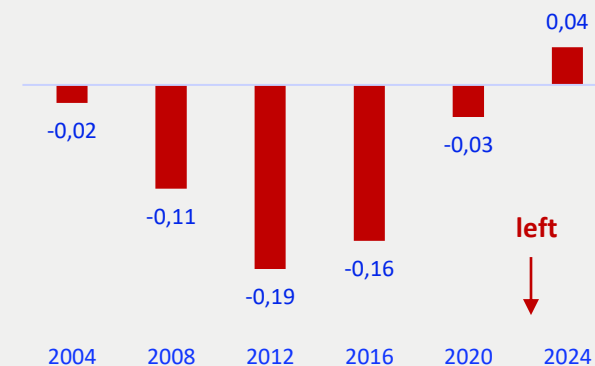
**IPP –** Central-West



**IPP** - North
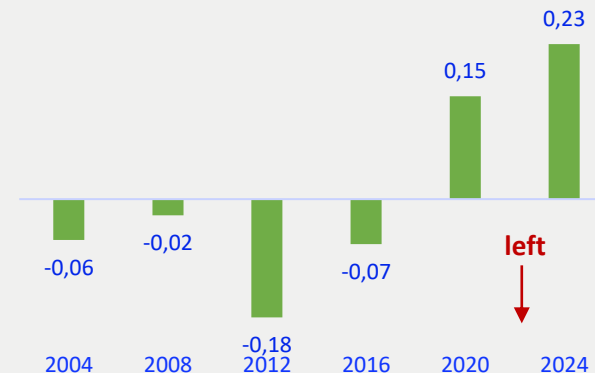


**IPP** - Southeast



**IPP** - South



**IPP** - Northeast



Source: TSE, Mar Asset Management

# Shift to the right is also linked to evangelicals

- The movement to the right in municipal elections in recent years has been quite widespread among the states.
- It is likely that this movement is also related to the change in the pattern of evangelical voting. In general, the states that moved the most to the right between 2012 and 2024 were those with the highest proportion of evangelicals in their population.

**Change of political position between 2012–2024 in municipal elections vs. % of evangelical population by state**
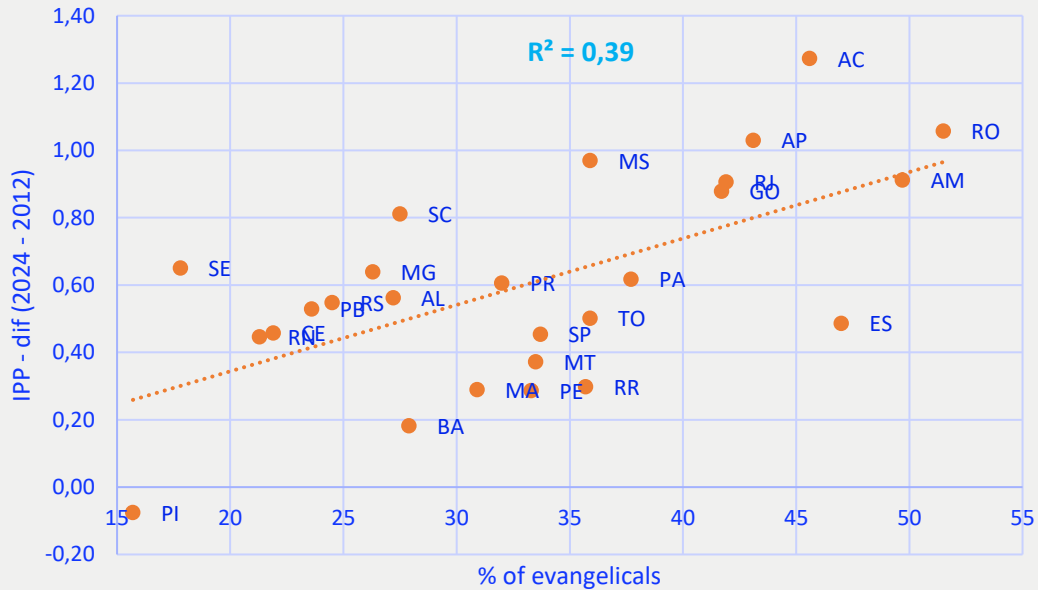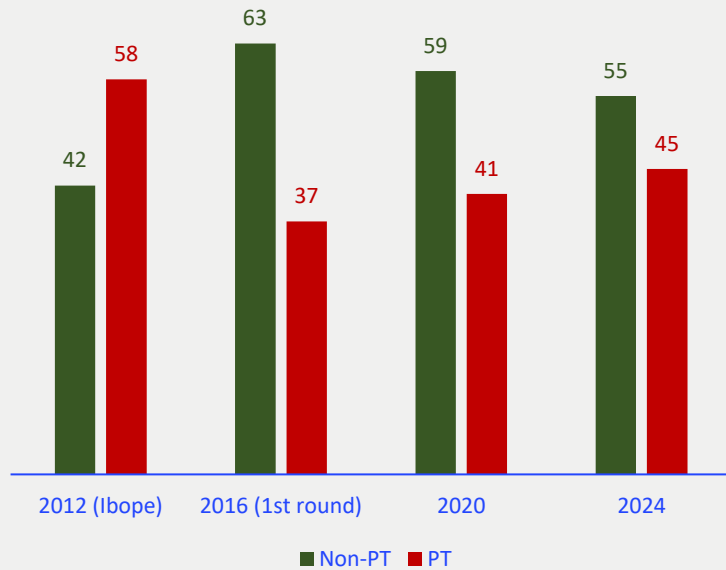


