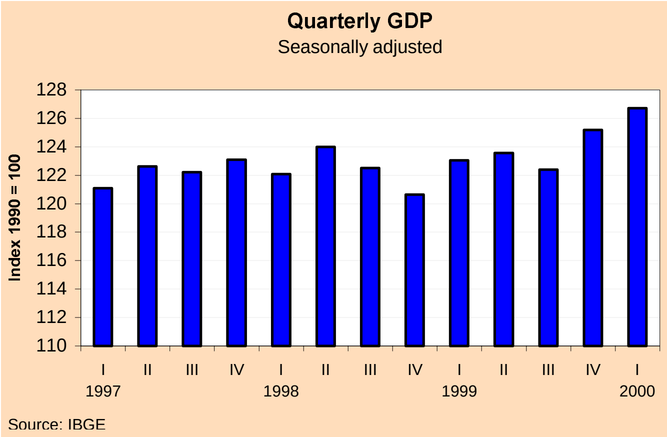
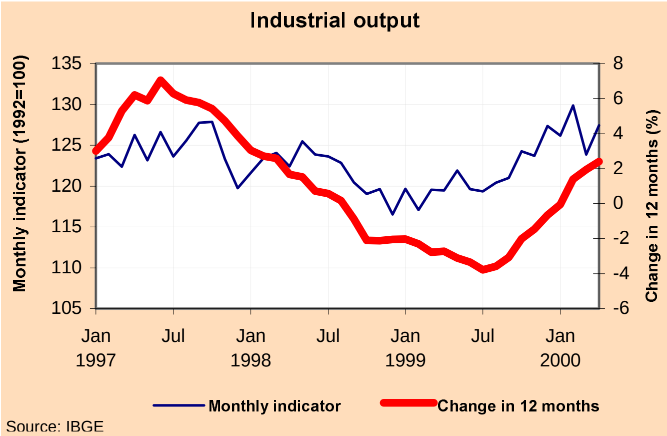
Monetary Programming for the third quarter and 2000

A. The economy in the second quarter of 2000

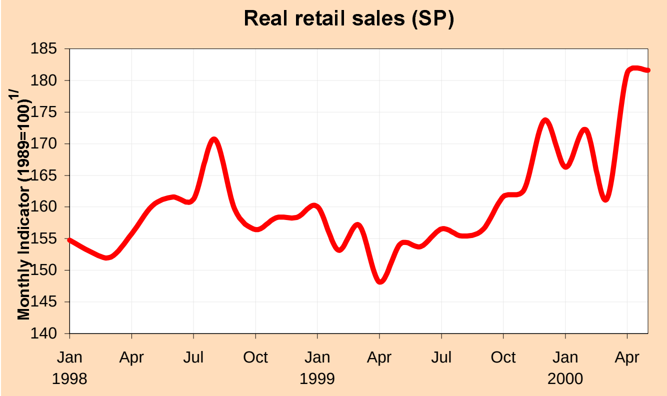
1. In the first quarter of the current year, gross domestic product (GDP) expanded by 1.23%, based on data purged of seasonal factors and released by the Brazilian Institute of Geography and Statistics (IBGE). This result reflects a positive performance of 0.45% under services, offsetting negative growth of 1.43% under crop and livestock farming and 0.84% under industry. GDP growth for the same 1999 period had closed at 3.08%, with expansion of 5.69% under industry and 2.28% under services and a falloff of 0.84% under crop and livestock farming.



2. According to IBGE, industrial production data from which Banco Central has removed seasonal impacts show expansion of 2.41% in April, in relation to the previous month's result, reflecting growth of 4.72% in the production of capital goods, 5.07% in output of consumer goods and 1.34% under intermediate goods. The growth trajectory under industrial production, which began in the second half of 1999, becomes evident when one compares the results of the first four months of the current year with those of 1999. This comparison shows expansion of 6.64% in industrial product growth, based on expansion of 6% under capital goods output, 3.44% under consumer goods and 7.9% in intermediate goods.

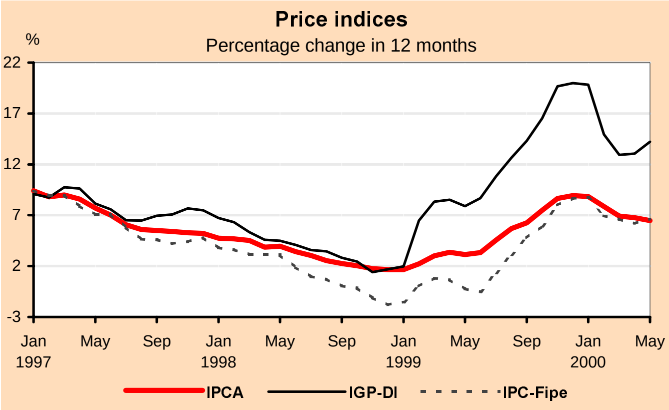


3. According to figures released by the Trade Federation of the State of São Paulo (Fcesp) and purged of seasonal factors by Banco Central, real revenues of the retail trade sector in the metropolitan region of São Paulo (RMSP) registered growth of 0.23% in May, when compared to the previous month. When set against the same month of the preceding year, growth came to 20.8%, with an increase of 26.4% in sales of durable goods. In the first five months of the year, growth closed at 12.8% compared to the same period of the previous year. When sales of factory authorized vehicle outlets are excluded, revenues remained stable in May, but increased by 20.3% in relation to the total for the same 1999 period.



