



INFLATION EXPECTATIONS SURVEY TO THE PANEL OF PRIVATE ANALYSTS - EEI -

APRIL 2008

The Inflation Expectations Survey to the Private Panel of Analysts is done monthly in order to obtain the opinion of national and international analysts, knowledgeable of the operational procedures of the monetary policy, in relation to the expected evolution in the prices of the economy. Said survey is extremely useful, given the importance that the inflationary expectations have in the behavior of the general level of prices.

In the first part of this note we present the results of the survey of inflation expectations and of the economic activity, made between the second and fourth week of April of 2008.

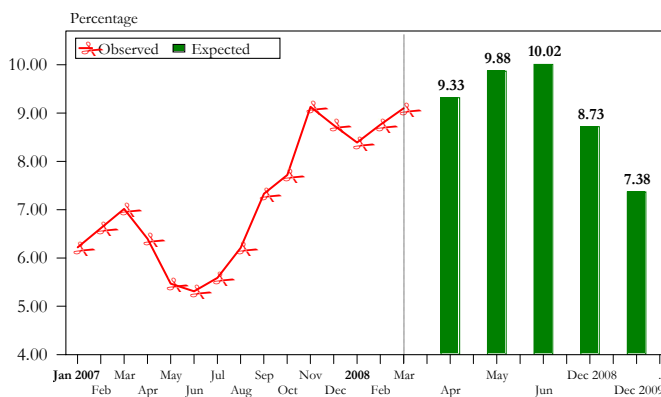
In the second part the trust index of the economic activity is presented, which was made based on the referred survey.

I. INFLATION EXPECTATIONS AND ECONOMIC ACTIVITY

1. INFLATION

The Economic analysts surveyed foresee an inflationary rhythm of 9.33% for April 2008, while for May and June 2008 it is estimated that it will reach 9.88% and 10.02%. For the end of 2008 and 2009 of the economic analysts project an inflation of 8.73% and 7.38%, in their order.

**INFLATION
OBSERVED AND EXPECTED
2007 - 2009**





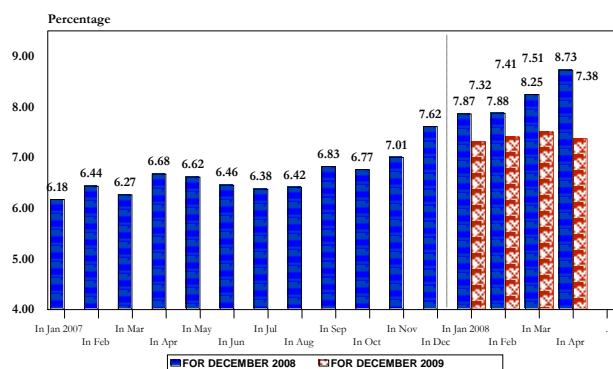
Survey of Inflation Expectations from the Private Sector



When comparing the results of this survey with the obtained the month before, it was observed that the expected inflationary rhythm for April increased by 0.66 percentage points (8.67% from the survey in March 2008); while for May 2008, increased by 0.79 percentage points (9.09% in the previous survey).

For the end of 2008, this increased by 0.48 percentual points (8.25% in the previous survey). For December 2009, this decreased by 0.13 percentage points (7.51, in the previous survey).

**INFLATION EXPECTATIONS
FOR DECEMBER 2008 AND FOR DECEMBER 2009**



SOURCE: Survey of Inflation Expectations from the Panel of Private Analysts.

In the opinion of the interviewed analysts, the main factors that could explain the forecast of inflation for 2008 are: the international price of oil, the prices of fuel, the price of raw material, the monetary policy performance and the fiscal policy performance.

