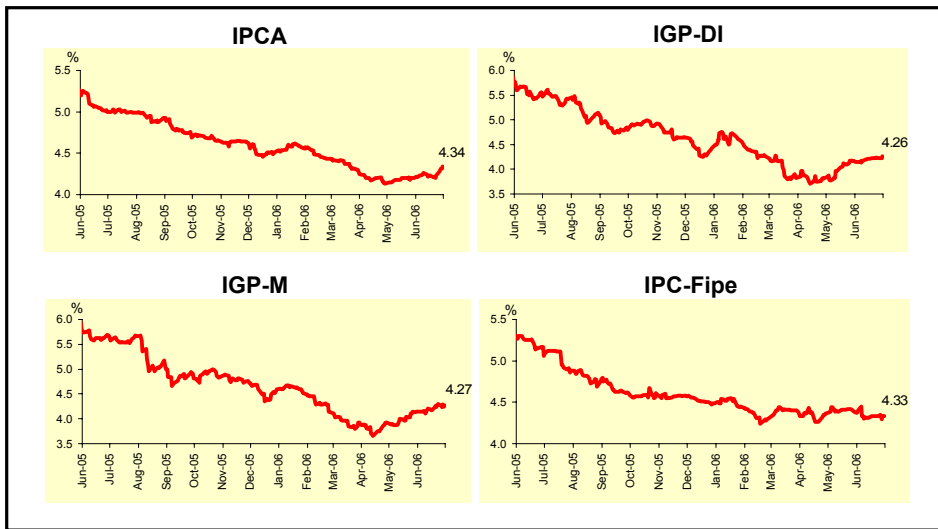


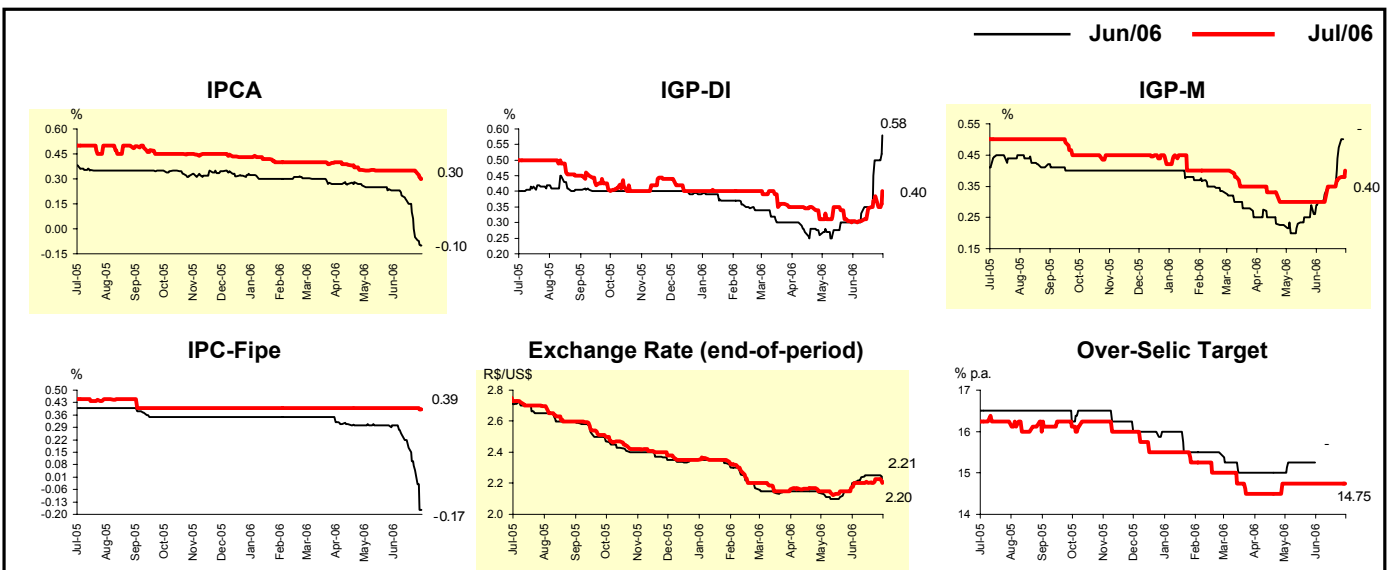
| Market Expectations                        |             |            |       |               |
|--|-------------|------------|-------|---------------|
| Inflation in the next 12 months - Smoothed |             |            |       |               |
| Median - Aggregate                         | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                   | 4.21        | 4.23       | 4.34  | ▲ (1)         |
| IGP-DI (%)                                 | 4.15        | 4.24       | 4.26  | ▲ (4)         |
| IGP-M (%)                                  | 4.15        | 4.30       | 4.27  | ▼ (1)         |
| IPC-Fipe (%)                               | 4.40        | 4.33       | 4.33  | = (2)         |

