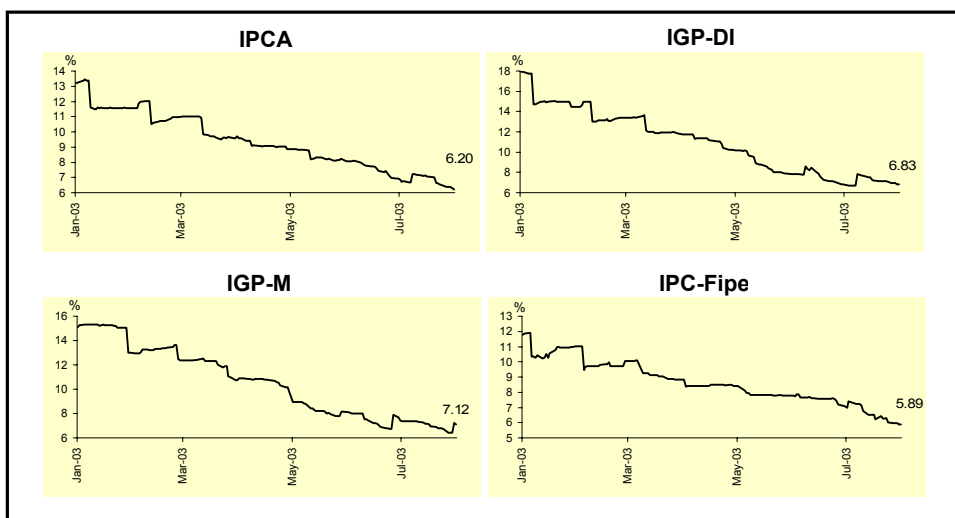


Market Readout

August 1, 2003

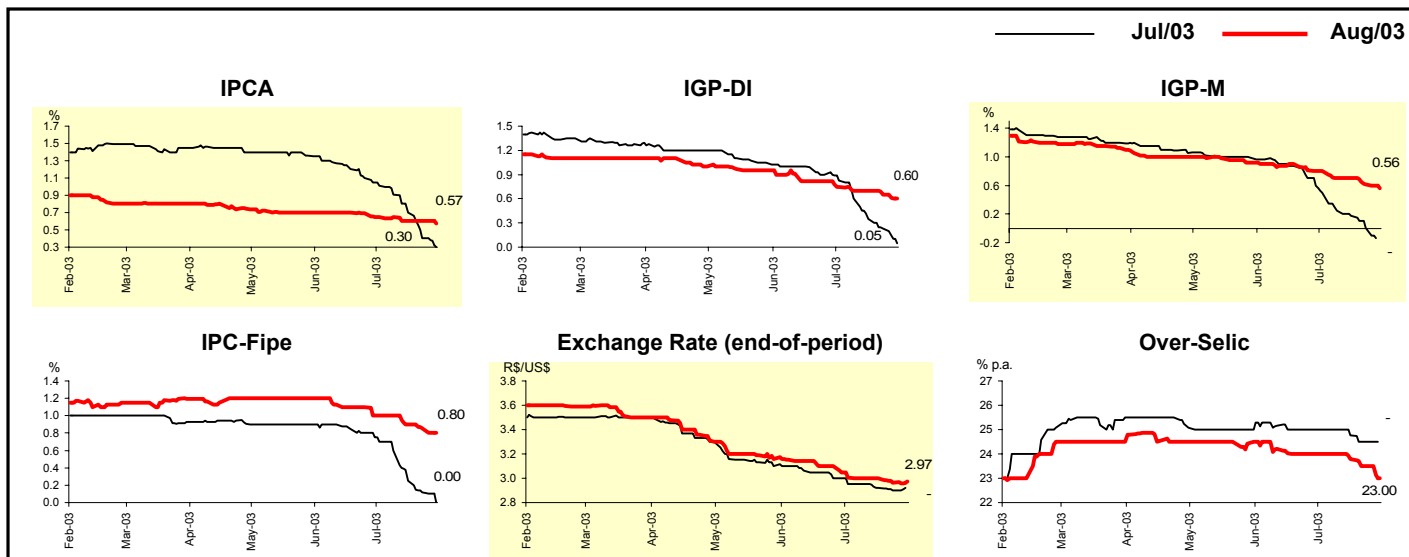
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	6.75	6.50	6.20	▼ (3)
IGP-DI (%)	6.69	7.12	6.83	▼ (3)
IGP-M (%)	7.39	6.75	7.12	▲ (1)
IPC-Fipe (%)	7.36	6.03	5.89	▼ (4)

