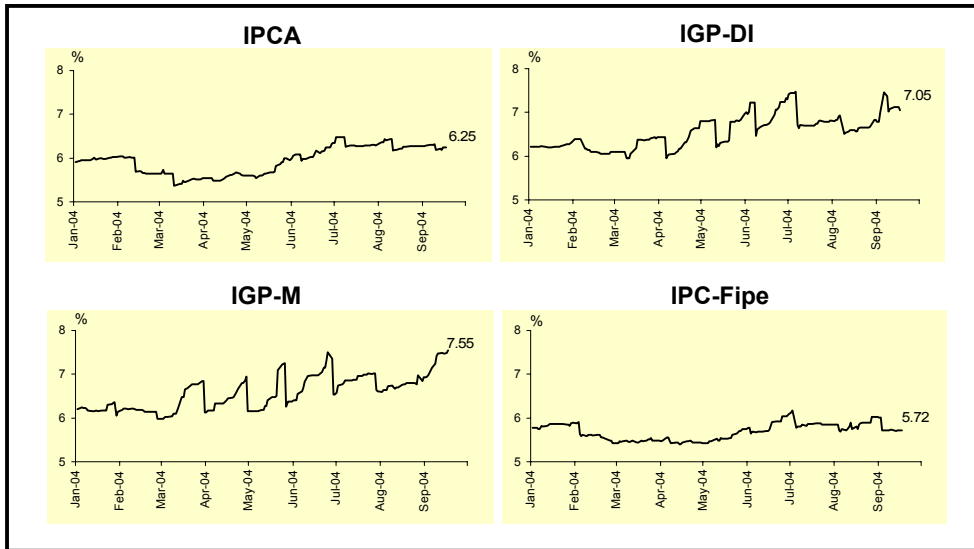


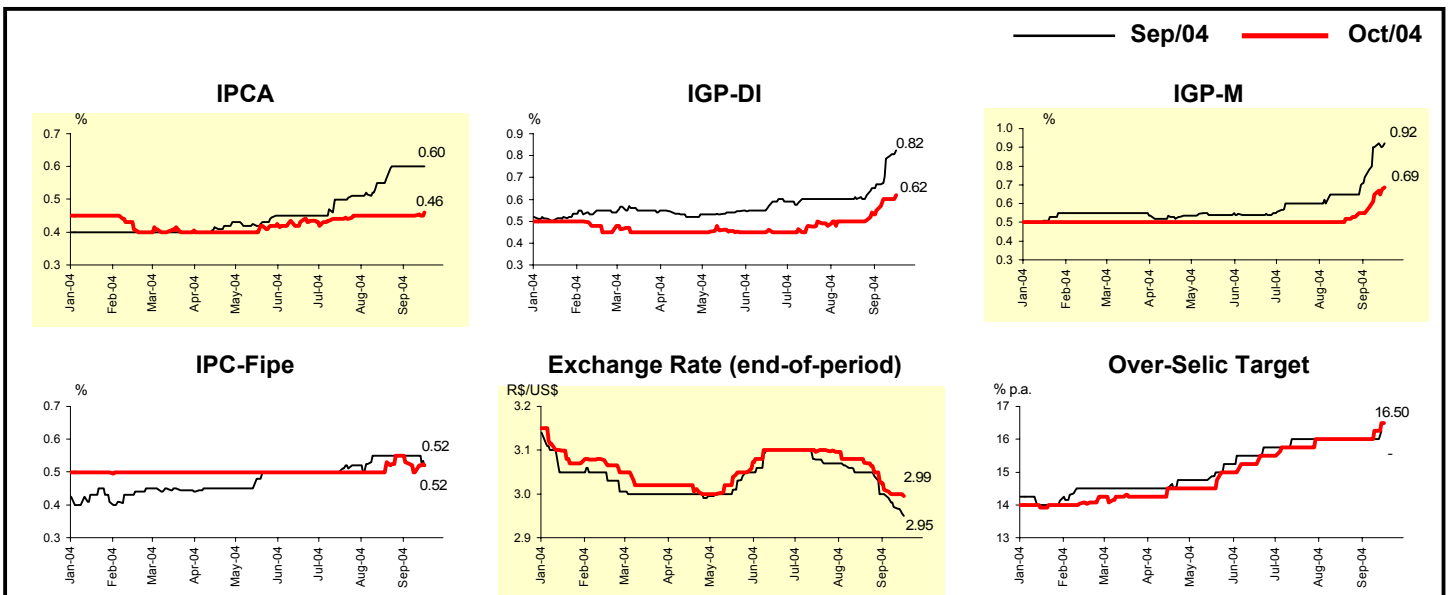
Market Expectations				
Inflation accumulated in the next 12 months				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	6.25	6.19	6.25	▲ (1)
IGP-DI (%)	6.65	7.08	7.05	▼ (1)
IGP-M (%)	6.80	7.48	7.55	▲ (2)
IPC-Fipe (%)	5.89	5.73	5.72	▼ (1)

