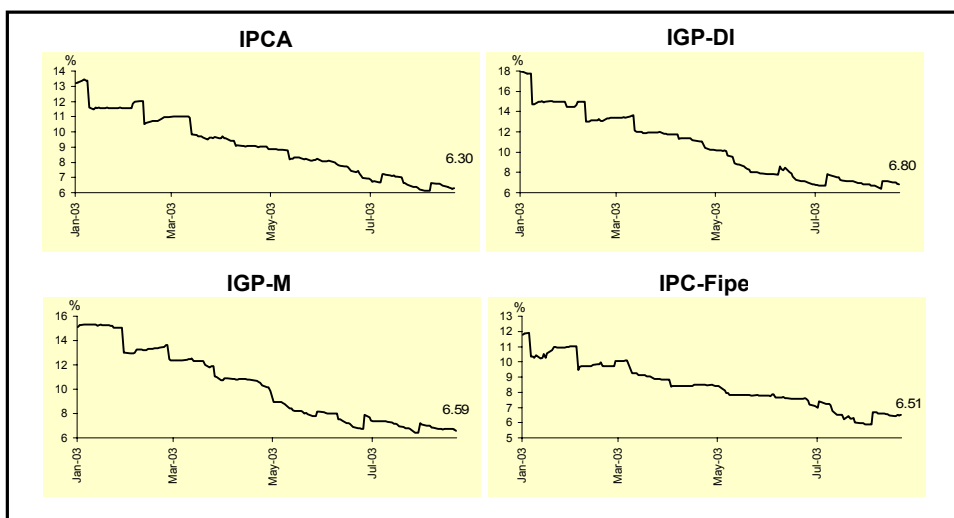


Market Readout

August 22, 2003

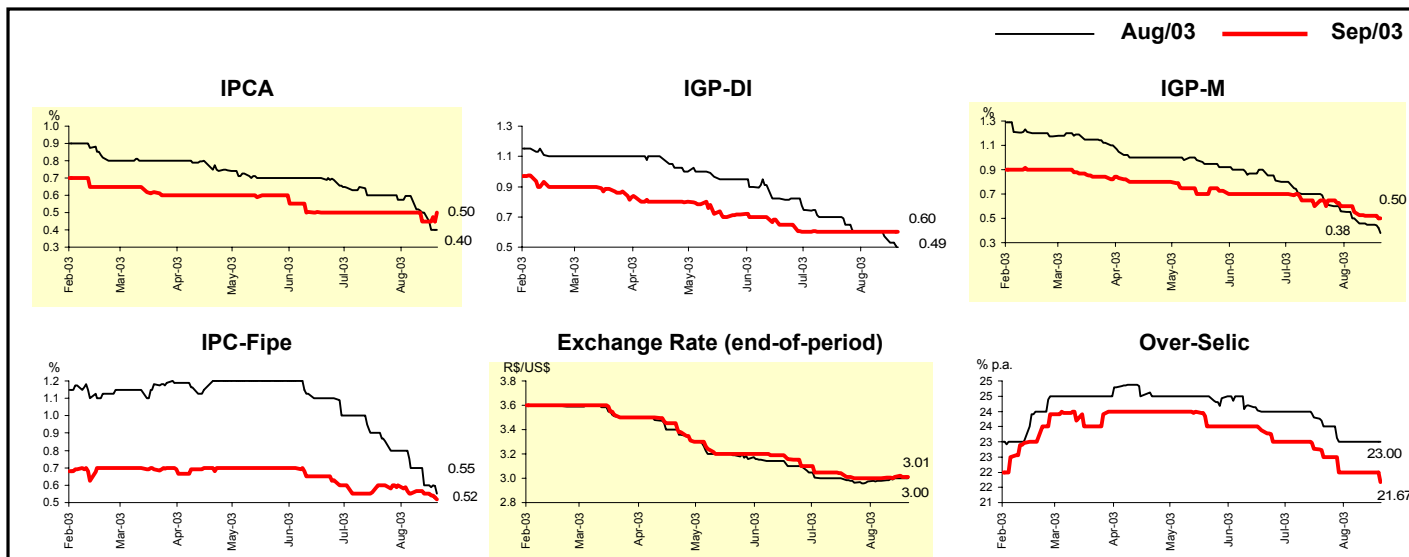
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	6.50	6.47	6.30	▼ (2)
IGP-DI (%)	7.12	7.12	6.80	▼ (1)
IGP-M (%)	6.75	6.75	6.59	▼ (3)
IPC-Fipe (%)	6.03	6.47	6.51	▲ (1)

* 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	0.50	0.40	▼ (2)	0.50	0.45	0.50	▲ (1)
IGP-DI (%)	0.65	0.57	0.49	▼ (2)	0.60	0.60	0.60	= (7)
IGP-M (%)	0.61	0.45	0.38	▼ (5)	0.65	0.52	0.50	▼ (4)
IPC-Fipe (%)	0.86	0.60	0.55	▼ (2)	0.60	0.55	0.52	▼ (1)
Exchange rate - end-of-period (R\$/US\$)	2.96	3.00	3.00	= (1)	3.00	3.01	3.01	= (1)
Over-Selic - end-of-period (% p.a.)	23.50	23.00	23.00	= (3)	22.50	22.00	21.67	▼ (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 (%)	10.13	9.74	9.63	▼ (12)	6.50	6.50	6.20	▼ (1)
IGP-DI (%)	8.69	8.10	7.82	▼ (20)	7.30	6.82	6.64	▼ (2)
IGP-M (%)	9.67	8.65	8.50	▼ (19)	7.24	6.50	6.50	= (2)
IPC-Fipe (%)	9.00	8.32	8.24	▼ (12)	6.40	6.25	6.10	▼ (2)
Exchange rate - end-of-period (R\$/US\$)	3.15	3.17	3.15	▼ (1)	3.45	3.41	3.40	▼ (1)
Exchange rate - average (R\$/US\$)	3.15	3.15	3.14	▼ (1)	3.34	3.33	3.32	▼ (1)
Over-Selic - end-of-period (% p.a.)	20.00	19.80	19.00	▼ (2)	16.00	15.50	15.50	= (1)
Net Public Sector Debt (% of GDP)	54.95	55.00	55.00	= (1)	53.50	53.65	53.60	▼ (1)
GDP growth (%)	1.55	1.46	1.40	▼ (3)	3.00	3.00	3.00	= (35)
Current Account (US\$ billion)	-3.00	-2.30	-2.00	▲ (4)	-5.05	-5.05	-5.10	▼ (1)
Trade Balance (US\$ billion)	17.40	18.00	18.00	= (1)	15.00	15.00	15.11	▲ (1)
Foreign Direct Investment (US\$ billion)	9.00	8.30	8.30	= (1)	12.00	11.85	11.50	▼ (2)
Regulated Prices (%)	13.90	13.52	13.30	▼ (7)	8.00	8.00	8.00	= (4)
Median - Top 5 - Short Term								
IPCA (%)	10.49	9.88	9.80	▼ (2)	6.50	6.60	6.60	= (1)
IGP-DI (%)	8.43	7.95	7.54	▼ (1)	7.44	6.84	6.84	= (1)
IGP-M (%)	8.15	7.70	7.75	▲ (1)	6.00	6.50	6.50	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.10	3.20	3.15	▼ (1)	3.50	3.42	3.40	▼ (1)
Over-Selic - end-of-period (% p.a.)	19.50	19.00	19.00	= (1)	15.50	15.00	14.75	▼ (2)

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

