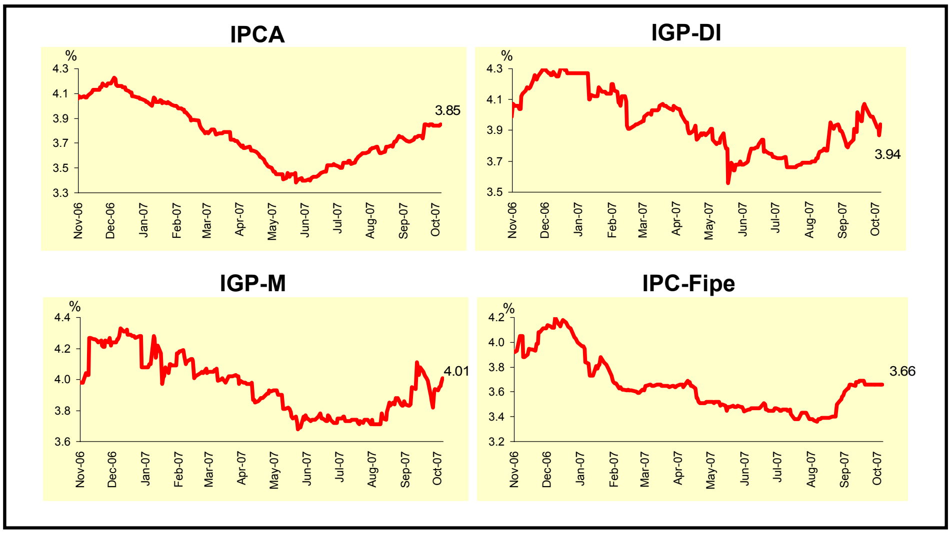
Focus - Market Readout

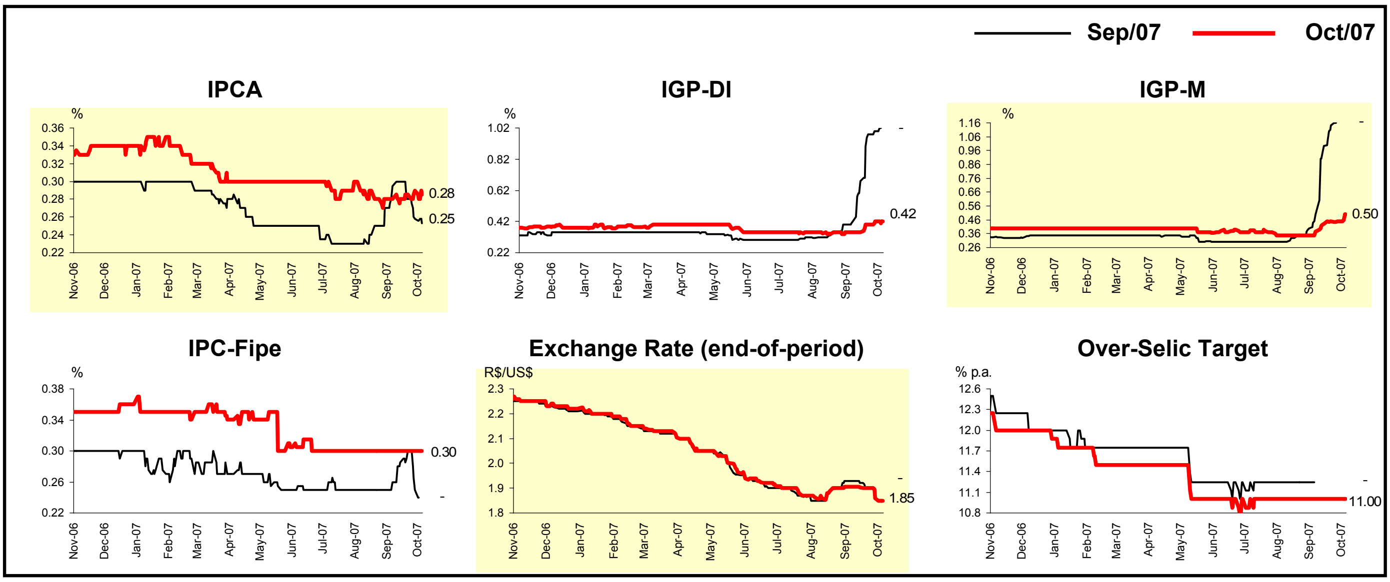
October 5, 2007

Market Expectations				
Inflation in the next 12 months - Smoothed				
Median - Aggregate	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	3.71	3.84	3.85	▲ (1)
IGP-DI (%)	3.81	3.99	3.94	▼ (2)
IGP-M (%)	3.95	3.94	4.01	▲ (1)
IPC-Fipe (%)	3.66	3.66	3.66	= (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								
Median - Aggregate	Sep/07				Oct/07			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.29	0.26	0.25	▼ (3)	0.28	0.29	0.28	▼ (1)
IGP-DI (%)	0.41	1.00	-		0.35	0.42	0.42	= (1)
IGP-M (%)	0.50	-	-		0.38	0.45	0.50	▲ (1)
IPC-Fipe (%)	0.26	0.25	-		0.30	0.30	0.30	= (15)
Exchange rate - end-of-period (R$/US$)	1.93	1.87	-		1.90	1.86	1.85	▼ (2)
Over-Selic Target (% p.a.)	-	-	-		11.00	11.00	11.00	= (21)



Focus - Market Readout

October 5, 2007

Market Expectations										
Median - Aggregate	**2007**					**2008**				
	4 weeks ago	1 week ago	Today	Weekly trend*		4 weeks ago	1 week ago	Today	Weekly trend*	