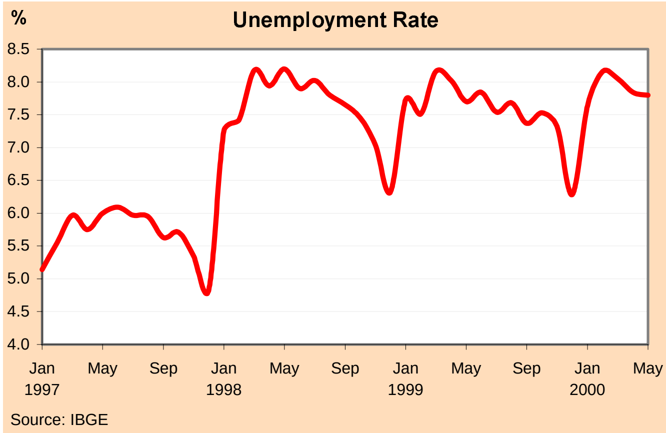
Source: FCESP
1/ Seasonally adjusted data.

4. Price indices turned downward in 2000. In this context, the Broad Consumer Price Index (IPCA) accumulated expansion of 1.41% in the first five months of the year, while the Consumer Price Index – Fipe (IPC-Fipe) closed with 0.69% and the General Price Index – Internal Supply (IGP-DI) ended the period at 2.22%, compared to 3.76%, 2.59% and 8.23%, respectively, in the same period of the previous year. In accumulated twelve month terms up to May, the IPCA, IPC-Fipe and IGP-DI registered growth trends equivalent to 6.47%, 6.62% and 13.68%.

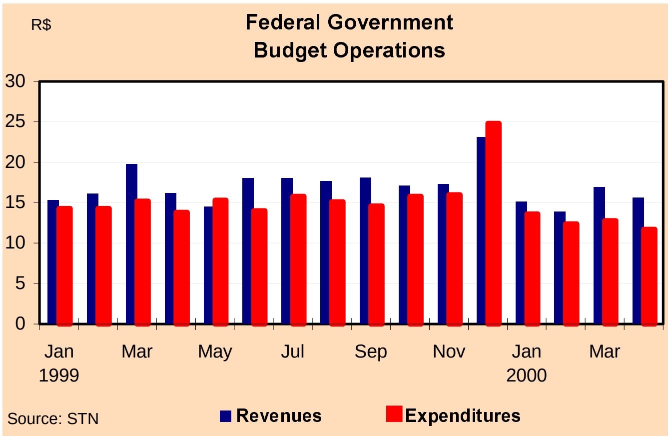


Source: IBGE, FGV e Fipe

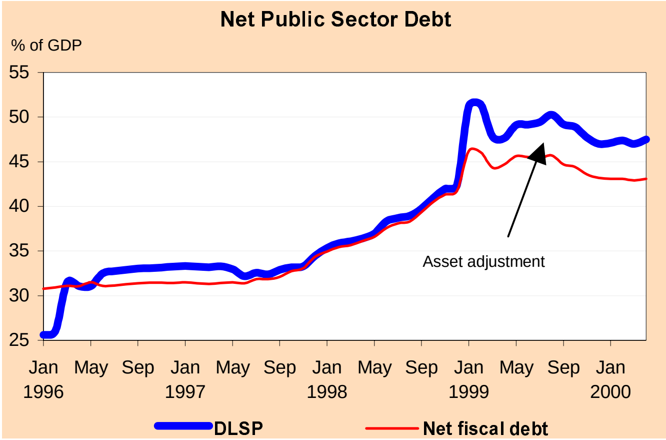
5. In May, open unemployment closed at 7.8%. According to IBGE statistics, this figure reflected stability in relation to April but was higher than in the same period of 1999 (7.7%). The average rate for the first five months of the year came to 7.9%, as against 7.8% in the same period of 1999, mirroring growth of 4% in the number of persons employed, 5.1% in the number not employed and 4.1% in the economically active population. Also according to IBGE figures, average real earnings of the employed increased by 0.08% in relation to March. The most intense growth in earnings occurred under commerce with 6.9%, while the sharpest drop was registered in the manufacturing sector, with 1.5%. Among employment categories, there was an increase of 2.16% in the earnings of nonregistered workers and 0.65% in those of registered workers, at the same time in which the earnings of employers and the self-employed dropped by 8.47% and 0.98%, respectively.



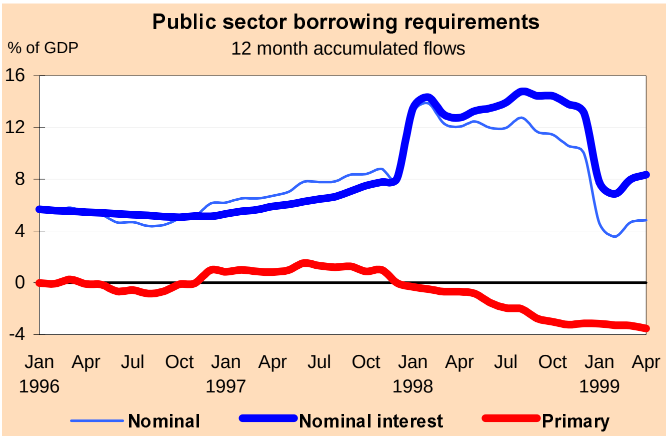
6. The government's efforts to limit expenditures and achieve the fiscal targets defined for 2000 are evident in the consistently favorable fiscal results that have been registered. Consequently, overall federal government outlays came to R$ 50.4 billion while total net revenues – excluding transfers to the states and municipalities, refunds and fiscal incentives – added up to R$ 61.5 billion in the first for months of the year, reflecting a primary surplus of R$ 11.16 billion or 14.3% more than in the same period of 1999. Total net revenues accounted for 16.5% of GDP in the first four months of 2000, when compared to 17.6% of GDP in the corresponding period of the previous year, while overall spending declined by 1% of GDP.



