BANCO CENTRAL DO BRASIL

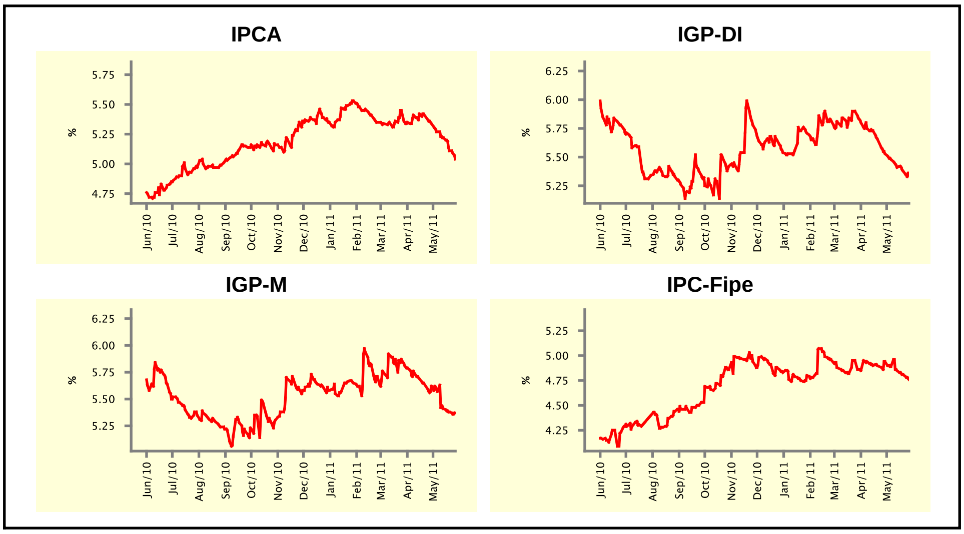
Gerin

Focus - Market Readout

May 27, 2011

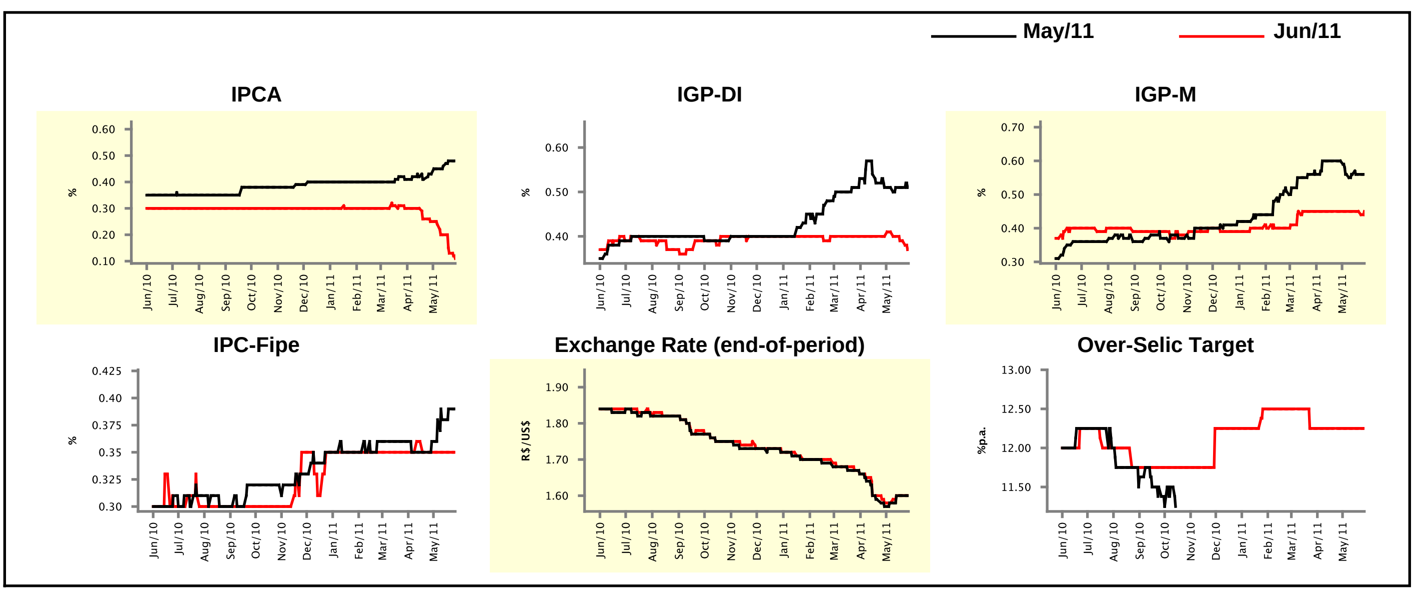
Market Expectations				
Inflation in the next 12 months - Smoothed				
Median - Aggregate	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
IPCA (%)	5.34	5.11	5.04	▼ (5)
IGP-DI (%)	5.53	5.38	5.35	▼ (9)
IGP-M (%)	5.62	5.38	5.37	▼ (9)
IPC-Fipe (%)	4.94	4.81	4.76	▼ (4)

