BANCO CENTRAL DO BRASIL

Gerin

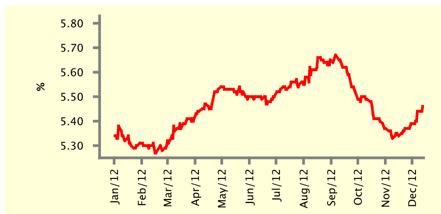
Focus - Market Readout

December 14, 2012

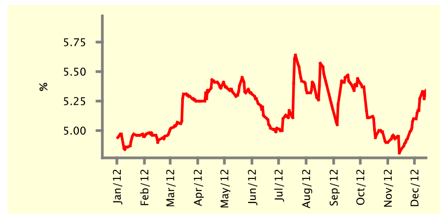
Market Expectations				
Inflation in the next 12 months - Smoothed				
Median - Aggregate	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
IPCA (%)	5.34	5.44	5.46	▲ (5)
IGP-DI (%)	4.84	5.27	5.34	▲ (4)
IGP-M (%)	4.98	5.40	5.41	▲ (5)
IPC-Fipe (%)	5.27	5.04	5.02	▼ (6)

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

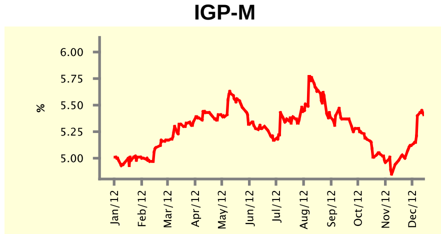
IPCA



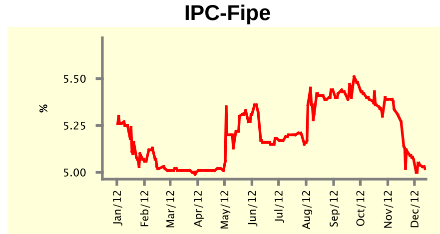
IGP-DI



IGP-M



IPC-Fipe



Median - Aggregate	Dec/12				Jan/13			
	4 market readout ago	**1 week ago**	**Today**	**Weekly trend***	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
IPCA (%)	0.51	0.54	0.57	▲ (3)	0.65	0.67	0.69	▲ (1)
IGP-DI (%)	0.35	0.40	0.45	▲ (2)	0.50	0.50	0.51	▲ (1)
IGP-M (%)	0.38	0.48	0.51	▲ (2)	0.48	0.53	0.54	▲ (2)
IPC-Fipe (%)	0.55	0.57	0.58	▲ (2)	0.70	0.72	0.72	= (1)
Exchange Rate - end-of-period (R$/US$)	2.03	2.08	2.08	= (1)	2.03	2.08	2.08	= (1)
Over-Selic Target (%p.a.)	-	-	-		7.25	7.25	7.25	= (9)

* trend since the last Market Readout; the figures in parenthesis express the number of weeks with the same behavior
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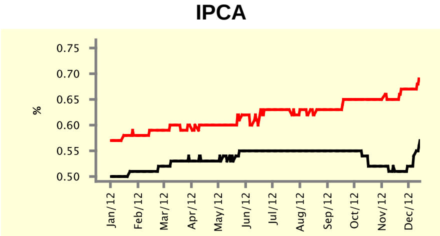
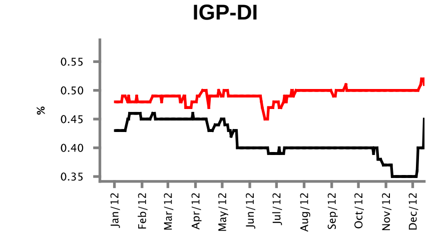
Dec/12 — Jan/13

