

# BANCO CENTRAL DO BRASIL – FOCUS

May 19, 2000

*Median of market expectations for GDP growth in 2000 increased to 3.2%, from 3.1% recorded last week.* For year 2001, 4% GDP growth is expected. Forecasts for inflation measured by IPCA declined to 6.13% from 6.19% for 2000, remaining at 4.50% for 2001. Other indexes showed reductions between 0 and 7 bp for 2000, with no changes on 2001's outlook. Trade balance surplus is now expected to be at US\$ 3 billion this year, increasing to US\$ 5.1 billion in 2001, from US\$ 3.3 billion and US\$ 5.25 billion last week. Median of forecasts for the current account deficit continue at US\$ 23.4 billion and US\$ 23.2 billion for 2000 and 2001 respectively.

## Market Readout

*Banco Central do Brasil Daily Survey on Market Expectations  
Median of Market Expectations*

### PRICE INDICES

	May		June	
(% change)	as of May 12	as of today	as of May 12	as of today
IGP-DI	0.30	0.34	0.65	0.64
IGP-M	0.29	0.30	0.60	0.60
IPC-Fipe	0.30	0.19	0.60	0.59
INPC	0.43	0.32	0.60	0.60
IPCA	0.40	0.34	0.60	0.60

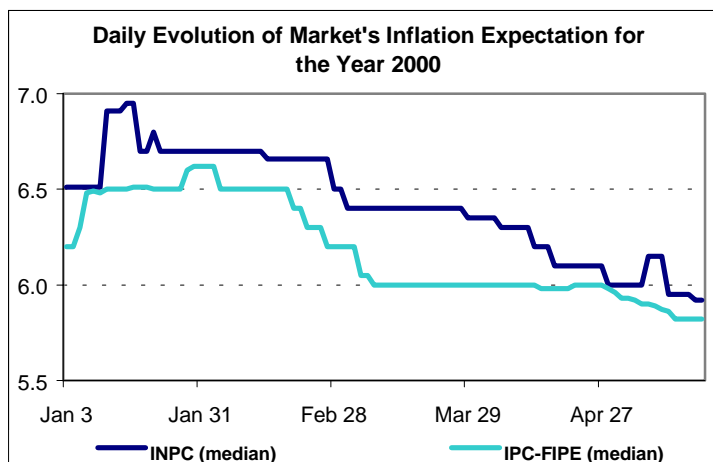
  

	2000		2001	
IGP-DI	7.40	7.40	5.00	5.00
IGP-M	7.45	7.38	5.00	5.00
IPC-Fipe	5.86	5.82	4.10	4.10
INPC	5.95	5.92	4.00	4.00
IPCA	6.19	6.13	4.50	4.50

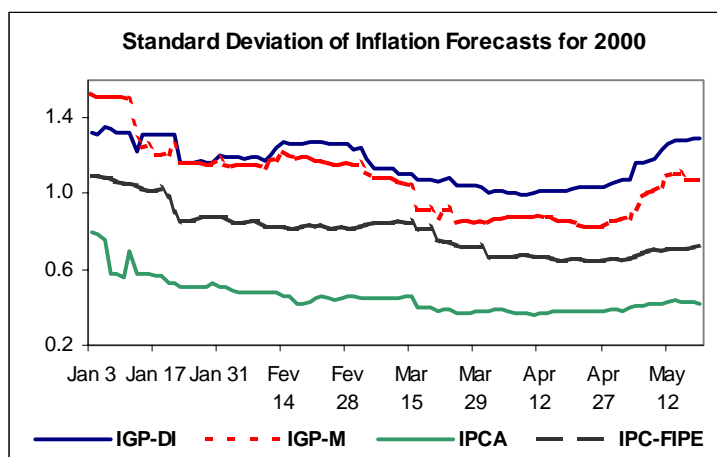
### OTHER ECONOMIC INDICATORS

	2000		2001	
	as of May 12	As of today	as of May 12	as of today
GDP growth (%)	3.10	3.20	4.00	4.00
Trade Balance (US\$ billion)	3.30	3.00	5.25	5.11
Current Account (US\$ billion)	-23.40	-23.40	-23.20	-23.20
Fiscal Figures (% of GDP)				
- Primary Balance	3.10	3.10	3.00	3.00
- Nominal Balance	-4.00	-4.00	-3.00	-3.00

**Central Bank Daily Survey on Market Expectations**  
**Evolution of Median Expectations for Inflation**



**Dispersion of Inflation Forecasts for 2000**



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