

BANCO CENTRAL DO BRASIL – FOCUS

March 03, 2000

Median of market expectations for inflation measured by the IPCA for 2000 declined to 6.60% from 6.79% as tracked by Banco Central do Brasil daily survey. For 2001, expectations moved to 4.05% from 4.10%. The median of market forecasts for the IGP-DI for 2000 were revised to 8.00% from 8.20% over the week. Median expectations for the IPC-Fipe declined to 6.05% from 6.20%. GDP growth expectations for 2000 remained at 3%. Expectations for the trade balance remained at US\$ 4.0 billion for 2000, changing to US\$ 5.30 billion in 2001. On the fiscal side, market participants expects a nominal deficit of 4.50% of GDP for 2000. Expectations for other economic indicators are listed below.

Market Readout

Central Bank Daily Survey on Market Expectations
Median of Market Expectations

PRICE INDICES

	March		April	
--	-------	--	-------	--

(% change)	as of Feb 25	as of today	as of Feb 25	as of today
IGP-DI	0.59	0.60	0.50	0.50
IGP-M	0.51	0.53	0.56	0.57
IPC-FIPE	0.36	0.40	0.58	0.55
INPC	0.50	0.44	0.50	0.50
IPCA	0.50	0.48	0.53	0.52

	2000		2001	
--	------	--	------	--

IGP-DI	8.20	8.00	5.00	5.00
IGP-M	8.00	8.00	5.00	5.00
IPC-FIPE	6.20	6.05	4.00	4.00
INPC	6.66	6.40	4.00	4.00
IPCA	6.79	6.60	4.10	4.05

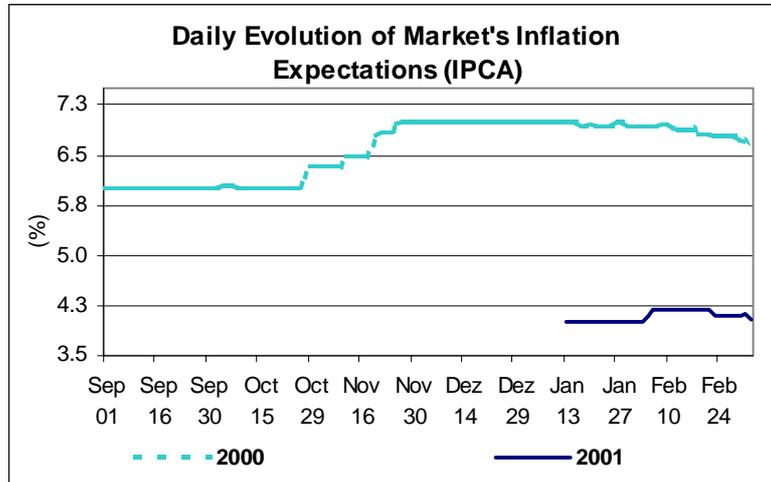
OTHER ECONOMIC INDICATORS

	2000		2001	
--	------	--	------	--

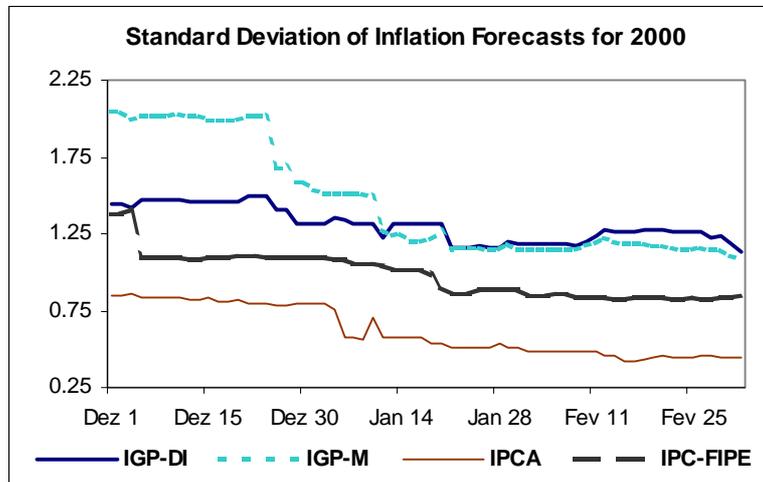
	as of Feb 25	As of today	as of Feb 25	as of today
GDP growth (%)	3.00	3.00	4.00	4.00
Trade Balance (US\$ billion)	4.00	4.00	5.35	5.30
Current Account (US\$ billion)	-23.00	-23.00	-22.65	-22.70
Fiscal Figures (% of GDP)				
- Primary Balance	3.00	3.00	3.00	3.00
- Nominal Balance	-4.43	-4.50	-3.05	-3.00

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.
Contact information for e-mail distribution at gci.bacen@bcb.gov.br*