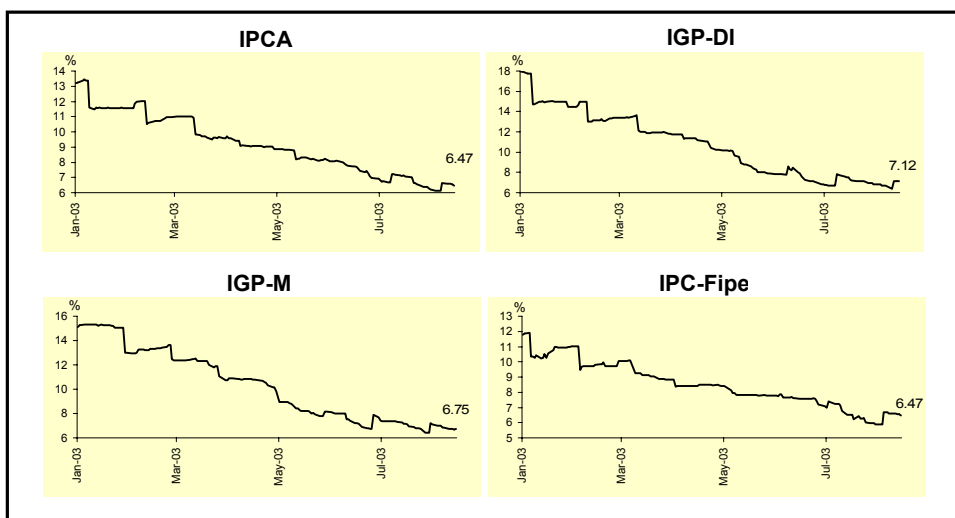


Market Readout

August 15, 2003

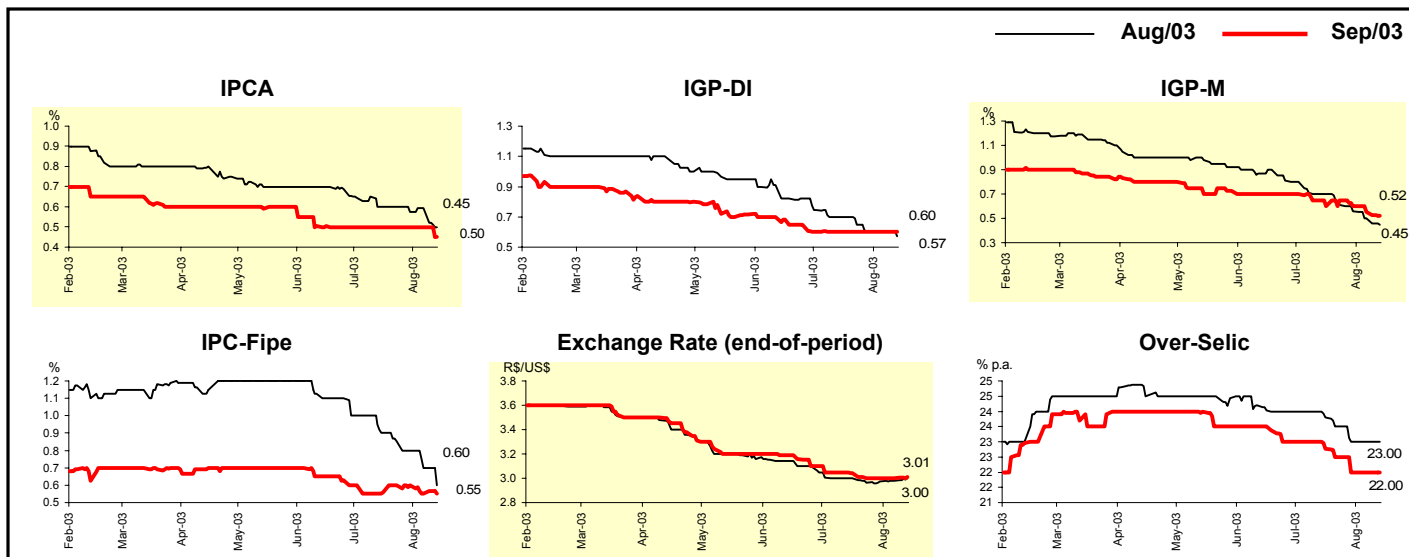
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	7.04	6.64	6.47	▼ (1)
IGP-DI (%)	7.17	6.61	7.12	▲ (1)
IGP-M (%)	6.94	6.83	6.75	▼ (2)
IPC-Fipe (%)	6.23	6.59	6.47	▼ (1)

* 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	Aug/03				Sep/03			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Median - Aggregate								
IPCA (%)	0.60	0.60	0.50	▼ (1)	0.50	0.50	0.45	▼ (1)
IGP-DI (%)	0.70	0.60	0.57	▼ (1)	0.60	0.60	0.60	= (6)
IGP-M (%)	0.70	0.50	0.45	▼ (4)	0.60	0.55	0.52	▼ (3)
IPC-Fipe (%)	0.90	0.70	0.60	▼ (1)	0.56	0.55	0.55	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.00	2.98	3.00	▲ (3)	3.04	3.00	3.01	▲ (1)
Over-Selic - end-of-period (% p.a.)	23.80	23.00	23.00	= (2)	22.77	22.00	22.00	= (2)

* 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 (%)	10.62	9.93	9.74	▼ (11)	6.55	6.50	6.50	= (3)
IGP-DI (%)	8.96	8.26	8.10	▼ (19)	7.30	7.00	6.82	▼ (1)
IGP-M (%)	10.14	8.82	8.65	▼ (18)	7.25	6.50	6.50	= (1)
IPC-Fipe (%)	9.13	8.60	8.32	▼ (11)	6.40	6.30	6.25	▼ (1)
Exchange rate - end-of-period (R\$/US\$)	3.20	3.15	3.17	▲ (1)	3.48	3.41	3.41	= (1)
Exchange rate - average (R\$/US\$)	3.16	3.15	3.15	= (3)	3.35	3.33	3.33	= (1)
Over-Selic - end-of-period (% p.a.)	20.13	20.00	19.80	▼ (1)	16.00	15.80	15.50	▼ (2)
Net Public Sector Debt (% of GDP)	54.90	54.95	55.00	▲ (2)	53.60	53.50	53.65	▲ (1)
GDP growth (%)	1.59	1.50	1.46	▼ (2)	3.00	3.00	3.00	= (34)
Current Account (US\$ billion)	-3.00	-2.70	-2.30	▲ (3)	-5.00	-5.55	-5.05	▲ (1)
Trade Balance (US\$ billion)	17.30	17.70	18.00	▲ (5)	15.15	15.00	15.00	= (3)
Foreign Direct Investment (US\$ billion)	9.00	8.50	8.30	▼ (2)	12.60	12.00	11.85	▼ (1)
Regulated Prices (%)	14.07	13.60	13.52	▼ (6)	8.65	8.00	8.00	= (3)
Median - Top 5 - Short Term								
IPCA (%)	10.98	10.20	9.88	▼ (1)	7.00	6.50	6.60	▲ (1)
IGP-DI (%)	8.81	7.89	7.95	▲ (1)	7.44	7.08	6.84	▼ (1)
IGP-M (%)	9.22	8.08	7.70	▼ (1)	6.00	6.00	6.50	▲ (1)
Exchange rate - end-of-period (R\$/US\$)	3.15	3.20	3.20	= (2)	3.50	3.42	3.42	= (2)
Over-Selic - end-of-period (% p.a.)	20.25	19.50	19.00	▼ (1)	15.50	15.50	15.00	▼ (1)

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

