

BANCO CENTRAL DO BRASIL – FOCUS

July 21, 2000

Median of market expectations for inflation measured by the IGP-DI and IGP-M adjusted higher to 7.50% from 7.48% and 7.71% from 7.61% for 2000, respectively.

The median expectation for the IPCA in 2000 and 2001 remained unchanged at 5.90% and 4.22%, respectively. The median expectation for the IPC-Fipe for 2000 increased to 5.08% from 5.01%. For the month of July it changed to 0.90% from 0.70%. The IGP-M median expectation for the month of July increased to 1.20% from 1.05%; the IGP-DI to 1.28% from 0.93%; and the IPCA to 0.95% from 0.90%. Forecasts for the trade balance surplus remained unchanged at US\$ 2.20 billion and US\$ 4.50 billion for 2000 and 2001, respectively. Forecasts for other economic indicators are quoted in the tables below and in the figures on the next page.

Market Readout

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

PRICE INDICES

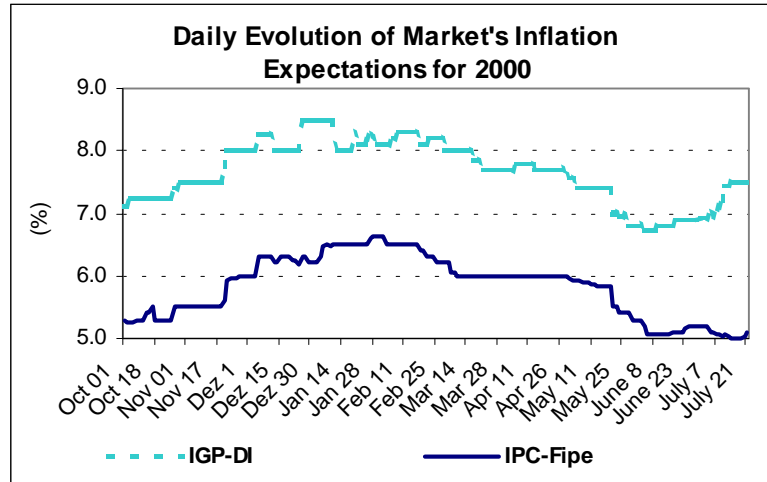
	July		August	
(% change)	as of July 14	As of today	as of July 14	as of today
IGP-DI	0.93	1.28	0.70	0.76
IGP-M	1.05	1.20	0.90	0.90
IPC-Fipe	0.70	0.90	0.95	0.90
INPC	0.80	0.80	0.75	0.70
IPCA	0.90	0.95	0.70	0.70

	2000		2001	
IGP-DI	7.48	7.50	4.75	4.75
IGP-M	7.61	7.71	4.50	4.50
IPC-Fipe	5.01	5.08	4.00	4.00
INPC	5.45	5.40	4.00	4.00
IPCA	5.90	5.90	4.22	4.22

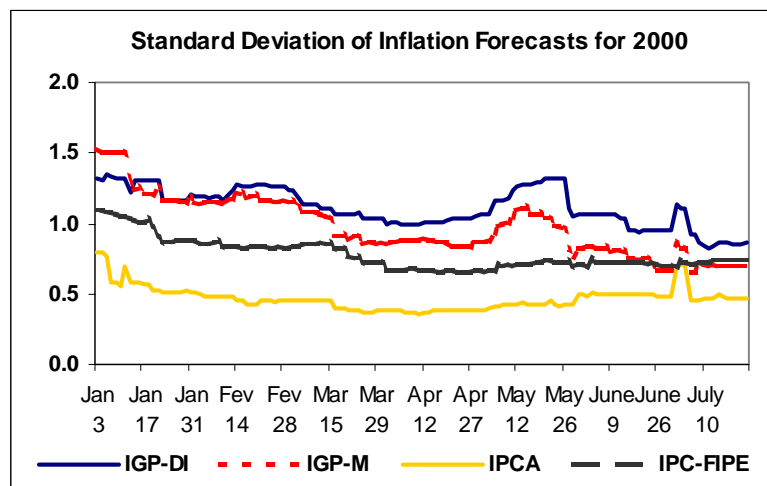
OTHER ECONOMIC INDICATORS

	2000		2001	
	as of July 14	As of today	as of July 07	As of today
GDP growth (%)	3.40	3.40	4.00	4.00
Trade Balance (US\$ billion)	2.20	2.20	4.50	4.50
Current Account (US\$ billion)	-23.97	-23.97	-23.30	-23.30
Fiscal Figures (% of GDP)				
- Primary Balance	3.10	3.10	3.00	3.00
- Nominal Balance	-4.00	-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



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