



PROSPECTIVE SCENARIOS FOR THE BRAZILIAN ECONOMY DURING THE 2003-2006 ADMINISTRATION

*Power Point Slides - Presentation at the BSI
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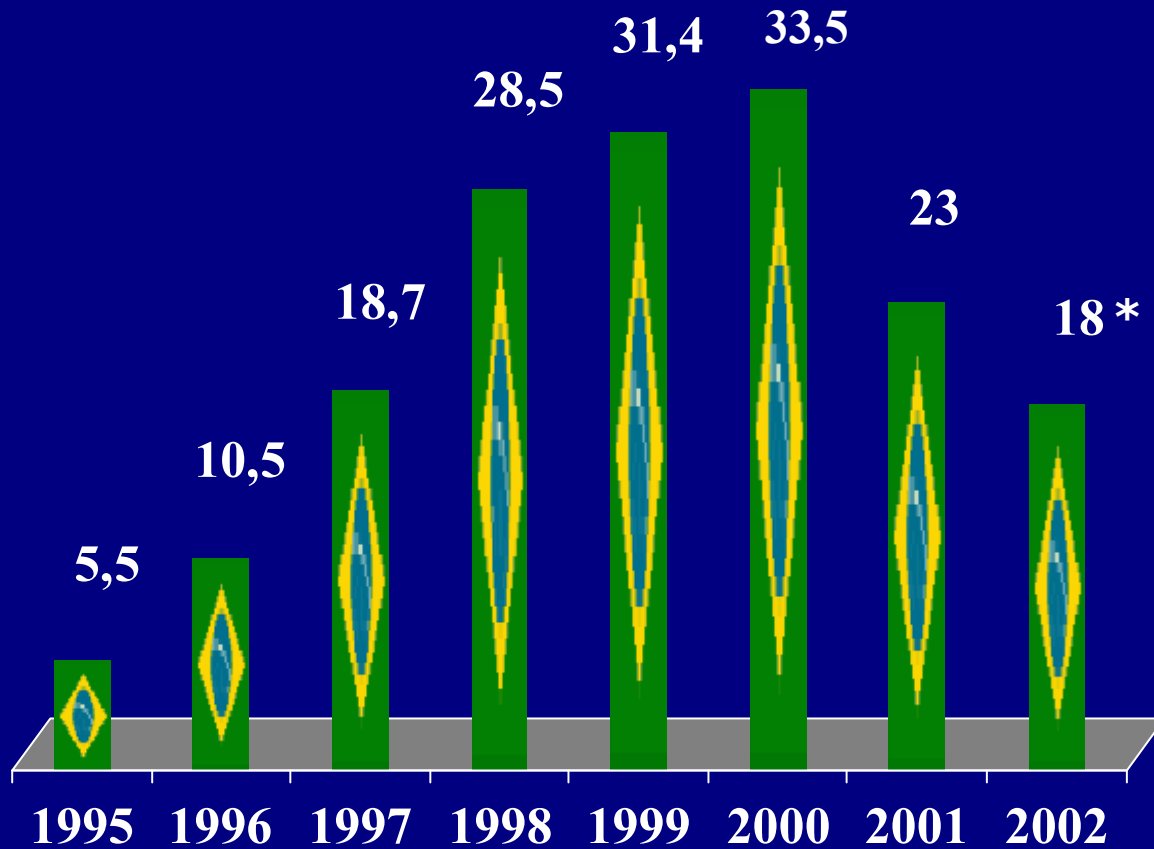


2/20

PLAN OF THE PRESENTATION:

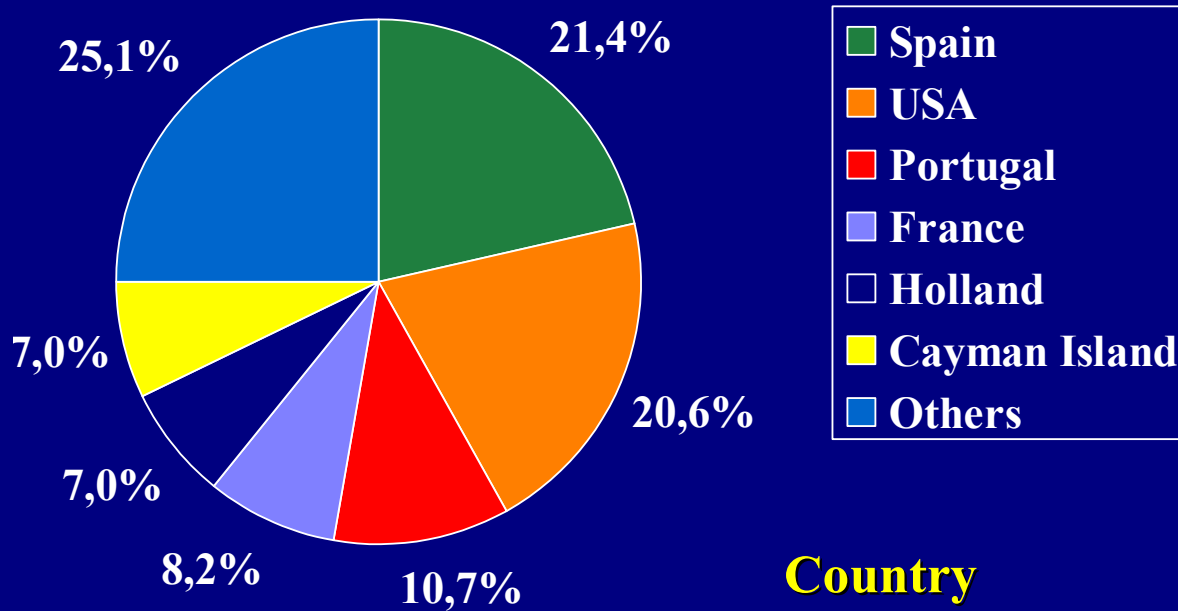
- 1.) Introduction**
- 2.) The FHC Administration: Gains and Losses;**
- 3.) Presidential Candidates and Plataforms;**
- 4.) Assuring Governability: The Profile of Congress;**
- 5.) Some International Challenges;**
- 6.) Perspectives and Conclusions.**