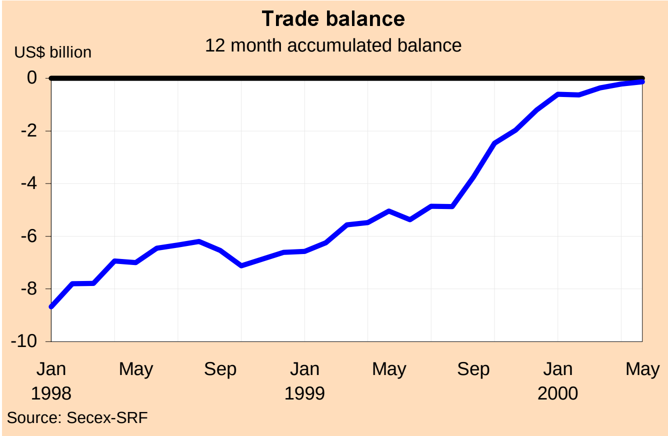
7. The Net Public Sector Debt came to R$ 536.2 billion in April, an amount equivalent to 47.5% of GDP, compared to R$ 527.2 billion, or 47% of GDP, in the previous month. The net internal debt closed at R$ 425.7 billion or 37.7% of GDP, of which 21.7% of GDP refer to the central government, 12.7% of GDP to state governments, 2.1% of GDP to municipal governments and 1.2% of GDP to government companies. The foreign debt closed at R$ 110.5 billion, equivalent to 9.8% of GDP, or 6.27% less than in the month of March.



8. Public Sector Borrowing Requirements registered a primary surplus of R$ 17.3 billion in the first four months of the year, corresponding to 4.65% of GDP. This figure was 60.1% higher than in the same period of 1999. Outlays on nominal interest came to R$ 27.1 billion or 7.3% of GDP. Consequently, the nominal deficit totaled R$ 9.8 billion, corresponding to 2.65% of GDP. In the same period of the previous year, this total had come to R$ 55.4 billion or 17.7% of GDP.

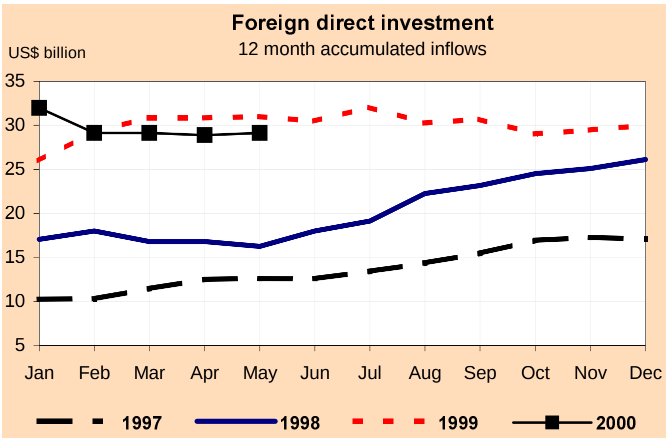


9. The process of trade balance recovery that began in 1999 has continued in the current year. Thus, in the first quarter of the year, the surplus came to approximately US$ 26 million, as compared to a deficit of US$ 816 million in the same quarter of the preceding year. In the April-May period, exports totaled US$ 9.2 billion as against imports of US$ 8.7 billion, for respective increases of 14.2% and 11.8% over the results for the same 1999 period. The increase in imports reflects the ongoing process of expanding internal demand together with the oil price increase, while larger exports were due to greater sales of manufactured goods to the North and Latin American markets. Thus, the trade surplus reached a level of US$ 575 million in the period, as against US$ 342 million in the April-May period of 1999.

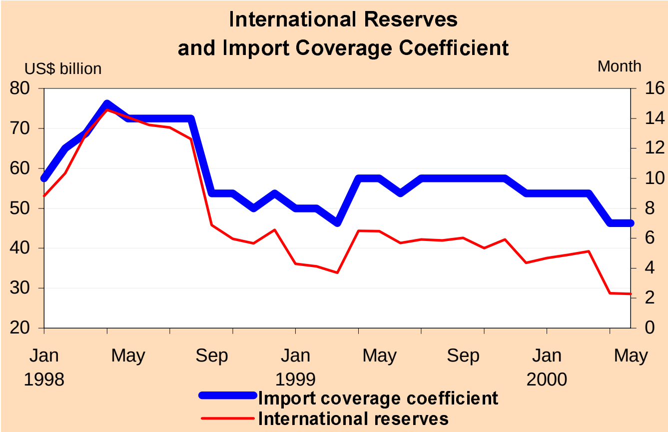


10. The current account balance closed the first quarter of the year with a deficit of US$ 4.1 billion, reflecting a decline of 22% when compared to the same quarter of the preceding year. In the April-May period, the deficit came to US$ 4.7 billion, with growth of 13.9% in relation to the same period of 1999. For the most part, this result reflects the impact of foreign debt interest payments totaling US$ 1.4 billion in the month of April.