**IPP in municipal elections**

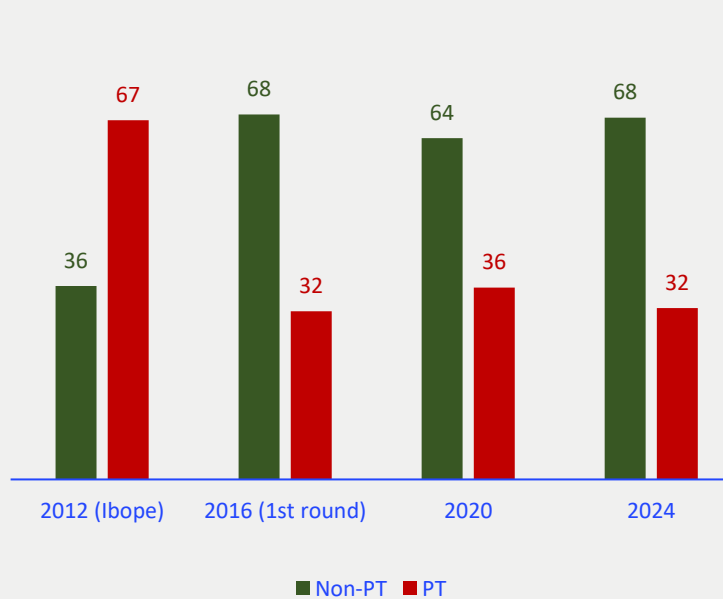| Region/State | 2004 (Census) | 2008 (Census) | 2012 (Estimated) | 2016 (Estimated) | 2020 (Estimated) | 2024 (Estimated) |
|---|---|---|---|---|---|---|
| *Brazil* | **-0,06** | **-0,09** | **-0,24** | **-0,08** | **0,06** | **0,30** |
| **Central-West** | **0,0** | **0,3** | **-0,1** | **0,0** | **0,2** | **0,7** |
| GO | 0,1 | 0,2 | -0,1 | 0,0 | 0,2 | 0,8 |
| MS | -0,2 | -0,1 | 0,2 | 0,1 | 0,2 | 0,5 |
| MT | -0,1 | 0,7 | -0,2 | 0,0 | 0,2 | 0,8 |
| **Northeast** | **0,1** | **-0,1** | **-0,2** | **-0,1** | **0,0** | **0,1** |
| AL | -0,3 | 0,3 | 0,1 | 0,0 | 0,1 | 0,6 |
| BA | 0,3 | 0,0 | -0,1 | 0,1 | 0,1 | 0,1 |
| CE | -0,1 | -0,2 | -0,5 | 0,0 | -0,4 | 0,0 |
| MA | 0,1 | -0,3 | 0,0 | -0,4 | 0,2 | 0,2 |
| PB | 0,1 | 0,1 | -0,1 | -0,2 | 0,2 | 0,4 |
| PE | 0,0 | -0,1 | -0,3 | -0,2 | -0,1 | 0,0 |
| PI | 0,2 | -0,1 | 0,0 | 0,0 | 0,2 | -0,1 |
| RN | -0,1 | -0,1 | -0,1 | 0,0 | 0,3 | 0,4 |
| SE | 0,0 | -0,4 | -0,1 | -0,6 | -0,2 | 0,5 |
| **North** | **0,0** | **0,1** | **-0,3** | **0,0** | **0,1** | **0,5** |
| AC | -0,4 | -0,3 | -0,4 | -0,3 | 0,2 | 0,9 |
| AM | -0,1 | 0,1 | -0,3 | 0,4 | 0,2 | 0,6 |
| AP | -0,6 | -0,5 | -0,9 | -0,3 | 0,1 | 0,1 |
| PA | 0,1 | 0,2 | -0,3 | -0,2 | 0,0 | 0,4 |
| RO | -0,1 | -0,2 | -0,4 | 0,1 | 0,2 | 0,7 |
| RR | 0,0 | 0,2 | 0,0 | 0,2 | 0,2 | 0,3 |
| TO | 0,4 | 0,3 | 0,2 | 0,1 | 0,2 | 0,7 |
| **Southeast** | **-0,1** | **-0,2** | **-0,3** | **-0,1** | **0,0** | **0,3** |
| ES | -0,2 | -0,2 | -0,2 | -0,3 | -0,1 | 0,3 |
| MG | 0,1 | -0,2 | -0,3 | 0,0 | 0,1 | 0,4 |
| RJ | 0,2 | -0,3 | -0,2 | 0,0 | 0,4 | 0,7 |
| SP | -0,3 | -0,1 | -0,3 | -0,1 | -0,1 | 0,1 |
| **South** | **-0,2** | **-0,1** | **-0,3** | **-0,1** | **0,1** | **0,4** |
| PR | -0,2 | -0,1 | -0,3 | -0,1 | 0,2 | 0,3 |
| RS | -0,3 | -0,2 | -0,3 | -0,1 | -0,1 | 0,2 |
| SC | 0,2 | 0,1 | 0,0 | 0,0 | 0,4 | 0,8 |

