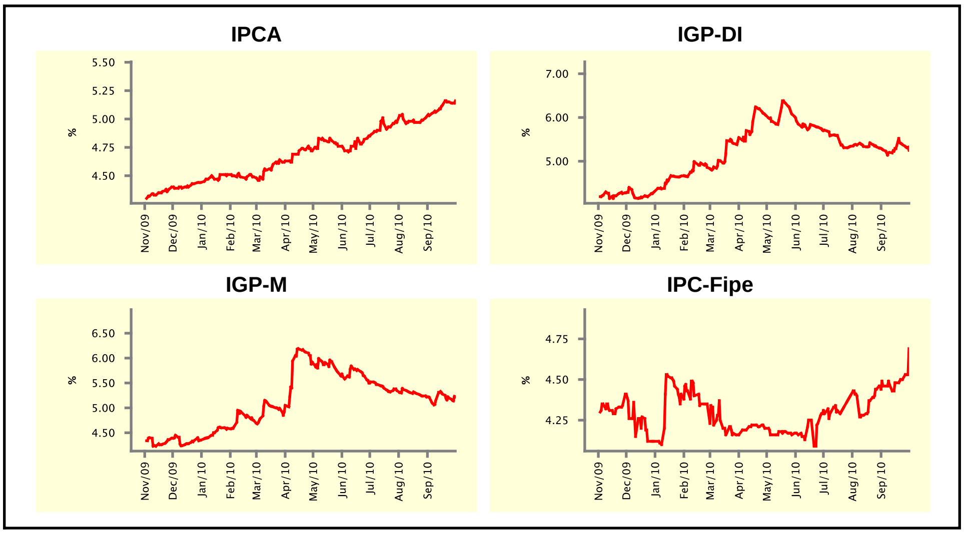
Focus - Market Readout

October 1, 2010

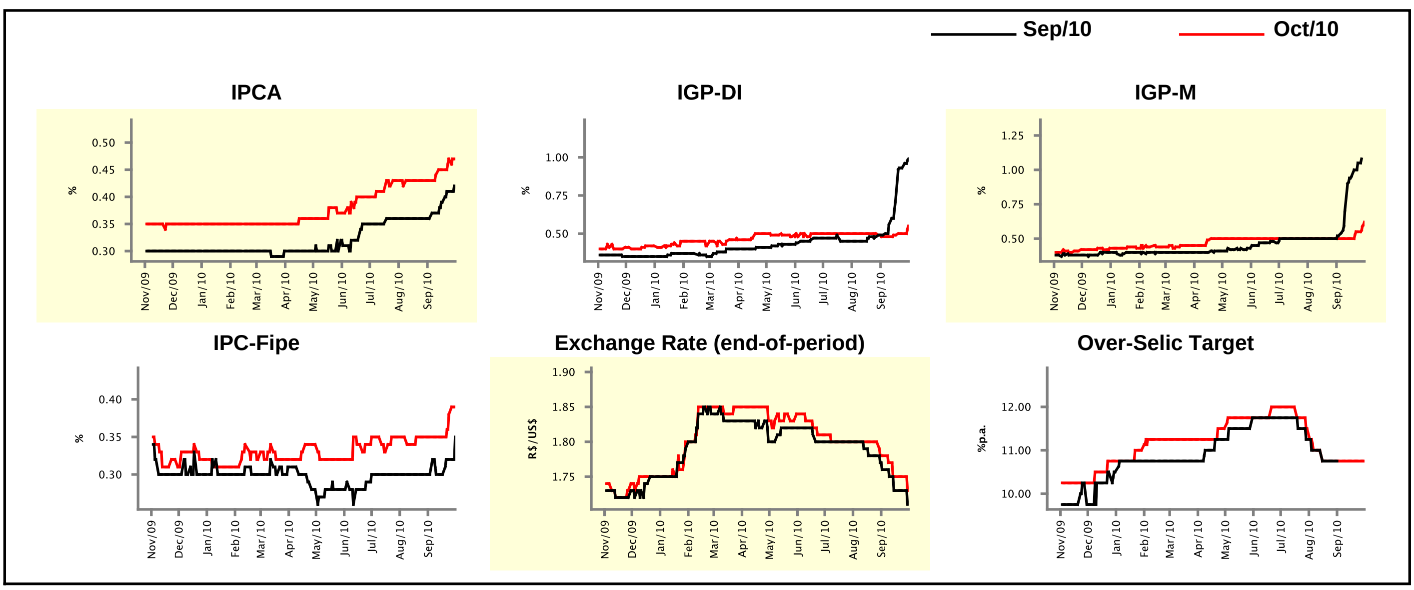
Market Expectations				
Inflation in the next 12 months - Smoothed				
Median - Aggregate	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
IPCA (%)	5.03	5.15	5.16	▲ (6)
IGP-DI (%)	5.26	5.38	5.25	▼ (1)
IGP-M (%)	5.21	5.20	5.22	▲ (1)
IPC-Fipe (%)	4.46	4.50	4.69	▲ (7)