* 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	Jul/03				Aug/03			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Median - Aggregate								
IPCA (%)	1.01	0.40	0.30	▼ (10)	0.64	0.60	0.57	▼ (1)
IGP-DI (%)	0.82	0.23	0.05	▼ (6)	0.75	0.65	0.60	▼ (2)
IGP-M (%)	0.50	0.01	-		0.80	0.61	0.56	▼ (2)
IPC-Fipe (%)	0.70	0.12	0.00	▼ (7)	1.00	0.86	0.80	▼ (3)
Exchange rate - end-of-period (R\$/US\$)	2.95	2.90	-		3.01	2.96	2.97	▲ (1)
Over-Selic - end-of-period (% p.a.)	25.00	24.50	-		24.00	23.50	23.00	▼ (3)

* 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							
	2003				2004			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Median - Aggregate								
IPCA (%)	11.02	10.13	10.02	▼ (9)	7.00	6.50	6.50	= (1)
IGP-DI (%)	10.00	8.69	8.27	▼ (17)	7.50	7.30	7.00	▼ (1)
IGP-M (%)	10.80	9.67	9.29	▼ (16)	7.50	7.24	7.00	▼ (4)
IPC-Fipe (%)	9.92	9.00	8.78	▼ (9)	7.00	6.40	6.30	▼ (1)
Exchange rate - end-of-period (R\$/US\$)	3.20	3.15	3.18	▲ (1)	3.50	3.45	3.44	▼ (3)
Exchange rate - average (R\$/US\$)	3.17	3.15	3.15	= (1)	3.39	3.34	3.34	= (1)
Over-Selic - end-of-period (% p.a.)	21.00	20.00	20.00	= (1)	16.00	16.00	16.00	= (5)
Net Public Sector Debt (% of GDP)	54.90	54.95	54.90	▼ (1)	53.50	53.50	53.50	= (1)
GDP growth (%)	1.70	1.55	1.56	▲ (1)	3.00	3.00	3.00	= (32)
Current Account (US\$ billion)	-3.50	-3.00	-2.85	▲ (1)	-4.85	-5.05	-5.05	= (1)
Trade Balance (US\$ billion)	17.00	17.40	17.50	▲ (3)	15.50	15.00	15.00	= (1)
Foreign Direct Investment (US\$ billion)	10.00	9.00	9.00	= (2)	13.00	12.00	12.00	= (1)
Regulated Prices (%)	14.85	13.90	13.84	▼ (4)	9.16	8.00	8.00	= (1)
Median - Top 5 - Short Term								
IPCA (%)	11.00	10.49	10.20	▼ (3)	7.00	6.50	6.50	= (1)
IGP-DI (%)	9.13	8.43	7.89	▼ (2)	7.00	7.44	7.08	▼ (1)
IGP-M (%)	10.04	8.15	8.08	▼ (2)	6.25	6.00	6.00	= (3)
Exchange rate - end-of-period (R\$/US\$)	3.28	3.10	3.20	▲ (1)	3.50	3.50	3.42	▼ (1)
Over-Selic - end-of-period (% p.a.)	19.50	19.50	19.50	= (1)	16.00	15.50	15.50	= (3)

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