IPCA (%)	3.99	4.00	4.01	▲	(1)	4.00	4.10	4.10	=	(2)
IGP-DI (%)	4.80	5.36	5.55	▲	(10)	4.00	4.00	4.00	=	(33)
IGP-M (%)	4.35	5.26	5.30	▲	(10)	4.00	4.09	4.03	▼	(2)
IPC-Fipe (%)	3.94	3.96	3.95	▼	(1)	4.00	4.00	4.00	=	(8)
Exchange rate - end-of-period (R$/US$)	1.90	1.86	1.85	▼	(2)	1.95	1.90	1.90	=	(1)
Exchange rate - average (R$/US$)	1.97	1.96	1.96	=	(2)	1.91	1.90	1.90	=	(2)
Over-Selic Target - end-of-period (% p.a.)	11.00	11.00	11.00	=	(5)	10.00	10.25	10.25	=	(2)
Over-Selic Target - average (% p.a.)	11.88	11.88	11.88	=	(5)	10.43	10.64	10.70	▲	(1)
Net Public Sector Debt (% of GDP)	43.54	43.54	43.30	▼	(1)	42.00	42.00	42.00	=	(9)
GDP growth (%)	4.71	4.70	4.70	=	(3)	4.40	4.40	4.40	=	(1)
Industrial Production (% growth)	4.98	4.94	5.00	▲	(1)	4.50	4.50	4.50	=	(14)
Current Account (US$ billion)	10.75	10.40	10.20	▼	(7)	4.60	4.50	4.50	=	(1)
Trade Balance (US$ billion)	42.30	42.00	42.00	=	(3)	36.10	35.00	35.00	=	(2)
Foreign Direct Investment (US$ billion)	28.00	28.00	29.00	▲	(1)	22.00	22.00	22.00	=	(5)
Regulated Prices (%)	2.50	2.45	2.40	▼	(1)	3.50	3.80	3.75	▼	(1)