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



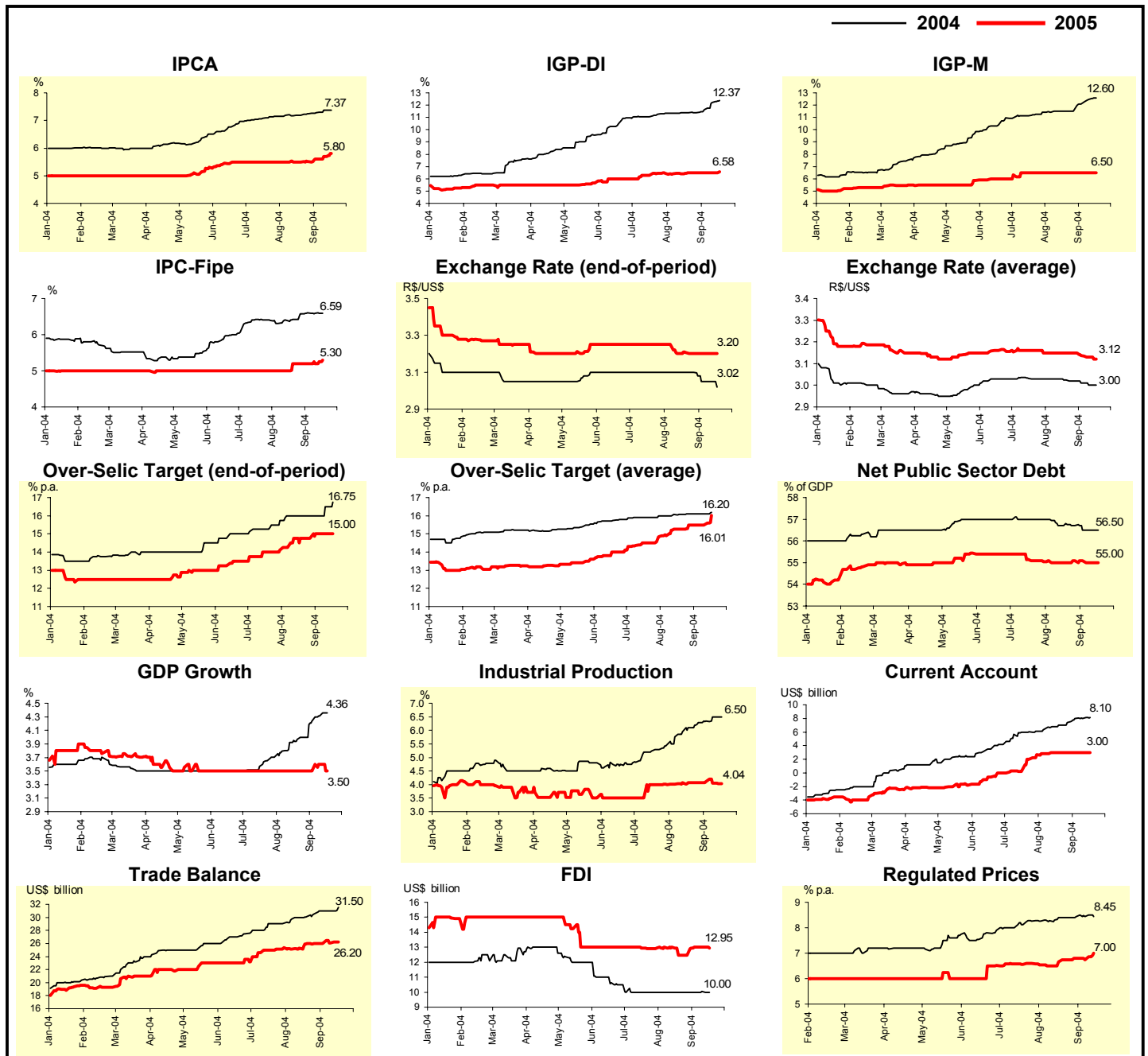
Median - Aggregate	Market Expectations							
	Sep/04				Oct/04			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.56	0.60	0.60	= (3)	0.45	0.45	0.46	▲ (1)
IGP-DI (%)	0.60	0.79	0.82	▲ (4)	0.50	0.60	0.62	▲ (4)
IGP-M (%)	0.65	0.90	0.92	▲ (3)	0.52	0.65	0.69	▲ (5)
IPC-Fipe (%)	0.55	0.55	0.52	▼ (1)	0.53	0.50	0.52	▲ (1)
Exchange rate - end-of-period (R\$/US\$)	3.05	2.97	2.95	▼ (4)	3.07	3.00	2.99	▼ (5)
Over-Selic Target (% p.a.)	16.00	16.00	-		16.00	16.25	16.50	▲ (2)