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



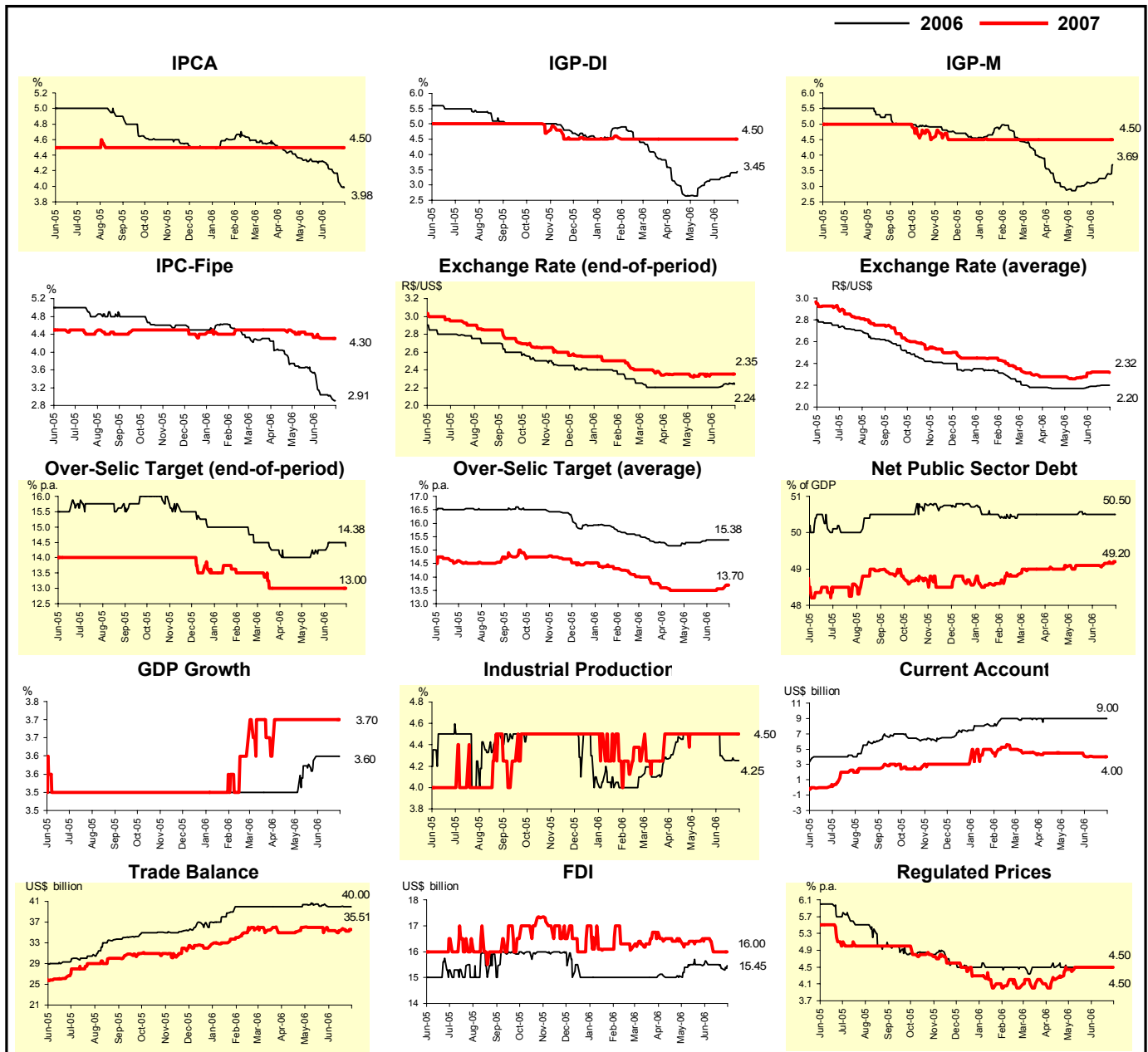
| Median - Aggregate                       | Jun/06      |            |       |               | Jul/06      |            |       |               |
|--|-------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | 4 weeks ago | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                 | 0.23        | -0.05      | -0.10 | ▼ (6)         | 0.35        | 0.35       | 0.30  | ▼ (1)         |
| IGP-DI (%)                               | 0.30        | 0.50       | 0.58  | ▲ (4)         | 0.31        | 0.38       | 0.40  | ▲ (3)         |
| IGP-M (%)                                | 0.30        | 0.47       | -     |               | 0.30        | 0.38       | 0.40  | ▲ (3)         |
| IPC-Fipe (%)                             | 0.30        | 0.05       | -0.17 | ▼ (4)         | 0.40        | 0.40       | 0.39  | ▼ (1)         |
| Exchange rate - end-of-period (R\$/US\$) | 2.20        | 2.25       | 2.21  | ▼ (1)         | 2.20        | 2.22       | 2.20  | ▼ (1)         |
| Over-Selic Target (% p.a.)               | -           | -          | -     |               | 14.75       | 14.75      | 14.75 | = (9)         |