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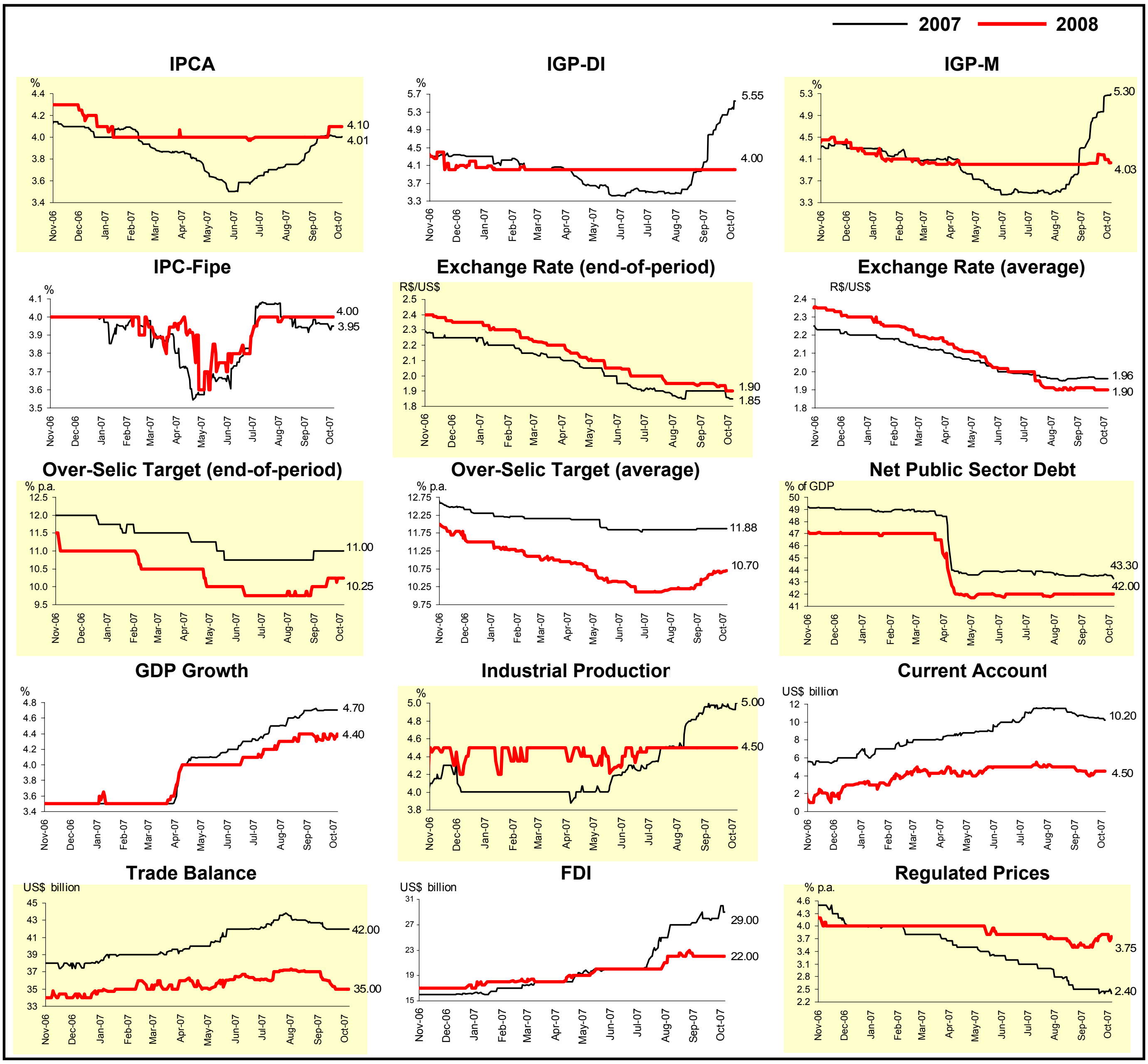