Source: TSE, Mar Asset Management

# Municipal election in São Paulo suggests resilience of evangelical voting

- The elections in the capital of São Paulo illustrate this relationship well. Since 2016, evangelicals have voted between 64% and 68% in favor of the candidate running against the PT/left (Dória, Covas, and Nunes). In São Paulo, the greatest rejection of the PT candidate occurred in both segments of society. However, evangelicals still have a greater resistance to voting for the PT compared to the rest of society.



**Voting intention on the eve of the election for mayor of São Paulo – non-evangelicals (%)**

| | 2012 (Ibope) | 2016 (1st round) | 2020 | 2024 |
|---|---|---|---|---|
| Non-PT | 42 | 63 | 59 | 55 |
| PT | 58 | 37 | 41 | 45 |

**Voting intention on the eve of the election for mayor of SP – evangelicals (%)**

| | 2012 (Ibope) | 2016 (1st round) | 2020 | 2024 |
|---|---|---|---|---|
| Non-PT | 36 | 68 | 64 | 68 |
| PT | 67 | 32 | 36 | 32 |

**Voting intention on the eve of the election for mayor of SP – total (%)**

| | 2012 (Ibope) | 2016 (1st round) | 2020 | 2024 |
|---|---|---|---|---|
| Non-PT | 40 | 64 | 54 | 58 |
| PT | 60 | 36 | 46 | 42 |
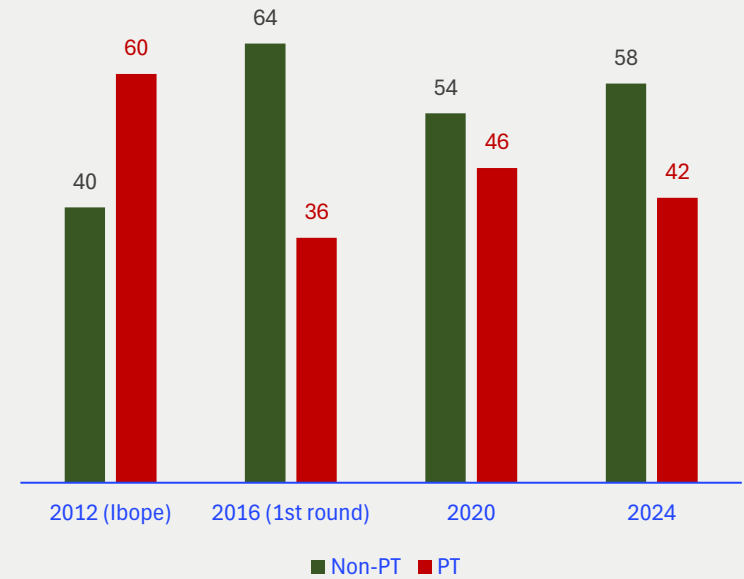
Source: Datafolha, Ibope, Mar Asset Management

