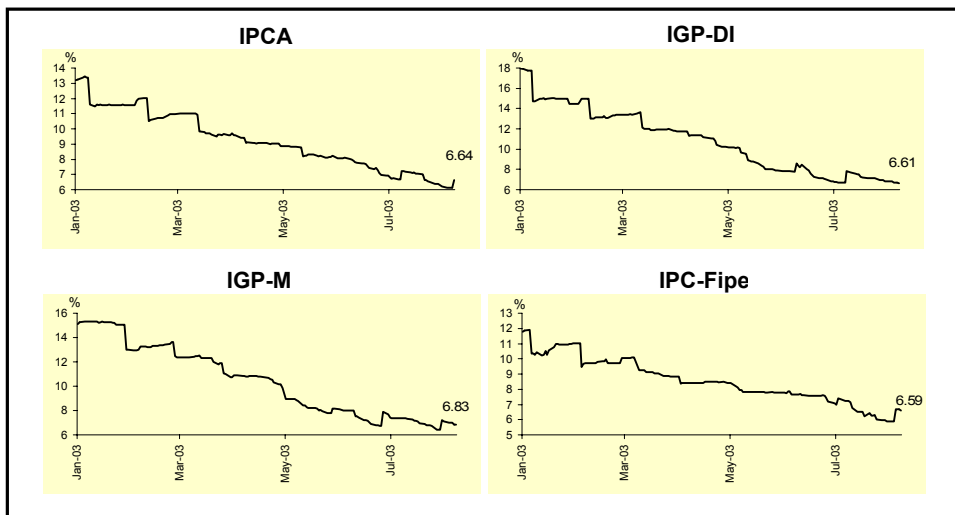


Market Readout

August 8, 2003

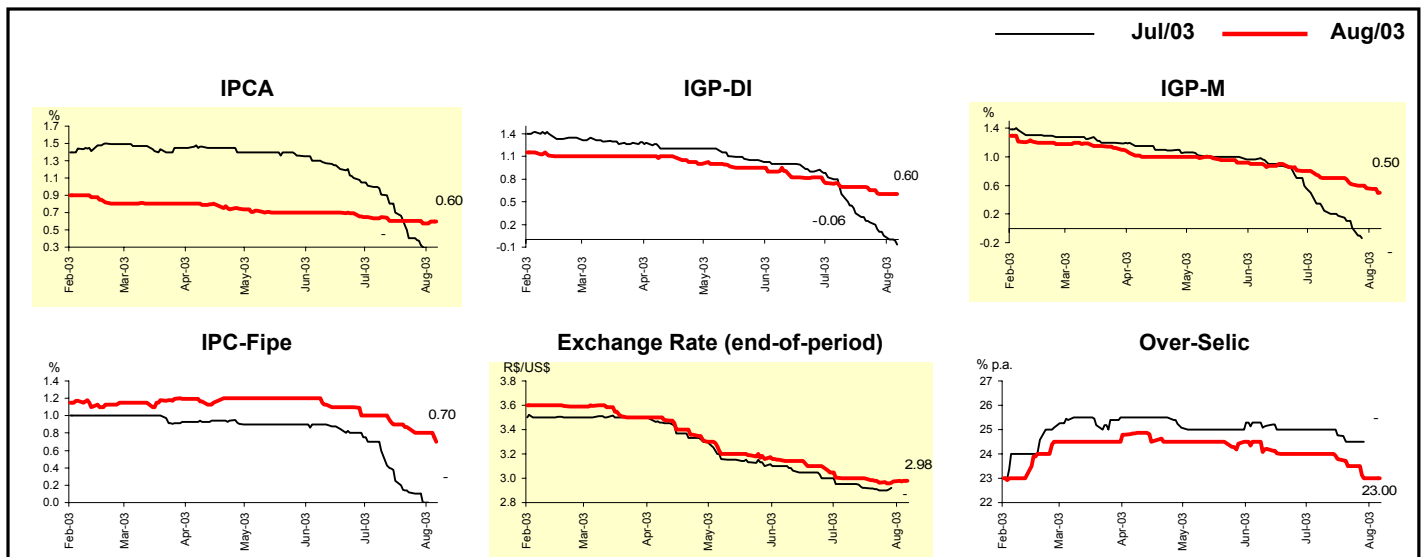
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	7.16	6.20	6.64	▲ (1)
IGP-DI (%)	7.68	6.83	6.61	▼ (4)
IGP-M (%)	7.31	7.12	6.83	▼ (1)
IPC-Fipe (%)	6.78	5.89	6.59	▲ (1)

* 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 (%)	0.90	0.30	-		0.65	0.57	0.60	▲ (1)
IGP-DI (%)	0.60	0.05	-0.06	▼ (7)	0.70	0.60	0.60	= (1)
IGP-M (%)	0.25	-	-		0.70	0.56	0.50	▼ (3)
IPC-Fipe (%)	0.60	0.00	-		1.00	0.80	0.70	▼ (4)
Exchange rate - end-of-period (R\$/US\$)	2.95	-	-		3.00	2.97	2.98	▲ (2)
Over-Selic - end-of-period (% p.a.)	25.00	-	-		24.00	23.00	23.00	= (1)

* 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 (%)	10.81	10.02	9.93	▼ (10)	6.98	6.50	6.50	= (2)
IGP-DI (%)	9.35	8.27	8.26	▼ (18)	7.47	7.00	7.00	= (1)
IGP-M (%)	10.39	9.29	8.82	▼ (17)	7.30	7.00	6.50	▼ (5)
IPC-Fipe (%)	9.63	8.78	8.60	▼ (10)	6.49	6.30	6.30	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.20	3.18	3.15	▼ (1)	3.50	3.44	3.41	▼ (4)
Exchange rate - average (R\$/US\$)	3.17	3.15	3.15	= (2)	3.38	3.34	3.33	▼ (1)
Over-Selic - end-of-period (% p.a.)	20.50	20.00	20.00	= (2)	16.00	16.00	15.80	▼ (1)
Net Public Sector Debt (% of GDP)	54.70	54.90	54.95	▲ (1)	53.35	53.50	53.50	= (2)
GDP growth (%)	1.70	1.56	1.50	▼ (1)	3.00	3.00	3.00	= (33)
Current Account (US\$ billion)	-3.45	-2.85	-2.70	▲ (2)	-5.05	-5.05	-5.55	▼ (1)
Trade Balance (US\$ billion)	17.00	17.50	17.70	▲ (4)	15.24	15.00	15.00	= (2)
Foreign Direct Investment (US\$ billion)	9.70	9.00	8.50	▼ (1)	13.00	12.00	12.00	= (2)
Regulated Prices (%)	14.60	13.84	13.60	▼ (5)	9.00	8.00	8.00	= (2)
Median - Top 5 - Short Term								
IPCA (%)	11.00	10.20	10.20	= (1)	7.00	6.50	6.50	= (2)
IGP-DI (%)	8.81	7.89	7.89	= (1)	7.44	7.08	7.08	= (1)
IGP-M (%)	9.22	8.08	8.08	= (1)	6.00	6.00	6.00	= (4)
Exchange rate - end-of-period (R\$/US\$)	3.20	3.20	3.20	= (1)	3.50	3.42	3.42	= (1)
Over-Selic - end-of-period (% p.a.)	20.25	19.50	19.50	= (2)	15.50	15.50	15.50	= (4)

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