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



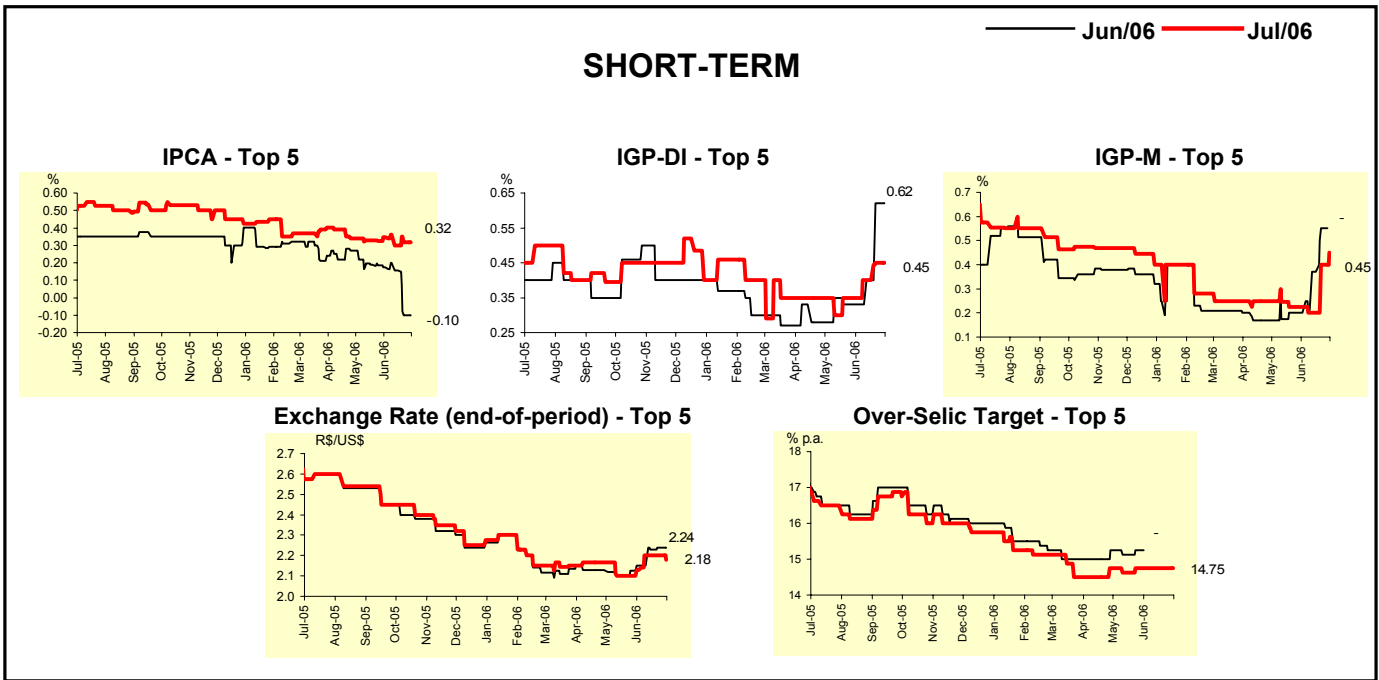
| Median - Aggregate                         | Market Expectations |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | 2006                |            |       |               | 2007        |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                   | 4.31                | 4.04       | 3.98  | ▼ (5)         | 4.50        | 4.50       | 4.50  | ≡ (46)        |
| IGP-DI (%)                                 | 3.17                | 3.41       | 3.45  | ▲ (4)         | 4.50        | 4.50       | 4.50  | ≡ (20)        |
| IGP-M (%)                                  | 3.12                | 3.40       | 3.69  | ▲ (4)         | 4.50        | 4.50       | 4.50  | ≡ (32)        |
| IPC-Fipe (%)                               | 3.48                | 3.02       | 2.91  | ▼ (2)         | 4.33        | 4.30       | 4.30  | ≡ (3)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.20                | 2.25       | 2.24  | ▼ (1)         | 2.35        | 2.35       | 2.35  | ≡ (6)         |
| Exchange rate - average (R\$/US\$)         | 2.19                | 2.20       | 2.20  | ≡ (2)         | 2.31        | 2.32       | 2.32  | ≡ (3)         |
| Over-Selic Target - end-of-period (% p.a.) | 14.25               | 14.50      | 14.38 | ▼ (1)         | 13.00       | 13.00      | 13.00 | ≡ (15)        |
| Over-Selic Target - average (% p.a.)       | 15.38               | 15.38      | 15.38 | ≡ (4)         | 13.50       | 13.60      | 13.70 | ▲ (3)         |
| Net Public Sector Debt (% of GDP)          | 50.50               | 50.50      | 50.50 | ≡ (18)        | 49.10       | 49.15      | 49.20 | ▲ (1)         |
| GDP growth (%)                             | 3.60                | 3.60       | 3.60  | ≡ (4)         | 3.70        | 3.70       | 3.70  | ≡ (12)        |
