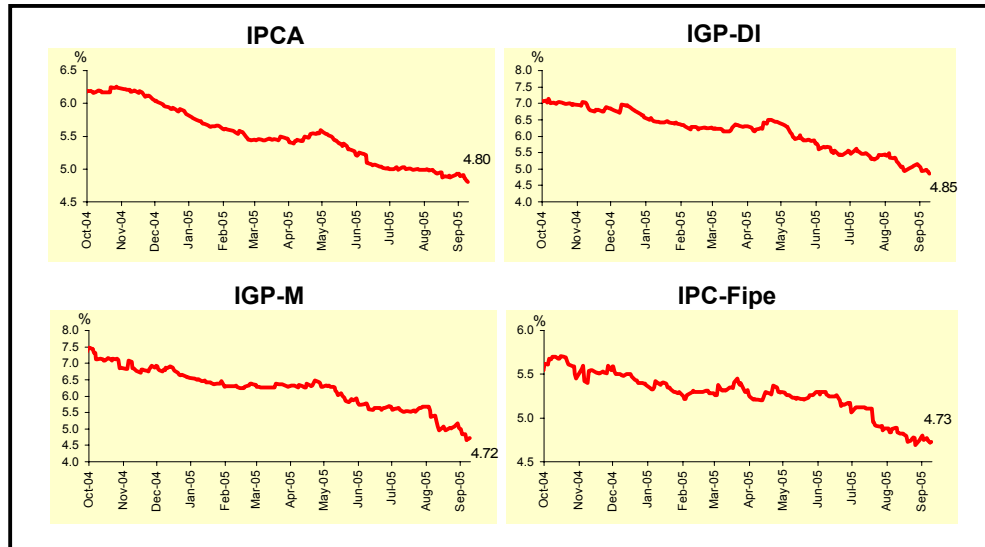


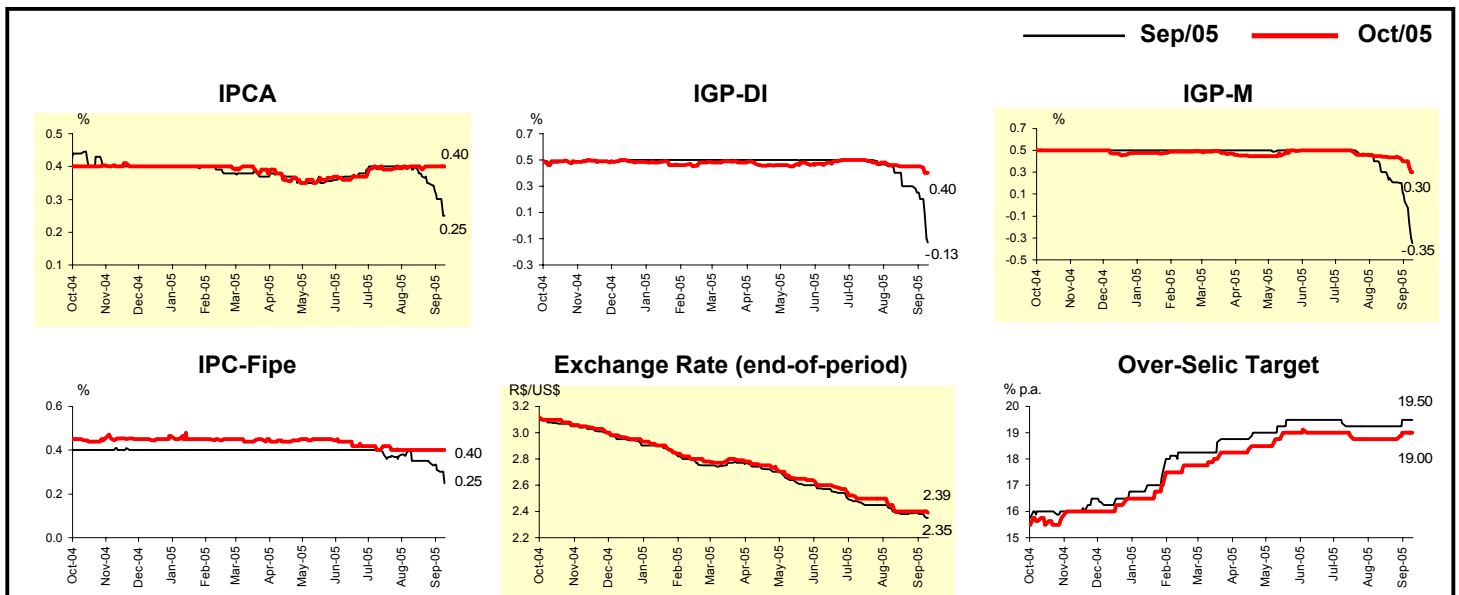
| Market Expectations                        |             |            |       |               |
|--|-------------|------------|-------|---------------|
| Inflation in the next 12 months - Smoothed |             |            |       |               |
| Median - Aggregate                         | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                   | 4.93        | 4.89       | 4.80  | ▼ ( 1 )       |
| IGP-DI (%)                                 | 5.19        | 4.93       | 4.85  | ▼ ( 2 )       |
| IGP-M (%)                                  | 4.95        | 4.84       | 4.72  | ▼ ( 2 )       |
| IPC-Fipe (%)                               | 4.82        | 4.75       | 4.73  | ▼ ( 1 )       |