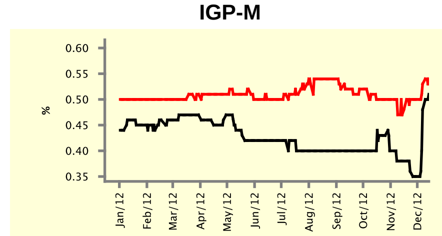
IPCA



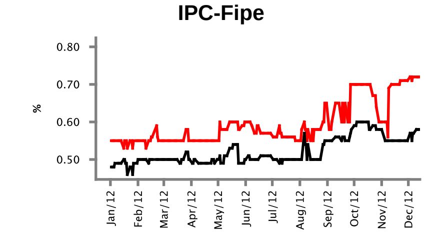
IGP-DI



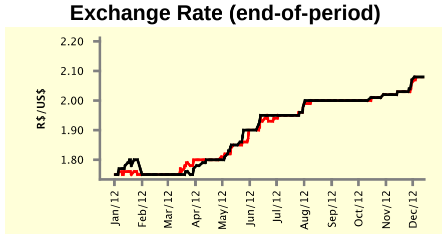
IGP-M



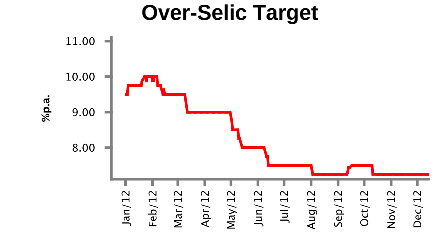
IPC-Fipe



Exchange Rate (end-of-period)