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



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 (%)	7.19	7.37	7.37	= (1)	5.50	5.70	5.80	▲ (4)
IGP-DI (%)	11.40	12.23	12.37	▲ (3)	6.50	6.50	6.58	▲ (1)
IGP-M (%)	11.52	12.47	12.60	▲ (3)	6.50	6.50	6.50	= (10)
IPC-Fipe (%)	6.42	6.59	6.59	= (1)	5.20	5.20	5.30	▲ (1)
Exchange rate - end-of-period (R\$/US\$)	3.10	3.05	3.02	▼ (1)	3.21	3.20	3.20	= (3)
Exchange rate - average (R\$/US\$)	3.03	3.00	3.00	= (1)	3.15	3.13	3.12	▼ (3)
Over-Selic Target - end-of-period (% p.a.)	16.00	16.50	16.75	▲ (2)	14.75	15.00	15.00	= (2)
Over-Selic Target - average (% p.a.)	16.07	16.10	16.20	▲ (1)	15.25	15.50	16.01	▲ (1)
Net Public Sector Debt (% of GDP)	56.75	56.50	56.50	= (2)	55.00	55.00	55.00	= (1)
GDP growth (%)	3.97	4.31	4.36	▲ (11)	3.50	3.60	3.50	▼ (1)
Industrial Production (% growth)	6.09	6.50	6.50	= (1)	4.07	4.05	4.04	▼ (2)
Current Account (US\$ billion)	7.00	8.00	8.10	▲ (1)	3.00	3.00	3.00	= (5)
Trade Balance (US\$ billion)	30.10	31.00	31.50	▲ (1)	26.00	26.10	26.20	▲ (2)
Foreign Direct Investment (US\$ billion)	10.00	10.04	10.00	▼ (1)	12.45	13.00	12.95	▼ (1)
Regulated Prices (%)	8.39	8.45	8.45	= (2)	6.65	6.75	7.00	▲ (1)