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



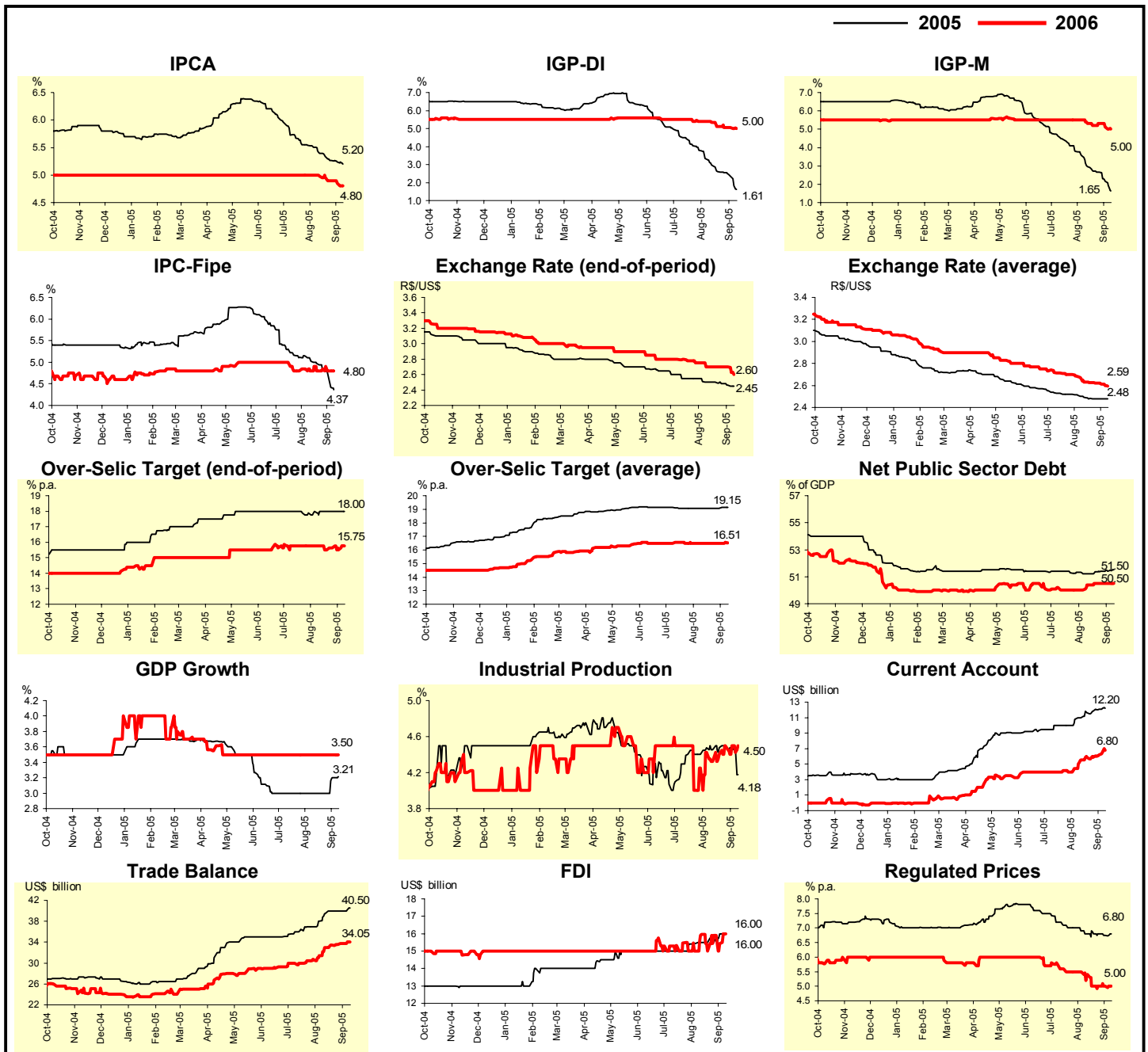
| Median - Aggregate                       | Market Expectations |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | Sep/05              |            |       |               | Oct/05      |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                 | 0.40                | 0.30       | 0.25  | ▼ ( 4 )       | 0.40        | 0.40       | 0.40  | = ( 2 )       |
| IGP-DI (%)                               | 0.40                | 0.20       | -0.13 | ▼ ( 2 )       | 0.46        | 0.45       | 0.40  | ▼ ( 1 )       |
| IGP-M (%)                                | 0.30                | 0.03       | -0.35 | ▼ ( 8 )       | 0.44        | 0.40       | 0.30  | ▼ ( 2 )       |
| IPC-Fipe (%)                             | 0.35                | 0.31       | 0.25  | ▼ ( 3 )       | 0.40        | 0.40       | 0.40  | = ( 7 )       |
| Exchange rate - end-of-period (R\$/US\$) | 2.39                | 2.38       | 2.35  | ▼ ( 2 )       | 2.40        | 2.40       | 2.39  | ▼ ( 1 )       |
| Over-Selic Target (% p.a.)               | 19.25               | 19.50      | 19.50 | = ( 1 )       | 18.75       | 19.00      | 19.00 | = ( 1 )       |

