

BANCO CENTRAL DO BRASIL - FOCUS

June 25, 1999

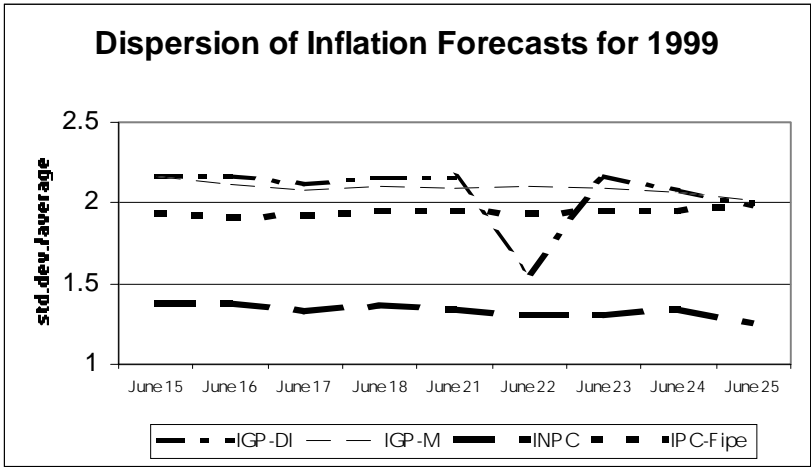
The median forecast for the IPC-FIPE index for 1999 declined to 6.35% from 6.51% over the week, as tracked by Banco Central do Brasil Daily Survey on Market Expectations. Forecasts for the IGP-M were lowered to 11.90% from 12.00%. Forecasts for the other indexes in the Survey were stable. Median GDP did not change. Expectations for the trade balance surplus were lowered to US\$3.0 billion from US\$3.2 billion. **The dispersion of the price indexes—to be reported weekly from now on**—measured by the standard deviation over the average of the forecasts, were stable over the week.

Market Readout

Central Bank Daily Survey on Market Expectations Market Median Forecasts

Price indices (% change)	for June 1999		for 1999		for 2000	
	as of June 18	As of today	as of June 18	as of today	as of June 18	as of today
IGP-DI	0.50	0.50	11.90	11.90	6.20	6.20
IGP-M	0.35	0.35	12.00	11.90	5.00	5.00
IPC-Fipe	0.25	0.18	6.51	6.35	4.50	4.45
INPC	0.35	0.35	7.50	7.50	5.00	5.00

	For 1999		for 2000	
	as of June 18	As of today	as of June 18	as of today
GDP growth (%)	-1.00	-1.00	3.95	4.00
Trade Balance (US\$ billion)	3.20	3.00	5.15	5.30
Current account (US\$ billion)	-22.70	-23.10	-22.40	-22.00
Fiscal Figures (% of GDP)				
Primary balance	3.00	3.00	3.10	3.10
Nominal balance	-9.00	-9.00	-3.98	-3.86



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