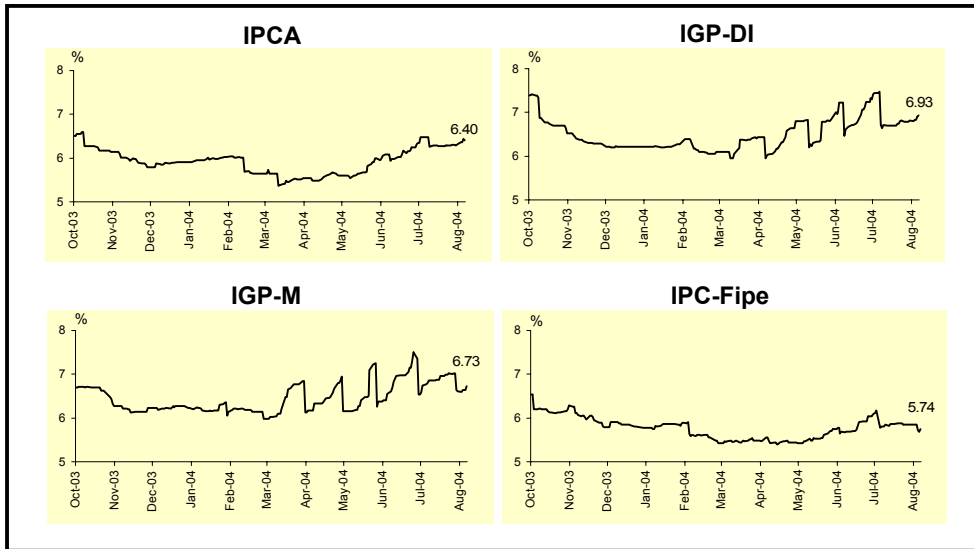


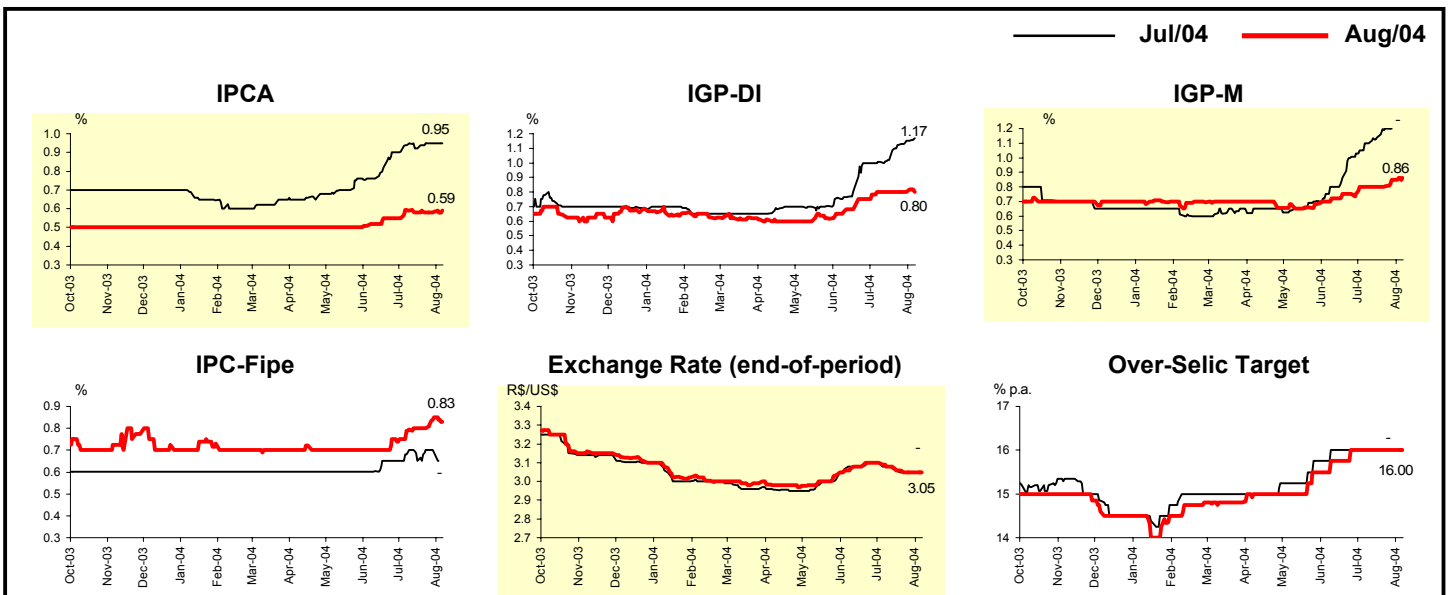
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	6.26	6.29	6.40	▲ (1)
IGP-DI (%)	6.72	6.81	6.93	▲ (1)
IGP-M (%)	6.86	6.62	6.73	▲ (1)
IPC-Fipe (%)	5.85	5.85	5.74	▼ (1)

