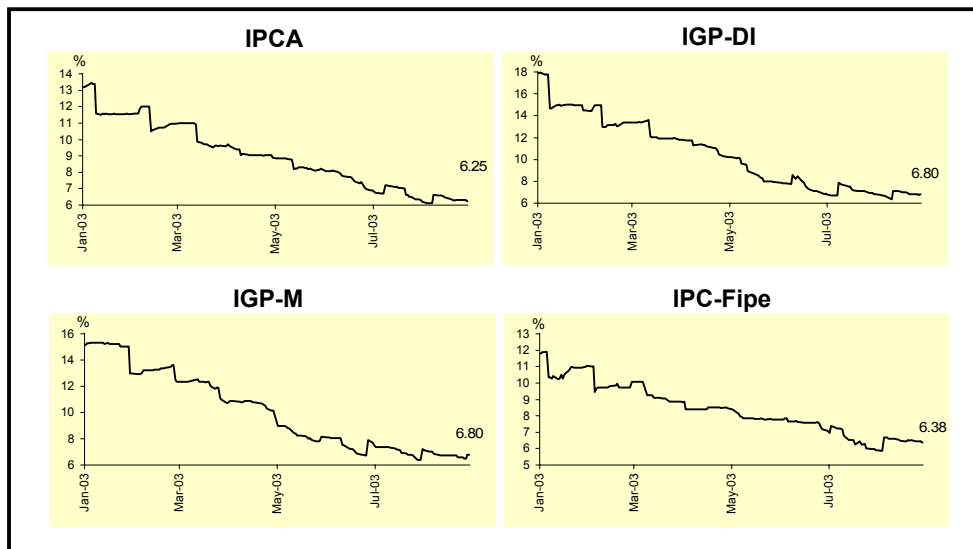


August 29, 2003

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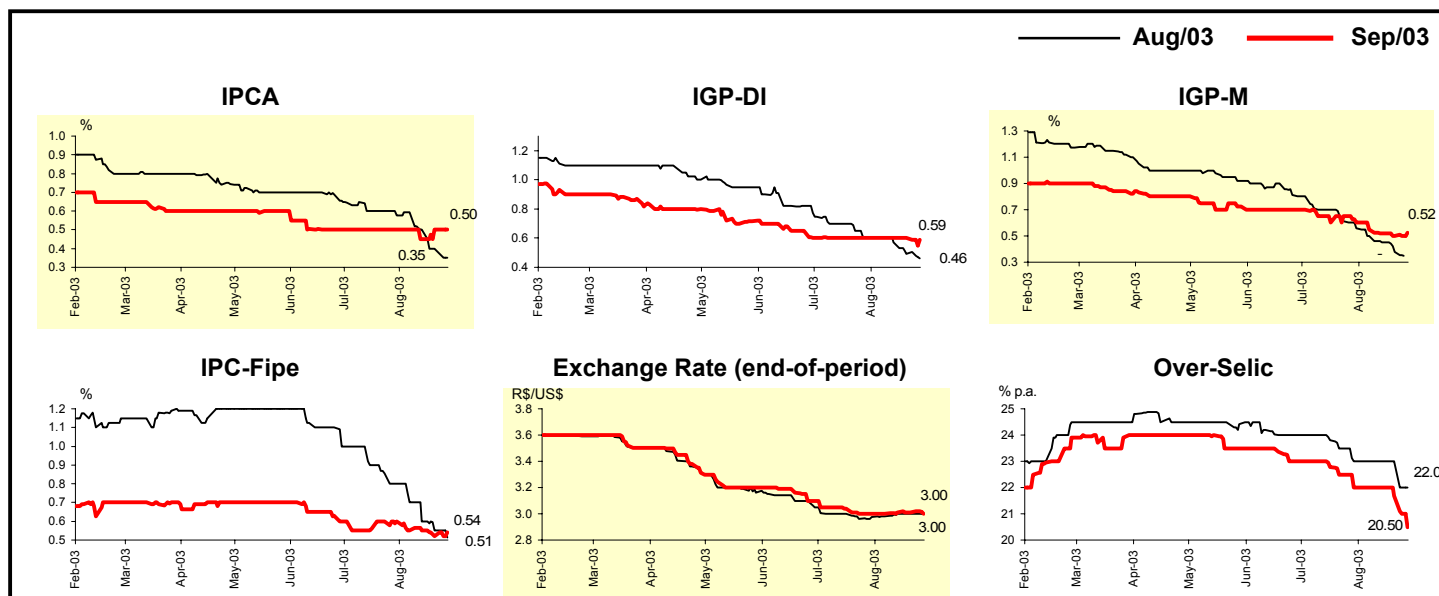
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	6.20	6.30	6.25	▼ (3)
IGP-DI (%)	6.83	6.80	6.80	= (1)
IGP-M (%)	7.12	6.59	6.80	▲ (1)
IPC-Fipe (%)	5.89	6.51	6.38	▼ (1)