11. Net inflows of direct foreign investments totaled US$ 6.8 billion in the first quarter of 2000, for a reduction of 11.2% in relation to the result for the same period of 1999. In the April-May period, net inflows of these funds came to US$ 3 billion, revealing a situation of stability in relation to the previous year. One should take particular note of the reduction in the participation of direct investments consequent upon privatization operations, which fell from 43.7% between January and May 1999 to 10% in the same period of 2000. Growth in autonomous investments is added confirmation of the intensifying growth trend under direct investments in the country.



12. At the end of the first quarter of the current year, international reserves totaled US$ 39.2 billion. The April-May period was marked by anticipated amortization of part of the loans granted by the International Monetary Fund, Bank for International Settlements and the Bank of Japan in the framework of the international agreement led by the IMF in November 1998. This process resulted in a decline in the reserve level to US$ 28.6 billion at the end of May.



B. Monetary Policy in the first quarter of 2000

13. The restricted monetary base, which is measured by the concept of average business day balances, generated results that were fully in keeping with Monetary Programming targets for the first quarter. The final result came to R$ 40.9 billion, with growth of –3.1% in the month and 8.7% in 12 months. Among the components, banking reserves came to R$ 17.3 billion, reflecting a decline of 3.6% in relation to the previous month and expansion of 5.3% in 12 months, while the balance of currency issued reached R$ 23.6 billion, for a drop of 2.7% in the month and growth of 11.4% in 12 months.

14. The expanded monetary base, which is the sum of the restricted base, compulsory cash deposits and federal public securities outside the Banco Central portfolio, totaled R$ 469.5 billion in March. This amount represents growth of 0.7% in the month, based on a reduction of 6.7% in the restricted base – measured in terms of end-of-period balances – offset by increases of 1.7% and 0.4% in the balances of National Treasury and Banco Central public

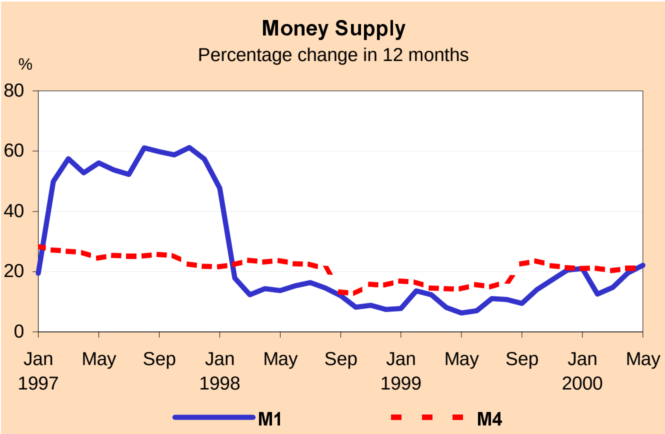
Table 1. Monetary program forecast for the 2000[1/] first quarter and observed results

Itemization	Forecast		Observed	
	R$ billion	Percentage change in 12 months[2/]	R$ billion	Percentage change in 12 months
M1[3/]	50.4 - 59.2	17.7	53.5	14.8
Restricted base[3/]	38.4 - 45.1	11.0	40.9	8.7
Broad base[4/]	417.2 - 489.8	16.9	469.5	21.0
M4[4/]	528.8 - 620.8	20.4	574.6	20.3

1/ It refers to the last month in the period.
2/ Percentage changes are based on the medium point of forecast.
3/ Average of working-day balances in last month of the period.
4/ End-of-period balances.

securities, respectively. Growth in broad monetary base balances accumulated 21% in 12 months and, just as occurred with the other aggregates, closed well within the parameters defined in Monetary Programming for the first quarter of the year.

15. The money supply (M1) – concept of average daily balances – came to R$ 53.5 billion in March, reflecting a reduction of 1.8% in the month and growth of 14.8% in 12 months. Currency held by the public, which came to R$ 20.4 billion, declined by 3.3% in the month, registering growth of 10.3% in 12 months. Demand deposits came to R$ 33 billion, for a drop of 0.9% in the month and growth of 17.8% in 12 months.



16. The broader monetary aggregate (M4) came to R$ 574.6 billion, with growth of 0.4% in the month and 20.3% in 12 months.

17. Operations with federal public securities in the first quarter of this year, including liquidity adjustments implemented by Banco Central, closed with downward movement of R$ 9.4 billion. In the primary market, growth came to R$ 2.8 billion, with net placements of R$ 8.3 billion in National Treasury securities and net redemptions of R$ 11.1 billion in Banco Central papers. In the secondary market, operations with public securities produced a contractive impact of R$ 12.1 billion.

18. In the first quarter of the year, the Banco Central Monetary Policy Committee (Copom) maintained the Selic interest rate target at 19% per year in January and February, without defining a bias. At the March 22 meeting, the target was maintained at the same level, but with a downward bias. On the 28th of the month, the Banco Central Governor exercised his right to utilize the bias and reduced the Selic rate target by one half of one percent to 18.5% per year.

C. Monetary policy in the April-May 2000 period

19. In the concept of average daily balances, the restricted monetary base came to R$ 38.5 billion in May. In the month, this aggregate declined by 0.2%, while the 12 month result expanded by 8.3%. Currency issued totaled R$ 23.5 billion, with a reduction of 0.3% in the month and growth of 17.1% in 12 months. Banking reserves totaled R$ 14.9 billion, for a reduction of 0.2% in the month and 3.1% in 12 months.

20. The broad monetary base came to R$ 495.7 billion in the month of May, with growth of 4% in relation to the previous month and 25% in 12 months.

