

# BANCO CENTRAL DO BRASIL - FOCUS

September 03, 1999

*Consensus forecast for Brazil's GDP growth in 1999 improved to -0.2% from -0.5% last week.* For the year 2000, a growth of 3.5% is expected. The median forecast of market participants for the IPCA decreased to 7.96% from 7.97% as tracked by Banco Central do Brasil daily survey. For the INPC, the median moved to 7.40% from 7.54%. Median expectation of the IPC-FIPE moved to 6.51% from 6.60%. Forecasts for the IGP-M increased to 13.74% from 13.57%, while the IGP-DI median changed to 13.50% from 13.10% recorded last week. Expectations for the trade balance surplus in 1999 decreased to US\$500 millions from US\$700 millions. The median forecast for the current account deficit in the current year remained increased to US\$ 25.25 billion. For 2000, a deficit of US\$ 22.65 is expected by market participants.

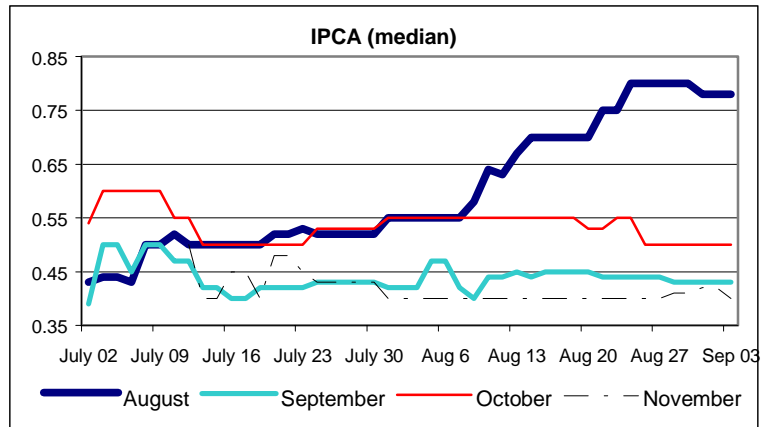
## Market Readout

*Central Bank Daily Survey on Market Expectations  
Market Median Forecasts*

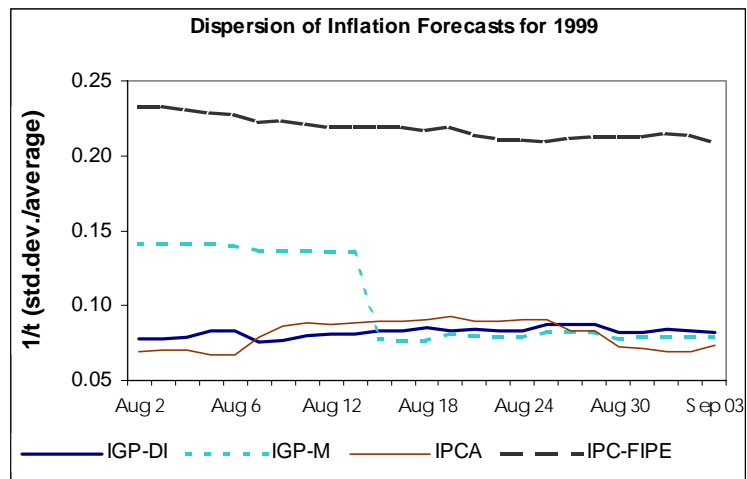
Price indices (% change)	for Sept 1999		for 1999		for 2000	
	as of Aug 27	as of today	as of Aug 27	as of today	as of Aug 27	as of today
IGP-DI	0.48	0.59	13.10	13.50	6.06	6.10
IGP-M	0.51	0.55	13.57	13.74	6.00	6.00
IPC-Fipe	0.40	0.40	6.60	6.51	5.00	5.00
INPC	0.42	0.40	7.54	7.40	5.87	5.81
IPCA	0.44	0.43	7.97	7.96	6.00	6.00

	for 1999		for 2000	
	as of August 27	as of today	as of August 27	as of today
<b>GDP growth (%)</b>	-0.50	-0.20	3.50	3.50
<b>Trade Balance (US\$ billion)</b>	0.70	0.50	5.00	5.00
<b>Current account (US\$ billion)</b>	-25.00	-25.25	-22.80	-22.65
<b>Fiscal Figures (% of GDP)</b>				
Primary balance	3.00	3.00	3.00	3.10
Nominal balance	-9.50	-9.50	-4.20	-4.21

**Central Bank Daily Survey on Market Expectations  
Evolution of Monthly Inflation 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.*