

BANCO CENTRAL DO BRASIL – FOCUS

April 7, 2000

Median of market expectations for inflation measured by the IPCA for 2000 declined to 6.47% from 6.50% as tracked by Banco Central do Brasil daily survey. For 2001, the index is expected to reach 4.10%. Market forecasts for IGP-M and IGP-DI converged to 7.80% for 2000 and 5% for 2001. GDP growth expectations remained at 3% for 2000 and 4% for 2001. Expectations for the trade balance surplus in 2000 reduced to US\$ 3.6 billion from US\$ 3.7 billion last week. Expectations for the nominal deficit of the consolidated public sector in 2000 reduced to 4.3% of GDP, from 4.5% last week, remaining at 3% of GDP for 2001.

Market Readout

*Banco Central do Brasil Daily Survey on Market Expectations
Median of Market Expectations*

PRICE INDICES

	April		May	
(% change)	as of Mar 31	as of today	as of Mar 31	as of today
IGP-DI	0.50	0.50	0.60	0.60
IGP-M	0.45	0.48	0.46	0.50
IPC-Fipe	0.50	0.45	0.50	0.50
INPC	0.40	0.40	0.46	0.47
IPCA	0.60	0.60	0.51	0.50

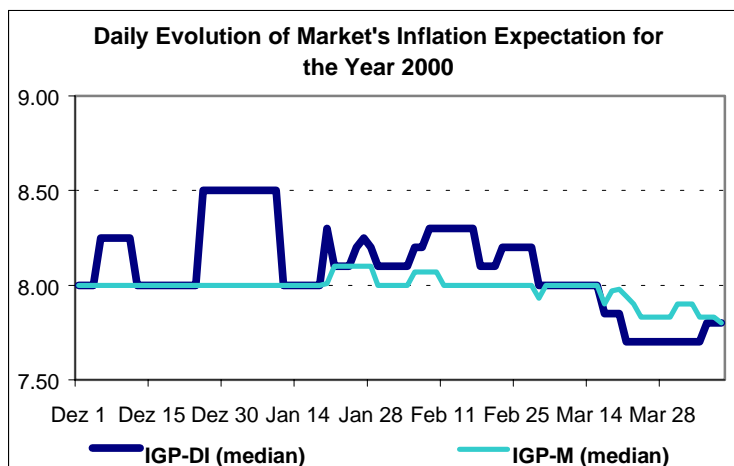
	2000		2001	
IGP-DI	7.70	7.80	5.00	5.00
IGP-M	7.90	7.80	5.00	5.00
IPC-Fipe	6.00	6.00	4.10	4.00
INPC	6.35	6.30	4.00	4.00
IPCA	6.50	6.47	4.05	4.10

OTHER ECONOMIC INDICATORS

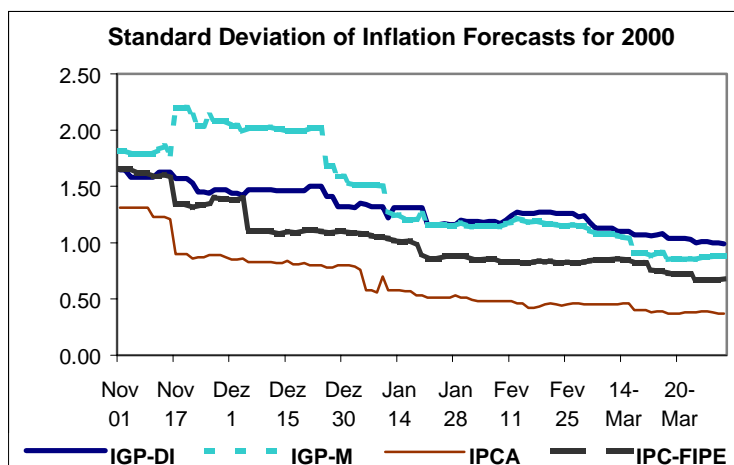
	2000		2001	
	as of Mar 31	As of today	as of Mar 31	as of today
GDP growth (%)	3.00	3.00	4.00	4.00
Trade Balance (US\$ billion)	3.70	3.60	5.79	5.68
Current Account (US\$ billion)	-23.00	-23.00	-22.40	-22.70
Fiscal Figures (% of GDP)				
- Primary Balance	3.00	3.00	3.00	3.00
- Nominal Balance	-4.50	-4.30	-3.00	-3.00

Central Bank Daily Survey on Market Expectations

Evolution of Median Expectations for Inflation



Dispersion of Inflation Forecasts for 2000



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