21. In terms of average daily balances, the money supply (M1) came to R$ 54 billion in May, with growth of 0.5% in the month and 22.1% in 12 months. Currency held by the public totaled R$ 20.3 billion, reflecting a drop of 0.2% in the month and growth of 16.4% in 12 months. Demand deposits came to R$ 33.7 billion, for growth of 0.9% in the month and 25.9% in 12 months.

Table 2. Forecast monetary program for the second quarter of 2000 and observed results in the April/May period[1/]

Itemization	Forecast		Observed	
	R$ billion	Percentage change in 12 months[2/]	R$ billion	Percentage change in 12 months
M1[3/]	51.1 - 59.9	22.3	54.0	22.1
Restricted base[3/]	35.4 - 41.5	5.2	38.5	8.3
Expanded base[4/]	455.8 - 535.1	23.6	495.7	25.0
M4[4/]	555.5 - 652.1	21.0	588.3	21.1

1/ It refers to the last day in the period.
2/ Percentage changes are based on the medium point of forecast.
3/ Working-day balance average of last month in the period.
4/ End-of-period balances.

22. The M4 balance, which is the broader monetary aggregate, came to R$ 586.1 billion in the month of May, with growth of 1% in the month and 20.7% in 12 months. The M4/GDP ratio came to 51.6% in the month, as compared to 51.5% in April.

23. Operations with federal public securities in the two month period turned in positive growth. Thus, the primary market registered growth of R$ 12.3 billion, with net redemptions totaling R$ 7.5 billion in Banco Central papers and R$ 4.8 billion in National Treasury papers. The secondary public security market registered net placements of R$ 9.8 billion.

24. In the two Copom meeting held in April and May, the Committee resolved to hold the Selic interest rate target stable at 18.5% per year as of March 28, with no bias. This position was fully consistent with the evolution of foreign conditioning factors in the period, despite the highly positive trajectory of the nation's macroeconomic fundamentals.

Date of the Copom meeting	Application of downward bias	Selic rate target (% p.y.) 1/
3.4.99	-	45.0
-	3.24.99	42.0
-	4.5.99	39.5
4.14.99	-	34.0
-	4.28.99	32.0
-	5.7.99	29.5
-	5.12.99	27.5
5.19.99	-	23.5
-	6.8.99	22.0
6.23.99	-	21.0
7.28.99	-	19.5
9.1.99	-	19.5
9.22.99	-	19
10.6.1999	-	19
11.10.1999	-	19
12.15.99	-	19
1.19.00	-	19
2.16.00	-	19
3.22.2000	-	19
	3.29.2000	18.5
4.19.2000	-	18.5
5.24.2000	-	18.5
6.20.2000		17.5

1/ Effective as of first business day following meeting or application of bias.

D. Outlook for the third quarter of 2000

25. The performance of the industrial sector in the early months of the year suggests that the process of recovery that began toward the end of 1999 has gained in consistency, particularly in terms of the output of consumer durables and capital goods. This trend has been reflected in the labor market, as the balance of hirings and firings has turned positive. Here, however, one should note that increased labor demand has not altered the process of downward movement in the unit cost of labor, clearly mirroring the productivity gains achieved.

26. In April of this year, the level of utilization of installed industrial capacity surpassed the levels registered in 1999 and 1998, though it is still below the 1997 mark. However, accentuated growth in capital spending for industrial purposes indicates the positive expectations of the sector in relation to the internal and external markets. This process has potentialized growth in installed industrial capacity so as to avoid undue pressures on output capacity.

27. Insofar as inventory formation is concerned, though reductions have occurred in specific sectors of the economy, particularly in the case of various types of farm products, current levels are sufficient to avoid accumulation of demand pressures and, consequently, price growth. Parallel to these results, recent figures from the foreign trade sector indicate that the trade balance would not be jeopardized should it become necessary to increase imports to offset possible stock imbalances.

28. In this framework, the monetary authority has acted in such a way as to coordinate reductions in basic interest rates, cutbacks in reserve rates on demand deposits and improvements in the risk classification system with the aim of creating the conditions required to intensify the process of narrowing the margins applied to the funding rates paid by financial institutions. However, the intensity of this movement has not been up to expectations, despite the fact that internal macroeconomic fundamentals have generated highly positive results. The more conservative posture adopted by financial institutions has been caused, basically, by a sense of wariness regarding the international market, principally as regards the growth trajectory of the American economy.

29. Positive developments in the country's macroeconomic fundamentals are evident in recent fiscal results and foreign sector figures. Consequently, the recurrent surpluses registered by the consolidated public sector have clearly evinced the adjustment process to which public accounts have been submitted. In this sense, the 12 month accumulated primary surplus up to April continued at a record level and has made an important contribution to widening expectations of a consistent drop in public sector borrowing requirements and, consequently, in the debt/GDP ratio.

30. An analysis of foreign accounts demonstrates the improvement that has occurred in the trade balance, partially offset by increased net spending on services not related to production factors generated by the upturn in the pace of economic activity. Services related to production factors, which reflect the flow of income between residents and nonresidents, have remained practically unchanged, as growth in net interest paid has been offset by reductions in net remittances of profits and dividends.

31. Recovery in the current account result, which registered an accumulated deficit of US$ 8.8 billion in the first five months of the year for a reduction of 6.2% in relation to the same period of the previous year, is seen to be even more relevant when one considers the long-term financing standard of the nation's external accounts. In this sense, one should note that the level achieved by direct investments has been consistently greater than external borrowing requirements. Going beyond this, one can now assume that as the situation of the nation's trade balance position continues to improve, this trajectory will certainly become even more comfortable.

