

# **BANCO CENTRAL DO BRASIL - FOCUS**

**December 03, 1999**

*Market expectations for inflation in 1999 increased over the week.* The median expectation for the IPCA for 1999 was revised to 8.9% from 8.7% a week ago, and for 2000 remained stable at 7%. Market forecasts for IGP-DI for 1999 were revised to 19.1% from a median of 18.7% recorded last week. Expectations for GDP growth for 1999 remained at their previous week levels. Expectations for items of the external accounts showed minor changes over the week. Other key economic indicators are quoted in the tables below and in the figures on the next page.

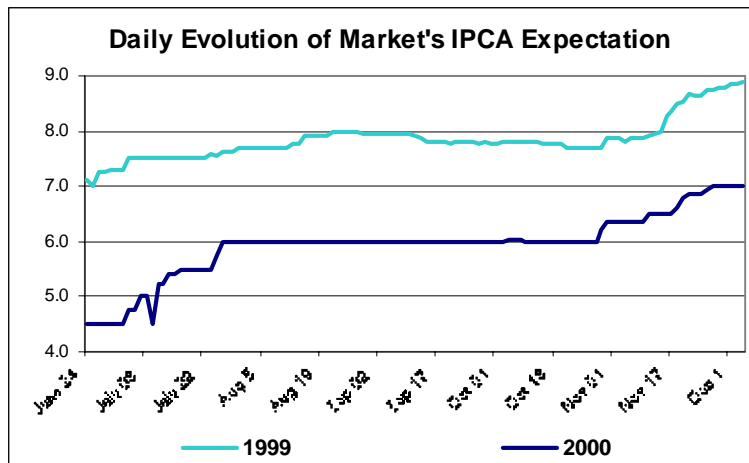
## **Market Readout**

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

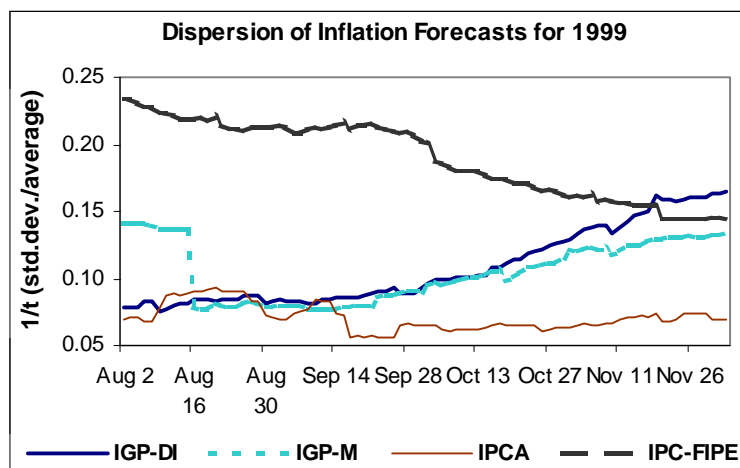
Price indices	for 1999		for 2000	
	as of Nov 26	as of <b>today</b>	as of Nov 26	as of <b>today</b>
(% change)				
IGP-DI	18.72	19.12	8.00	8.00
IGP-M	18.77	19.26	8.00	8.00
IPC-Fipe	8.50	8.60	6.00	6.00
INPC	8.10	8.10	6.00	6.00
IPCA	8.74	8.90	7.00	7.00
	for December		for January	
(% change)	as of Nov 26	as of <b>today</b>	as of Nov 26	as of <b>today</b>
IGP-DI	0.90	1.10	0.80	0.80
IGP-M	0.98	1.20	0.90	0.90
IPC-Fipe	0.60	0.60	0.77	0.75
INPC	0.58	0.59	0.80	0.80
IPCA	0.54	0.53	0.80	0.80
	for 1999		for 2000	
	as of Nov 26	as of <b>today</b>	as of Nov 26	as of <b>today</b>
<b>GDP growth (%)</b>	0.10	0.10	3.00	3.00
<b>Trade Balance (US\$ billion)</b>	-1.19	-1.19	4.10	4.01
<b>Current account (US\$ billion)</b>	-25.70	-25.60	-23.15	-23.15
<b>Fiscal Figures (% of GDP)</b>				
Primary balance	3.00	3.00	3.00	3.00
Nominal balance	-9.88	-9.88	-4.21	-4.21

# Central Bank Daily Survey on Market Expectations

Evolution of Median Expectations for inflation



Dispersion of Inflation Forecasts for 1999



*Information for unrestricted disclosure. It is not intended to bind Banco Central do Brasil in its monetary or foreign exchange policy actions.*