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



| Median - Aggregate                         | Market Expectations |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | 2005                |            |       |               | 2006        |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                   | 5.40                | 5.23       | 5.20  | ▼ (17)        | 4.98        | 4.85       | 4.80  | ▼ (5)         |
| IGP-DI (%)                                 | 2.99                | 2.36       | 1.61  | ▼ (18)        | 5.35        | 5.06       | 5.00  | ▼ (6)         |
| IGP-M (%)                                  | 2.96                | 2.17       | 1.65  | ▼ (19)        | 5.30        | 5.13       | 5.00  | ▼ (2)         |
| IPC-Fipe (%)                               | 5.02                | 4.68       | 4.37  | ▼ (5)         | 4.80        | 4.80       | 4.80  | = (1)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.50                | 2.46       | 2.45  | ▼ (3)         | 2.70        | 2.70       | 2.60  | ▼ (1)         |
| Exchange rate - average (R\$/US\$)         | 2.49                | 2.48       | 2.48  | = (3)         | 2.63        | 2.61       | 2.59  | ▼ (3)         |
| Over-Selic Target - end-of-period (% p.a.) | 18.00               | 18.00      | 18.00 | = (5)         | 15.75       | 15.50      | 15.75 | ▲ (1)         |
| Over-Selic Target - average (% p.a.)       | 19.06               | 19.14      | 19.15 | ▲ (2)         | 16.50       | 16.50      | 16.51 | ▲ (1)         |
| Net Public Sector Debt (% of GDP)          | 51.20               | 51.40      | 51.50 | ▲ (1)         | 50.40       | 50.50      | 50.50 | = (3)         |
| GDP growth (%)                             | 3.00                | 3.20       | 3.21  | ▲ (2)         | 3.50        | 3.50       | 3.50  | = (19)        |
| Industrial Production (% growth)           | 4.45                | 4.48       | 4.18  | ▼ (2)         | 4.33        | 4.50       | 4.50  | = (2)         |
| Current Account (US\$ billion)             | 11.00               | 12.10      | 12.20 | ▲ (6)         | 5.55        | 6.19       | 6.80  | ▲ (2)         |
| Trade Balance (US\$ billion)               | 39.50               | 40.00      | 40.50 | ▲ (1)         | 33.00       | 33.73      | 34.05 | ▲ (8)         |
| Foreign Direct Investment (US\$ billion)   | 15.50               | 16.00      | 16.00 | = (1)         | 15.95       | 15.45      | 16.00 | ▲ (1)         |
| Regulated Prices (%)                       | 6.80                | 6.75       | 6.80  | ▲ (1)         | 5.40        | 5.00       | 5.00  | = (3)         |