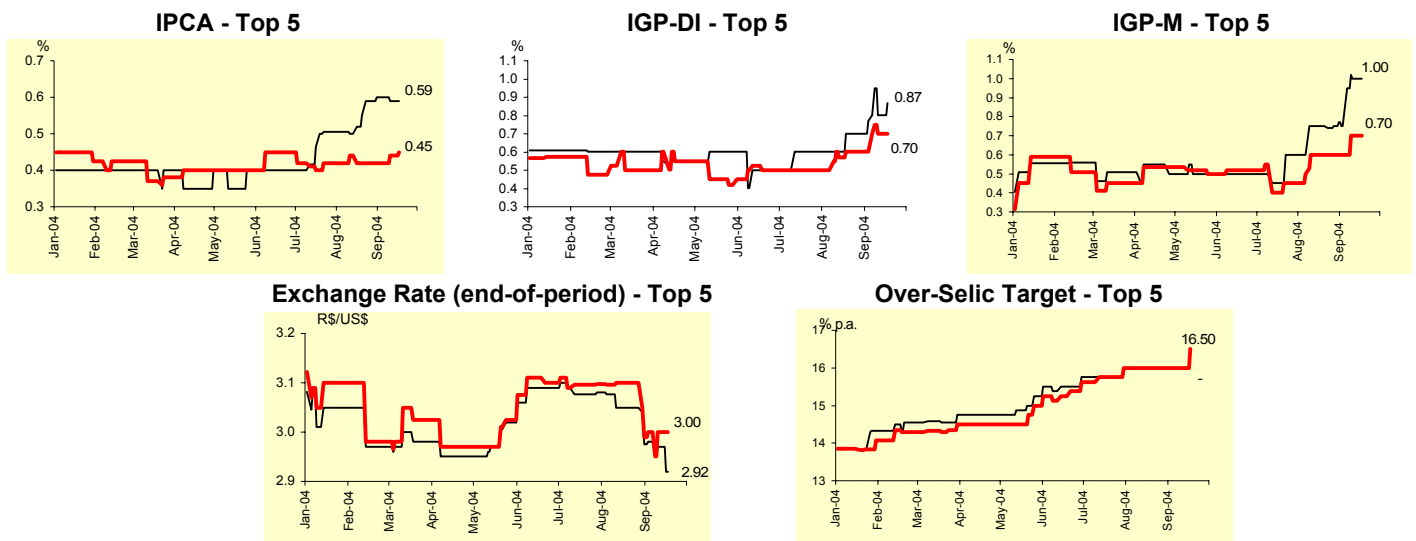
\* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior (increase, ▼ decrease or = stability)



Median - Top 5 - Short Term	Market Expectations							
	Sep/04				Oct/04			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.55	0.59	0.59	= (1)	0.42	0.44	0.45	▲ (2)
IGP-DI (%)	0.70	0.80	0.87	▲ (3)	0.60	0.70	0.70	= (1)
IGP-M (%)	0.75	1.00	1.00	= (1)	0.60	0.70	0.70	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.05	2.97	2.92	▼ (3)	3.10	3.00	3.00	= (2)
Over-Selic Target (% p.a.)	16.00	16.00	-		16.00	16.00	16.50	▲ (1)