32. In this framework, the increase in the volume of credit and the reduction in the differential between asset and liability rates in the early months of the year will certainly become even more accentuated as financial market volatility wanes and long-term expectations become more conducive to a sustained process of Brazilian economic growth.

33. As measured by the diverse price indices, inflation has been consistently below expectations despite the unfavorable impacts of increases in fuel prices and the minimum wage, coupled with the ongoing process of economic growth. There are no signs of added inflationary pressures caused by growing demand. Evidently, this has clearly favored downward movement in 12 month indices and this situation is not expected to change in any significant way over the course of the year.

E. Indicative targets for growth in monetary aggregates in the third quarter and the year 2000

34. Programming of monetary aggregates for the third quarter and the year 2000 as a whole is fully consistent with the system of inflation targeting adopted in June 1999. The system is based on probable scenarios for national income, credit operations and interest rates.

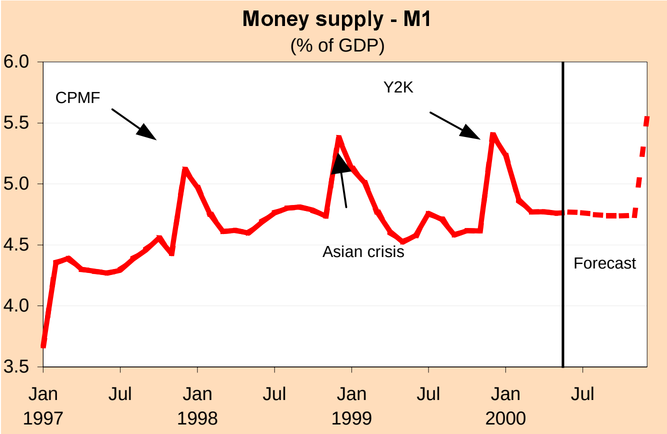
Table 3. Monetary program forecast for 2000[1/]

R$ billion

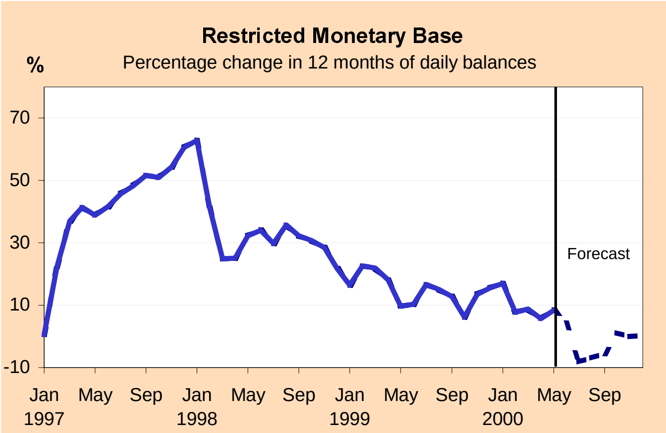
Itemization	Third Quarter		Year	
	R$ billion	% change in 12 month[2/]	R$ billion	% change in 12 months[2/]
M1[3/]	51.8 - 60.8	18.4	62.5 - 73.3	15.0
Restricted base[3/]	33.9 - 39.8	-5.5	41.9 - 49.2	0.4
Broad base[4/]	483.9 - 568.0	26.8	496.5 - 582.8	20.7
M4[4/]	569.1 - 668.1	19.2	589.5 - 692.0	16.5

1/ It refers to the last month in the period.
2/ Percentage changes are based on the medium point of forecast.
3/ Average of working-day balances in last month of the period.
4/ End-of-period balances.

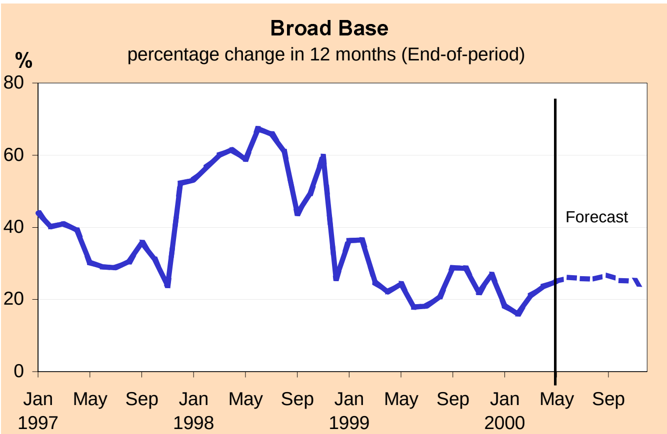
35. Twelve month growth in average daily money supply (M1) balances was estimated at 18.4% for September and 15% for December 2000. Projections of growth in this aggregate have surpassed nominal income growth estimates, reflecting the effects expected as a result of the measures adopted to stimulate financial intermediation. In this sense, expectations point to growth in demand deposits as a result of a larger volume of credit operation resources in transit through the system and the efforts of the banking system to expand utilization of this type of funding as a result of the growth that has occurred in the volume of resources available for nonearmarked utilization. With this, the M1/GDP ratio will tend to increase in coming months.