| Industrial Production (% growth)           | 4.50                | 4.26       | 4.25  | ▼ (1)         | 4.50        | 4.50       | 4.50  | ≡ (13)        |
| Current Account (US\$ billion)             | 9.00                | 9.00       | 9.00  | ≡ (20)        | 4.02        | 4.00       | 4.00  | ≡ (2)         |
| Trade Balance (US\$ billion)               | 40.00               | 40.00      | 40.00 | ≡ (4)         | 35.32       | 35.26      | 35.51 | ▲ (1)         |
| Foreign Direct Investment (US\$ billion)   | 15.65               | 15.35      | 15.45 | ▲ (1)         | 16.50       | 16.00      | 16.00 | ≡ (2)         |
| Regulated Prices (%)                       | 4.50                | 4.50       | 4.50  | ≡ (15)        | 4.50        | 4.50       | 4.50  | ≡ (7)         |

\* 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 |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | Jun/06              |            |       |               | Jul/06      |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                 | 0.17                | -0.10      | -0.10 | = (1)         | 0.34        | 0.32       | 0.32  | = (1)         |
| IGP-DI (%)                               | 0.33                | 0.62       | 0.62  | = (1)         | 0.35        | 0.45       | 0.45  | = (1)         |
| IGP-M (%)                                | 0.20                | 0.55       | -     |               | 0.22        | 0.40       | 0.45  | ▲ (2)         |
| Exchange rate - end-of-period (R\$/US\$) | 2.15                | 2.24       | 2.24  | = (1)         | 2.13        | 2.20       | 2.18  | ▼ (1)         |
| Over-Selic Target (% p.a.)               | -                   | -          | -     |               | 14.75       | 14.75      | 14.75 | = (5)         |