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



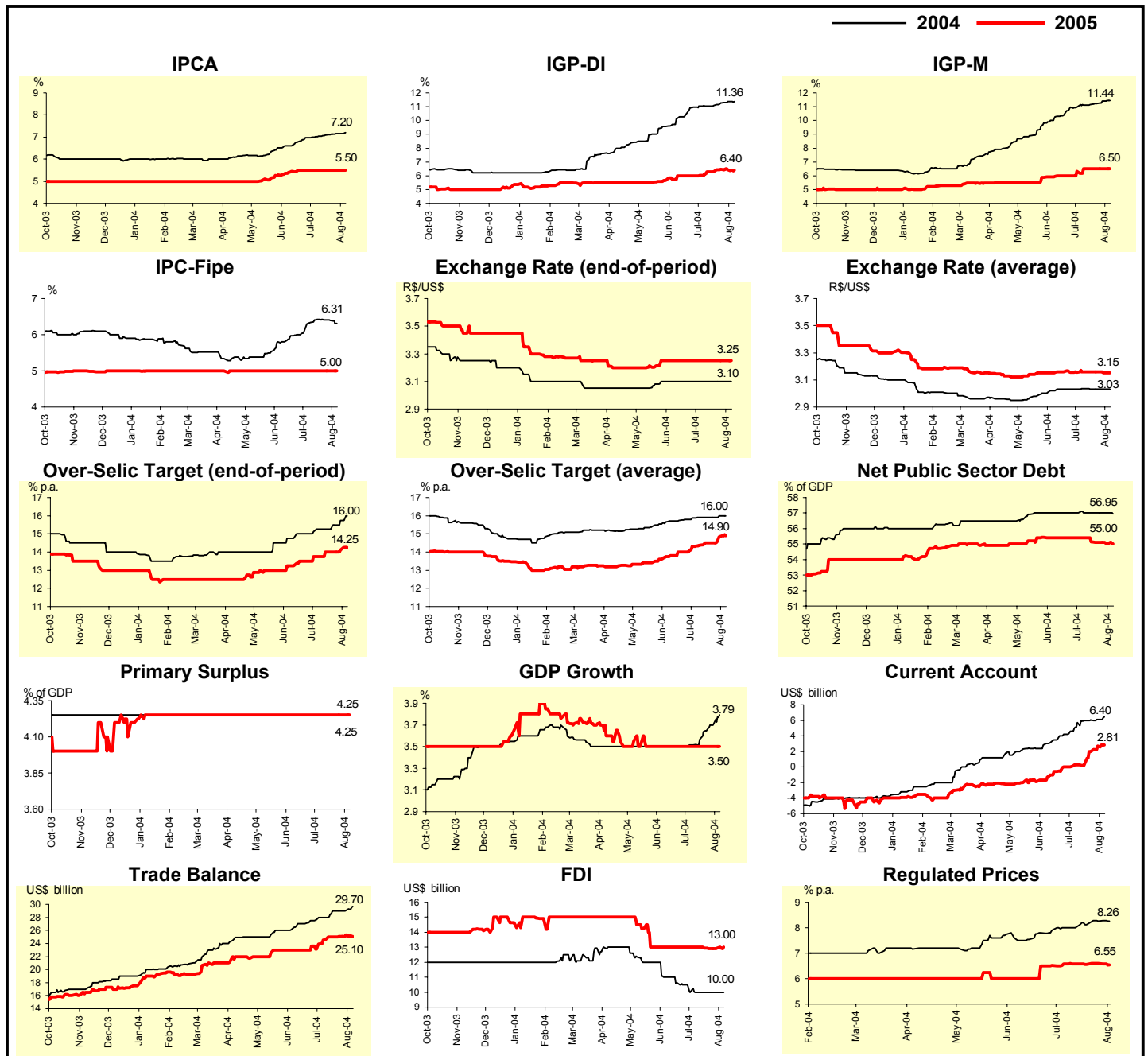
Median - Aggregate	Jul/04				Aug/04			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.95	0.95	0.95	= (2)	0.59	0.58	0.59	▲ (1)
IGP-DI (%)	1.00	1.15	1.17	▲ (4)	0.80	0.80	0.80	= (4)
IGP-M (%)	1.10	-	-		0.80	0.85	0.86	▲ (3)
IPC-Fipe (%)	0.70	0.69	-		0.80	0.85	0.83	▼ (1)
Exchange rate - end-of-period (R\$/US\$)	3.08	3.05	-		3.08	3.05	3.05	= (2)
Over-Selic Target (% p.a.)	16.00	-	-		16.00	16.00	16.00	= (7)

