

ABOUT HC GROUP

Established in 2003, HC Group is a global retained search, intelligence and advisory firm dedicated to commodities and energy markets. With 7 offices and over 50 consultants across the US, EMEA and Asia, HC Group has built its reputation on delivering quality services across multiple product, functional and regional markets.

HC Group has an extensive track record in placing a wide variety of Gas and Power leaders, who combine deep sector expertise with a broad commercial mindset. From upstream strategy to downstream operations, we partner with clients to identify professionals who drive performance, navigate market complexity, and deliver value across the energy landscape.

Discover Gas & Power at HC Group.

INSIGHTS

Brazil Power Trading Talent Market 2025 - Introduction: Why Brazil, Why Now

The Brazilian power trading talent market is undergoing rapid transformation. In 2025, a surge in demand for seasoned, locally embedded senior professionals has reshaped the competitive dynamics of the space. At the same time, global trading houses, financial institutions, and industrial players are recalibrating their strategies for Brazil - either by entering the market for the first time or expanding existing operations beyond their original mandates.

For years, major industrial players engaged in the power market primarily to manage internal energy consumption. Today, many are actively pivoting towards full-fledged trading operations, seeking external revenue opportunities from their access to generation assets and consumption footprints.

Global trading organizations are evaluating the country with increased seriousness, and regional banks are deploying capital and building headcount. What was once a fragmented, domestically focused trading space has become a focal point of international competition and strategic investment.

As a retained search partner to many of the world's leading power and commodity trading firms, we are uniquely positioned to advise on this transition. This report outlines current market trends, competitive activity, and the strategic talent considerations facing any firm with intent to enter or grow in the Brazilian power market.

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Market Overview: Foundations for Growth

Brazil is Latin America's largest and most diversified energy market, with over 236 GW of installed capacity across hydropower, thermal, wind, and solar. Since market liberalization in 1995, private sector participation has expanded significantly. In 2000, there were only five registered power traders; today, that number exceeds 300, driven by regulatory reform and investor interest.

A major inflection point came in 2022 when consumers gained the right to purchase electricity from any supplier. This boosted liquidity and attracted new players energy retailers, banks, and independent power producers. In January 2024, reforms expanded free-market access to all consumers connected to medium and high voltage, prompting over 17,400 units (805 MW average demand) to apply to leave the regulated tariff regime, according to ANEEL.

The involvement of banks has spurred demand for structured products, including derivatives and energy options, signaling a more sophisticated and financially driven trading environment.

However, the market faces growing financial volatility, primarily due to fluctuating spot-market prices (PLD), limited risk-management tools, rising reliance on intermittent renewables, and complex regulations. These pressures have led to financial distress, with at least seven firms including 2W, Gold, and Máxima Energia, seeking court protection since 2019.

In response, regulators are pursuing reforms. The CCEE is curbing contract registrations from financially weak firms, while ANEEL is promoting improved risk detection and advocating for a centralized clearinghouse to strengthen stability. Brazil's energy market also has growing international relevance, exporting electricity to Argentina, Uruguay, and Paraguay through private auctions, positioning it as a regional power hub.

Are your internal stakeholders fully informed of the regulatory path in Brazil?

Is your team equipped to act now or will delays mean entering a more saturated, less favourable landscape?

Competitive Landscape: Moves Already Made

Many of your competitors are not thinking about Brazil, they are already executing. Through our senior-level hiring mandates and candidate outreach across Latin America, we've seen clear signals that firms are building out capabilities rapidly, even if this has not been publicly disclosed.

Industrial Entrants Evolve

Companies with large energy footprints such as Minerva and Cargill initially set up internal power teams to hedge operational energy consumption. Over time, these teams have grown into profit-generating desks, with mandates shifting toward external market participation and speculative trading. This evolution underscores a broader trend: industrial players becoming competitors in the same trading arenas as global firms.

Policy Banks: An Underestimated Force

Brazilian financial institutions have also acted decisively. Itaú, and Bradesco have already built internal trading capabilities and are expanding. At the same time, others such as Safra and Macquarie are actively exploring market entry, including mandates to assess senior trading leadership. Their advantage lies in deep local compliance knowledge, capital readiness, and risk infrastructure.

Is your trading desk ready to compete not only with other houses, but also with highly capitalized banks with deep local ties and regulatory agility?

Global Trading Houses: Some In, Some Waiting

A wave of global players are evaluating Brazil in earnest. Danske Commodities, Galp, and Vitol have taken early steps toward market presence. Others are quietly positioning through talent mapping, feasibility studies, or discreet conversations with local partners. Most are still grappling with the central question: build or acquire?

