

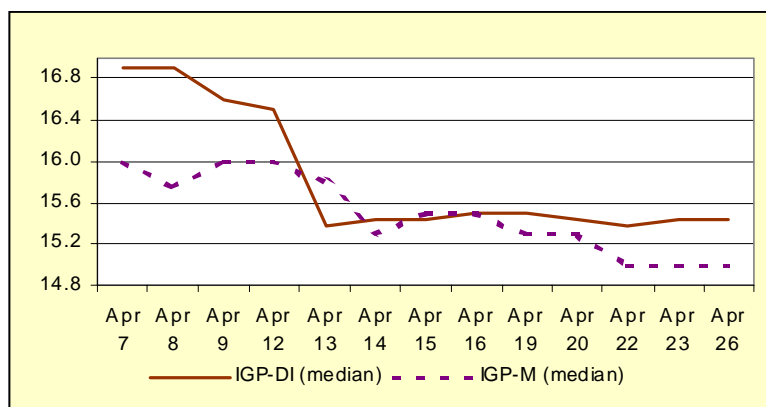
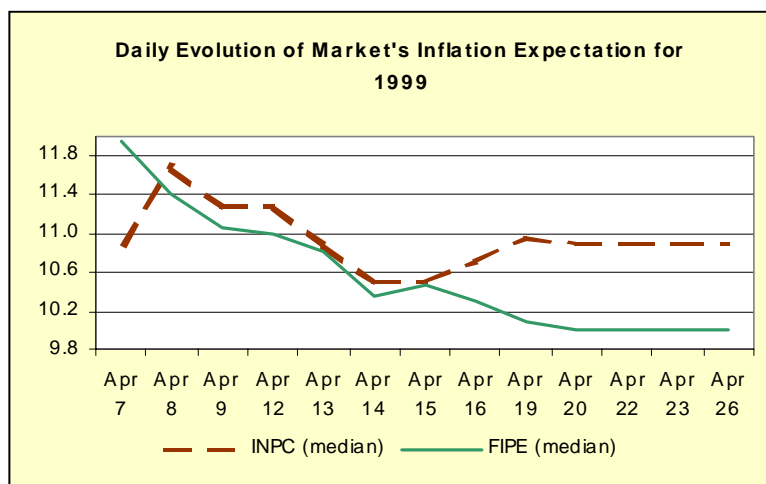
# BANCO CENTRAL DO BRASIL - FOCUS

April 26, 1999

**Inflationary Expectations in Brazil** subdued to favorable fiscal prospects, tight monetary policy stance, slack demand conditions, and swift reversion of the exchange rate overshooting, that followed the Real floating. Market gauged inflation forecasts indicate inflationary pressures leveling off for the remaining of 1999.

## Market Readout

Market's median expectation for 1999's inflation, measured by consumer and composite price indexes are reported below, for the three-week period between April 7-26 (see April 15 *Focus* for a description of price indexes).



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*Market forecasts are solely informative, and not intended to bind Banco Central do Brasil in its monetary policy actions.*