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



Median - Aggregate	Market Expectations							
	2004				2005			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	7.05	7.15	7.20	▲ (13)	5.50	5.50	5.50	= (7)
IGP-DI (%)	11.05	11.36	11.36	= (1)	6.30	6.45	6.40	▼ (2)
IGP-M (%)	11.12	11.41	11.44	▲ (5)	6.50	6.50	6.50	= (4)
IPC-Fipe (%)	6.34	6.40	6.31	▼ (3)	5.00	5.00	5.00	= (34)
Exchange rate - end-of-period (R\$/US\$)	3.10	3.10	3.10	= (10)	3.25	3.25	3.25	= (10)
Exchange rate - average (R\$/US\$)	3.04	3.03	3.03	= (3)	3.16	3.15	3.15	= (1)
Over-Selic Target - end-of-period (% p.a.)	15.25	15.75	16.00	▲ (3)	13.75	14.13	14.25	▲ (2)
Over-Selic Target - average (% p.a.)	15.90	16.00	16.00	= (1)	14.38	14.83	14.90	▲ (2)
Net Public Sector Debt (% of GDP)	57.00	57.00	56.95	▼ (1)	55.40	55.05	55.00	▼ (4)
Primary Surplus (% of GDP)	4.25	4.25	4.25	= (67)	4.25	4.25	4.25	= (31)
GDP growth (%)	3.52	3.70	3.79	▲ (5)	3.50	3.50	3.50	= (12)
Current Account (US\$ billion)	5.69	6.10	6.40	▲ (10)	0.30	2.70	2.81	▲ (3)
Trade Balance (US\$ billion)	28.00	29.10	29.70	▲ (2)	24.55	25.35	25.10	▼ (1)
Foreign Direct Investment (US\$ billion)	10.00	10.00	10.00	= (5)	13.00	12.95	13.00	▲ (2)
Regulated Prices (%)	8.00	8.26	8.26	= (1)	6.57	6.60	6.55	▼ (1)

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



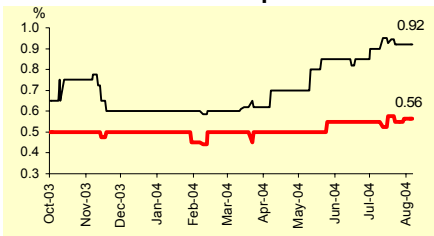
Median - Top 5 - Short Term	Market Expectations							
	Jul/04				Aug/04			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.90	0.92	0.92	= (2)	0.55	0.56	0.56	= (1)
IGP-DI (%)	1.05	1.10	1.10	= (1)	0.80	0.80	0.80	= (2)
IGP-M (%)	1.10	-	-		0.65	0.70	0.85	▲ (1)
Exchange rate - end-of-period (R\$/US\$)	3.05	3.05	-		3.07	3.05	3.05	= (1)
Over-Selic Target (% p.a.)	16.00	-	-		16.00	16.00	16.00	= (4)