* 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	**May/11**				**Jun/11**			
	4 market readout ago	**1 week ago**	**Today**	**Weekly trend***	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
IPCA (%)	0.43	0.48	0.48	= (1)	0.25	0.13	0.11	▼ (6)
IGP-DI (%)	0.51	0.51	0.51	= (4)	0.40	0.39	0.37	▼ (3)
IGP-M (%)	0.60	0.56	0.56	= (3)	0.45	0.45	0.45	= (11)
IPC-Fipe (%)	0.36	0.39	0.39	= (1)	0.35	0.35	0.35	= (5)
Exchange Rate - end-of-period (R$/US$)	1.57	1.60	1.60	= (2)	1.58	1.60	1.60	= (2)
Over-Selic Target (%p.a.)	-	-	-		12.25	12.25	12.25	= (9)

* 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

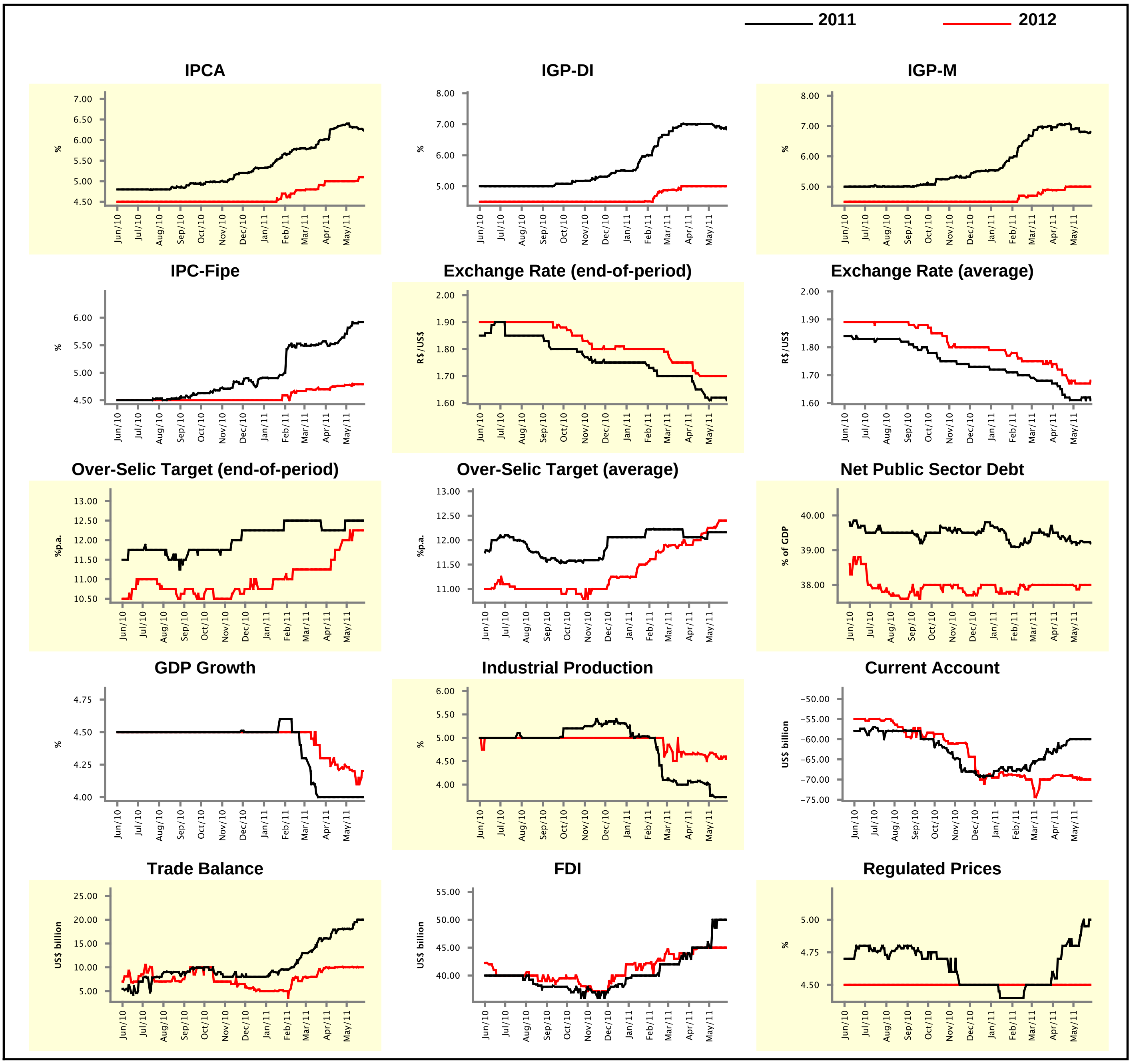
Focus - Market Readout

May 27, 2011

Market Expectations

Median - Aggregate	2011				2012			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
IPCA (%)	6.37	6.27	6.23	▼ (4)	5.00	5.10	5.10	= (1)
IGP-DI (%)	7.01	6.89	6.84	▼ (4)	5.00	5.00	5.00	= (9)
IGP-M (%)	6.90	6.80	6.80	= (1)	5.00	5.00	5.00	= (5)
