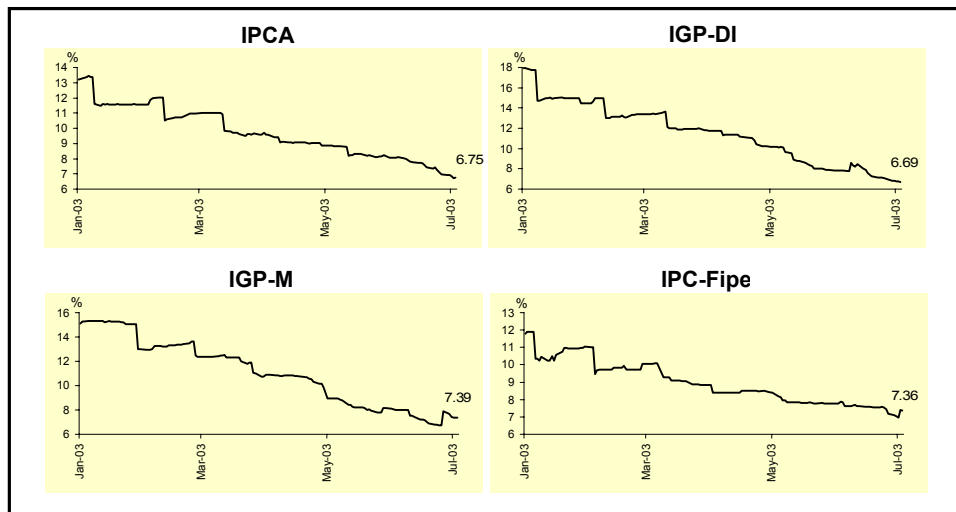


# Market Readout

July 4, 2003

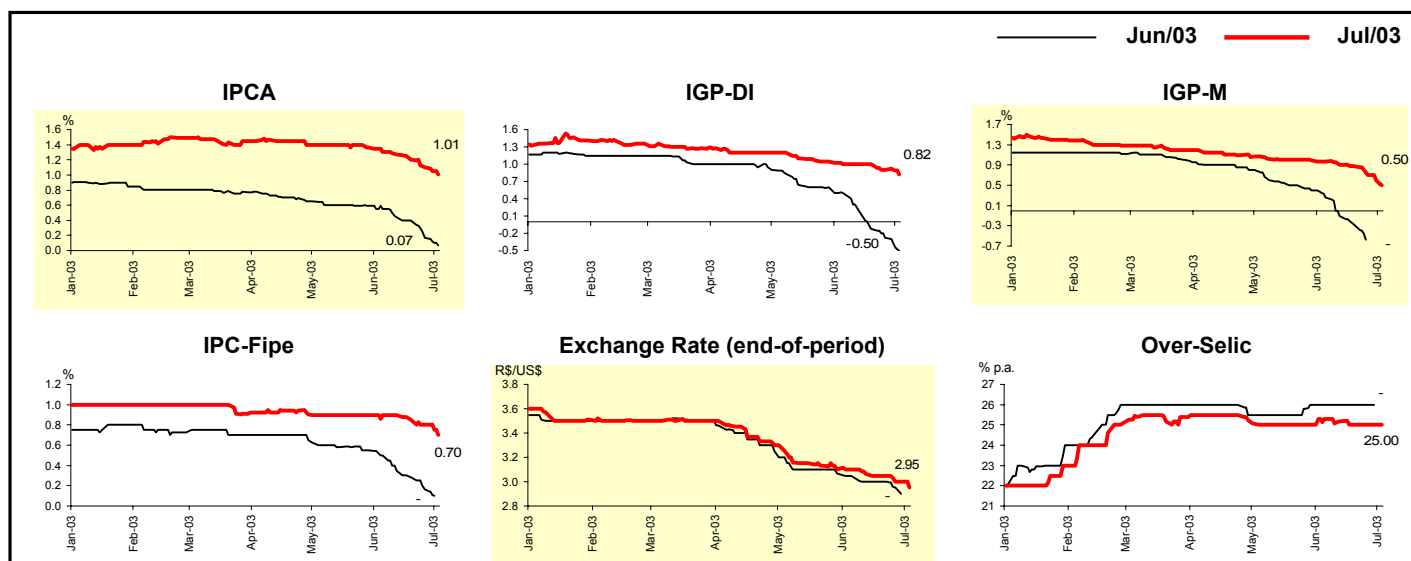
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	8.09	6.98	6.75	▼ (5)
IGP-DI (%)	7.80	6.98	6.69	▼ (3)
IGP-M (%)	8.03	7.92	7.39	▼ (1)
IPC-Fipe (%)	7.64	7.17	7.36	▲ (1)

\* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior (▲ increase, ▼ decrease or = stability)



Indicator	Market Expectations							
	Jun/03				Jul/03			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
<b>Median - Aggregate</b>								
IPCA (%)	0.55	0.17	0.07	▼ (6)	1.30	1.10	1.01	▼ (6)
IGP-DI (%)	0.50	-0.28	-0.50	▼ (5)	1.00	0.90	0.82	▼ (2)
IGP-M (%)	0.26	-	-		0.96	0.70	0.50	▼ (6)
IPC-Fipe (%)	0.50	0.17	-		0.90	0.80	0.70	▼ (3)
Exchange rate - end-of-period (R\$/US\$)	3.05	2.95	-		3.10	3.00	2.95	▼ (4)
Over-Selic - end-of-period (% p.a.)	26.00	26.00	-		25.30	25.00	25.00	= (2)

\* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior (▲ increase, ▼ decrease or = stability)



Market Expectations								
Indicator	2003				2004			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
<b>Median - Aggregate</b>								
IPCA (%)	12.06	11.35	11.02	▼ (5)	7.50	7.00	7.00	= (1)
IGP-DI (%)	12.20	10.26	10.00	▼ (13)	8.00	7.71	7.50	▼ (4)
IGP-M (%)	12.93	11.42	10.80	▼ (12)	7.90	7.50	7.50	= (2)
IPC-Fipe (%)	11.00	10.17	9.92	▼ (5)	7.00	7.00	7.00	= (4)
Exchange rate - end-of-period (R\$/US\$)	3.30	3.25	3.20	▼ (2)	3.50	3.50	3.50	= (8)
Exchange rate - average (R\$/US\$)	3.25	3.20	3.17	▼ (4)	3.43	3.40	3.39	▼ (3)
Over-Selic - end-of-period (% p.a.)	21.33	21.00	21.00	= (3)	16.50	16.00	16.00	= (1)
Net Public Sector Debt (% of GDP)	55.00	55.00	54.90	▼ (1)	53.20	53.35	53.50	▲ (1)
GDP growth (%)	1.85	1.75	1.70	▼ (2)	3.00	3.00	3.00	= (28)
Current Account (US\$ billion)	-3.97	-3.60	-3.50	▲ (2)	-5.00	-5.00	-4.85	▲ (1)
Trade Balance (US\$ billion)	16.10	16.73	17.00	▲ (5)	15.65	15.50	15.50	= (3)
Foreign Direct Investment (US\$ billion)	11.00	10.00	10.00	= (2)	14.00	13.00	13.00	= (1)
<b>Median - Top 5 - Short Term</b>								
IPCA (%)	12.49	11.57	11.00	▼ (4)	8.00	7.00	7.00	= (3)
IGP-DI (%)	12.08	10.06	9.13	▼ (8)	7.00	7.00	7.00	= (6)
IGP-M (%)	12.51	10.04	10.04	= (1)	6.55	6.25	6.25	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.30	3.30	3.28	▼ (1)	3.50	3.50	3.50	= (9)
Over-Selic - end-of-period (% p.a.)	21.00	20.00	19.50	▼ (1)	16.00	16.00	16.00	= (5)

\* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior (▲ increase, ▼ decrease or = stability)

