

Brazil Market Follows the US Uphill

Contributed by Jeremy Simon
Tuesday, 26 October 2004

Brazilian shares rose, bolstered by strong quarterly earnings announcements. Brazil's market followed a rebound in U.S. stocks, aided by an early dip in global oil prices that took some of the edge off inflation fears.

Also, news that U.S. consumer confidence fell in October, missing expectations, reduced fears of aggressive monetary tightening in the U.S. Rates hikes could draw capital away from emerging markets.

Brazil's benchmark Bovespa Index advanced 246.31 points. Brazilian receipts tracked gains in the U.S. market. In earnings news, steel slab exporter Companhia Siderurgica de Tubarão said its third-quarter net income more than doubled to 357.5 million reais from 178.3 reais in the corresponding period a year earlier, as revenue climbed 39% to 1.33 billion reais.

Still, that profit missed estimates for at least 400 million reais on high steel prices and a richer mix of products sold, due to sharply higher taxes and shipping delays that cut sales volumes.

Turning to other news, Brazil's planning minister, Guido Mantega, told Reuters in an interview that, "Brazil is growing at a rate of more than 4% a year. In 2004, we should have GDP growth of 4.5% to 5% and next year the growth should continue."

That outlook is more optimistic than the projection of 3.5% growth in the Brazilian central bank's most recent weekly poll of economists from almost 100 of the country's financial institutions.

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