

BANCO CENTRAL DO BRASIL - FOCUS

December 24, 1999

Median of market expectations for inflation measured by the IPCA in 1999 remained at 9.0%. For the year 2000, the median continues at 7.0%. Market forecasts for IGP-DI for 1999 were revised to 19.8% from a median of 19.7% recorded last week. For next year, expectations are at 8.0%. GDP growth expectations for 1999 moved to 0.25% from 0.20% in 1999. For 2000, a growth rate of 3.00% is expected. Expectations for the trade deficit in 1999 are at US\$ 1.50 billion reversing to a surplus of US\$ 4.00 billion in 2000. A current account deficit of US\$ 25.5 billion is expected in 1999, and of US\$ 23.0 billion in the coming year. Further economic indicators are quoted in the tables below and in the figures on the next page.

Market Readout

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

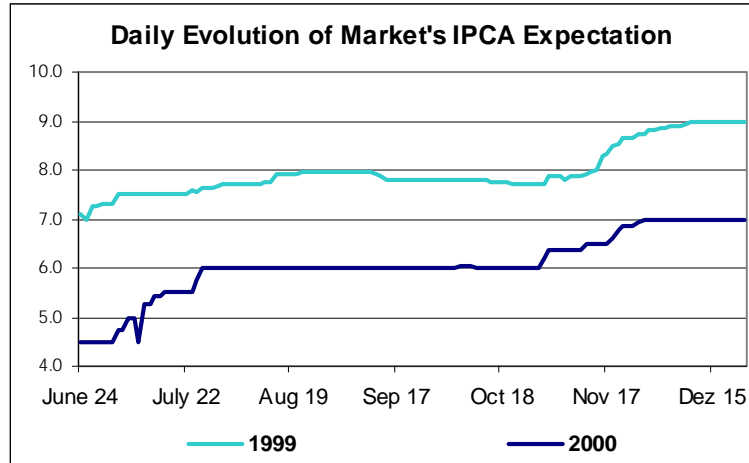
Price indices	for 1999		for 2000	
	as of Dec 17	as of today	as of Dec 17	as of today
(% change)				
IGP-DI	19.70	19.80	8.00	8.00
IGP-M	19.70	19.74	8.00	8.00
IPC-Fipe	8.80	8.76	6.30	6.18
INPC	8.21	8.23	6.51	6.26
IPCA	8.99	8.99	7.00	7.00

	for December		for January	
	as of Dec 17	as of today	as of Dec 17	as of today
(% change)				
IGP-DI	1.25	1.38	0.98	0.98
IGP-M	1.52	1.65	0.97	0.96
IPC-Fipe	0.70	0.64	0.75	0.75
INPC	0.60	0.60	0.90	0.89
IPCA	0.60	0.60	0.80	0.80

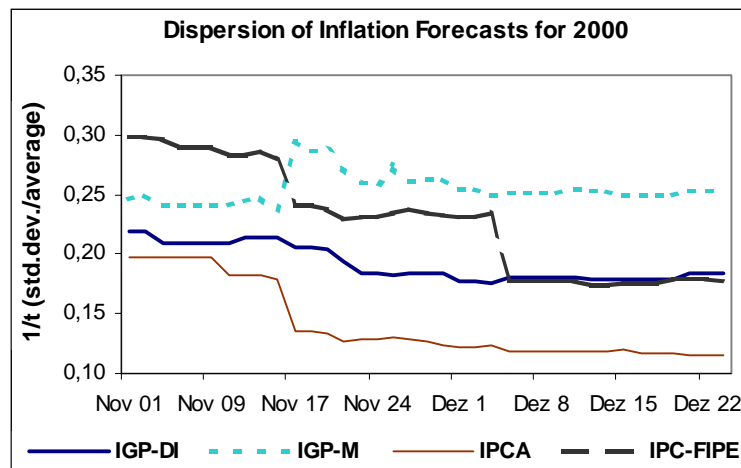
	for 1999		for 2000	
	as of Dec 17	as of today	as of Dec 17	as of today
GDP growth (%)	0.20	0.25	3.00	3.00
Trade Balance (US\$ billion)	-1.50	-1.50	4.10	4.00
Current account (US\$ billion)	-25.50	-25.50	-23.00	-23.00
Fiscal Figures (% of GDP)				
Primary balance	3.03	3.08	3.00	3.00
Nominal balance	-10.04	-10.00	-4.35	-4.40

Central Bank Daily Survey on Market Expectations

Evolution of Median Expectations for Inflation



Dispersion of Inflation Forecasts for 2000



Information for unrestricted disclosure. It is not intended to bind Banco Central do Brasil in its monetary or foreign exchange policy actions.