* 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	**Sep/10**				**Oct/10**			
	4 market readout ago	**1 week ago**	**Today**	**Weekly trend***	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
IPCA (%)	0.36	0.41	0.42	▲ (4)	0.43	0.47	0.47	= (1)
IGP-DI (%)	0.49	0.93	0.99	▲ (5)	0.48	0.50	0.55	▲ (3)
IGP-M (%)	0.52	1.05	-		0.50	0.55	0.62	▲ (2)
IPC-Fipe (%)	0.30	0.32	0.35	▲ (2)	0.35	0.38	0.39	▲ (2)
Exchange Rate - end-of-period (R$/US$)	1.76	1.73	-		1.78	1.75	1.73	▼ (1)
Over-Selic Target (%p.a.)	-	-	-		10.75	10.75	10.75	= (6)

* 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

Gerin

Focus - Market Readout

October 1, 2010

Median - Aggregate	2010				2011			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
IPCA (%)	5.07	5.05	5.07	▲ (3)	4.85	4.94	4.92	▼ (2)
IGP-DI (%)	8.43	9.35	9.38	▲ (4)	5.00	5.08	5.08	= (1)
IGP-M (%)	8.71	9.20	9.45	▲ (5)	5.01	5.07	5.07	= (1)
IPC-Fipe (%)	4.90	4.99	5.00	▲ (2)	4.55	4.60	4.63	▲ (2)
Exchange Rate - end-of-period (R$/US$)	1.79	1.75	1.75	= (2)	1.83	1.80	1.80	= (2)
Exchange Rate - average (R$/US$)	1.79	1.78	1.77	▼ (1)	1.81	1.80	1.78	▼ (1)
Over-Selic Target - end-of-period (%p.a.)	10.75	10.75	10.75	= (6)	11.50	11.75	11.75	= (3)
Over-Selic Target - average (%p.a.)	10.03	10.03	10.03	= (6)	11.60	11.56	11.56	= (1)
Net Public Sector Debt (% of GDP)	40.80	40.70	40.75	▲ (2)	39.50	39.50	39.50	= (1)
GDP Growth (% growth)	7.34	7.53	7.55	▲ (5)	4.50	4.50	4.50	= (43)
Industrial Production (% growth)	11.37	11.37	11.43	▲ (1)	5.00	5.00	5.20	▲ (1)
Current Account (US$ billion)	-50.00	-50.00	-50.00	= (4)	-58.00	-60.00	-62.00	▼ (1)
Trade Balance (US$ billion)	15.00	15.00	16.00	▲ (1)	8.68	9.95	10.00	▲ (5)
Foreign Direct Investment (US$ billion)	30.00	30.00	30.00	= (5)	38.00	38.00	38.00	= (2)
Regulated Prices (%)	3.55	3.50	3.50	= (2)	4.80	4.70	4.75	▲ (1)

Market Expectations

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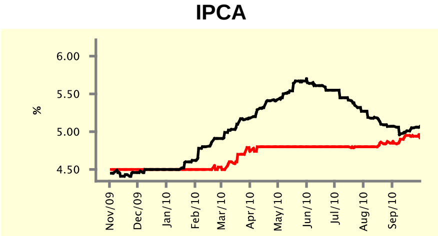
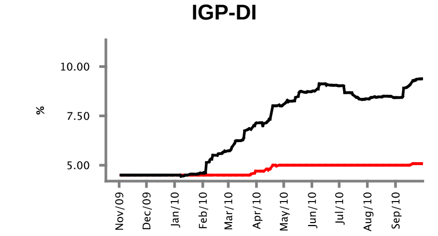
2010 2011