# The municipal election is related to the presidential election

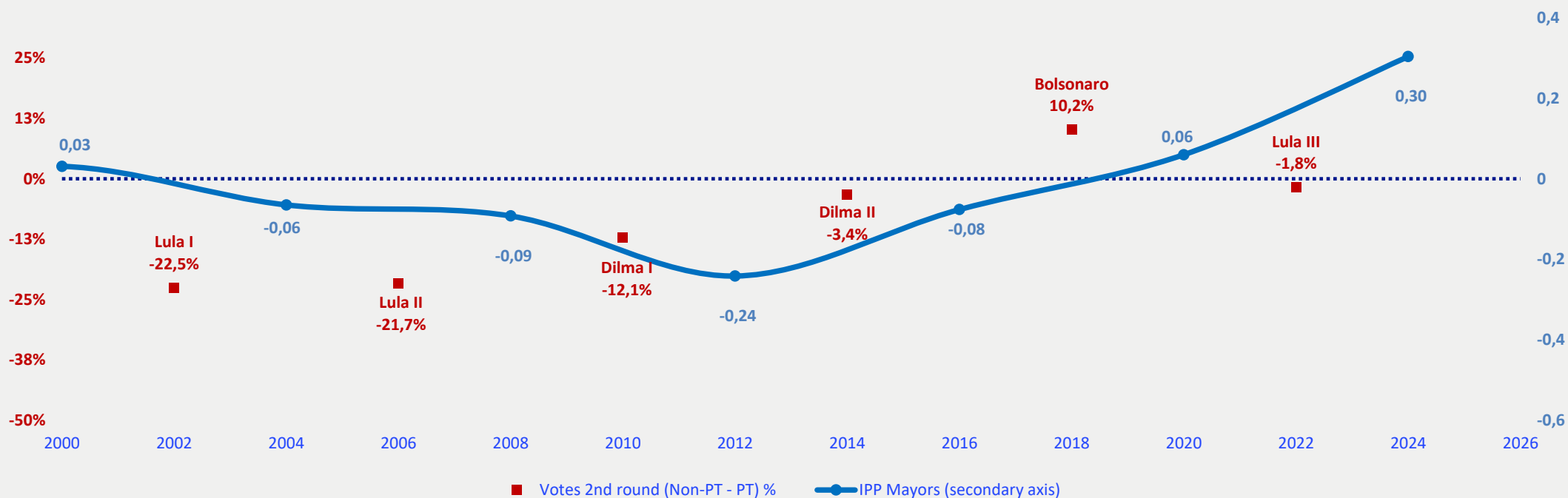- A common statement among political analysts is that the result of municipal elections is totally dissociated from presidential elections. While voting in municipal elections is more related to local issues, voting for president would be quite personalistic. We disagree with this view, at least in light of the change observed in the last decade.

**IPP municipal elections and PT votes in the presidential elections in the 2nd round (%)**



Legend: ■ Votes 2nd round (Non-PT - PT) %    ●—— IPP Mayors (secondary axis)

Data labels visible:
- 0,03 (2000)
- Lula I -22,5% (2002)
- -0,06 (2004)
- Lula II -21,7% (2006)
- -0,09 (2008)
- Dilma I -12,1% (2010)
- -0,24 (2012)
- Dilma II -3,4% (2014)
- -0,08 (2016)
- Bolsonaro 10,2% (2018)
- 0,06 (2020)
- Lula III -1,8% (2022)
- 0,30 (2024)

Source: TSE, Mar Asset Management

# Relationship between IPP and presidential votes by state

The analysis by region corroborates the relationship between the result of the municipal and presidential elections, both in level and in difference:

(i)     the states that have a more right-wing political position in the 2024 elections tended to have a lower vote for Lula in the 2022 elections [ratio in level],

(ii)    the states that most changed their position to the right in the last decade in the municipal elections (2024 vs. 2012) were those that, in general, reduced the votes for the PT the most in the presidential elections (2022 vs. 2010) [ratio in difference].