Focus - Market Readout

October 5, 2007

Median - Top 5 - Short Term	Sep/07				Oct/07			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.27	0.25	0.25	= (1)	0.35	0.32	0.35	▲ (1)
IGP-DI (%)	0.50	1.02	-		0.35	0.37	0.37	= (2)
IGP-M (%)	0.66	-	-		0.34	0.52	0.61	▲ (4)
Exchange rate - end-of-period (R$/US$)	1.91	1.84	-		1.90	1.84	1.84	= (1)
Over-Selic Target (% p.a.)	-	-	-		11.00	11.00	11.00	= (22)

Market Expectations

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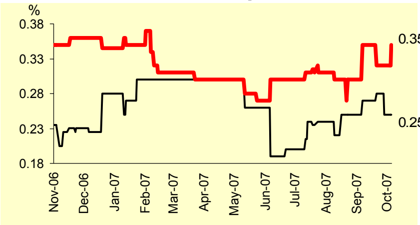
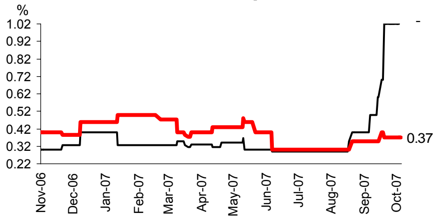
Sep/07 Oct/07

SHORT-TERM

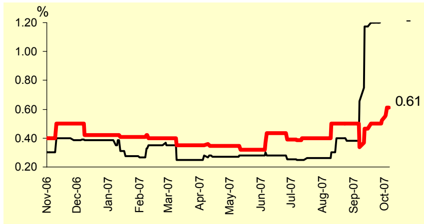
IPCA - Top 5



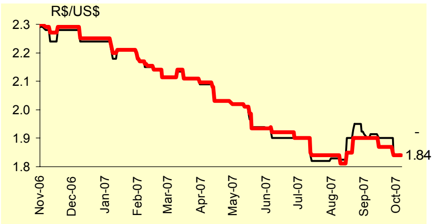
IGP-DI - Top 5



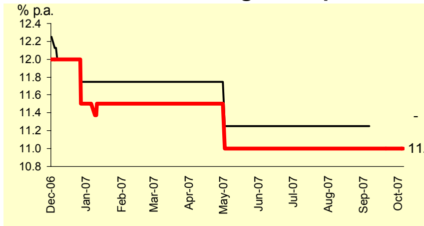
IGP-M - Top 5



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



Over-Selic Target - Top 5



Market Expectations

Median - Top 5	2007				2008			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Short Term								
IPCA (%)	4.04	4.07	4.07	= (1)	4.25	4.25	4.25	= (4)
IGP-DI (%)	4.65	5.27	5.44	▲ (1)	4.00	4.00	4.00	= (17)
IGP-M (%)	4.23	5.31	5.34	▲ (4)	4.20	4.20	4.20	= (4)
Exchange rate - end-of-period (R$/US$)	1.86	1.81	1.81	= (1)	1.85	1.85	1.85	= (5)
Over-Selic Target - end-of-period (% p.a.)	11.00	11.00	11.00	= (5)	10.00	10.00	10.00	= (5)
Medium Term								
IPCA (%)	4.07	4.07	4.07	= (1)	4.00	4.10	4.21	▲ (1)
IGP-DI (%)	4.75	5.48	5.71	▲ (1)	4.20	4.20	4.20	= (4)
IGP-M (%)	4.70	5.35	5.46	▲ (8)	4.40	4.49	4.49	= (1)
Exchange rate - end-of-period (R$/US$)	1.88	1.85	1.85	= (1)	1.90	1.88	1.88	= (1)
Over-Selic Target - end-of-period (% p.a.)	10.75	11.00	11.00	= (2)	9.50	10.00	10.00	= (2)

