

# BANCO CENTRAL DO BRASIL - FOCUS

October 15, 1999

*Consensus forecast for the IGP-DI in 1999 increased to 15.04% from 14.63% over the week, and to 15.20% from 15.00% for the IGP-M.* For the year 2000, median forecasts point out to an inflation of 7.25% as measured by the IGP-DI and 7.00% as measured by the IGP-M. Expectations for IPC-Fipe variation in the current year increased to 7.00% from 6.86% while IPCA and INPC expectations remained stable.

Median expectations for GDP growth in 1999 decreased to -0.20%, while a growth of 3.50% is expected for 2000. A trade deficit of 50 million is expected in 1999, and a surplus of US\$ 4.1 billion in 2000.

## Market Readout

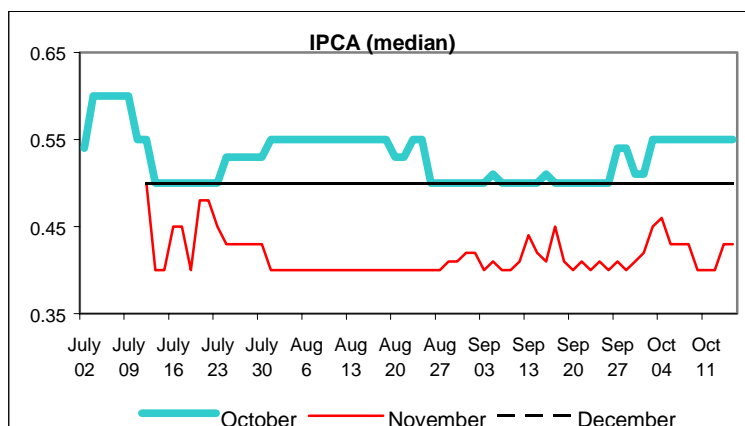
*Central Bank Daily Survey on Market Expectations  
Market Median Forecasts*

Price indices (% change)	for Oct 1999		for 1999		for 2000	
	as of Oct 08	as of today	as of Oct 01	as of today	as of Oct 08	as of today
IGP-DI	0.65	0.80	14.63	15.04	7.25	7.25
IGP-M	0.70	0.85	15.00	15.20	7.00	7.00
IPC-Fipe	0.50	0.60	6.86	7.00	5.30	5.50
INPC	0.55	0.55	7.40	7.40	5.81	5.81
IPCA	0.55	0.55	7.80	7.77	6.00	6.00

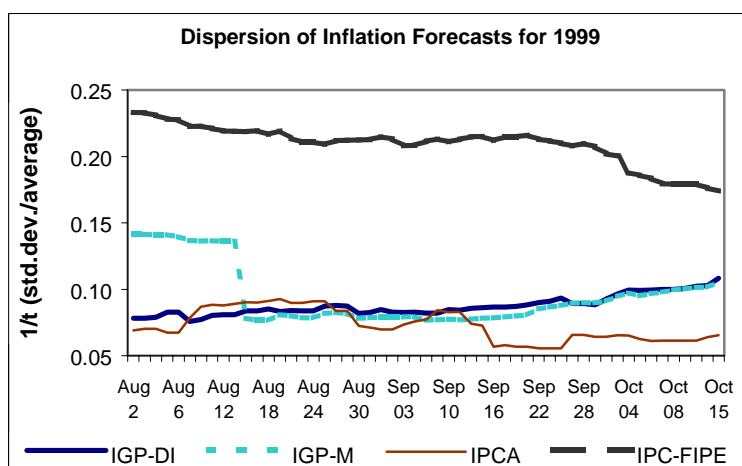
	for 1999		for 2000	
	as of Oct 08	as of today	as of Oct 08	as of today
<b>GDP growth (%)</b>	-0.10	-0.20	3.39	3.50
<b>Trade Balance (US\$ billion)</b>	-0.05	-0.05	4.30	4.10
<b>Current account (US\$ billion)</b>	-25.60	-25.70	-23.22	-23.24
<b>Fiscal Figures (% of GDP)</b>				
Primary balance	3.00	3.00	3.10	3.10
Nominal balance	-9.90	-9.90	-4.22	-4.22

*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.*