

BANCO CENTRAL DO BRASIL – FOCUS

February 25, 2000

Median of market expectations for inflation measured by the IPCA for 2001 declined to 4.10% from 4.20% as tracked by Banco Central do Brasil daily survey. For 2000, expectations moved to 6.79% from 6.80%. The median of market forecasts for the IPC-Fipe for 2000 were revised to 6.20% from 6.40% over the week while the median of the IGP-DI increased to 8.20% from 8.10%. GDP growth expectations remained at 3% for 2000 and 2001. On the fiscal side, consensus forecast points out to a primary surplus of 3.00% for 2000 and 2001. Expectations for other economic indicators are listed below.

Market Readout

Central Bank Daily Survey on Market Expectations
Median of Market Expectations

PRICE INDICES

	February		March	
(% change)	as of Feb 18	as of today	as of Feb 18	as of today
IGP-DI	0.40	0.35	0.62	0.59
IGP-M	0.40	0.25	0.60	0.51
IPC-FIPE	0.20	0.10	0.43	0.36
INPC	0.48	0.43	0.55	0.50
IPCA	0.40	0.40	0.54	0.50

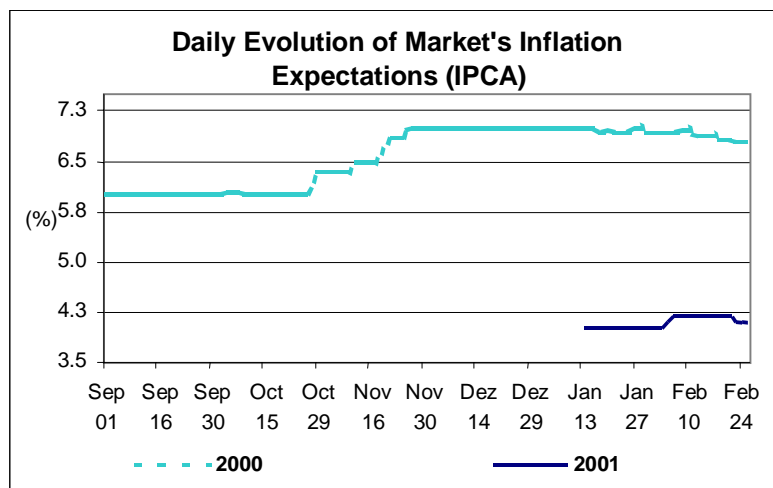
	2000		2001	
IGP-DI	8.10	8.20	5.00	5.00
IGP-M	8.00	8.00	5.00	5.00
IPC-FIPE	6.40	6.20	4.10	4.00
INPC	6.66	6.66	4.00	4.00
IPCA	6.80	6.79	4.20	4.10

OTHER ECONOMIC INDICATORS

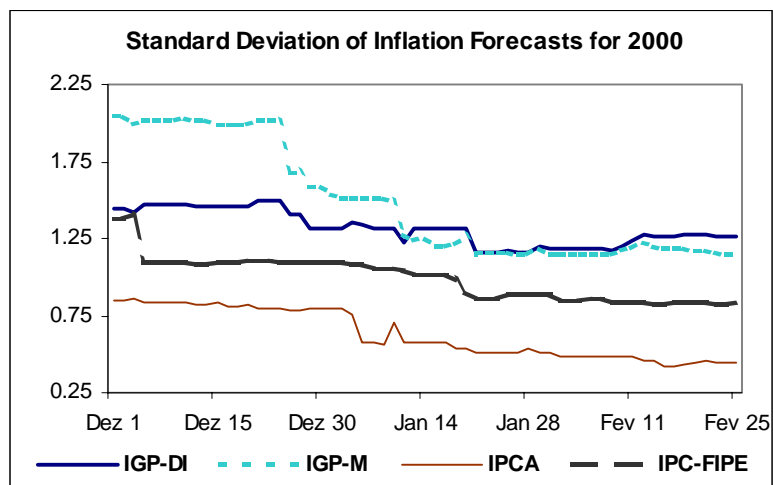
	2000		2001	
	as of Feb 18	As of today	as of Feb 18	as of today
GDP growth (%)	3.00	3.00	4.00	4.00
Trade Balance (US\$ billion)	4.00	4.00	5.35	5.35
Current Account (US\$ billion)	-23.00	-23.00	-22.65	-22.65
Fiscal Figures (% of GDP)				
- Primary Balance	3.00	3.00	3.00	3.00
- Nominal Balance	-4.43	-4.43	-3.05	-3.05

Central Bank Daily Survey on Market Expectations

Evolution of Median Expectations for Inflation



Dispersion of Inflation Forecasts for 2000



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