* 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 (%)	0.57	0.40	0.35	▼ (3)	0.50	0.50	0.50	= (1)
IGP-DI (%)	0.60	0.49	0.46	▼ (3)	0.60	0.60	0.59	▼ (1)
IGP-M (%)	0.56	0.38	-		0.60	0.50	0.52	▲ (1)
IPC-Fipe (%)	0.80	0.55	0.51	▼ (3)	0.60	0.52	0.54	▲ (1)
Exchange rate - end-of-period (R\$/US\$)	2.97	3.00	3.00	= (2)	3.00	3.01	3.00	▼ (1)
Over-Selic - end-of-period (% p.a.)	23.00	23.00	22.00	▼ (1)	22.00	21.67	20.50	▼ (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	Market Expectations							
	2003				2004			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Median - Aggregate								
IPCA (%)	10.02	9.63	9.57	▼ (13)	6.50	6.20	6.20	= (1)
IGP-DI (%)	8.27	7.82	7.67	▼ (21)	7.00	6.64	6.63	▼ (3)
IGP-M (%)	9.29	8.50	8.40	▼ (20)	7.00	6.50	6.50	= (1)
IPC-Fipe (%)	8.78	8.24	8.20	▼ (13)	6.30	6.10	6.10	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.18	3.15	3.15	= (1)	3.44	3.40	3.40	= (1)
Exchange rate - average (R\$/US\$)	3.15	3.14	3.13	▼ (2)	3.34	3.32	3.30	▼ (2)
Over-Selic - end-of-period (% p.a.)	20.00	19.00	18.08	▼ (3)	16.00	15.50	15.00	▼ (2)
Net Public Sector Debt (% of GDP)	54.90	55.00	55.00	= (2)	53.50	53.60	53.65	▲ (2)
GDP growth (%)	1.56	1.40	1.20	▼ (4)	3.00	3.00	3.00	= (36)
Current Account (US\$ billion)	-2.85	-2.00	-2.00	= (1)	-5.05	-5.10	-5.00	▲ (1)
Trade Balance (US\$ billion)	17.50	18.00	18.40	▲ (1)	15.00	15.11	15.35	▲ (2)
Foreign Direct Investment (US\$ billion)	9.00	8.30	8.30	= (2)	12.00	11.50	11.75	▲ (1)
Regulated Prices (%)	13.84	13.30	13.00	▼ (8)	8.00	8.00	8.00	= (5)
Median - Top 5 - Short Term								
IPCA (%)	10.20	9.80	9.80	= (1)	6.50	6.60	6.60	= (2)
IGP-DI (%)	7.89	7.54	7.71	▲ (1)	7.08	6.84	6.50	▼ (1)
IGP-M (%)	8.08	7.75	8.06	▲ (2)	6.00	6.50	6.50	= (2)
Exchange rate - end-of-period (R\$/US\$)	3.20	3.15	3.13	▼ (2)	3.42	3.40	3.37	▼ (2)
Over-Selic - end-of-period (% p.a.)	19.50	19.00	18.00	▼ (1)	15.50	14.75	14.25	▼ (3)

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