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

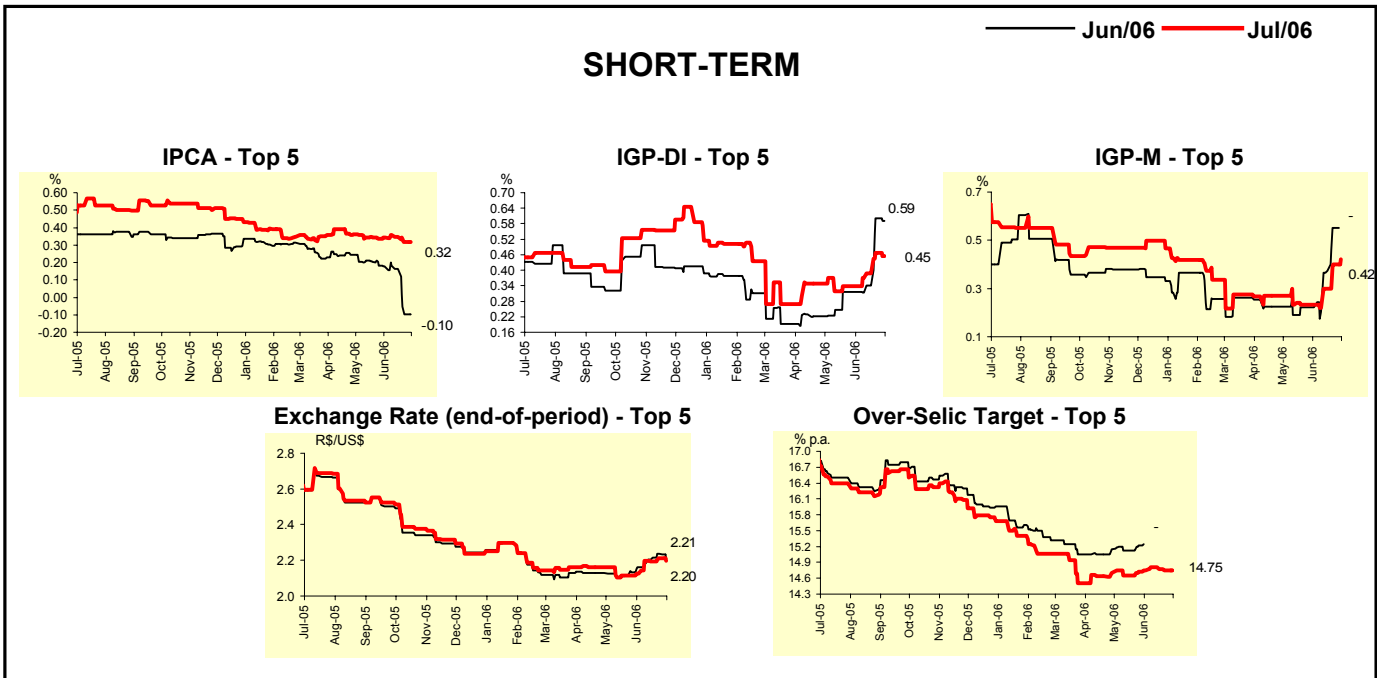


| Median - Top 5                             | Market Expectations |            |       |               |             |            |       |               |
|--|---------------------|------------|-------|---------------|-------------|------------|-------|---------------|
|  | 2006                |            |       |               | 2007        |            |       |               |
|  | 4 weeks ago         | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| <b>Short Term</b>                          |                     |            |       |               |             |            |       |               |
| IPCA (%)                                   | 4.13                | 3.95       | 3.95  | = (1)         | 4.50        | 4.50       | 4.50  | = (7)         |
| IGP-DI (%)                                 | 3.38                | 3.58       | 3.58  | = (1)         | 5.50        | 4.94       | 4.94  | = (1)         |
| IGP-M (%)                                  | 2.90                | 3.60       | 3.71  | ▲ (5)         | 4.78        | 4.50       | 4.50  | = (3)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.13                | 2.25       | 2.25  | = (3)         | 2.25        | 2.35       | 2.35  | = (3)         |
| Over-Selic Target - end-of-period (% p.a.) | 14.13               | 14.25      | 14.25 | = (3)         | 12.88       | 12.88      | 12.88 | = (4)         |
| <b>Medium Term</b>                         |                     |            |       |               |             |            |       |               |
| IPCA (%)                                   | 4.27                | 3.80       | 3.80  | = (1)         | 4.50        | 4.50       | 4.50  | = (24)        |
| IGP-DI (%)                                 | 2.71                | 3.41       | 3.41  | = (1)         | 4.00        | 3.75       | 3.75  | = (3)         |
| IGP-M (%)                                  | 2.60                | 3.02       | 3.14  | ▲ (3)         | 4.50        | 4.25       | 4.25  | = (3)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.10                | 2.24       | 2.22  | ▼ (1)         | 2.25        | 2.37       | 2.37  | = (3)         |
| Over-Selic Target - end-of-period (% p.a.) | 14.13               | 14.50      | 14.50 | = (1)         | 13.13       | 13.13      | 13.13 | = (7)         |

