

# BANCO CENTRAL DO BRASIL - FOCUS

July 30, 1999

The median forecast for GDP growth in 1999 improved to  $-0.88\%$  from  $-1.00\%$  as tracked by Banco Central do Brasil Daily Survey on Market Expectations. Forecasts for the IPCA inflation index for 1999 increased to  $7.68\%$  from  $7.60\%$  while the median forecast for the IPC-Fipe increased to  $6.50\%$  from  $6.40\%$ . The median expectation for the IPCA in 2000 increased to  $6.00\%$  from  $5.50\%$ . Except for the INPC, dispersion of forecasts for inflation indices in 1999 declined over the week.

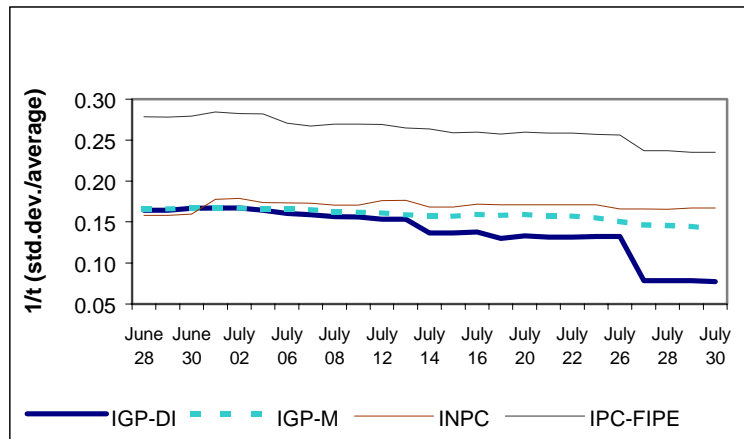
## Market Readout

Central Bank Daily Survey on Market Expectations  
Market Median Forecasts

Price indices (% change)	for August 1999		for 1999		for 2000	
	as of July 23	as of today	as of July 23	as of today	as of July 23	as of today
IGP-DI	0.60	0.60	12.50	12.56	6.09	6.05
IGP-M	0.60	0.65	12.45	12.59	5.50	5.95
IPC-Fipe	0.55	0.53	6.40	6.50	5.00	5.00
INPC	0.50	0.50	7.49	7.47	5.87	5.87
IPCA	0.53	0.52	7.60	7.68	5.50	6.00

	for 1999		for 2000	
	as of July 23	as of today	as of July 23	as of today
GDP growth (%)	-1.00	-0.88	3.70	3.55
Trade Balance (US\$ billion)	1.50	1.50	5.70	5.40
Current account (US\$ billion)	-23.6	-23.9	-22.0	-22.0
Fiscal Figures (% of GDP)				
Primary balance	3.00	3.00	3.05	3.05
Nominal balance	-9.50	-9.50	-4.10	-4.10

**Central Bank Daily Survey on Market Expectations  
Dispersion of Inflation Forecasts for 1999**



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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.*