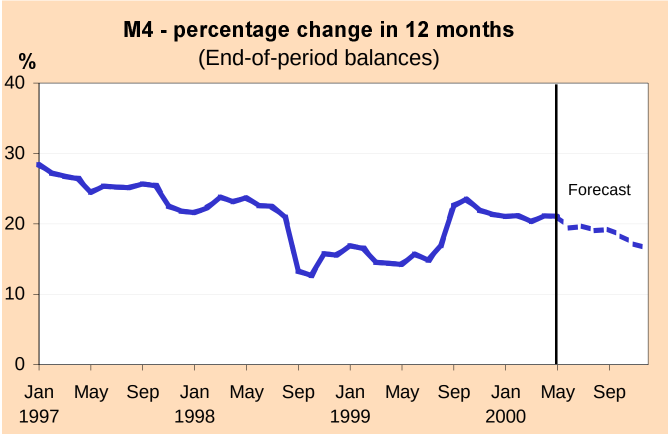
36. With the behavior expected for currency demand, including the resources maintained as currency and demand deposits, together with cutbacks in the rates of compulsory reserves on demand deposits, current projections point to a drop of 5.5% in the 12 month average monetary base balance (currency issued plus banking reserves) for September coupled with growth of 0.4% in December 2000.



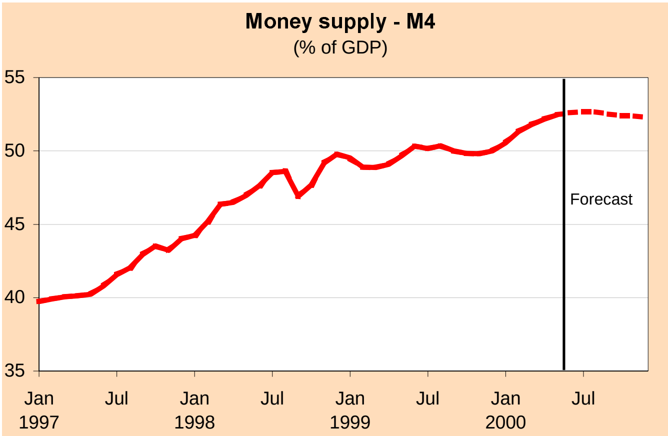
37. Projections for the broad base (a measurement of the monetary and federal securities debt), which presuppose neutralization of the conditioning factors that generate undesirable impacts on the restricted monetary base, reflect the growth that has resulted from updating of these figures on an accrual basis as the major source of expansionary pressures. Among contractive factors, one should stress expected net deposits in the single National Treasury account. With this, it is estimated that 12 month growth in this monetary aggregate will come to 26.8% in September and 20.7% in December 2000.



38. In the broader concept of the money supply (M4), projections are influenced by expectations that recovery in credit operations will more than offset the contractive impacts resulting from control of the public sector nominal deficit. Thus, 12 month growth in M4 is projected at 19.2% for September and 16.5% in December 2000.



39. The ratio between M4 and GDP is expected to increase over the course of 2000, a process fully consistent with the expected behavior of this aggregate.



40. The evolution of the monetary aggregates is summarized in the following table which shows the values for 1999 and for the April/May 2000 period, as well as the forecast results for the third quarter of 2000.

Table 4. Evolution of monetary aggregates[1/]

Itemization	1999		2000					
	Year		April/May		Third Quarter[2/]		Year[2/]	
	R$ billion	% change in 12 months	R$ billion	% change in 12 months	R$ billion [3/]	% change in 12 months	R$ billion [3/]	% change in 12 months
M1[4/]	59,0	20.5	54.0	22.1	56.3	18.4	67.9	15.0
Restricted base[4/]	45.4	15.6	38.5	8.3	36.9	-5.5	45.6	0.4
Expanded base[5/]	447.1	26.9	495.7	25.0	525.9	26.8	539.7	20.7
M4[5/]	550.2	21.4	588.3	21.1	618.6	19.2	640.7	16.5

1/ It refers to the final month in the period.
2/ Projected.
3/ Medium point of forecasts.
4/ Working-day balance average in month.
5/ End-of-period balances.

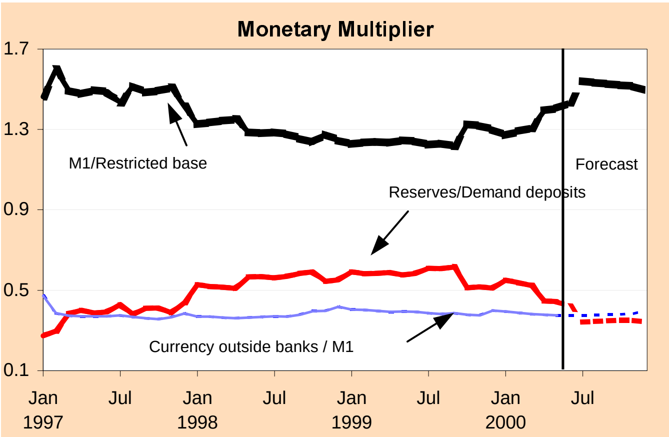
41. Growth in the various multipliers which is implicit in monetary programming is summarized in the following table:

Table 5. Monetary multiplier[1/]