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

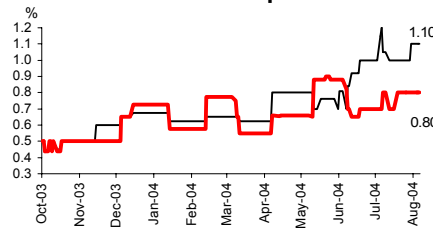
**SHORT-TERM**

— Jul/04 — Aug/04

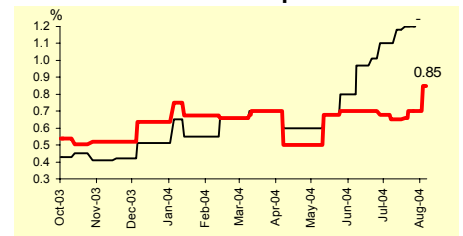
**IPCA - Top 5**



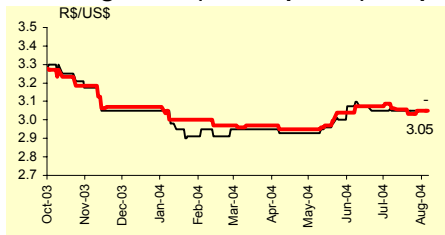
**IGP-DI - Top 5**



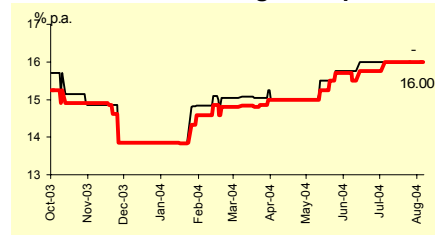
**IGP-M - Top 5**



**Exchange Rate (end-of-period) - Top 5**



**Over-Selic Target - Top 5**

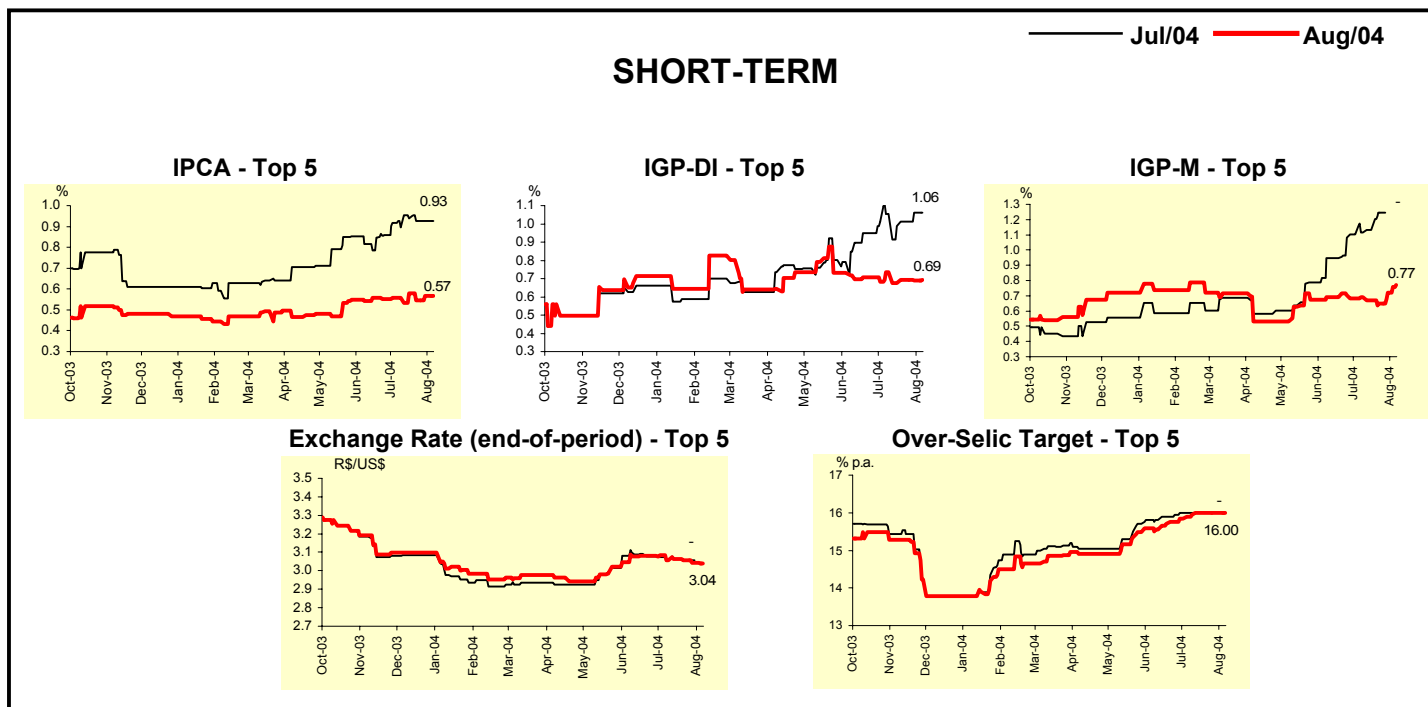


Median - Top 5	Market Expectations							
	2004				2005			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
<b>Short Term</b>								
IPCA (%)	6.81	7.06	7.06	= (2)	5.50	5.50	5.50	= (5)
IGP-DI (%)	11.21	11.14	11.14	= (2)	6.50	6.50	6.50	= (9)
IGP-M (%)	10.66	11.30	11.30	= (1)	6.00	6.50	6.50	= (3)
Exchange rate - end-of-period (R\$/US\$)	3.08	3.12	3.12	= (3)	3.25	3.26	3.26	= (3)
Over-Selic Target - end-of-period (% p.a.)	15.00	16.00	16.00	= (1)	14.00	14.50	14.50	= (1)
<b>Medium Term</b>								
IPCA (%)	7.05	7.12	7.13	▲ (1)	5.55	5.50	5.50	= (3)
IGP-DI (%)	10.70	11.14	11.14	= (2)	6.50	6.50	6.50	= (4)
IGP-M (%)	10.85	11.52	11.63	▲ (4)	6.50	6.50	6.50	= (6)
Exchange rate - end-of-period (R\$/US\$)	3.10	3.14	3.14	= (2)	3.25	3.35	3.35	= (3)
Over-Selic Target - end-of-period (% p.a.)	15.50	16.00	16.00	= (1)	13.50	15.00	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)