Additionally, major utilities such as Shell and BP operate power trading functions in Brazil—though typically with risk-averse postures focused on balancing and optimization, rather than outright risk-taking.

Alongside these, Brazil hosts a long-established but fragmented ecosystem of small-to-mid-sized domestic trading firms. These operators have experienced cycles of boom and bust, but often maintain deep networks and regulatory know-how. While opaque and less institutional, they represent rich sources of hire and sometimes acquisition targets.

Entry Strategy: The Build vs Buy Dilemma

At the heart of every Brazil strategy is a simple but consequential question: Do we build a trading presence from scratch or buy into existing infrastructure and talent?

While there is no one-size-fits-all answer, several truths are universal:

- Local knowledge is critical. This is not a market that can be successfully run from London, Geneva, or Houston. The informal nature of commercial relationships, the complexity of regulatory requirements, and the personal networks that underpin deal flow all require boots on the ground.
- Technology alone won't win. Even the most advanced algorithmic or platform-based traders will face cultural and operational limitations if they cannot embed within the market's deeply interpersonal environment.
- Execution timelines matter. Building a team locally requires time, licensing, systems, and trust. Acquisitions offer speed, but with integration risk.

Can your firm afford a 12–18 month buildout period? Or is acquisition more viable despite potential cultural mismatch?

How will you assess local leadership before you commit capital?

Key Considerations: What to Ask Before You Move

The direction of future energy policies remains unclear under the new administration, leading to uncertainty in both the gas and power markets. Key areas of concern include regulatory changes in emissions standards, infrastructure development policies, and potential shifts in incentives for renewable energy versus fossil fuels. The ambiguity surrounding these policies has led to cautious yet strategic hiring and investment across the industry.

As a search and advisory partner to many global trading leadership teams, we advise our clients to ask the following questions before making any Brazil-related investment:

Do we have anyone internally with credible Brazil power market experience or do we need to source externally?

Is our trading ambition tied to local generation assets, customer load, or purely speculative positioning?

Can our systems, compliance processes, and trading platforms operate independently under Brazilian law or do we require integration with global infrastructure?

Are we prepared for full legal entity setup, trading authorization, and licensing hurdles?

Can we commit to a 5 plus year strategy in Brazil given high interest rates, political volatility, and FX risk?

If you cannot confidently answer these questions today, we recommend beginning with a discreet talent mapping exercise to assess market readiness, availability, and cultural fit.

Conclusion: Timing and Talent are Everything

Brazil is not a simple market, but it is a strategically significant one. The prize for first movers is real: access to a maturing, liberalizing, and increasingly liquid power market in the heart of Latin America. But the risks are equally real: poor hiring decisions, flawed regulatory assumptions, or misaligned timelines can derail a buildout before it begins.

Our firm is currently working with leading trading houses, banks, and industrial players to define their Brazil strategies from market mapping and compensation benchmarking to retained search for local trading heads and functional leads.

If Brazil is on your radar, the right talent decisions made now will determine whether your strategy succeeds. We're here to help you make those decisions with confidence.

ABOUT US

HC Group

Our track record and established brand enables client access to both active and passive candidates. In addition, our strong network of relationships and understanding of underlying markets allows us to provide market context to all search processes and accurate candidate referencing throughout.

Our services include the following:

- Search Services
- Compensation Data & Advisory
- Competitive Analyses
- Diversity Studies
- Talent Pipelining & Succession Planning
- Behavioral Assessment

HC Commodities Podcast

Explore our insights on the issues that matter most to the global commodity industry via our HC Commodities podcast.

The Brazilian Power Market with Adriana Waltrick

Brazil has been steadily deregulating its power market over the last two decades. This - combined with one of the largest shares of renewables in the generation mix of any advanced economy, alongside hydrocarbon production in the 'Pre-salt' off the coast - has made it a hugely dynamic market with lots of opportunity for participants, both domestic and international.

CONFIDENTIALITY & DISCRETION

We understand the importance of discretion. Whether reviewing leadership succession, evaluating compensation structures or undertaking a business critical hire, HC Group leverages its own brand to discreetly extract the necessary market intelligence and insight without compromising client confidentiality.

GLOBAL REACH

HC Group operates as one global team. With talent markets becoming increasingly fragmented and geographically dispersed, we leverage our local presence to offer global access to the talent communities and insights that matter.

COMMITMENT TO DIVERSITY

The reality is that for many organisations in our sector, diversity is still a box to tick rather than a strategic imperative. At HC Group, we are committed to ensuring that our clients have access to shortlists that reflect candidate diversity in all its forms.

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