

BANCO CENTRAL DO BRASIL - FOCUS

October 22, 1999

Consensus forecast points out to a GDP growth of -0.01% in 1999 and to 3.10% in the year 2000. Median expectations for inflation in 1999, measured by composite price indices, increased over the week. Medians are now at 15.50% for the IGP-DI and 15.83% for the IGP-M. Expectations for the year 2000 continue at 7.25% for the IGP-DI and 7.00% for the IGP-M. Expectations for the IPC-Fipe in the current year increased to 7.10% from 7.00% while for the IPCA and INPC expectations were reduced marginally. A trade deficit of 50 million is expected in 1999 reversing to a surplus of US\$ 4.1 billion in 2000.

Market Readout

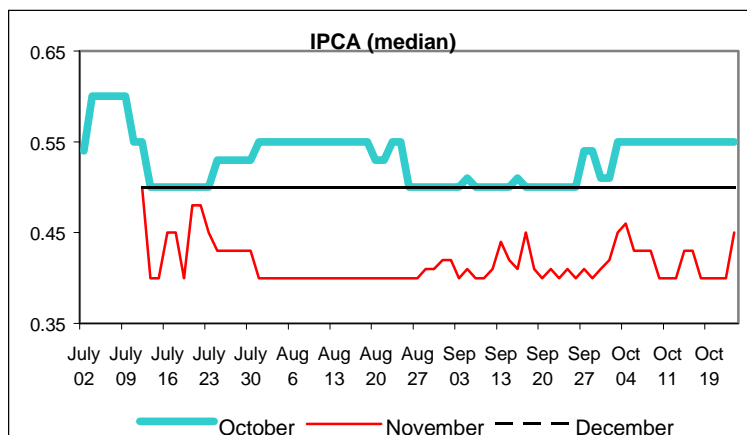
**Central Bank Daily Survey on Market Expectations
Market Median Forecasts**

	for Oct 1999		for 1999		for 2000	
	as of Oct 15	as of today	as of Oct 15	as of today	as of Oct 15	as of today
IGP-DI	0.80	1.10	15.04	15.50	7.25	7.25
IGP-M	0.85	1.33	15.20	15.83	7.00	7.00
IPC-Fipe	0.60	0.85	7.00	7.10	5.50	5.30
INPC	0.55	0.52	7.40	7.35	5.81	5.81
IPCA	0.55	0.55	7.77	7.70	6.00	6.00

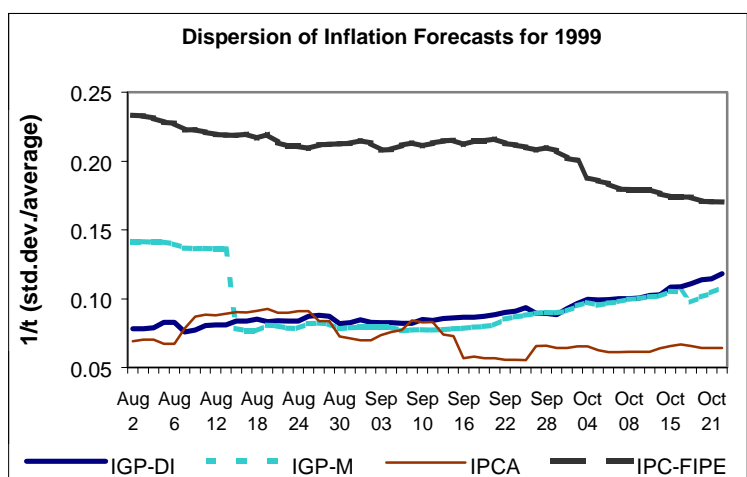
	for 1999		for 2000	
	as of Oct 15	as of today	as of Oct 15	as of today
GDP growth (%)	-0.20	-0.01	3.50	3.10
Trade Balance (US\$ billion)	-0.05	-0.05	4.10	4.10
Current account (US\$ billion)	-25.70	-25.70	-23.24	-23.24
Fiscal Figures (% of GDP)				
Primary balance	3.00	3.00	3.10	3.10
Nominal balance	-9.90	-9.90	-4.22	-4.22

Central Bank Daily Survey on Market Expectations

Evolution of Monthly Inflation Expectations



Dispersion of Inflation Forecasts for 1999



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