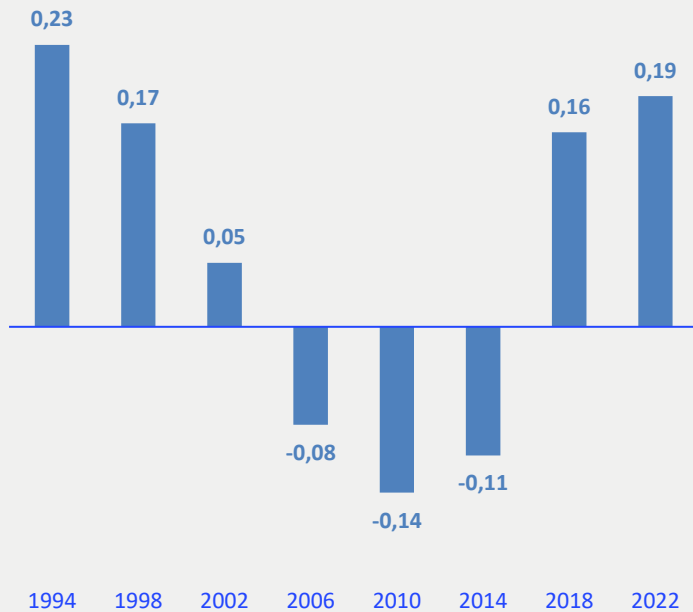**Political Position Index and vote for Lula in the 2022 presidential election**
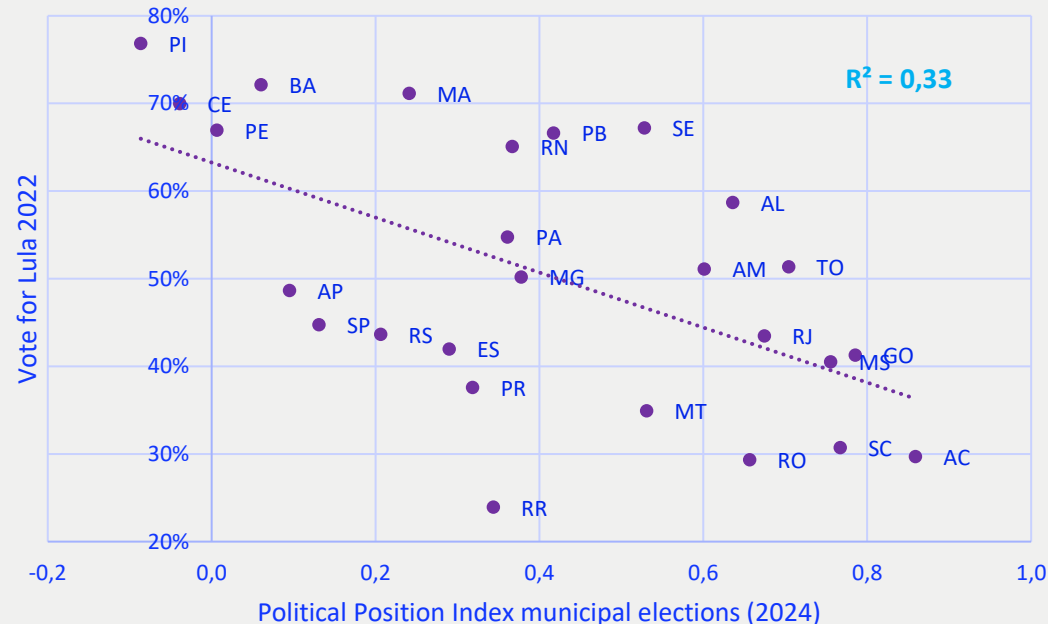
**Change of political position between 2012-2024 vs. change of vote for the PT between 2010-2022**


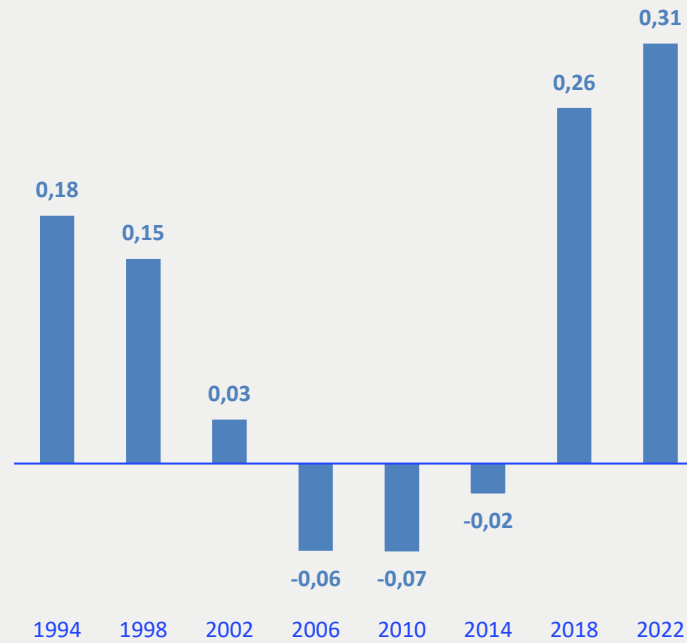
Cast Iron: TSE, Mar Asset Management
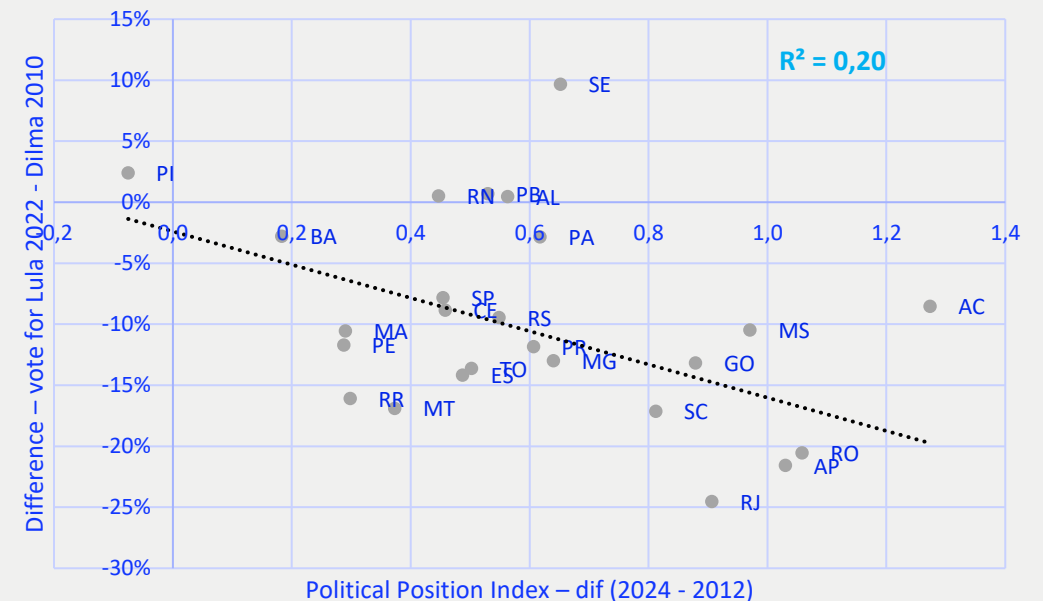
# The movement to the right also occurred for other positions