\* 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                      |             |            |       |               |             |            |       |               |
|--|-------------|------------|-------|---------------|-------------|------------|-------|---------------|
| Average - Top 5 - Short Term             | Jun/06      |            |       |               | Jul/06      |            |       |               |
|  | 4 weeks ago | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| IPCA (%)                                 | 0.17        | -0.10      | -0.10 | = (1)         | 0.34        | 0.32       | 0.32  | = (1)         |
| IGP-DI (%)                               | 0.32        | 0.60       | 0.59  | ▼ (1)         | 0.34        | 0.47       | 0.45  | ▼ (1)         |
| IGP-M (%)                                | 0.22        | 0.55       | -     |               | 0.23        | 0.40       | 0.42  | ▲ (3)         |
| Exchange rate - end-of-period (R\$/US\$) | 2.16        | 2.24       | 2.21  | ▼ (1)         | 2.12        | 2.21       | 2.20  | ▼ (1)         |
| Over-Selic Target (% p.a.)               | -           | -          | -     |               | 14.75       | 14.75      | 14.75 | = (1)         |

\* 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                        |             |            |       |               |             |            |       |               |
|--|-------------|------------|-------|---------------|-------------|------------|-------|---------------|
| Average - Top 5                            | 2006        |            |       |               | 2007        |            |       |               |
|  | 4 weeks ago | 1 week ago | Today | Weekly trend* | 4 weeks ago | 1 week ago | Today | Weekly trend* |
| <b>Short Term</b>                          |             |            |       |               |             |            |       |               |
| IPCA (%)                                   | 4.18        | 3.92       | 3.92  | = (1)         | 4.45        | 4.56       | 4.56  | = (3)         |
| IGP-DI (%)                                 | 3.21        | 3.79       | 3.76  | ▼ (1)         | 5.17        | 4.81       | 4.81  | = (1)         |
| IGP-M (%)                                  | 2.82        | 3.51       | 3.71  | ▲ (3)         | 4.83        | 4.83       | 4.83  | = (2)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.15        | 2.23       | 2.23  | = (3)         | 2.28        | 2.37       | 2.37  | = (3)         |
| Over-Selic Target - end-of-period (% p.a.) | 14.08       | 14.22      | 14.22 | = (1)         | 12.92       | 12.92      | 12.92 | = (4)         |
| <b>Medium Term</b>                         |             |            |       |               |             |            |       |               |
| IPCA (%)                                   | 4.24        | 3.72       | 3.73  | ▲ (1)         | 4.44        | 4.60       | 4.58  | ▼ (1)         |
| IGP-DI (%)                                 | 2.85        | 3.19       | 3.18  | ▼ (1)         | 4.00        | 3.75       | 3.75  | = (3)         |
| IGP-M (%)                                  | 2.65        | 3.04       | 3.19  | ▲ (3)         | 4.20        | 4.13       | 4.13  | = (3)         |
| Exchange rate - end-of-period (R\$/US\$)   | 2.05        | 2.22       | 2.22  | = (2)         | 2.19        | 2.38       | 2.38  | = (2)         |
| Over-Selic Target - end-of-period (% p.a.) | 14.00       | 14.25      | 14.25 | = (1)         | 12.94       | 12.94      | 12.94 | = (7)         |

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