

BANCO CENTRAL DO BRASIL - FOCUS

September 24, 1999

Consensus forecast for consumer price indices in 1999 and 2000 declined over the week.

Market participants are now expecting inflation of 7.81% in 1999 and 6.00% in the coming year, as measured by the IPCA. Dispersion of forecasts reduced over the week. For the INPC, the median forecast changed to 7.30% from 7.57% for 1999 and to 5.66% from 5.81% in 2000. Median forecasts of composite price indexes increased for 1999, but not for the year 2000. Expectations of GDP growth in 1999 improved to -0.10% compared to -0.15% recorded last week. For the year 2000, a growth of 3.5% is expected. Expectations for the current account deficit in 1999 moved to US\$ 25.40 billion from US\$ 25.33 billion last week. A deficit of US\$ 23.00 billion is expected in the year 2000.

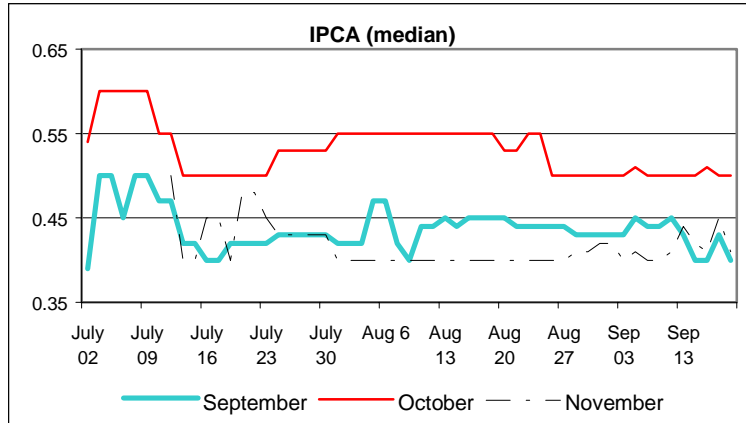
Market Readout

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

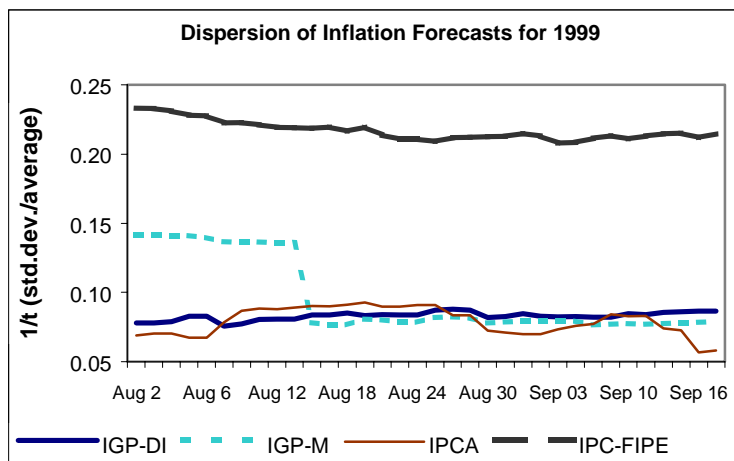
Price indices (% change)	for Sept 1999		for 1999		for 2000	
	as of Sept 17	as of today	as of Sept 17	as of today	as of Sept 17	as of today
IGP-DI	0.70		13.93		7.00	7.00
IGP-M	0.79		14.03		6.10	6.10
IPC-Fipe	0.40		6.50		5.00	5.00
INPC	0.43		7.30		5.66	5.66
IPCA	0.40		7.81		6.00	6.00

	for 1999		for 2000	
	as of Sept 17	as of today	as of Sept 17	as of today
GDP growth (%)	-0.10		3.50	
Trade Balance (US\$ billion)	0.05		4.95	
Current account (US\$ billion)	-25.40		-23.00	
Fiscal Figures (% of GDP)				
Primary balance	3.00		3.00	
Nominal balance	-9.50		-4.26	

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



Dispersion of Inflation Forecasts for 1999



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.