- The movement of voting towards more right-wing parties was also observed in the elections for other positions. Replicating the previous exercise for the elections of state and federal deputy, governor, senator and councilor, we identified very similar movements. This suggests a very relevant robustness of the trend observed in the municipal elections.

### Political Position Index of 1st round votes – State Deputy

| Year | Value |
|------|-------|
| 1994 | 0,23 |
| 1998 | 0,17 |
| 2002 | 0,05 |
| 2006 | -0,08 |
| 2010 | -0,14 |
| 2014 | -0,11 |
| 2018 | 0,16 |
| 2022 | 0,19 |

### Political Position Index of 1st round votes – Federal Deputy

| Year | Value |
|------|-------|
| 1994 | 0,18 |
| 1998 | 0,15 |
| 2002 | 0,03 |
| 2006 | -0,06 |
| 2010 | -0,07 |
| 2014 | -0,02 |
| 2018 | 0,26 |
| 2022 | 0,31 |

### Political Position Index of 1st round votes – Councilor
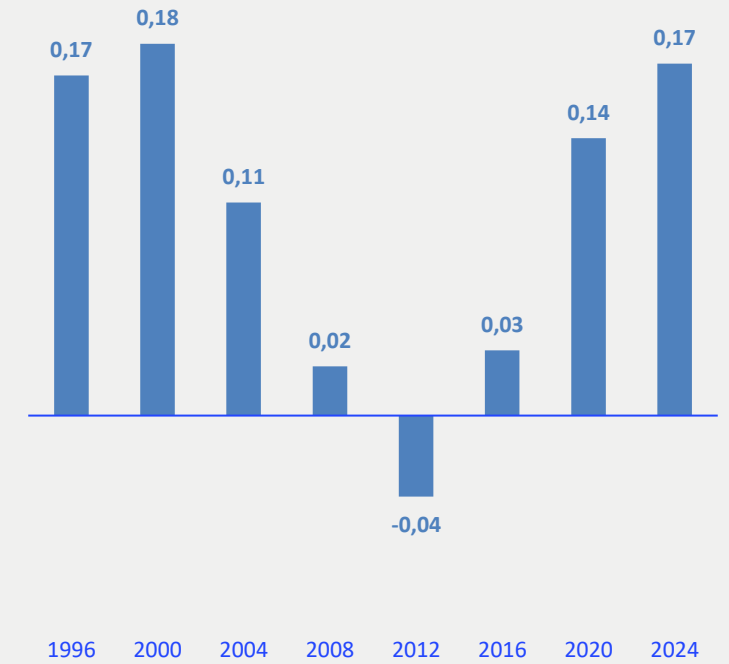
| Year | Value |
|------|-------|
| 1996 | 0,17 |
| 2000 | 0,18 |
| 2004 | 0,11 |
| 2008 | 0,02 |
| 2012 | -0,04 |
| 2016 | 0,03 |
| 2020 | 0,14 |
| 2024 | 0,17 |

