

# Inflation Report

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# Inflation Report

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The following departments are responsible for the English version of the text and the respective tables and graphs:

**Department of Economics (Depec)**

(e-mail: [depec@bcb.gov.br](mailto:depec@bcb.gov.br));

**Research Department (Depep)**

(e-mail: [conep.depep@bcb.gov.br](mailto:conep.depep@bcb.gov.br)); and

**Investor Relations Group (Gerin)**

(e-mail: [gerin@bcb.gov.br](mailto:gerin@bcb.gov.br)).

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Banco Central do Brasil  
Secre/Surel/Cogiv  
SBS – Quadra 3 – Bloco B – Edifício-Sede – 1º andar  
Caixa Postal 8.670  
70074-900 Brasília – DF – Brazil  
Phones: (5561) 3414-3710 and 3414-3565  
Fax: (5561) 3414-3626  
E-mail: [editor@bcb.gov.br](mailto:editor@bcb.gov.br)

## Statistical Conventions

- ... data not available.
- nil or non-existence of the event considered.
- 0 ou 0.0 less than half the final digit shown on the right.
- \* preliminary data.

Hipphen between years indicates the years covered, including the first and the last year.

A bar (/) between years (1970/1975) indicates the average of the years covered, including the first and the last year or even crop or agreement year, when mentioned in the text.

Occasional discrepancies between constituent figures and totals as well as percentage changes are due to rounding.

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## Banco Central do Brasil Information Bureau

Address: Secre/Surel/Diate  
SBS – Quadra 3 – Bloco B – Edifício-Sede – 2º subsolo  
70074-900 Brasília – DF – Brazil  
DDG: 0800 9792345  
Fax: (5561) 3414-2553  
Internet: <http://www.bcb.gov.br>  
E-mail: [cap.secre@bcb.gov.br](mailto:cap.secre@bcb.gov.br)

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## Foreword

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*Inflation Report* is a quarterly publication of the Banco Central do Brasil with the objective of evaluating the performance of the inflation targeting system and providing a prospective scenario for inflation. The national and international economic conditions underlying decisions taken by the Monetary Policy Committee (Copom) concerning the monetary policy management are presented.

The *Report* is divided into six chapters: Activity level; Prices; Credit, monetary and fiscal policies; International economy; Foreign sector and Prospects for inflation. With regard to the activity level, growth in retail sales, inventories, output, labor market and investments are investigated. In the following chapter, price analysis focuses on the results obtained in the quarter as a consequence of monetary policy decisions and the real conditions of the economy outside the realm of government action. The chapter referring to the credit, monetary and fiscal policies, the analysis is centered on the behavior of credit, financial and budget operations. In the chapter dealing with the international economy, the *Report* presents an analysis of the world's major economies and seeks to identify those conditions capable of impacting the Brazilian balance of payments. Insofar as the foreign sector chapter is concerned, analysis is targeted at economic-financial relations with the international community, with emphasis on trade results and foreign financing conditions. Finally, prospects on inflation growth are analyzed.