Over-Selic Target



BANCO CENTRAL DO BRASIL

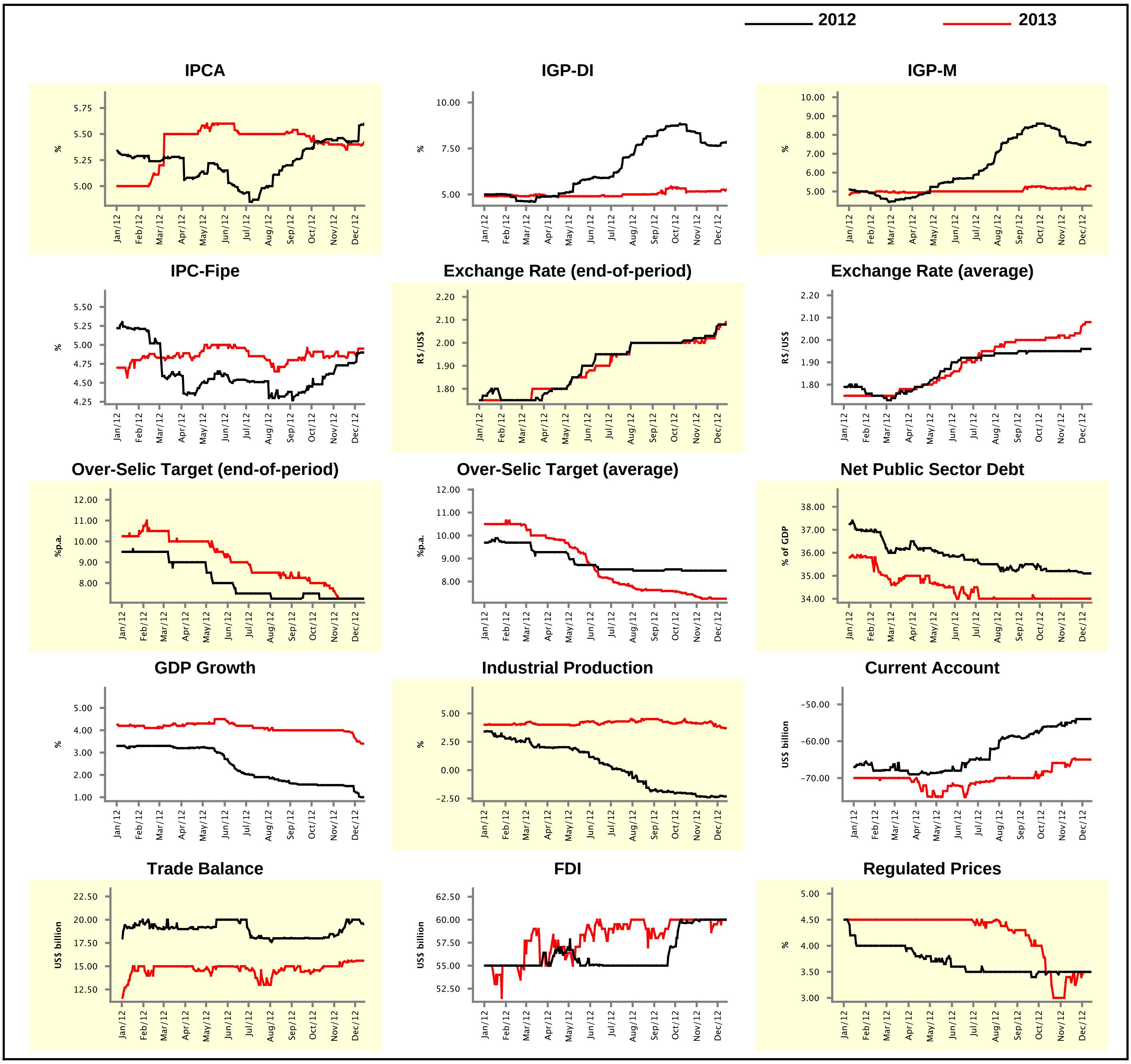
Gerin

Focus - Market Readout

December 14, 2012

Market Expectations								
Median - Aggregate	2012				2013			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
IPCA (%)	5.45	5.58	5.60	▲ (2)	5.39	5.40	5.42	▲ (1)
IGP-DI (%)	7.70	7.80	7.86	▲ (2)	5.17	5.25	5.27	▲ (2)
IGP-M (%)	7.57	7.60	7.62	▲ (2)	5.16	5.29	5.29	= (1)
IPC-Fipe (%)	4.73	4.89	4.90	▲ (2)	4.85	4.95	4.95	= (1)
Exchange Rate - end-of-period (R$/US$)	2.03	2.08	2.08	= (1)	2.02	2.08	2.08	= (1)
Exchange Rate - average (R$/US$)	1.95	1.96	1.96	= (2)	2.02	2.08	2.08	= (1)
Over-Selic Target - end-of-period (%p.a.)	7.25	7.25	7.25	= (9)	7.25	7.25	7.25	= (5)
Over-Selic Target - average (%p.a.)	8.47	8.47	8.47	= (9)	7.25	7.25	7.25	= (5)
Net Public Sector Debt (% of GDP)	35.20	35.10	35.10	= (1)	34.00	34.00	34.00	= (11)
GDP Growth (% growth)	1.52	1.03	1.00	▼ (5)	3.96	3.50	3.40	▼ (5)
Industrial Production (% growth)	-2.39	-2.27	-2.32	▼ (1)	4.15	3.75	3.70	▼ (3)
Current Account (US$ billion)	-54.60	-54.00	-54.00	= (3)	-65.00	-65.00	-65.00	= (4)
Trade Balance (US$ billion)	19.20	20.00	19.50	▼ (1)	15.52	15.60	15.60	= (1)
Foreign Direct Investment (US$ billion)	60.00	60.00	60.00	= (6)	60.00	60.00	60.00	= (1)
Regulated Prices (%)	3.50	3.50	3.50	= (8)	3.30	3.50	3.50	= (1)

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



BANCO CENTRAL DO BRASIL

Gerin

Focus - Market Readout

December 14, 2012

Market Expectations								
Median - Top 5 - Short Term	Dec/12				Jan/13			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
IPCA (%)	0.53	0.58	0.63	▲ (2)	0.65	0.69	0.75	▲ (2)
IGP-DI (%)	0.57	0.57	0.57	= (4)	0.59	0.60	0.60	= (1)
IGP-M (%)	0.35	0.55	0.58	▲ (2)	0.45	0.48	0.48	= (1)
Exchange Rate - end-of-period (R$/US$)	2.06	2.08	2.08	= (1)	2.06	2.08	2.08	= (1)
Over-Selic Target (%p.a.)	-	-	-		7.25	7.25	7.25	= (9)