Source: TSE, Mar Asset Management

# The movement to the right also occurred for other positions

- The argument that the municipal elections would be different from the others because they are not personalistic does not seem to hold water. Even in majority positions, such as governor and senator,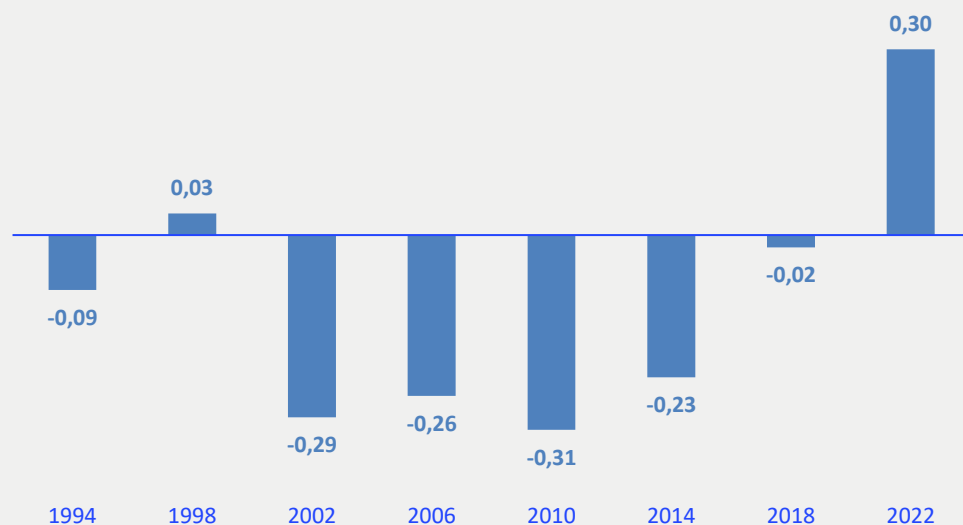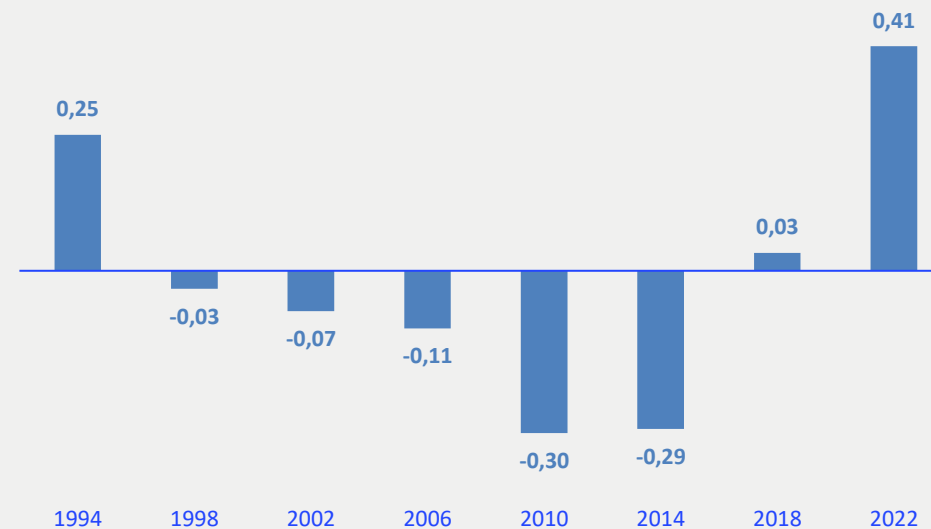 which tend to involve a greater degree of personalism, the data show that the movement of votes to parties on the right is consistent in all spheres.

- In conclusion: the electorate positioned itself more to the right in the elections for all positions. The last observation of this phenomenon occurred now in the municipal elections. It is difficult to dissociate this robust pattern from the prospect of the presidential election. It is increasingly difficult for a left-wing candidate to become president.

**Political Position Index of 1st round votes – Governor**



| Year | Value |
|------|-------|
| 1994 | -0,09 |
| 1998 | 0,03 |
| 2002 | -0,29 |
| 2006 | -0,26 |
| 2010 | -0,31 |
| 2014 | -0,23 |
| 2018 | -0,02 |
| 2022 | 0,30 |

**Political Position Index of 1st round votes – Senator**



| Year | Value |
|------|-------|
| 1994 | 0,25 |
| 1998 | -0,03 |
| 2002 | -0,07 |
| 2006 | -0,11 |
| 2010 | -0,30 |
| 2014 | -0,29 |
| 2018 | 0,03 |
| 2022 | 0,41 |

Source: TSE, Mar Asset Management

# Robustness of the relationship between evangelicals and the shift to the right

- To strengthen our conclusions, we deepened the study on the relationship between the predominance of the evangelical population and the migration of votes to the right, using our most detailed database.

- The strategy to test this relationship consists of estimating the sensitivity of the IPP we constructed to the number of churches per capita in each state/municipality. This strategy is similar to that implemented in the projection of the proportion of evangelicals, but the variable to be explained is the Political Position Index ( $\text{IPP}_{mt}^{c}$ ) in the election year $t$, for different elected positions $c$:

$$\text{IPP}_{mt}^{c} = \phi_m + \delta_t + \beta \times \text{Churches per Cap}_{mt} + \varepsilon_{mt}$$

- The parameter $\beta$ to be estimated will give the sensitivity of the IPP to the number of churches per capita. In other words, how much the IPP increases (shift to the right) if the state/municipality increases by one unit in the number of churches per 100,000 inhabitants.

- The statistical test controls for fixed effects of elections and states/municipalities. This way, we can estimate the effect of a marginal church on voting patterns. Again, we are not merely estimating a spurious correlation between conservatism and the number of religious churches but rather the impact of an increase in churches on the propensity of that state/municipality to vote more to the right.