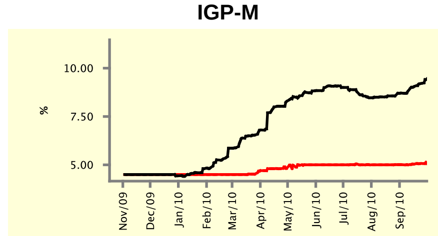
IPCA



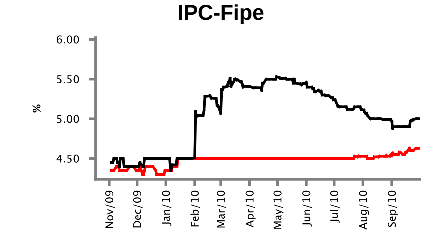
IGP-DI



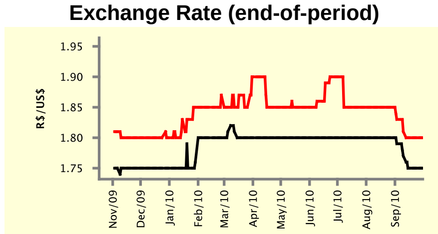
IGP-M



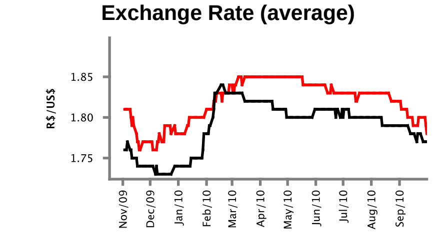
IPC-Fipe



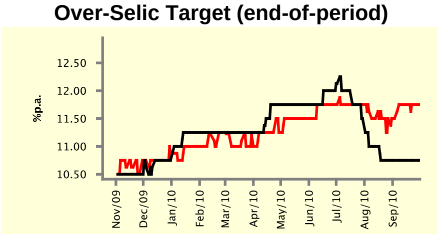
Exchange Rate (end-of-period)



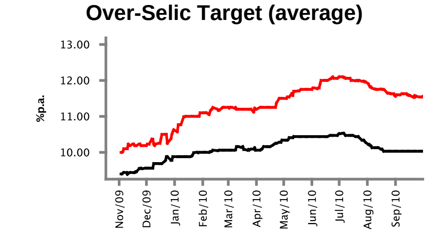
Exchange Rate (average)



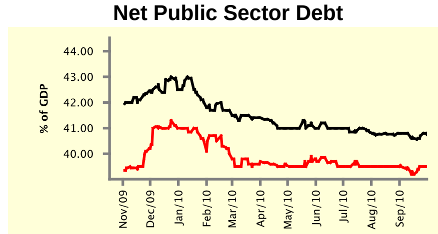
Over-Selic Target (end-of-period)



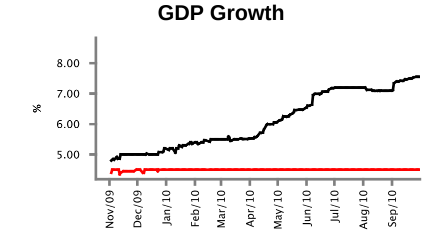
Over-Selic Target (average)