Average - Top 5 - Short Term	Market Expectations							
	Jul/04				Aug/04			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.90	0.93	0.93	= (2)	0.56	0.57	0.57	= (1)
IGP-DI (%)	1.06	1.06	1.06	= (1)	0.73	0.69	0.69	= (2)
IGP-M (%)	1.11	-	-		0.69	0.72	0.77	▲ (2)
Exchange rate - end-of-period (R\$/US\$)	3.05	3.06	-		3.06	3.04	3.04	= (1)
Over-Selic Target (% p.a.)	16.00	-	-		15.95	16.00	16.00	= (3)

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



Average - Top 5	Market Expectations							
	2004				2005			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
<b>Short Term</b>								
IPCA (%)	6.89	7.09	7.09	= (1)	5.46	5.63	5.63	= (2)
IGP-DI (%)	11.00	10.99	11.04	▲ (3)	6.67	6.50	6.50	= (3)
IGP-M (%)	10.77	11.17	11.31	▲ (3)	6.32	6.77	6.77	= (2)
Exchange rate - end-of-period (R\$/US\$)	3.08	3.14	3.11	▼ (1)	3.28	3.27	3.27	= (1)
Over-Selic Target - end-of-period (% p.a.)	15.13	15.88	16.00	▲ (2)	14.25	14.50	14.50	= (1)
<b>Medium Term</b>								
IPCA (%)	7.04	7.03	7.11	▲ (1)	5.51	5.63	5.63	= (2)
IGP-DI (%)	10.90	10.99	11.05	▲ (8)	6.39	6.50	6.50	= (3)
IGP-M (%)	10.81	11.49	11.59	▲ (4)	6.40	6.48	6.40	▼ (1)
Exchange rate - end-of-period (R\$/US\$)	3.11	3.15	3.12	▼ (1)	3.27	3.32	3.32	= (1)
Over-Selic Target - end-of-period (% p.a.)	15.45	15.90	16.05	▲ (6)	13.60	15.00	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)