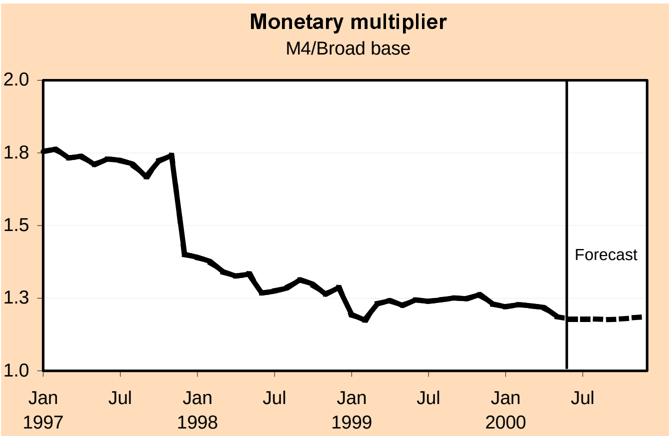
Itemization	1999		2000					
	Year		April/May		Third Quarter[2/]		Year[2/]	
	Multiplier	% change in 12 months	Multiplier	% change in 12 months	Multiplier	% change in 12 months	Multiplier	% change in 12 months
M1 / Restricted base[3/]	1.300	4.3	1.405	12.8	1.526	25.3	1.490	14.6
Banking reserves / Demand deposits[3/]	0.51	-7.5	0.443	-23.1	0.348	-43.4	0.340	-33.3
Currency / M1[3/]	0.399	-4.4	0.375	-4.8	0.379	-1.8	0.404	1.3
M4 / Broad base[4/]	1.231	-4.4	1.187	-3.1	1	-6.0	1.187	-3.6

1/ It refers to the last month in the period.
2/ Forecast.
3/ Average of working-day balances in last month of the period.
4/ End-of-period balances.

42. The increases in the restricted monetary base multiplier, which were noted last October and April, as well as the new increase expected for July, are consequences of the reduction in compulsory deposit rates on demand resources.



43. The expanded base multiplier declined in May as a result of exchanges of state and municipal liabilities for federal securities. Over the current year, no significant alterations are expected in this ratio, since both the broad base and M4 are expected to register similar growth paces.



Summary of projections

Table 1. Monetary program forecast for the 2000[1/] first quarter and observed results

Itemization	Forecast		Observed	
	R$ billion	Percentage change in 12 months[2/]	R$ billion	Percentage change in 12 months
M1[3/]	50.4 - 59.2	17.7	53.5	14.8
Restricted base[3/]	38.4 - 45.1	11.0	40.9	8.7
Broad base[4/]	417.2 - 489.8	16.9	469.5	21.0
M4[4/]	528.8 - 620.8	20.4	574.6	20.3

1/ It refers to the last month in the period.
2/ Percentage changes are based on the medium point of forecast.
3/ Average of working-day balances in last month of the period.
4/ End-of-period balances.

Table 2. Forecast monetary program for the second quarter of 2000 and observed results in the April/May period[1/]

Itemization	Forecast		Observed	
	R$ billion	Percentage change in 12 months[2/]	R$ billion	Percentage change in 12 months
M1[3/]	51.1 - 59.9	22.3	54.0	22.1
Restricted base[3/]	35.4 - 41.5	5.2	38.5	8.3
Expanded base[4/]	455.8 - 535.1	23.6	495.7	25.0
M4[4/]	555.5 - 652.1	21.0	588.3	21.1

1/ It refers to the last day in the period.
2/ Percentage changes are based on the medium point of forecast.
3/ Working-day balance average of last month in the period.
4/ End-of-period balances.

Table 3. Monetary program forecast for 2000[1/]

R$ billion

Itemization	Third Quarter		Year	
	R$ billion	% change in 12 month[2/]	R$ billion	% change in 12 months[2/]
M1[3/]	51.8 - 60.8	18.4	62.5 - 73.3	15.0
Restricted base[3/]	33.9 - 39.8	-5.5	41.9 - 49.2	0.4
Broad base[4/]	483.9 - 568.0	26.8	496.5 - 582.8	20.7
M4[4/]	569.1 - 668.1	19.2	589.5 - 692.0	16.5

1/ It refers to the last month in the period.
2/ Percentage changes are based on the medium point of forecast.
3/ Average of working-day balances in last month of the period.
4/ End-of-period balances.

Table 4. Evolution of monetary aggregates[1/]

Itemization	1999		2000					
	Year		April/May		Third Quarter[2/]		Year[2/]	
	R$ billion	% change in 12 months	R$ billion	% change in 12 months	R$ billion [3/]	% change in 12 months	R$ billion [3/]	% change in 12 months
M1[4/]	59,0	20.5	54.0	22.1	56.3	18.4	67.9	15.0
Restricted base[4/]	45.4	15.6	38.5	8.3	36.9	-5.5	45.6	0.4
Expanded base[5/]	447.1	26.9	495.7	25.0	525.9	26.8	539.7	20.7
M4[5/]	550.2	21.4	588.3	21.1	618.6	19.2	640.7	16.5

1/ It refers to the final month in the period.
2/ Projected.
3/ Medium point of forecasts.
4/ Working-day balance average in month.
5/ End-of-period balances.

Table 5. Monetary multiplier[1/]

Itemization	1999		2000					
	Year		April/May		Third Quarter[2/]		Year[2/]	
	Multiplier	% change in 12 months	Multiplier	% change in 12 months	Multiplier	% change in 12 months	Multiplier	% change in 12 months
M1 / Restricted base[3/]	1.300	4.3	1.405	12.8	1.526	25.3	1.490	14.6
Banking reserves / Demand deposits[3/]	0.51	-7.5	0.443	-23.1	0.348	-43.4	0.340	-33.3
Currency / M1[3/]	0.399	-4.4	0.375	-4.8	0.379	-1.8	0.404	1.3
M4 / Broad base[4/]	1.231	-4.4	1.187	-3.1	1	-6.0	1.187	-3.6

1/ It refers to the last month in the period.
2/ Forecast.
3/ Average of working-day balances in last month of the period.
4/ End-of-period balances.