

BANCO CENTRAL DO BRASIL – FOCUS

July 7, 2000

Median of market expectations for inflation measured by the IPCA for 2000 declined to 5.90%, advancing further underneath the target for inflation of 6% for the year, from 5.97%, and it remains stable at 4.25% for 2001. For the IPC-Fipe, the median decreased to 5.07% from 5.20% in 2000, while the expectations for the IGP-M and the IGP-DI increased to 7.34% and 7.05% respectively. Median expectation for the GDP growth in 2000 was reduced to 3.40% from 3.45%. Forecasts for the trade balance surplus declined to US\$ 4.7 billion from US\$ 4.75 billion in 2001. Expectations for the current account deficit decreased to US\$ 23.85 billion from US\$ 23.90 billion in 2000. Forecasts for other economic indicators are quoted in the tables below and in the figures on the next page.

Market Readout

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

PRICE INDICES

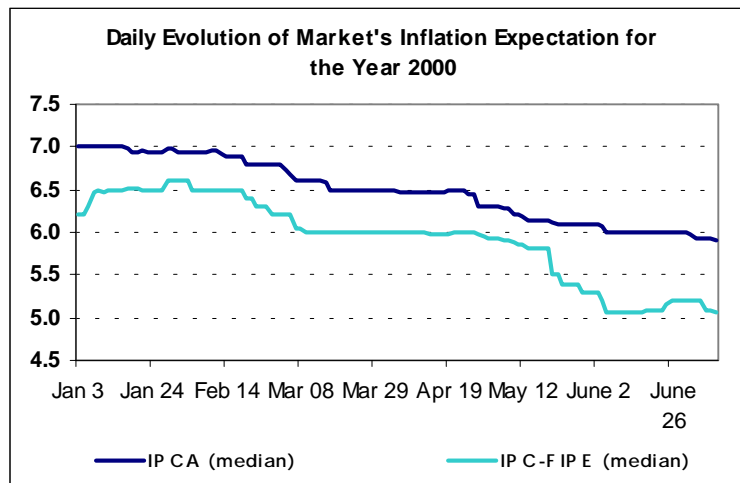
	July		August	
(% change)	as of June 30	As of today	as of June 30	as of today
IGP-DI	0.75	0.79	0.65	0.66
IGP-M	0.73	0.75	0.63	0.65
IPC-Fipe	0.66	0.60	0.78	0.90
INPC	0.74	0.72	0.70	0.75
IPCA	0.80	0.80	0.70	0.70

	2000		2001	
IGP-DI	6.93	7.05	4.75	4.75
IGP-M	7.00	7.34	4.30	4.50
IPC-Fipe	5.20	5.07	4.00	4.00
INPC	5.40	5.43	4.00	4.00
IPCA	5.97	5.90	4.25	4.25

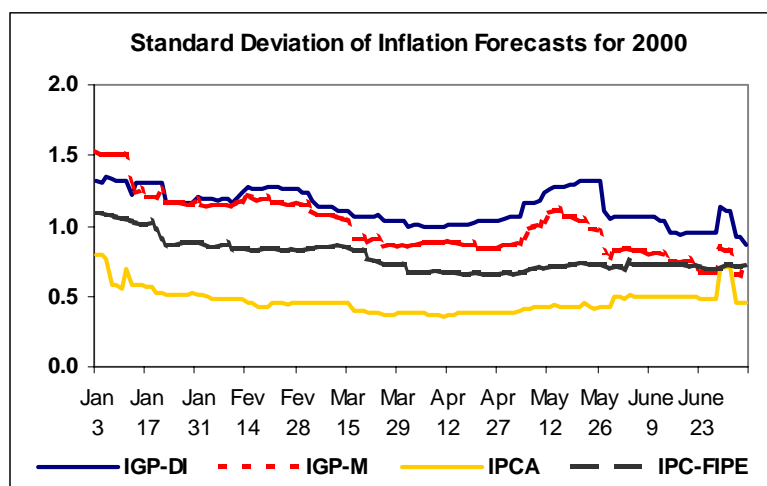
OTHER ECONOMIC INDICATORS

	2000		2001	
	as of June 30	As of today	as of June 30	as of today
GDP growth (%)	3.45	3.40	4.00	4.00
Trade Balance (US\$ billion)	2.20	2.20	4.75	4.70
Current Account (US\$ billion)	-23.90	-23.85	-23.30	-23.30
Fiscal Figures (% of GDP)				
- Primary Balance	3.10	3.10	3.00	3.00
- Nominal Balance	-4.00	-4.00	-3.10	-3.10

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



Dispersion of Inflation Forecasts for 2000



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