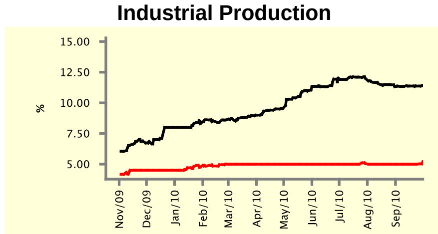
Net Public Sector Debt



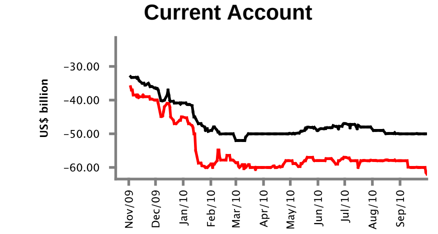
GDP Growth



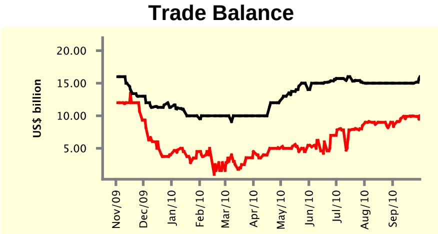
Industrial Production



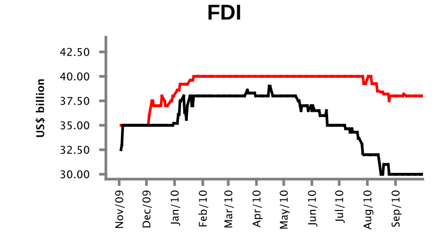
Current Account



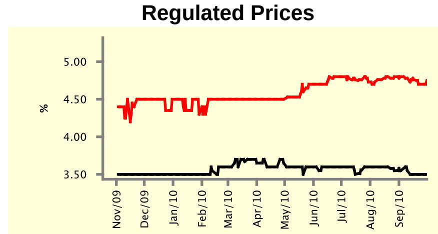
Trade Balance



FDI



Regulated Prices



BANCO CENTRAL DO BRASIL
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Focus - Market Readout

October 1, 2010

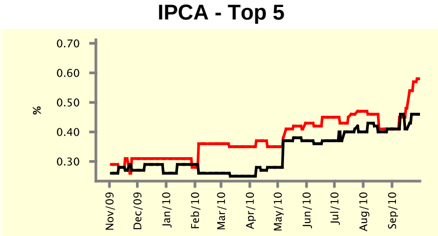
Market Expectations								
Median - Top 5 - Short Term	Sep/10				Oct/10			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.41	0.46	0.46	= (1)	0.41	0.57	0.58	▲ (4)
IGP-DI (%)	0.50	1.12	1.20	▲ (4)	0.48	0.59	0.60	▲ (3)
IGP-M (%)	0.55	1.20	-		0.60	0.60	0.65	▲ (2)
Exchange Rate - end-of-period (R$/US$)	1.75	1.72	-		1.75	1.75	1.71	▼ (1)
Over-Selic Target (%p.a.)	-	-	-		10.75	10.75	10.75	= (6)

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

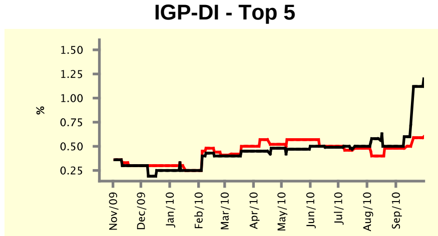
SHORT-TERM

Sep/10 Oct/10

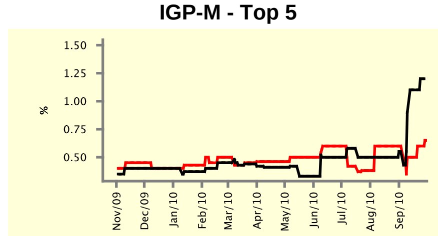
IPCA - Top 5



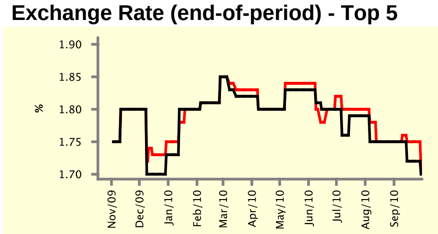
IGP-DI - Top 5



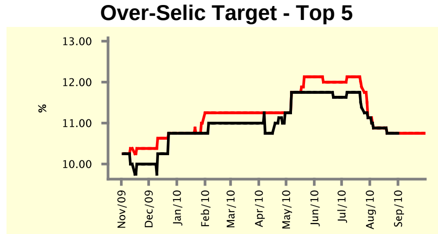
IGP-M - Top 5



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



Over-Selic Target - Top 5



Market Expectations								
Median - Top 5	2010				2011			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
Short Term								
IPCA (%)	5.03	5.17	5.23	▲ (2)	4.80	5.73	5.73	= (1)
IGP-DI (%)	8.54	9.58	9.58	= (1)	4.91	5.02	5.02	= (1)
IGP-M (%)	8.32	9.16	9.25	▲ (4)	5.19	6.08	6.08	= (2)
Exchange Rate - end-of-period (R$/US$)	1.75	1.75	1.75	= (2)	1.78	1.79	1.79	= (2)
Over-Selic Target - end-of-period (%p.a.)	10.75	10.75	10.75	= (6)	11.88	12.25	12.25	= (1)
Medium Term								
IPCA (%)	5.18	5.02	5.08	▲ (2)	4.97	5.01	4.86	▼ (1)
IGP-DI (%)	8.50	9.31	9.31	= (1)	4.54	4.98	4.98	= (1)
IGP-M (%)	8.42	9.10	9.36	▲ (2)	4.83	5.48	5.48	= (1)
Exchange Rate - end-of-period (R$/US$)	1.78	1.75	1.75	= (2)	1.76	1.76	1.76	= (1)
Over-Selic Target - end-of-period (%p.a.)	10.75	10.75	10.75	= (4)	10.88	11.25	11.25	= (1)