IPC-Fipe (%)	5.71	5.92	5.92	= (1)	4.78	4.79	4.79	= (2)
Exchange Rate - end-of-period (R$/US$)	1.62	1.62	1.61	▼ (1)	1.70	1.70	1.70	= (5)
Exchange Rate - average (R$/US$)	1.61	1.62	1.61	▼ (1)	1.68	1.67	1.68	▲ (1)
Over-Selic Target - end-of-period (%p.a.)	12.50	12.50	12.50	= (4)	12.00	12.25	12.25	= (3)
Over-Selic Target - average (%p.a.)	12.16	12.16	12.16	= (4)	12.25	12.40	12.40	= (1)
Net Public Sector Debt (% of GDP)	39.23	39.23	39.20	▼ (2)	38.00	38.00	38.00	= (2)
GDP Growth (% growth)	4.00	4.00	4.00	= (9)	4.25	4.10	4.20	▲ (1)
Industrial Production (% growth)	4.04	3.73	3.73	= (2)	4.58	4.55	4.60	▲ (1)
Current Account (US$ billion)	-60.00	-60.00	-60.00	= (4)	-69.50	-70.00	-70.00	= (3)
Trade Balance (US$ billion)	18.05	20.00	20.00	= (1)	10.00	10.00	10.00	= (4)
Foreign Direct Investment (US$ billion)	46.00	50.00	50.00	= (3)	45.00	45.00	45.00	= (6)
Regulated Prices (%)	4.80	4.95	5.00	▲ (1)	4.50	4.50	4.50	= (147)