Brazil - Foreign Direct Investment - US\$ billions



* Official governmental projection

Brazil - Foreign Direct Investment - by countries - 2000

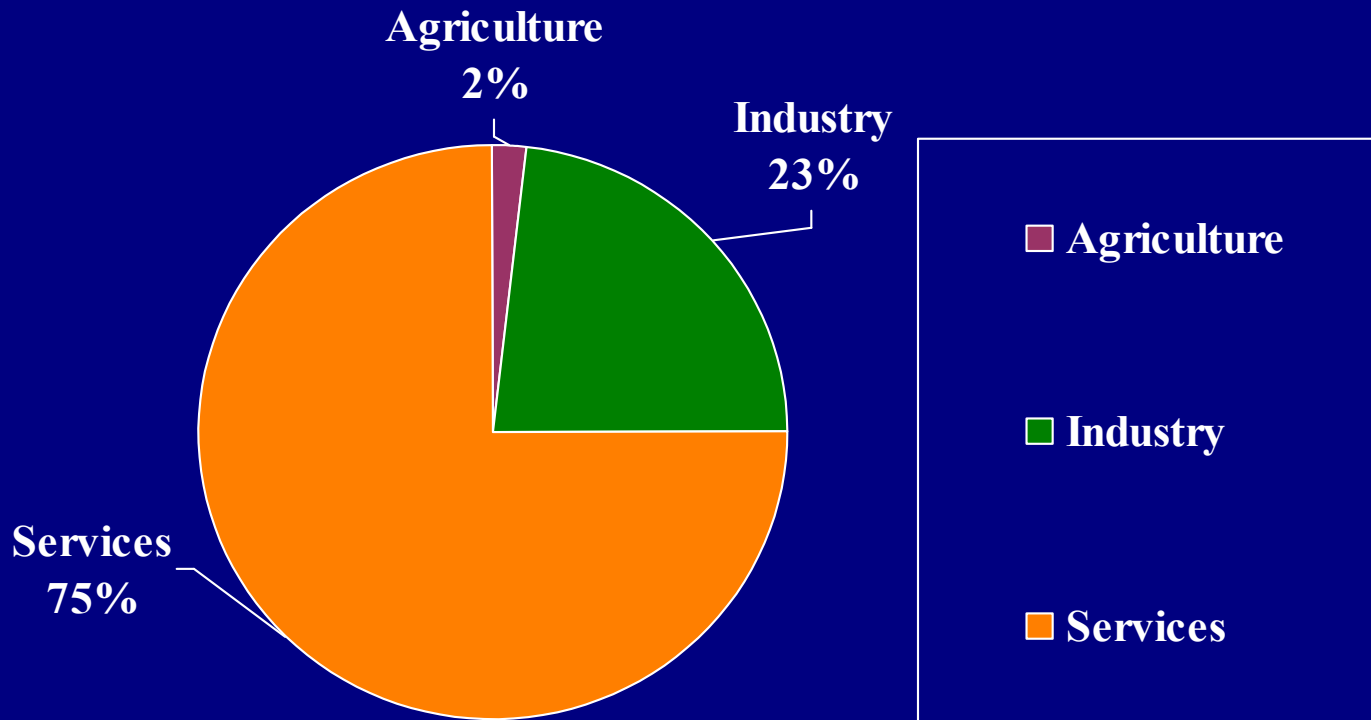


Country	US\$ billion
<i>Spain</i>	5,2
<i>USA</i>	5,0
<i>Portugal</i>	2,6
<i>France</i>	2,0
<i>Holland</i>	1,7
<i>Cayman Island</i>	1,7
<i>Others</i>	6,1