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Focus - Market Readout

October 1, 2010

Average - Top 5 - Short Term	Sep/10				Oct/10			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.41	0.44	0.45	▲ (2)	0.43	0.53	0.57	▲ (4)
IGP-DI (%)	0.57	1.12	1.17	▲ (4)	0.49	0.61	0.74	▲ (3)
IGP-M (%)	0.55	1.16	-		0.59	0.58	0.60	▲ (3)
Exchange Rate - end-of-period (R$/US$)	1.75	1.72	-		1.76	1.74	1.72	▼ (1)
Over-Selic Target (%p.a.)	-	-	-		10.79	10.75	10.75	= (2)

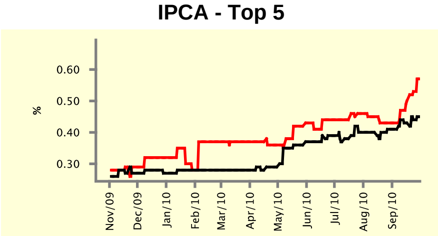
Market Expectations

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

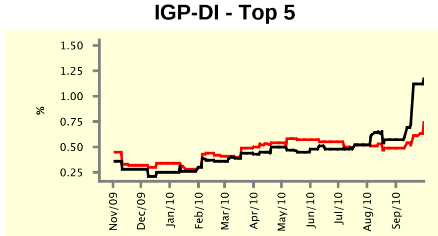
Sep/10 Oct/10

SHORT-TERM

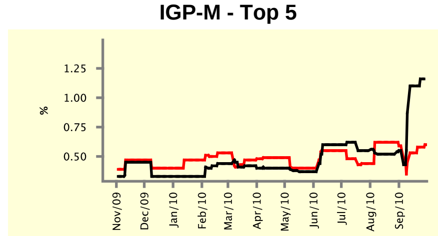
IPCA - Top 5



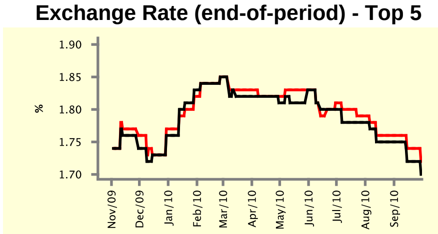
IGP-DI - Top 5



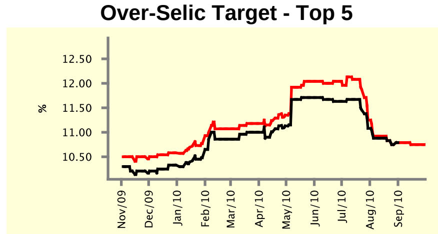
IGP-M - Top 5



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



Over-Selic Target - Top 5



Market Expectations

Average - Top 5	2010				2011			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
Short Term								
IPCA (%)	5.09	5.17	5.23	▲ (5)	5.14	5.73	5.81	▲ (4)
IGP-DI (%)	8.56	9.61	9.88	▲ (4)	4.92	4.93	4.81	▼ (1)
IGP-M (%)	8.64	9.33	9.38	▲ (3)	5.45	5.94	5.94	= (1)
Exchange Rate - end-of-period (R$/US$)	1.77	1.75	1.73	▼ (1)	1.78	1.80	1.78	▼ (1)
Over-Selic Target - end-of-period (%p.a.)	10.79	10.75	10.75	= (2)	11.71	11.83	11.83	= (1)
Medium Term								
IPCA (%)	5.14	5.02	5.06	▲ (2)	5.30	5.16	5.12	▼ (1)
IGP-DI (%)	8.44	9.38	9.38	= (1)	4.43	5.01	5.01	= (1)
IGP-M (%)	8.51	9.17	9.35	▲ (2)	4.60	5.73	5.73	= (1)
Exchange Rate - end-of-period (R$/US$)	1.79	1.76	1.75	▼ (1)	1.80	1.77	1.76	▼ (1)
Over-Selic Target - end-of-period (%p.a.)	10.83	10.75	10.75	= (3)	11.25	11.38	11.38	= (1)

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