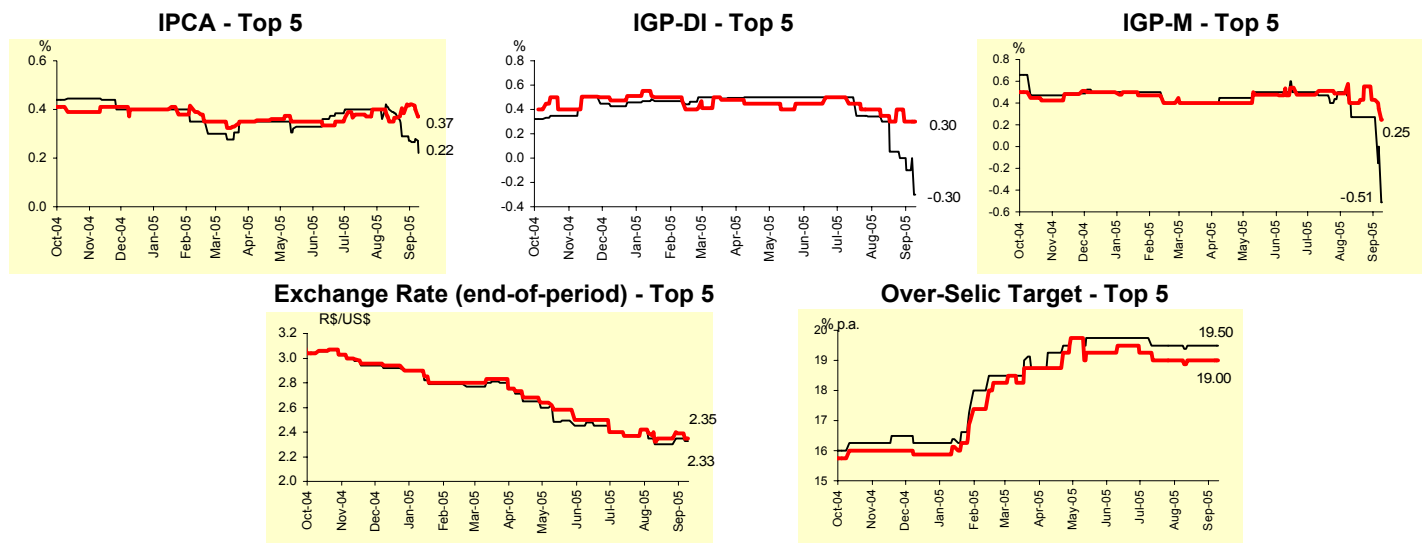
\* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior (increase, decrease or = stability)



| Median - Top 5 - Short Term              | Market Expectations |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | Sep/05              |            |       |               | Oct/05      |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                 | 0.40                | 0.26       | 0.22  | ▼ (4)         | 0.35        | 0.42       | 0.37  | ▼ (1)         |
| IGP-DI (%)                               | 0.30                | -0.10      | -0.30 | ▼ (5)         | 0.35        | 0.30       | 0.30  | = (1)         |
| IGP-M (%)                                | 0.27                | 0.27       | -0.51 | ▼ (1)         | 0.40        | 0.43       | 0.25  | ▼ (2)         |
| Exchange rate - end-of-period (R\$/US\$) | 2.30                | 2.35       | 2.33  | ▼ (1)         | 2.35        | 2.39       | 2.35  | ▼ (1)         |
| Over-Selic Target (% p.a.)               | 19.50               | 19.50      | 19.50 | = (8)         | 19.00       | 19.00      | 19.00 | = (8)         |