- We used election result data for all elected positions between 1996 and 2024 and our database of churches per capita. The results we will present on the next slide were obtained using state-level data. However, they are qualitatively identical when we perform the same exercise at the municipal level.

Source: Mar Asset Management

# Impact of evangelical expansion on right-wing votes

| | IPP Mayor (1) | IPP Councilor (2) | IPP Senator (3) | IPP Governor (4) | IPP Federal Deputy (5) | IPP State Deputy (6) |
|---|---|---|---|---|---|---|
| Temples per 100k/hab. | 0.005*** (0.000) | 0.002*** (0.000) | 0.008*** (0.000) | 0.002*** (0.000) | 0.001*** (0.000) | 0.004*** (0.000) |
| $R^2$ | 0.45 | 0.52 | 0.62 | 0.67 | 0.63 | 0.56 |
| Obs. | 27,818 | 27,776 | 22,275 | 22,275 | 22,275 | 22,275 |
| Municipality F.E | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Year F.E | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Statistical significance levels: * 10%, ** 5%, e *** 1%

- The table above presents the results of the estimated β parameters for the elections of all elective positions. All the estimated coefficients are positive and statistically significant, indicating that there is a relationship between the presence of evangelical churches and the vote more to the right, both for executive and legislative positions. The greatest magnitudes were observed in the votes for senator, mayor and state deputy.

- Considering that the number of churches per 100,000 inhabitants in Brazil increased from 40.5 in 2012 to 65.5 in 2024, the estimated average effect on the IPP of mayors was +0.13 (= 0.005 × 25). In the same period, the growth of the IPP was actually observed at 0.54. In other words, a quarter of the movement to the right observed in the IPP is entirely explained only by the increase in evangelical churches in this period.

- The same analysis for the national elections between 2010 and 2022 shows a similar result.

Source: TSE, Mar Asset Management

# Robustness of the relationship between municipal and presidential elections

- After verifying the robustness of the relationship between evangelicals and right-wing voting, we move to the second question: Does the rightward shift in municipal elections have any implications for the outcome of the subsequent presidential election?

- To answer this question, we used a panel to estimate the effect of the IPP observed in votes during municipal elections ($\text{IPP}_{mt-2}^{pref}$) on the result of the subsequent national election ($\text{IPP}_{st}^{c}$). Using aggregated data at the state level from elections between 1996 and 2022, we estimate the following model:

$$\text{IPP}_{st}^{c} = \mu_s + \delta_t + \theta_c \times \text{IPP}_{st-2}^{pref} + \varepsilon_{st}$$

- In this model, we again control for fixed effects by state ($\mu_s$) and election ($\delta_t$). The $\theta_c$ represents the sensitivity of the national election result to an increase in the IPP from mayoral elections. For example, in the case of the presidential election, this parameter provides an estimate of how much PT voting decreases based on how right-leaning the municipal election results were two years prior.

Source: Mar Asset Management

# Municipal and presidential elections are related

| | % Votes PT 2nd Round (1) | IPP Federal Deputy (2) | IPP State Deputy (3) | IPP Governor (4) | IPP Senator (5) |
|---|---|---|---|---|---|
| $IPP_{t-2}^{Mayor}$ | -0.120*** | 0.156*** | 0.146* | 0.174 | 0.202 |
| | (0.037) | (0.055) | (0.080) | (0.164) | (0.122) |
| $R^2$ | 0.72 | 0.72 | 0.63 | 0.47 | 0.45 |
| Obs. | 156 | 178 | 178 | 178 | 178 |
| Year F.E. | ✓ | ✓ | ✓ | ✓ | ✓ |
| State F.E. | ✓ | ✓ | ✓ | ✓ | ✓ |

Statistical significance levels: * 10%, ** 5%, e *** 1%

- Column (1) presents the estimated relationship between the political positioning of the votes in the municipal election and the result of the next presidential election. As expected, the relationship was negative and statistically significant. In other words, we can refute the consensus thesis that there is no relationship between the result of municipal and federal elections. In addition, the relationship is quantitatively relevant: for every additional 1.0 point in the IPP of the municipal elections, the PT receives -12 p.p. of votes in the second round of the presidential election.

- The IPP of the municipal elections increased by 0.24 between 2020 and 2024. Thus, our estimates would imply a reduction in the PT's votes in the 2nd round compared to 2022 of 0.24 × (-12%) = -2.9%, which would not be compatible with Lula's reelection in 2026, all else being equal.

- This magnitude is very similar to what we found when performing the exercise using the impact of the growth of the evangelical population on the outcome of the 2026 election (Slide 55). In other words, the two exercises, done independently, show quantitatively similar results for the 2026 presidential election and suggest that Congress will become even more to the right.

Source: TSE, Mar Asset Management

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