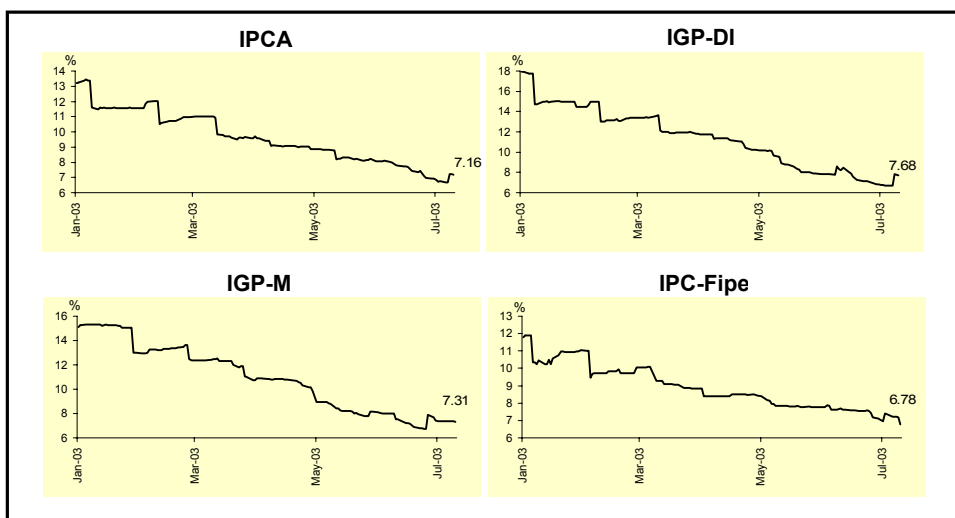


Market Readout

July 11, 2003

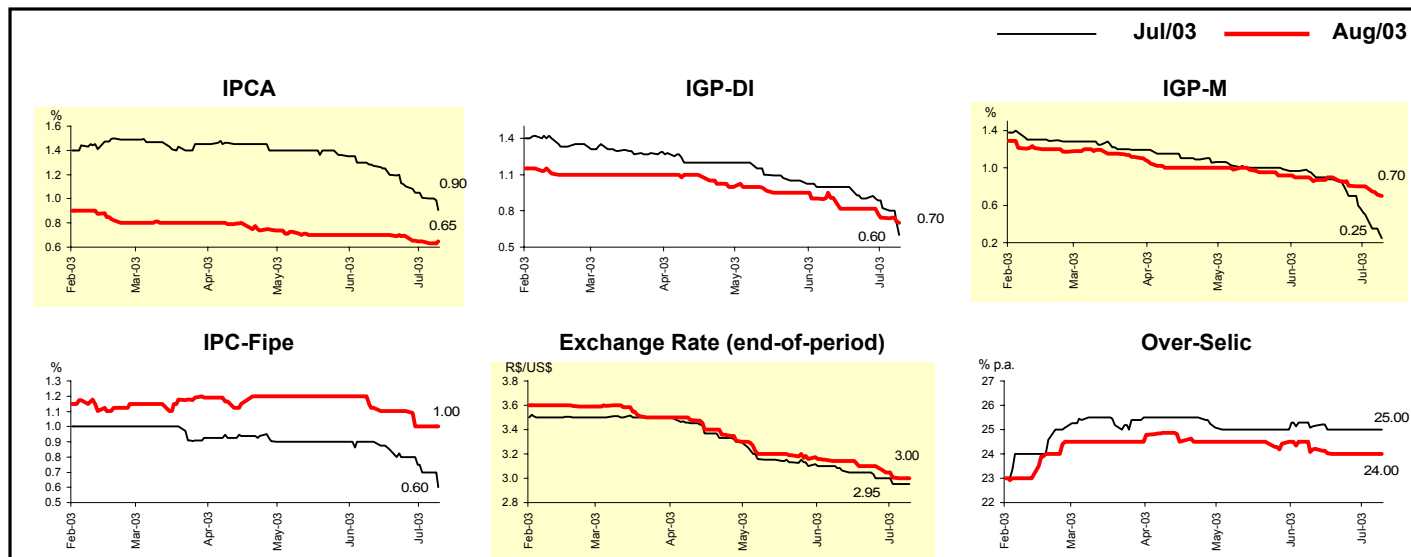
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	7.76	6.75	7.16	▲ (1)
IGP-DI (%)	8.45	6.69	7.68	▲ (1)
IGP-M (%)	7.44	7.39	7.31	▼ (2)
IPC-Fipe (%)	7.63	7.36	6.78	▼ (1)

* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior (▲ increase, ▼ decrease or = stability)



Market Expectations								
Indicator	Jul/03				Aug/03			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Median - Aggregate								
IPCA (%)	1.27	1.01	0.90	▼ (7)	0.70	0.64	0.65	▲ (1)
IGP-DI (%)	1.00	0.82	0.60	▼ (3)	0.91	0.75	0.70	▼ (2)
IGP-M (%)	0.90	0.50	0.25	▼ (7)	0.87	0.80	0.70	▼ (3)
IPC-Fipe (%)	0.90	0.70	0.60	▼ (4)	1.13	1.00	1.00	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.07	2.95	2.95	= (1)	3.14	3.01	3.00	▼ (2)
Over-Selic - end-of-period (% p.a.)	25.17	25.00	25.00	= (3)	24.20	24.00	24.00	= (3)

* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior (▲ increase, ▼ decrease or = stability)



Indicator	2003				2004			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Median - Aggregate								
IPCA (%)	11.84	11.02	10.81	▼ (6)	7.43	7.00	6.98	▼ (1)
IGP-DI (%)	11.36	10.00	9.35	▼ (14)	7.82	7.50	7.47	▼ (5)
IGP-M (%)	12.25	10.80	10.39	▼ (13)	7.90	7.50	7.30	▼ (1)
IPC-Fipe (%)	10.50	9.92	9.63	▼ (6)	7.00	7.00	6.49	▼ (1)
Exchange rate - end-of-period (R\$/US\$)	3.30	3.20	3.20	= (1)	3.50	3.50	3.50	= (9)
Exchange rate - average (R\$/US\$)	3.24	3.17	3.17	= (1)	3.44	3.39	3.38	▼ (4)
Over-Selic - end-of-period (% p.a.)	21.00	21.00	20.50	▼ (1)	16.50	16.00	16.00	= (2)
Net Public Sector Debt (% of GDP)	55.00	54.90	54.70	▼ (2)	53.50	53.50	53.35	▼ (1)
GDP growth (%)	1.80	1.70	1.70	= (1)	3.00	3.00	3.00	= (29)
Current Account (US\$ billion)	-3.80	-3.50	-3.45	▲ (3)	-5.00	-4.85	-5.05	▼ (1)
Trade Balance (US\$ billion)	16.30	17.00	17.00	= (1)	15.50	15.50	15.24	▼ (1)
Foreign Direct Investment (US\$ billion)	10.10	10.00	9.70	▼ (1)	14.00	13.00	13.00	= (2)
Regulated Prices (%)	15.20	14.85	14.60	▼ (1)	9.00	9.16	9.00	▼ (1)
Median - Top 5 - Short Term								
IPCA (%)	12.19	11.00	11.00	= (1)	7.00	7.00	7.00	= (4)
IGP-DI (%)	10.62	9.13	8.81	▼ (9)	7.00	7.00	7.44	▲ (1)
IGP-M (%)	11.91	10.04	9.22	▼ (1)	6.00	6.25	6.00	▼ (1)
Exchange rate - end-of-period (R\$/US\$)	3.30	3.28	3.20	▼ (2)	3.50	3.50	3.50	= (10)
Over-Selic - end-of-period (% p.a.)	20.00	19.50	20.25	▲ (1)	16.00	16.00	15.50	▼ (1)

* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior (▲ increase, ▼ decrease or = stability)