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

**SHORT-TERM**



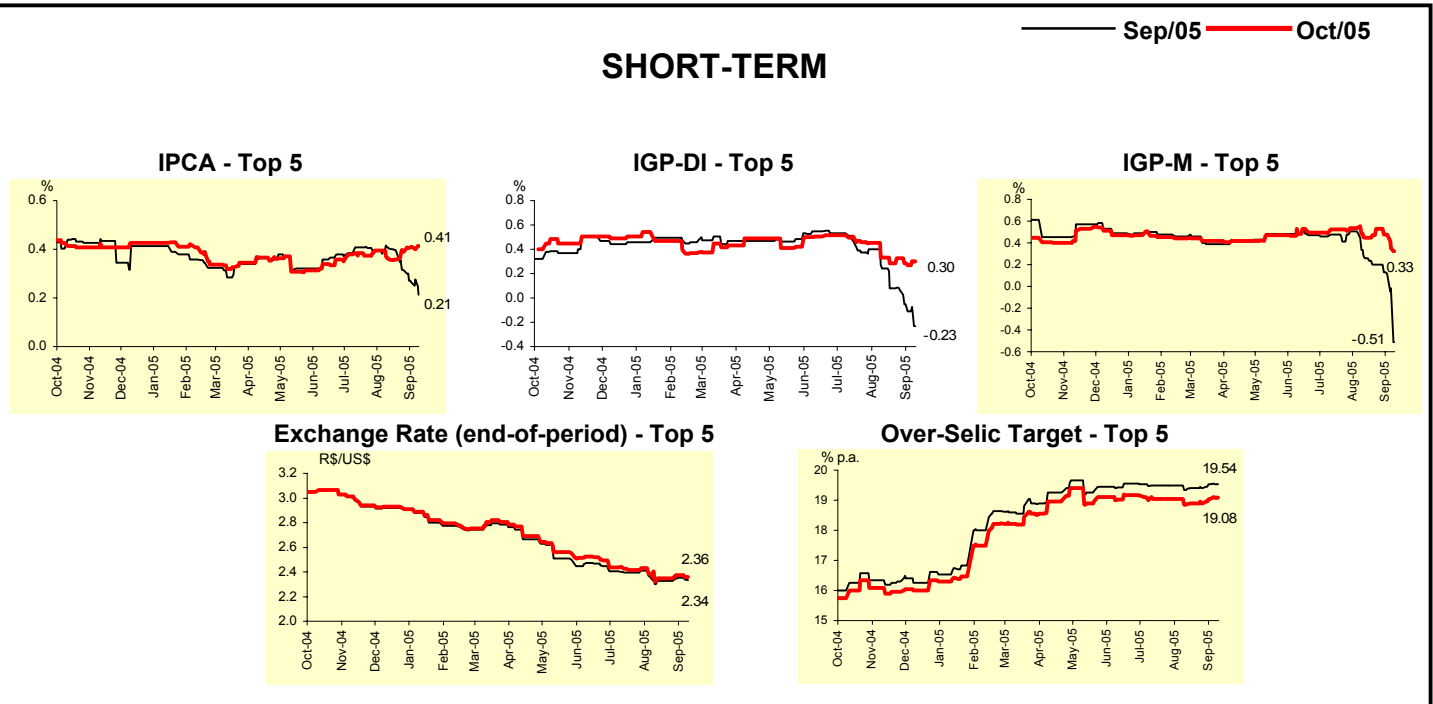
| Median - Top 5                             | Market Expectations |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | 2005                |            |       |               | 2006        |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| <b>Short Term</b>                          |                     |            |       |               |             |            |       |               |
| IPCA (%)                                   | 5.36                | 5.13       | 5.18  | ▲ (1)         | 4.65        | 4.59       | 4.65  | ▲ (1)         |
| IGP-DI (%)                                 | 2.34                | 1.58       | 1.03  | ▼ (2)         | 4.50        | 4.50       | 4.75  | ▲ (1)         |
| IGP-M (%)                                  | 2.64                | 2.36       | 1.28  | ▼ (2)         | 4.25        | 4.25       | 4.05  | ▼ (1)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.40                | 2.40       | 2.40  | = (4)         | 2.60        | 2.60       | 2.58  | ▼ (1)         |
| Over-Selic Target - end-of-period (% p.a.) | 18.00               | 18.00      | 18.00 | = (10)        | 16.00       | 16.00      | 15.88 | ▼ (1)         |
| <b>Medium Term</b>                         |                     |            |       |               |             |            |       |               |
| IPCA (%)                                   | 5.40                | 5.29       | 5.26  | ▼ (1)         | 4.65        | 4.65       | 4.65  | = (4)         |
| IGP-DI (%)                                 | 2.70                | 2.16       | 1.03  | ▼ (2)         | 4.50        | 4.50       | 4.10  | ▼ (1)         |
| IGP-M (%)                                  | 3.24                | 2.36       | 0.99  | ▼ (2)         | 5.00        | 5.00       | 4.00  | ▼ (1)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.45                | 2.45       | 2.40  | ▼ (1)         | 2.60        | 2.60       | 2.55  | ▼ (1)         |
| Over-Selic Target - end-of-period (% p.a.) | 18.00               | 18.00      | 18.25 | ▲ (1)         | 15.75       | 15.50      | 16.00 | ▲ (2)         |