* 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

May 27, 2011

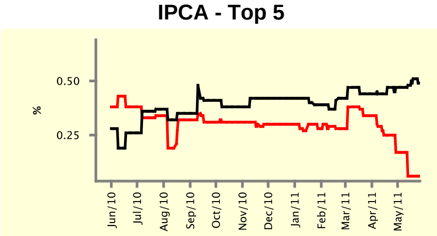
Market Expectations								
Median - Top 5 - Short Term	**May/11**				**Jun/11**			
	4 market readout ago	**1 week ago**	**Today**	**Weekly trend***	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
IPCA (%)	0.47	0.51	0.49	▼ (1)	0.17	0.06	0.06	= (2)
IGP-DI (%)	0.48	0.50	0.50	= (1)	0.39	0.35	0.35	= (1)
IGP-M (%)	0.75	0.50	0.50	= (2)	0.63	0.50	0.50	= (2)
Exchange Rate - end-of-period (R$/US$)	1.56	1.60	1.60	= (2)	1.56	1.59	1.59	= (2)
Over-Selic Target (%p.a.)	-	-	-		12.25	12.25	12.25	= (9)

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

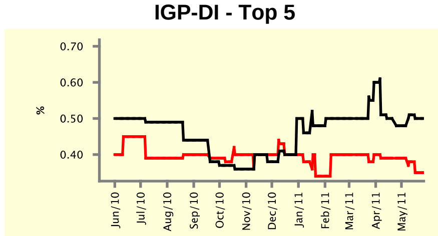
May/11 Jun/11

SHORT-TERM

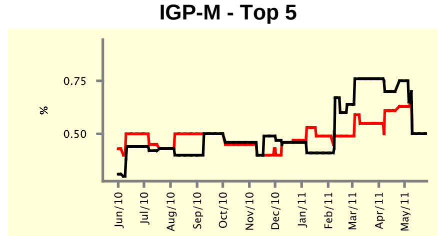
IPCA - Top 5



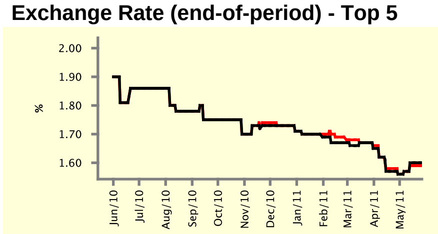
IGP-DI - Top 5



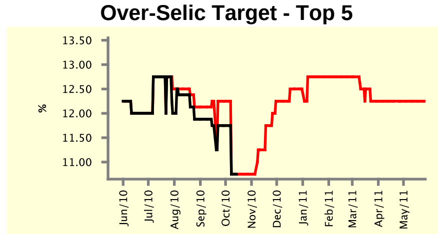
IGP-M - Top 5



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



Over-Selic Target - Top 5



Market Expectations								
Median - Top 5	**2011**				**2012**			
	4 market readout ago	**1 week ago**	**Today**	**Weekly trend***	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
Short Term								
IPCA (%)	6.44	6.21	6.21	= (1)	5.30	5.40	5.40	= (1)
IGP-DI (%)	6.77	6.71	6.71	= (2)	4.83	4.51	4.51	= (1)
IGP-M (%)	7.29	6.69	6.69	= (2)	4.75	5.00	5.00	= (2)
Exchange Rate - end-of-period (R$/US$)	1.65	1.60	1.60	= (2)	1.66	1.60	1.60	= (2)
Over-Selic Target - end-of-period (%p.a.)	12.25	12.50	12.50	= (2)	11.75	12.38	12.38	= (1)
Medium Term								
IPCA (%)	6.40	6.16	6.16	= (1)	5.45	5.31	5.30	▼ (3)
IGP-DI (%)	7.01	6.61	6.61	= (1)	4.65	5.00	5.00	= (2)
IGP-M (%)	7.82	6.76	6.76	= (2)	4.50	5.00	5.00	= (2)
Exchange Rate - end-of-period (R$/US$)	1.59	1.62	1.62	= (2)	1.68	1.68	1.68	= (6)
Over-Selic Target - end-of-period (%p.a.)	13.00	12.75	12.75	= (1)	12.75	12.00	12.00	= (2)

