

# BANCO CENTRAL DO BRASIL - FOCUS

July 9, 1999

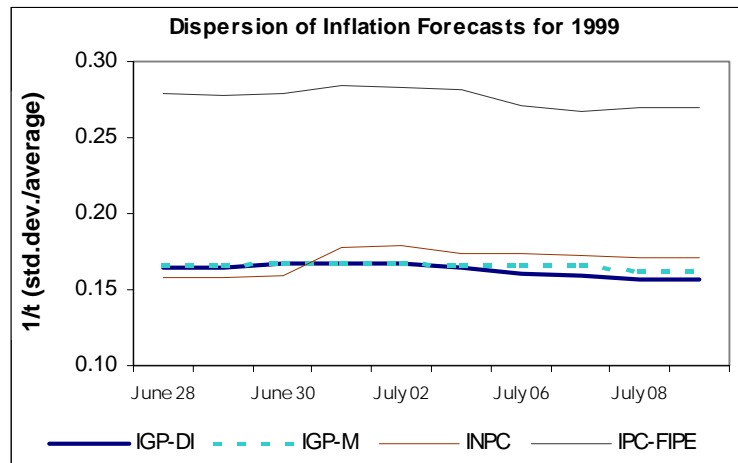
The median forecast for the IPCA for 1999 – the reference index for the inflation targeting – increased to 7.50% from 7.30% over the week as tracked by Banco Central do Brasil Daily Survey on Market Expectations. For the INPC index, it increased to 7.50% from 7.36%, while for the IGP-M, it changed to 12.00% from 11.70%. The median expectation for GDP did not change. Expectations for the trade balance surplus were lowered to US\$2.3 billion from US\$2.6 billion.

## Market Readout

Central Bank Daily Survey on Market Expectations  
Market Median Forecasts

Price indices (% change)	for July 1999		for 1999		for 2000	
	as of July 02	as of today	as of July 02	as of today	as of July 02	as of today
IGP-DI	0.70	0.80	11.90	11.90	6.30	6.20
IGP-M	0.70	0.81	11.70	12.00	5.00	5.25
IPC-Fipe	0.75	0.90	6.30	6.36	4.50	4.50
INPC	0.60	0.71	7.36	7.50	5.15	5.15
IPCA	0.70	0.80	7.30	7.50	4.50	4.50

	for 1999		for 2000	
	as of July 02	as of today	as of July 02	as of today
GDP growth (%)	-1.00	-1.00	4.00	4.00
Trade Balance (US\$ billion)	2.60	2.30	5.55	5.55
Current account (US\$ billion)	-23.0	-23.0	-22.1	-22.1
<b>Fiscal Figures</b> (% of GDP)				
Primary balance	3.00	3.00	3.10	3.10
Nominal balance	-9.08	-9.40	-4.00	-4.00




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*Market forecasts are solely informative and not intended to bind Banco Central do Brasil in its monetary policy actions. This information is for unrestricted disclosure and free of any charge.*