Factors that could explain the inflation forecast for December 2008

-In percentage-

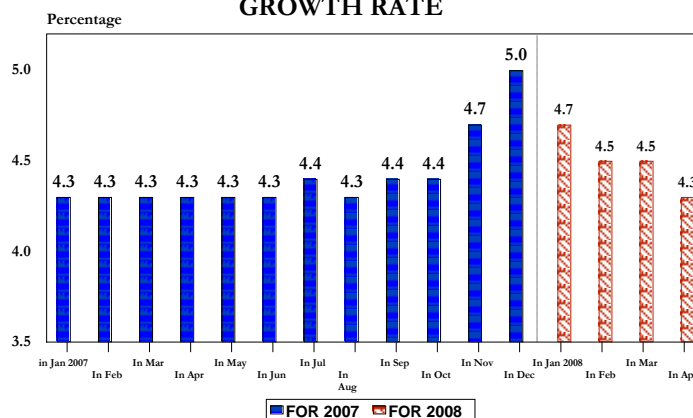
Factors	JANUARY	FEBRUARY	MARCH	APRIL
International price of oil	23.53	22.58	21.62	22.86
Prices of fuel	20.59	19.36	18.92	20.00
Prices of raw materials	8.82	22.58	16.21	17.14
Monetary policy performance	14.71	12.90	13.51	11.43
Fiscal policy performance	11.77	6.45	8.10	11.43
Seasonality of agricultural products	8.82	6.45	5.41	5.71
Nominal exchange rate	2.94	3.23	5.41	2.86
Climate conditions	8.82	6.45	5.41	2.86
Others	0.00	0.00	5.41	5.71
TOTAL	100.00	100.00	100.00	100.00



2. ECONOMIC ACTIVITY

The private analysts estimate that in 2008 the economic activity, measured by the Real Gross Domestic Product, will grow 4.3%, lower by 0.20 percentage points to the previous survey by economic analysts (4.5%).

GROWTH EXPECTATIONS OF THE REAL GROSS DOMESTIC PRODUCT FOR 2007 AND FOR 2008
GROWTH RATE



SOURCE: Survey of Inflation Expectations to the Panel of Private Analysts.

The main factors that could influence in the growth rate of the economic activity for 2008, according to the interviewed analysts, are: the levels of the interest rates (internal and external), the Free Trade Agreement with the United States of America, the strengthening of the internal market and the fiscal policy performance.

Factors that could promote the rhythm of the Economic Activity in 2008

-In percentage-

FACTORS	January	February	March	April
Levels of the interest rates (internal and external)	14.71	20.83	12.50	15.38
FTA with the United States of America	17.66	12.50	12.50	15.38
Strengthening of the internal market	14.71	16.67	15.63	11.54
Fiscal policy performance	5.88	8.33	12.50	11.54
Stability in the nominal exchange rate	8.82	4.17	9.37	7.69
Stability in the general level of prices	5.88	4.17	9.37	7.69
International price of oil	8.82	8.33	6.25	7.69
Price of fuels	8.82	4.17	6.25	7.69
Execution of mega-projects	5.88	12.50	12.50	3.86
Others	8.82	8.33	3.13	11.54
TOTAL	100.00	100.00	100.00	100.00



II. INDEX OF TRUST OF THE ECONOMIC ACTIVITY OF THE PANEL OF PRIVATE ANALYSTS

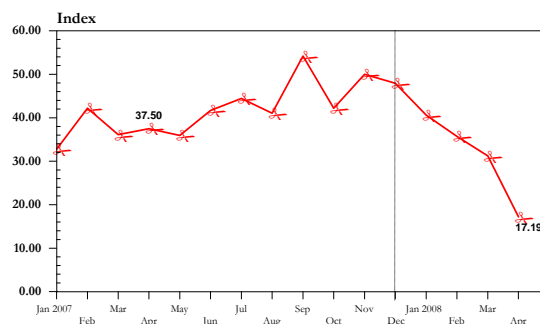
The Trust Index of the Economic Activity from the Panel of Private Analysts has the purpose of measuring the perception on the current economic situation and the environment for business that the interviewed economic analysts has, which is compared with the prevailing index in the recent past. Also, pursues obtaining an appreciation on the economic evolution of the country in the near future. For that purpose the private analysts were asked a series of questions, which results are as follows:

INDICATORS ON THE LEVEL OF TRUST

Question	2007												2008			
	January	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April
1. ¿Cómo considera que evolucione el clima de los negocios para las actividades productivas del sector privado en los próximos seis meses en comparación con los últimos seis meses?																
	Mejorará	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.1%	0.0%	10.0%	16.7%	12.5%	14.3%	0.0%	0.0%
	Igual	62.5%	62.5%	55.6%	62.5%	62.5%	83.3%	85.7%	88.9%	0.0%	80.0%	50.0%	75.0%	71.4%	62.5%	50.0%
2. ¿Cómo considera usted que actualmente la economía del país está mejor que hace un año?																
	Si	50.0%	50.0%	44.4%	50.0%	50.0%	44.4%	42.9%	77.8%	0.0%	0.0%	83.3%	37.5%	14.3%	37.5%	0.0%
	No	50.0%	50.0%	55.6%	50.0%	50.0%	55.6%	57.1%	22.2%	0.0%	0.0%	16.7%	62.5%	85.7%	62.5%	100.0%
3. ¿Espera usted que la evolución económica del país mejore durante los próximos seis meses?																
	Si	25.0%	50.0%	44.4%	37.5%	25.0%	33.3%	44.4%	42.9%	33.3%	0.0%	50.0%	16.7%	25.0%	28.7%	25.0%
	No	75.0%	50.0%	55.6%	62.5%	75.0%	66.7%	55.6%	57.1%	66.7%	0.0%	50.0%	83.3%	75.0%	71.4%	75.0%
4. ¿Cómo considera que sea la coyuntura actual de las empresas en el país para efectuar inversiones?																
	Buen momento	12.5%	12.5%	11.1%	12.5%	12.5%	16.7%	11.1%	14.3%	22.2%	0.0%	10.0%	16.7%	0.0%	0.0%	12.5%
	No está seguro	25.0%	25.0%	33.3%	37.5%	50.0%	50.0%	55.6%	42.9%	55.6%	0.0%	80.0%	66.7%	100.0%	62.5%	62.5%
5. ¿Cómo considera que sea la coyuntura actual de las empresas en el país para efectuar inversiones?																
	Mal momento	62.5%	62.5%	55.6%	50.0%	37.5%	33.3%	33.3%	42.9%	22.2%	0.0%	10.0%	16.7%	0.0%	37.5%	25.0%

In April 2008, the trust index level of the economic activity¹ was at 17.19, index lower by 44.99%, regarding the registered the month before (31.25) and lower by 54.16% regarding the observed in April the previous year (37.50).

TRUST INDEX OF THE ECONOMIC ACTIVITY
JANUARY 2007 - APRIL 2008



SOURCE: Survey of Inflation Expectations from the Panel of Private Analysts.

¹ The index is made based on four questions. Their calculation is derived from considering sub-indexes for each question; same that result from the balance of answers that are obtained subtracting, for each question, the percentage of positive answers, the percentage of negatives and add a constant of 100, with the purpose of avoiding negative quantities. The sub-indexes obtained this way for each question are averaged and the trust index results from expressing said average value as a percentage of the maximum possible average.



TRUST INDEX OF THE ECONOMIC ACTIVITY
JANUARY 2007 - APRIL DE 2008

Month	Index	Variation		
		Monthly	Inter-annual	Accumulated
2007				
January	32.81	-55.32	-55.18	-55.32
February	42.19	28.59	-48.07	-42.55
March	36.11	-14.41	-51.85	-50.83
April	37.50	3.85	-48.78	-48.94
May	35.94	-4.16	-53.37	-51.06
June	41.67	15.94	-44.44	-43.26
July	44.44	6.65	-42.13	-39.49
August	41.07	-7.58	-43.14	-44.08
September	54.17	31.90	-27.10	-26.24
October	42.19	-22.12	-44.77	-42.55
November	50.00	18.51	-28.89	-31.92
December	47.92	-4.16	-34.75	-34.75
2008				
January	40.63	-15.21	23.83	-15.21
February	35.72	-12.08	-15.34	-25.46
March	31.25	-12.51	-13.46	-34.79
April	17.19	-44.99	-54.16	-64.13