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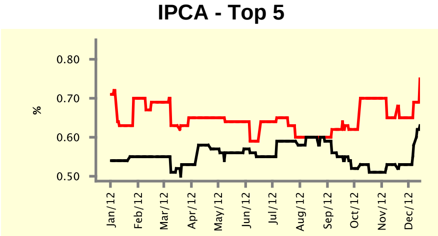
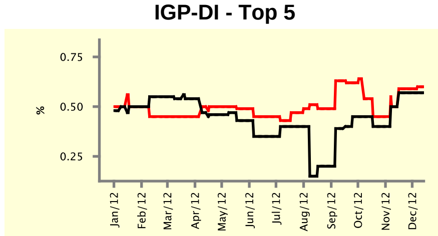
SHORT-TERM

Dec/12 Jan/13

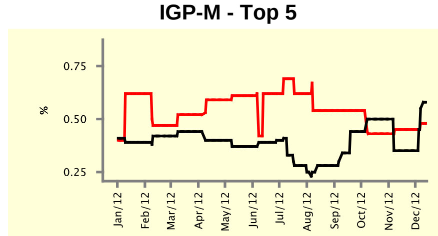
IPCA - Top 5



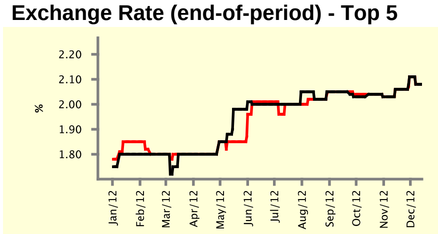
IGP-DI - Top 5



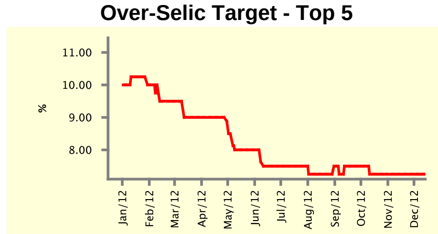
IGP-M - Top 5



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



Over-Selic Target - Top 5



Market Expectations								
Median - Top 5	2012				2013			
	4 market readout ago	1 week ago	Today	Weekly trend*	4 market readout ago	1 week ago	Today	Weekly trend*
Short Term								
IPCA (%)	5.45	5.61	5.67	▲ (2)	5.28	5.68	5.68	= (1)
IGP-DI (%)	7.72	8.00	8.00	= (1)	5.50	4.50	5.00	▲ (1)
IGP-M (%)	7.71	7.68	7.71	▲ (2)	4.59	5.18	5.18	= (1)
Exchange Rate - end-of-period (R$/US$)	2.06	2.08	2.08	= (1)	2.08	2.10	2.10	= (2)
Over-Selic Target - end-of-period (%p.a.)	7.25	7.25	7.25	= (9)	7.25	7.25	7.25	= (6)
Medium Term								
IPCA (%)	5.45	5.59	5.59	= (1)	5.56	5.57	5.57	= (1)
IGP-DI (%)	7.67	8.00	8.00	= (1)	4.88	4.50	4.50	= (1)
IGP-M (%)	7.51	7.60	7.67	▲ (3)	4.70	4.95	5.12	▲ (2)
Exchange Rate - end-of-period (R$/US$)	2.06	2.10	2.08	▼ (2)	2.10	2.12	2.12	= (2)
Over-Selic Target - end-of-period (%p.a.)	7.25	7.25	7.25	= (11)	7.25	7.25	7.25	= (10)

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Focus - Market Readout

December 14, 2012

Market Expectations								
Average - Top 5 - Short Term	**Dec/12**				**Jan/13**			
	4 market readout ago	**1 week ago**	**Today**	**Weekly trend***	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
IPCA (%)	0.54	0.56	0.60	▲ (2)	0.63	0.68	0.73	▲ (2)
IGP-DI (%)	0.47	0.53	0.54	▲ (2)	0.59	0.59	0.61	▲ (1)
IGP-M (%)	0.37	0.54	0.55	▲ (2)	0.50	0.52	0.52	= (1)
Exchange Rate - end-of-period (R$/US$)	2.05	2.10	2.08	▼ (1)	2.05	2.09	2.08	▼ (2)
Over-Selic Target (%p.a.)	-	-	-		7.25	7.25	7.25	= (6)