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

| Average - Top 5 - Short Term             | Market Expectations |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | Sep/05              |            |       |               | Oct/05      |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                 | 0.40                | 0.26       | 0.21  | ▼ (4)         | 0.36        | 0.41       | 0.41  | = (1)         |
| IGP-DI (%)                               | 0.24                | -0.11      | -0.23 | ▼ (5)         | 0.33        | 0.27       | 0.30  | ▲ (1)         |
| IGP-M (%)                                | 0.26                | 0.12       | -0.51 | ▼ (2)         | 0.45        | 0.48       | 0.33  | ▼ (2)         |
| Exchange rate - end-of-period (R\$/US\$) | 2.33                | 2.35       | 2.34  | ▼ (1)         | 2.35        | 2.37       | 2.36  | ▼ (1)         |
| Over-Selic Target (% p.a.)               | 19.38               | 19.52      | 19.54 | ▲ (2)         | 18.88       | 19.05      | 19.08 | ▲ (2)         |

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

**SHORT-TERM**



| Average - Top 5                            | Market Expectations |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | 2005                |            |       |               | 2006        |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| <b>Short Term</b>                          |                     |            |       |               |             |            |       |               |
| IPCA (%)                                   | 5.34                | 5.16       | 5.16  | = (1)         | 4.70        | 4.53       | 4.53  | = (1)         |
| IGP-DI (%)                                 | 2.37                | 1.56       | 1.15  | ▼ (15)        | 4.50        | 4.50       | 4.75  | ▲ (1)         |
| IGP-M (%)                                  | 2.68                | 2.21       | 1.35  | ▼ (2)         | 4.62        | 4.62       | 4.44  | ▼ (1)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.42                | 2.42       | 2.43  | ▲ (1)         | 2.61        | 2.60       | 2.57  | ▼ (2)         |
| Over-Selic Target - end-of-period (% p.a.) | 17.95               | 18.15      | 18.17 | ▲ (2)         | 16.06       | 16.22      | 15.83 | ▼ (1)         |
| <b>Medium Term</b>                         |                     |            |       |               |             |            |       |               |
| IPCA (%)                                   | 5.35                | 5.26       | 5.22  | ▼ (1)         | 4.74        | 4.73       | 4.60  | ▼ (1)         |
| IGP-DI (%)                                 | 2.61                | 2.03       | 1.17  | ▼ (2)         | 4.51        | 4.51       | 4.18  | ▼ (1)         |
| IGP-M (%)                                  | 3.02                | 2.12       | 1.27  | ▼ (2)         | 5.11        | 5.11       | 4.35  | ▼ (1)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.45                | 2.43       | 2.38  | ▼ (2)         | 2.59        | 2.54       | 2.51  | ▼ (2)         |
| Over-Selic Target - end-of-period (% p.a.) | 18.00               | 18.25      | 18.30 | ▲ (3)         | 15.75       | 15.70      | 16.05 | ▲ (2)         |

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