

BANCO CENTRAL DO BRASIL – FOCUS

May 12, 2000

Median of market expectations for inflation measured by the IPCA for 2000 declined to 6.19% from 6.30% as tracked by Banco Central do Brasil's daily survey. Inflation expectations measured by IPC-Fipe for 2000 reduced to 5.86% from 5.92% while for the IGP-M they declined to a median of 7.45% from 7.48%. Forecasts for the current account deficit increased to US\$ 23.40 billion from US\$ 23.30 billion deficit in 2000, reaching US\$ 23.20 billion in 2001. Expectations for the nominal deficit of the consolidated public sector in 2000 reduced to 4.00% of GDP, from 4.10% last week.

Market Readout

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

PRICE INDICES

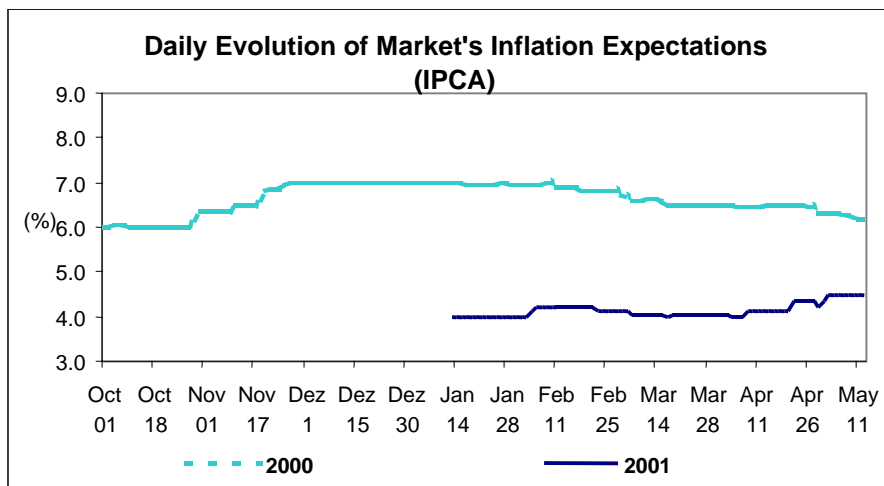
	May		June	
(% change)	as of May 05	as of today	as of May 05	as of today
IGP-DI	0.47	0.30	0.66	0.65
IGP-M	0.44	0.29	0.63	0.60
IPC-Fipe	0.41	0.30	0.60	0.60
INPC	0.46	0.43	0.60	0.60
IPCA	0.41	0.40	0.60	0.60

	2000		2001	
IGP-DI	7.40	7.40	5.00	5.00
IGP-M	7.48	7.45	5.00	5.00
IPC-Fipe	5.92	5.86	4.20	4.10
INPC	6.00	5.95	4.00	4.00
IPCA	6.30	6.19	4.50	4.50

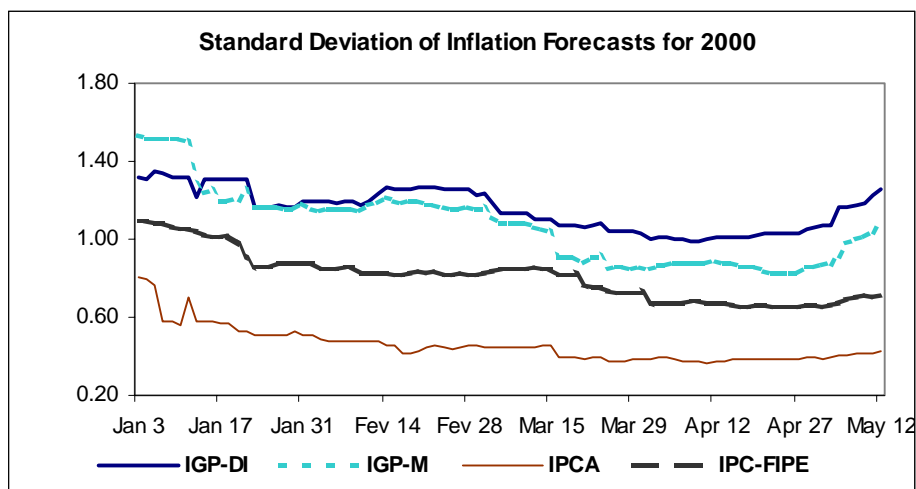
OTHER ECONOMIC INDICATORS

	2000		2001	
	as of May 05	As of today	as of May 05	as of today
GDP growth (%)	3.10	3.10	4.00	4.00
Trade Balance (US\$ billion)	3.30	3.30	5.25	5.25
Current Account (US\$ billion)	-23.30	-23.40	-22.95	-23.20
Fiscal Figures (% of GDP)				
- Primary Balance	3.10	3.10	3.00	3.00
- Nominal Balance	-4.10	-4.00	-3.00	-3.00

**Central Bank Daily Survey on Market Expectations
Evolution of Median Expectations for Inflation**



Dispersion of Inflation Forecasts for 2000



Information for unrestricted disclosure. It is not intended to bind Banco Central do Brasil in its monetary or foreign exchange policy actions. Contact information for e-mail distribution at gci.bacen@bcb.gov.br