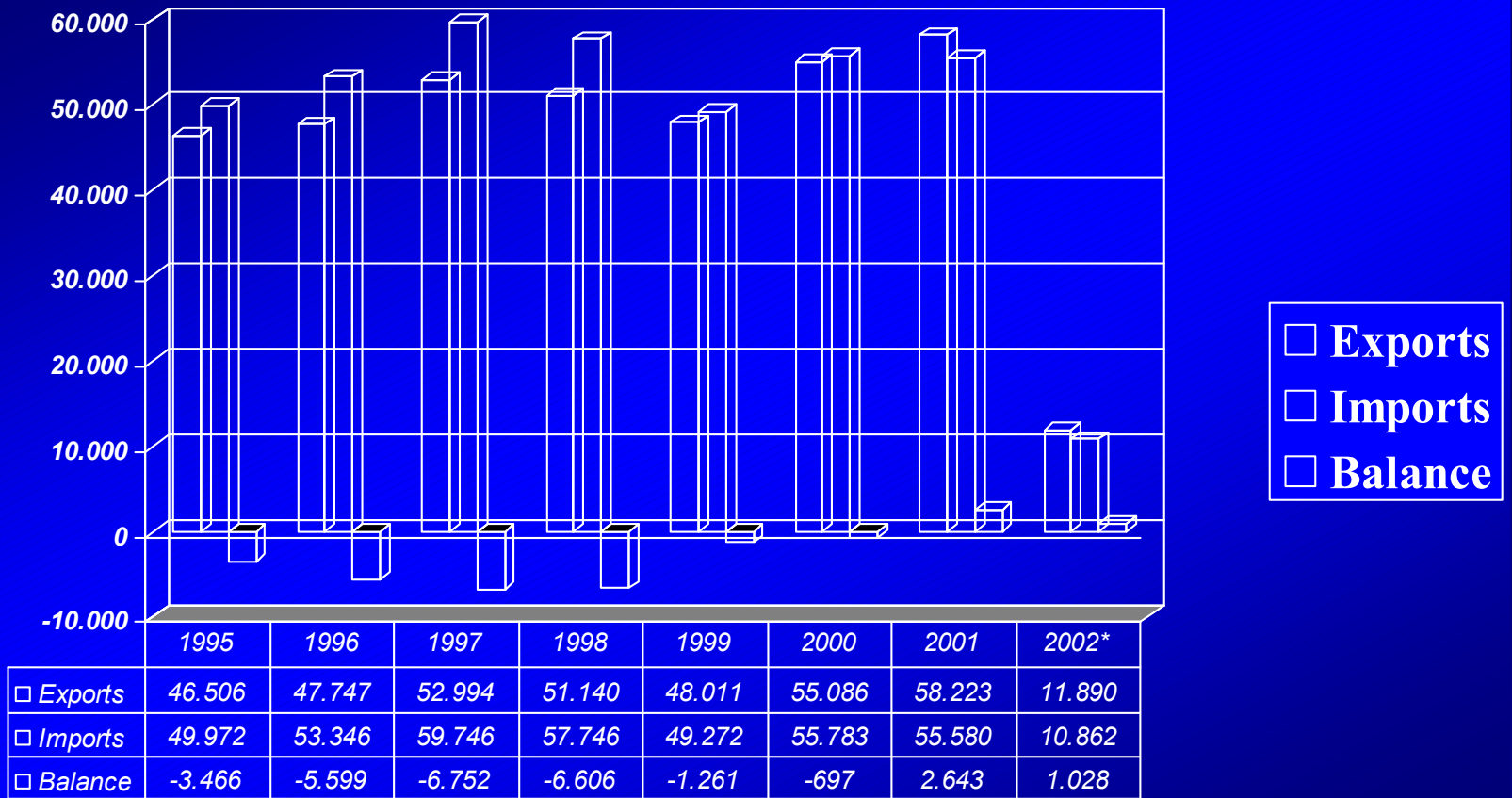


5/20

Brazil - Foreign Direct Investment - by sector - 2000



Brazil - Evolution of Trade Balance since 1995



* Preliminary Data- Jan., Feb. Mar. - prediction 2002 surrplus of US\$ 4,55 Bi

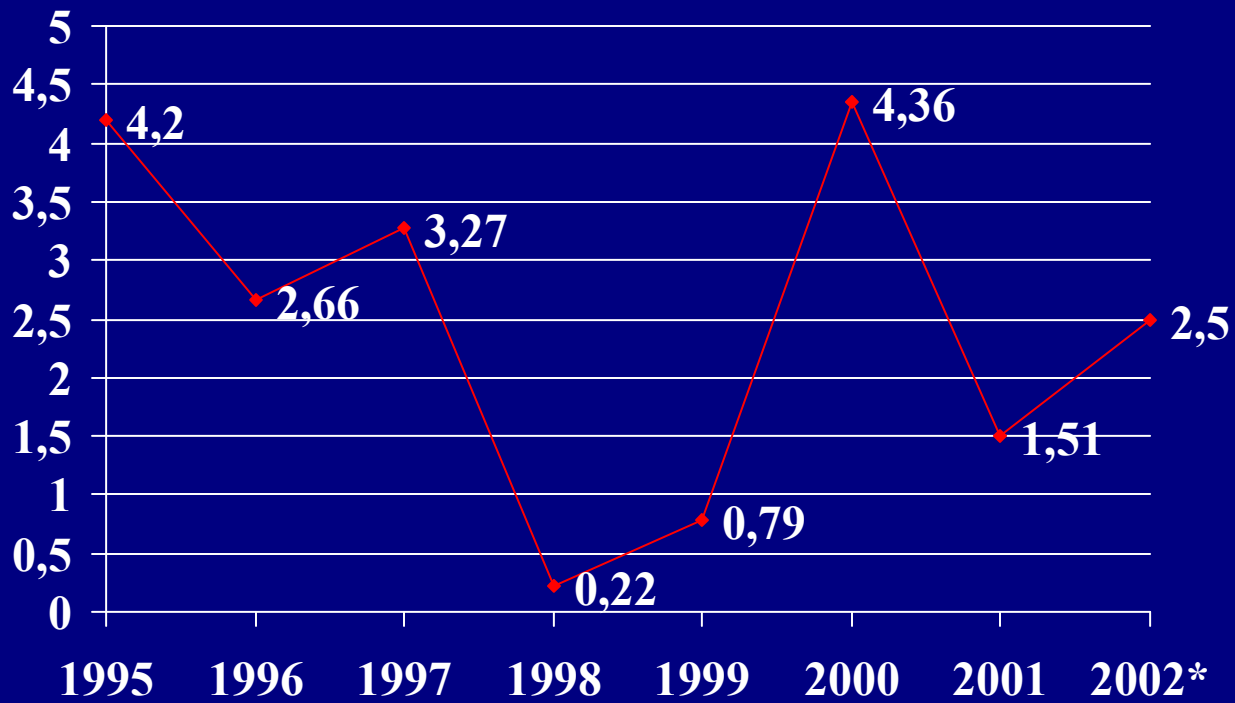
Brazil - Leading Trade Partners



Leading Partners - Regions US\$ million FOB 2001

Partner	Export	Import	Balance
European Union	14.865	14.822	43
United States	14.378	13.037	1.341
ALADI	12.225	10.019	2.206
