

# ***BANCO CENTRAL DO BRASIL - FOCUS***

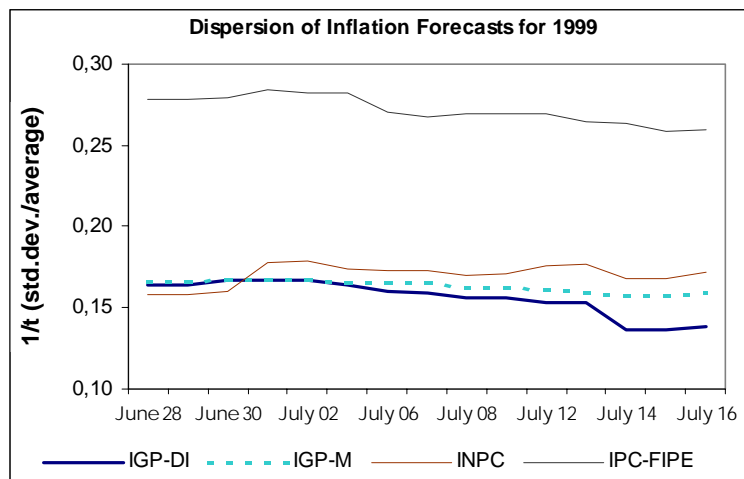
**July 16, 1999**

The median forecast for the IPCA and for the INPC for 1999 remained at 7.50% as tracked by Banco Central do Brasil Daily Survey on Market Expectations. For the IGP-DI index, it increased to 12.25% from 11.90%, while for the IGP-M, it changed to 12.28% from 12.00%. Except for the INPC, the dispersion of forecasts for price indexes in 1999 was reduced over the week. The median expectation for GDP growth in 1999 did not change. For the year 2000, it was reduced to 3.7% from 4.0%. Expectations for the trade balance surplus were lowered to US\$2.1 billion from US\$2.3 billion in 1999, while for 2000 it increased to US\$5.85 billion.

## **Market Readout** *Central Bank Daily Survey on Market Expectations* *Market Median Forecasts*

<b>Price indices</b> (% change)	<b>for July 1999</b>		<b>for 1999</b>		<b>for 2000</b>	
	as of July 09	as of <b>today</b>	as of July 09	as of <b>today</b>	as of July 09	as of <b>today</b>
IGP-DI	0.80	1.00	11.90	12.25	6.20	6.09
IGP-M	0.81	1.30	12.00	12.28	5.25	5.50
IPC-Fipe	0.90	1.00	6.36	6.40	4.50	5.00
INPC	0.71	0.80	7.50	7.50	5.15	5.87
IPCA	0.80	0.90	7.50	7.50	4.50	5.50

	<b>for 1999</b>		<b>for 2000</b>	
	as of July 09	as of <b>today</b>	as of July 09	as of <b>today</b>
<b>GDP growth (%)</b>	-1.00	-1.00	4.00	3.70
<b>Trade Balance (US\$ billion)</b>	2.30	2.10	5.55	5.85
<b>Current account (US\$ billion)</b>	-23.0	-23.2	-22.1	-22.0
<b>Fiscal Figures (% of GDP)</b>				
Primary balance	3.00	3.00	3.10	3.10
Nominal balance	-9.40	-9.50	-4.00	-4.05




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*Market forecasts are solely informative and not intended to bind Banco Central do Brasil in its monetary policy actions. This information is for unrestricted disclosure and free of any charge.*