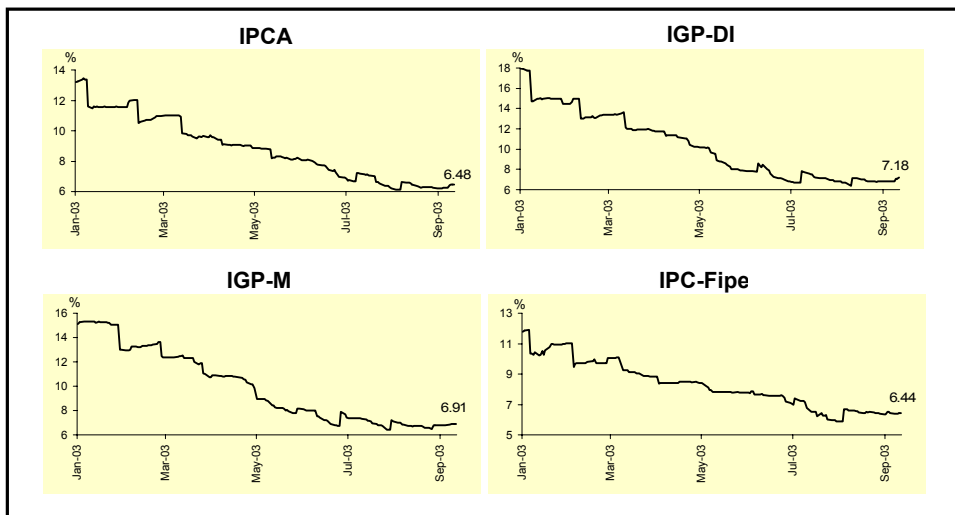


Market Readout

September 12, 2003

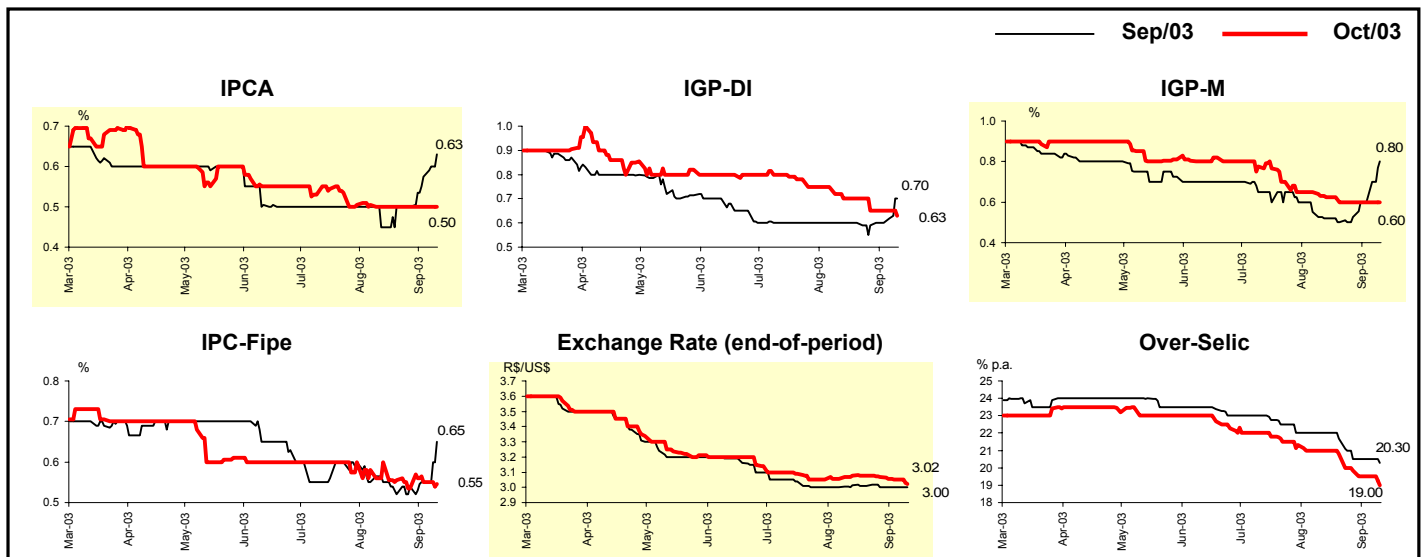
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	6.47	6.25	6.48	▲ (1)
IGP-DI (%)	7.12	6.80	7.18	▲ (1)
IGP-M (%)	6.75	6.80	6.91	▲ (3)
IPC-Fipe (%)	6.47	6.43	6.44	▲ (2)

* 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	Sep/03				Oct/03			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Median - Aggregate								
IPCA (%)	0.45	0.57	0.63	▲ (2)	0.50	0.50	0.50	= (4)
IGP-DI (%)	0.60	0.60	0.70	▲ (2)	0.70	0.65	0.63	▼ (1)
IGP-M (%)	0.52	0.60	0.80	▲ (3)	0.63	0.60	0.60	= (3)
IPC-Fipe (%)	0.55	0.55	0.65	▲ (3)	0.60	0.55	0.55	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.01	3.00	3.00	= (2)	3.07	3.05	3.02	▼ (3)
Over-Selic - end-of-period (% p.a.)	22.00	20.50	20.30	▼ (1)	21.00	19.50	19.00	▼ (4)

* 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 (%)	9.74	9.55	9.61	▲ (1)	6.50	6.20	6.20	= (3)
IGP-DI (%)	8.10	7.67	7.90	▲ (1)	6.82	6.50	6.50	= (1)
IGP-M (%)	8.65	8.48	8.70	▲ (2)	6.50	6.50	6.43	▼ (1)
IPC-Fipe (%)	8.32	8.22	8.32	▲ (2)	6.25	6.00	6.00	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.17	3.15	3.14	▼ (1)	3.41	3.40	3.37	▼ (1)
Exchange rate - average (R\$/US\$)	3.15	3.12	3.12	= (1)	3.33	3.30	3.27	▼ (1)
Over-Selic - end-of-period (% p.a.)	19.80	18.00	18.00	= (1)	15.50	15.00	15.00	= (2)
Net Public Sector Debt (% of GDP)	55.00	55.15	55.50	▲ (2)	53.65	53.50	54.00	▲ (1)
GDP growth (%)	1.46	1.03	0.94	▼ (6)	3.00	3.00	3.00	= (38)
Current Account (US\$ billion)	-2.30	-1.50	-1.10	▲ (2)	-5.05	-5.00	-5.00	= (2)
Trade Balance (US\$ billion)	18.00	19.10	20.00	▲ (3)	15.00	15.60	15.98	▲ (4)
Foreign Direct Investment (US\$ billion)	8.30	8.50	8.50	= (1)	11.85	12.00	12.00	= (1)
Regulated Prices (%)	13.52	13.28	13.50	▲ (2)	8.00	8.00	8.00	= (7)
Median - Top 5 - Short Term								
IPCA (%)	9.88	9.63	9.63	= (1)	6.60	6.32	6.00	▼ (2)
IGP-DI (%)	7.95	7.62	8.19	▲ (1)	6.84	6.50	7.00	▲ (1)
IGP-M (%)	7.70	8.24	8.68	▲ (4)	6.50	6.50	6.00	▼ (1)
Exchange rate - end-of-period (R\$/US\$)	3.20	3.13	3.13	= (2)	3.42	3.37	3.37	= (2)
Over-Selic - end-of-period (% p.a.)	19.00	17.80	17.80	= (1)	15.00	14.50	15.00	▲ (2)

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