Mercosul	6.364	7.010	-646
Asia	6.949	8.925	-1.976
Middle East	2.041	1.472	569
Africa	1.988	3.325	-1.337
Eastern Europe	1.699	1.112	587
Others	4.078	2.868	1.210
Total	58.223	55.580	2.643

Brazil - % Evolution of GDP





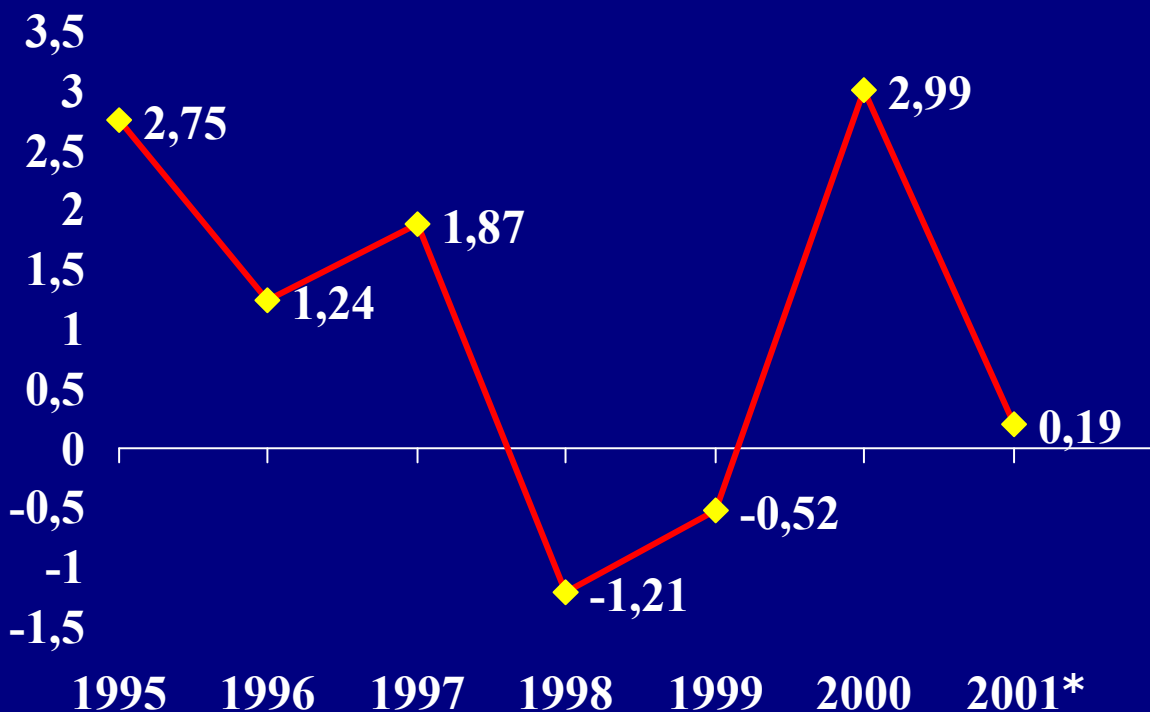
9/20

Brazil - Evolution of GDP in US\$



Year	R\$ millions	US\$ billions
1995	646.192	705,4
1996	778.887	775,4
1997	870.743	801,7
1998	914.188	787,5
1999	963.869	529,4
2000	1.086.700	595,4
2001	1.184.769	606,1