\* 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**



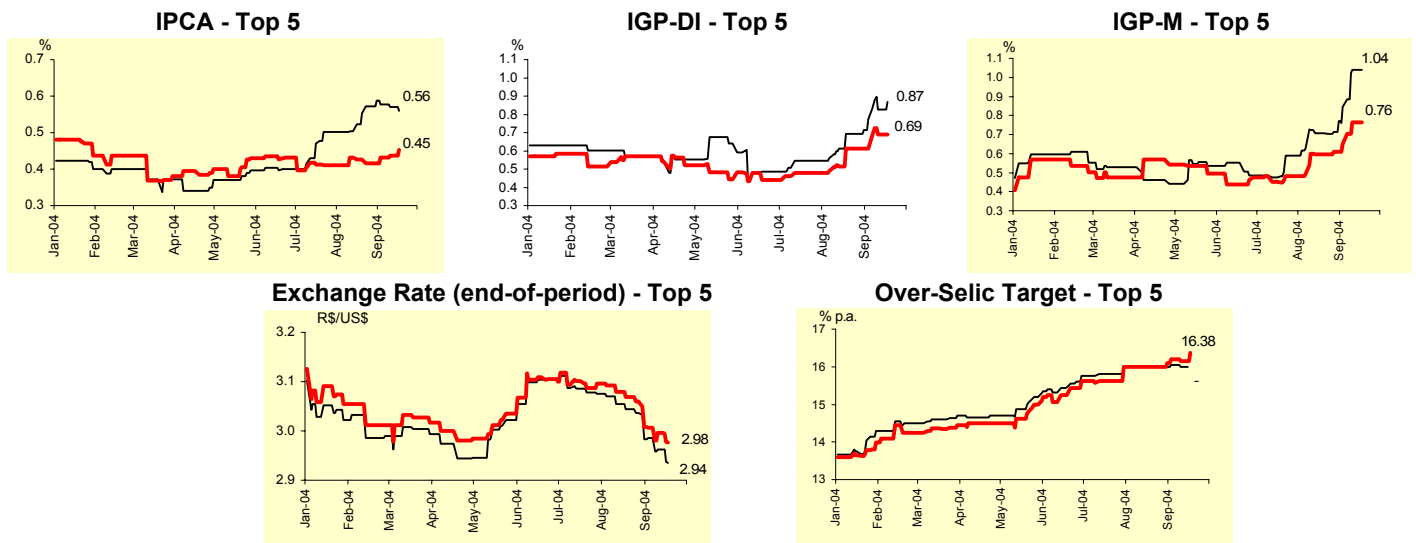
Median - Top 5	Market Expectations							
	2004				2005			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
<b>Short Term</b>								
IPCA (%)	7.29	7.40	7.43	▲ (2)	5.50	5.80	5.80	= (1)
IGP-DI (%)	11.79	12.52	12.52	= (1)	6.58	6.26	6.26	= (1)
IGP-M (%)	11.69	13.02	13.02	= (1)	6.50	6.50	6.50	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.10	3.04	3.00	▼ (1)	3.23	3.10	3.10	= (1)
Over-Selic Target - end-of-period (% p.a.)	16.00	16.50	16.75	▲ (3)	14.50	15.00	15.00	= (3)
<b>Medium Term</b>								
IPCA (%)	7.16	7.35	7.30	▼ (1)	5.50	5.80	5.80	= (1)
IGP-DI (%)	11.79	11.93	12.02	▲ (3)	6.58	5.50	5.50	= (1)
IGP-M (%)	11.46	12.41	12.60	▲ (4)	6.65	6.50	6.90	▲ (1)
Exchange rate - end-of-period (R\$/US\$)	3.11	3.05	3.05	= (2)	3.35	3.25	3.20	▼ (4)
Over-Selic Target - end-of-period (% p.a.)	16.00	17.00	17.00	= (1)	15.00	15.00	15.00	= (4)

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

Average - Top 5 - Short Term	Market Expectations							
	Sep/04				Oct/04			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.55	0.57	0.56	▼ (2)	0.43	0.44	0.45	▲ (3)
IGP-DI (%)	0.69	0.83	0.87	▲ (3)	0.61	0.69	0.69	= (1)
IGP-M (%)	0.71	1.04	1.04	= (1)	0.60	0.76	0.76	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.04	2.96	2.94	▼ (3)	3.07	3.00	2.98	▼ (7)
Over-Selic Target (% p.a.)	16.00	16.00	-		16.00	16.15	16.38	▲ (1)

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

**SHORT-TERM**



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 (%)	7.24	7.38	7.38	= (2)	5.72	6.02	6.02	= (1)
IGP-DI (%)	11.73	12.51	12.56	▲ (3)	6.54	6.60	6.60	= (1)
IGP-M (%)	11.67	12.93	12.93	= (1)	6.77	6.77	6.77	= (1)
Exchange rate - end-of-period (R\$/US\$)	3.07	3.04	3.01	▼ (1)	3.21	3.14	3.14	= (1)
Over-Selic Target - end-of-period (% p.a.)	15.94	16.50	16.75	▲ (4)	14.50	15.30	15.40	▲ (4)
<b>Medium Term</b>								
IPCA (%)	7.14	7.20	7.25	▲ (2)	5.66	5.75	5.70	▼ (1)
IGP-DI (%)	11.73	11.98	12.02	▲ (3)	6.54	5.68	5.69	▲ (1)
IGP-M (%)	11.57	12.53	12.64	▲ (4)	6.75	6.76	6.84	▲ (2)
Exchange rate - end-of-period (R\$/US\$)	3.12	3.05	3.03	▼ (5)	3.34	3.22	3.21	▼ (4)
Over-Selic Target - end-of-period (% p.a.)	16.10	16.75	17.00	▲ (3)	14.95	15.15	15.30	▲ (2)

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