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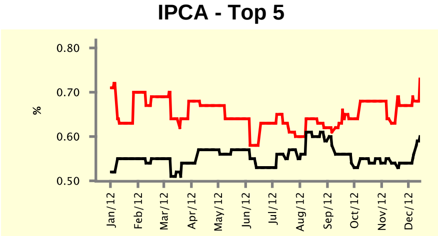
(▲ increase, ▼ decrease or = stability)

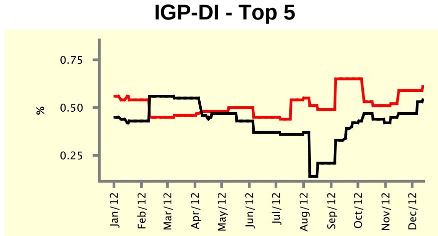
Dec/12 Jan/13

SHORT-TERM

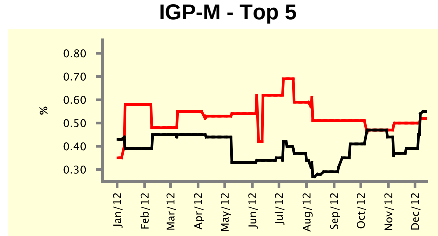
IPCA - Top 5



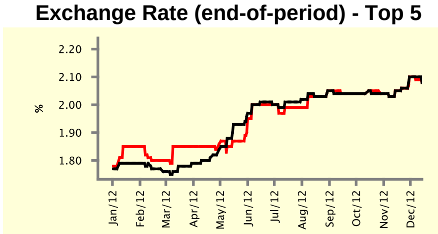
IGP-DI - Top 5



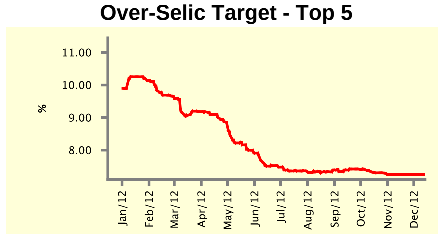
IGP-M - Top 5



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



Over-Selic Target - Top 5



Market Expectations								
Average - Top 5	**2012**				**2013**			
	4 market readout ago	**1 week ago**	**Today**	**Weekly trend***	**4 market readout ago**	**1 week ago**	**Today**	**Weekly trend***
Short Term								
IPCA (%)	5.45	5.60	5.63	▲ (3)	5.24	5.64	5.71	▲ (5)
IGP-DI (%)	7.78	7.96	7.97	▲ (2)	5.22	4.78	5.03	▲ (1)
IGP-M (%)	7.68	7.67	7.68	▲ (2)	4.63	5.07	5.07	= (1)
Exchange Rate - end-of-period (R$/US$)	2.05	2.10	2.08	▼ (1)	2.07	2.12	2.12	= (1)
Over-Selic Target - end-of-period (%p.a.)	7.25	7.25	7.25	= (6)	7.30	7.25	7.25	= (2)
Medium Term								
IPCA (%)	5.47	5.58	5.60	▲ (3)	5.46	5.53	5.54	▲ (1)
IGP-DI (%)	7.69	7.90	7.95	▲ (2)	4.94	4.49	4.49	= (1)
IGP-M (%)	7.59	7.62	7.67	▲ (3)	4.80	4.98	5.11	▲ (2)
Exchange Rate - end-of-period (R$/US$)	2.05	2.10	2.09	▼ (1)	2.10	2.14	2.14	= (1)
Over-Selic Target - end-of-period (%p.a.)	7.25	7.25	7.25	= (8)	7.25	7.05	7.20	▲ (1)

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