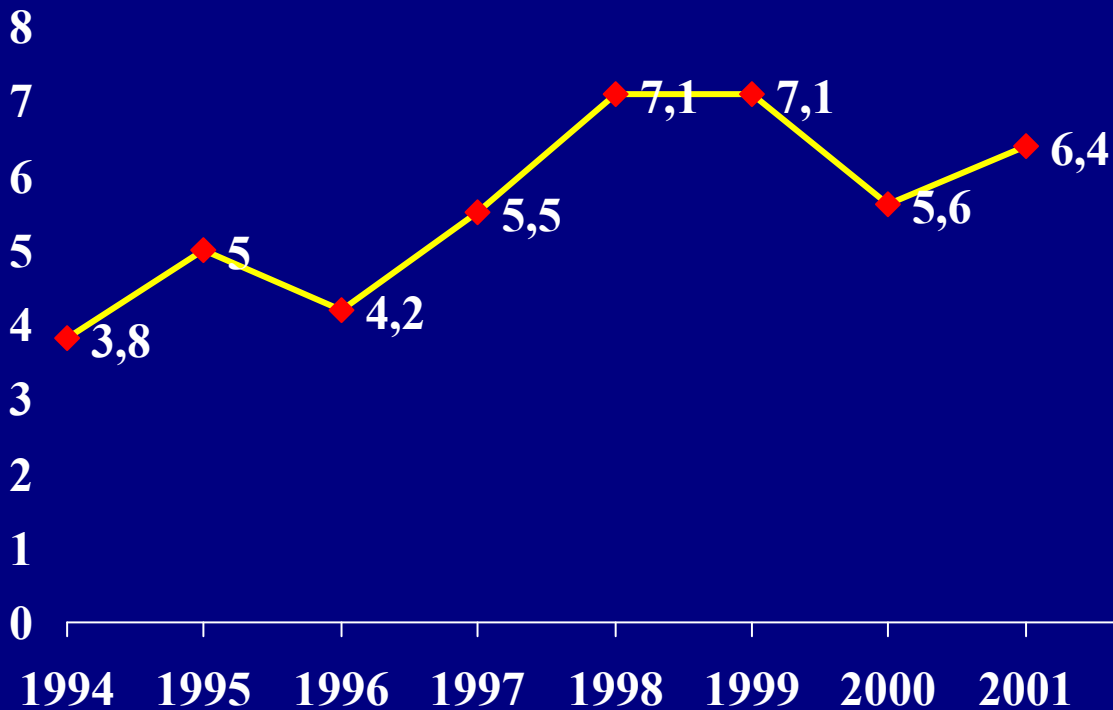
Brazil - Evolution of Income Per Capita



* Preliminary

Source: IBGE

Brazil - Evolution of Unemployment



Source: IBGE



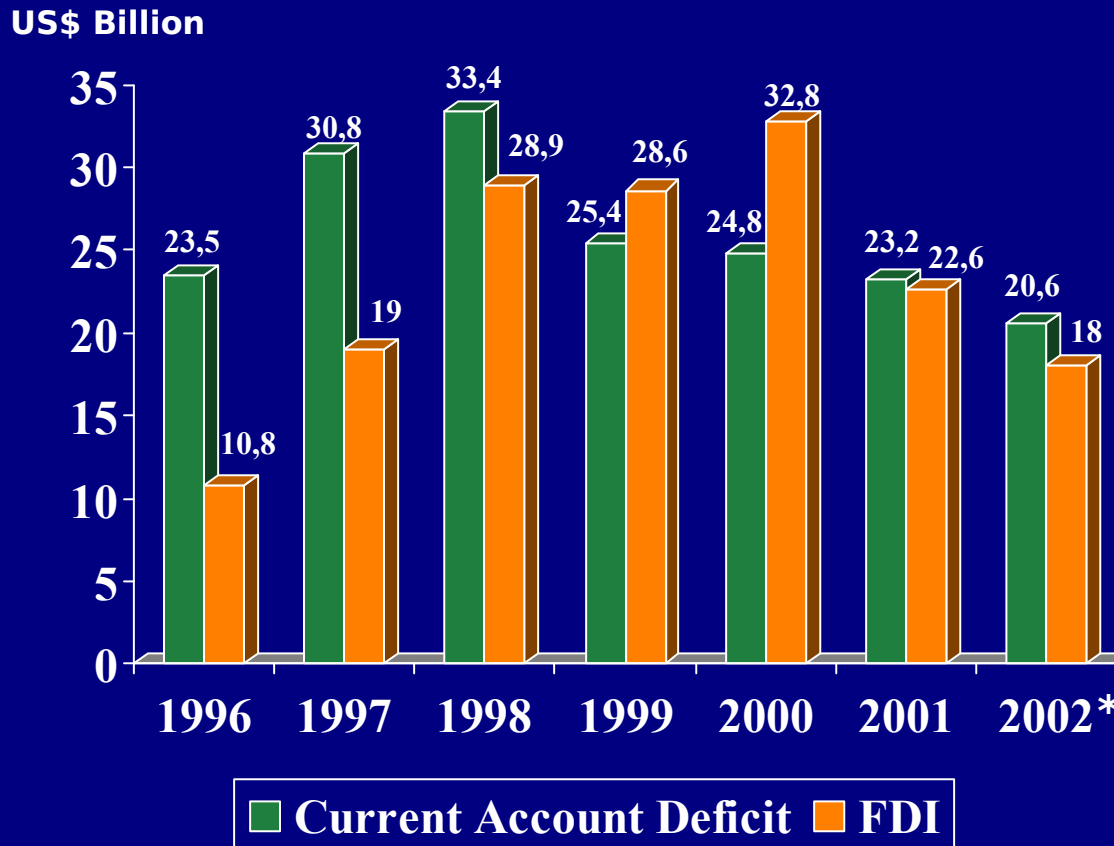
12/20

Brazil - Evolution of External Debt



Year	Value (in US\$ billions)
1995	159,2
1996	178,1
1997	199,9
1998	233,8
1999	240
2000	233
2001	209,5

Brazil - Current Account and FDI



* ESTIMATE

Source: Central Bank

Brazil - Current Account Projections in 2002



US\$ billion

Uses	-47,7	Sources	47,7
Current Account	-20,6	Capital Account	0,0
Trade Account	5,0	Foreign Direct Investment	18,0
Exports	61,7	Foreign Portfolio Investment	3,1
Imports	-56,7	Outlays	27,7
Service Account	-27,2	Bonus, notes and comercial papers	10,8
Interest	-14,5	Import Financing	2,8
Profits and dividends	-4,8	Direct Loans	14,1
International Trips	-1,2	National Assets Abroad	-1,1
Others	-67,0	Loans to CB-IMF	-2,5
Current Transfers	1,6	Short Term Capital and others	0,0
Amortizations	-27,1	Change in International Reserves	2,5

Source: Central Bank

Brazil - Leading Presidential Candidates



JOSÉ SERRA

Brazil - Leading Presidential Candidates



LUÍS INÁCIO "LULA" DA SILVA

Brazil - Leading Presidential Candidates



ANTHONY GAROTINHO



18/20

Brazil - Leading Presidential Candidates



CIRO GOMES



19/20



Brazil - Challenges in Multilateral Trade Negotiations - by sector

AGRICULTURE

- SUBSIDIES

SERVICES

- ACCESS TO MARKETS

TRADE IN GOODS

**- TARIFF PEAKS AND
DISCRIMINATION**



Brazil - Challenges in Trade Negotiations - by treaty

WTO

MERCOSUL

FTAA

MERCOSUL / EU

MERCOSUL / SOUTH AFRICA