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

BANCO CENTRAL DO BRASIL

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Focus - Market Readout

October 5, 2007

Market Expectations								
Average - Top 5 - Short Term	**Sep/07**				**Oct/07**			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.28	0.26	0.26	= (1)	0.33	0.33	0.33	= (4)
IGP-DI (%)	0.51	1.05	-		0.38	0.38	0.38	= (4)
IGP-M (%)	0.64	-	-		0.34	0.53	0.59	▲ (4)
Exchange rate - end-of-period (R$/US$)	1.92	1.86	-		1.89	1.83	1.83	= (1)
Over-Selic Target (% p.a.)	-	-	-		11.03	11.06	11.08	▲ (2)

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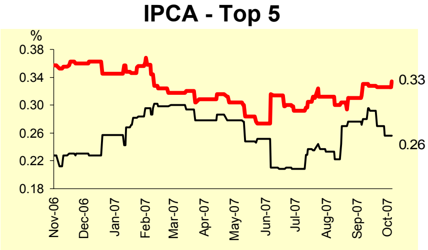
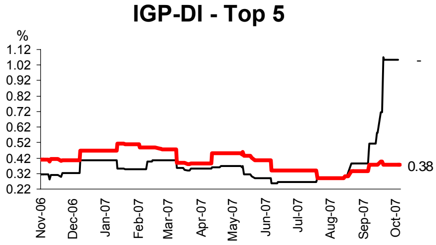
Sep/07 Oct/07

SHORT-TERM

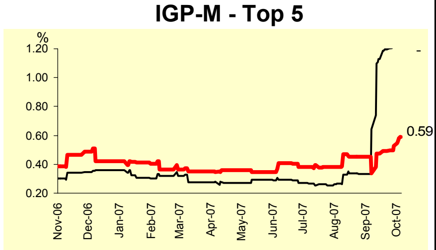
IPCA - Top 5



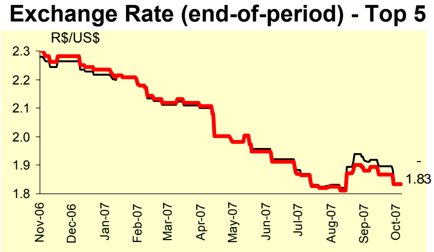
IGP-DI - Top 5



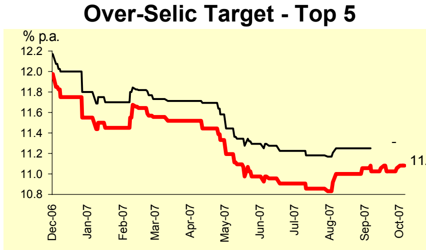
IGP-M - Top 5



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



Over-Selic Target - Top 5



Market Expectations								
Average - Top 5	**2007**				**2008**			
	4 weeks ago	1 week ago	Today	Weekly trend*	4 weeks ago	1 week ago	Today	Weekly trend*
Short Term								
IPCA (%)	4.08	4.07	4.07	= (1)	4.32	4.32	4.32	= (4)
IGP-DI (%)	4.74	5.21	5.33	▲ (1)	3.73	3.83	3.83	= (3)
IGP-M (%)	4.36	5.19	5.25	▲ (10)	4.10	4.23	4.23	= (1)
Exchange rate - end-of-period (R$/US$)	1.87	1.82	1.82	= (1)	1.84	1.84	1.84	= (1)
Over-Selic Target - end-of-period (% p.a.)	10.94	11.00	11.03	▲ (1)	10.03	10.12	10.14	▲ (1)
Medium Term								
IPCA (%)	4.09	4.07	4.07	= (1)	4.05	4.17	4.28	▲ (1)
IGP-DI (%)	5.00	5.40	5.71	▲ (9)	4.18	4.18	4.18	= (4)
IGP-M (%)	4.70	5.42	5.45	▲ (8)	4.40	4.45	4.51	▲ (2)
Exchange rate - end-of-period (R$/US$)	1.87	1.83	1.83	= (1)	1.89	1.87	1.87	= (1)
Over-Selic Target - end-of-period (% p.a.)	10.95	11.00	11.05	▲ (1)	9.85	9.95	10.00	▲ (1)

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