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

Focus - Market Readout

May 27, 2011

Average - Top 5 - Short Term	May/11				Jun/11			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.47	0.52	0.51	▼ (1)	0.17	0.03	0.04	▲ (1)
IGP-DI (%)	0.52	0.46	0.46	= (1)	0.39	0.30	0.30	= (1)
IGP-M (%)	0.73	0.51	0.51	= (2)	0.62	0.53	0.53	= (2)
Exchange Rate - end-of-period (R$/US$)	1.56	1.60	1.60	= (2)	1.55	1.58	1.58	= (2)
Over-Selic Target (%p.a.)	-	-	-		12.20	12.21	12.21	= (1)

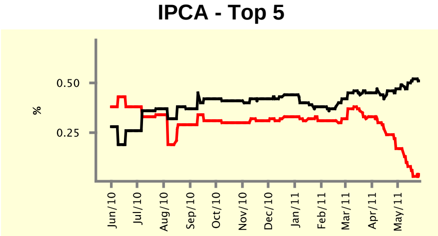
Table title: Market Expectations

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

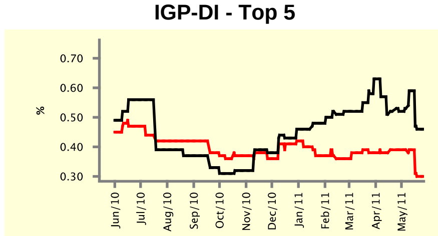
May/11 Jun/11

SHORT-TERM

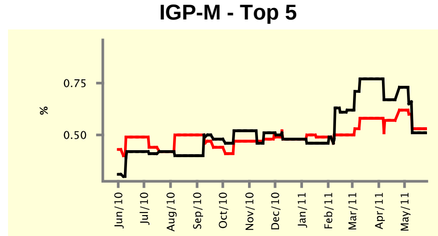
IPCA - Top 5



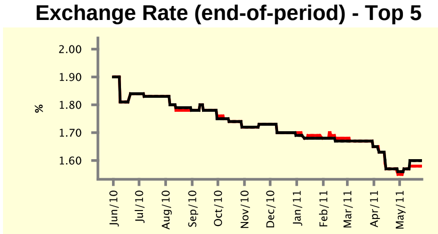
IGP-DI - Top 5



IGP-M - Top 5



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



Over-Selic Target - Top 5

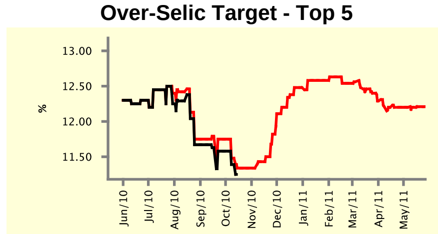


Table title: Market Expectations

Average - Top 5	2011				2012			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
Short Term								
IPCA (%)	6.45	6.31	6.28	▼ (2)	5.35	5.50	5.48	▼ (2)
IGP-DI (%)	6.90	6.69	6.75	▲ (1)	4.83	4.51	4.51	= (1)
IGP-M (%)	7.40	7.07	7.07	= (2)	4.75	5.00	5.00	= (2)
Exchange Rate - end-of-period (R$/US$)	1.62	1.60	1.60	= (2)	1.68	1.62	1.62	= (2)
Over-Selic Target - end-of-period (%p.a.)	12.46	12.67	12.67	= (1)	11.80	12.29	12.29	= (1)
Medium Term								
IPCA (%)	6.43	6.16	6.17	▲ (1)	5.39	5.32	5.30	▼ (1)
IGP-DI (%)	7.21	6.65	6.65	= (1)	4.58	4.95	4.95	= (2)
IGP-M (%)	7.74	6.93	6.93	= (2)	4.67	4.83	4.83	= (2)
Exchange Rate - end-of-period (R$/US$)	1.58	1.61	1.61	= (2)	1.66	1.69	1.69	= (2)
Over-Selic Target - end-of-period (%p.a.)	12.95	12.75	12.75	= (1)	12.50	12.20	12.20	= (1)

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