

BRAZILIAN PETROLEUM CORP
Form 6-K
October 14, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of October, 2004

Commission File Number 1-15106

PETRÓLEO BRASILEIRO S.A. - PETROBRAS

(Exact name of registrant as specified in its charter)

Brazilian Petroleum Corporation - PETROBRAS

(Translation of Registrant's name into English)

**Avenida República do Chile, 65
20035-900 - Rio de Janeiro, RJ
Federative Republic of Brazil**
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Increase in Gasoline and Diesel Prices

(Rio de Janeiro, October 14, 2004). PETRÓLEO BRASILEIRO S/A - PETROBRAS, [Bovespa: PETR3/PETR4, NYSE: PBR/PBRA, Latibex: XPBR/XPBRA], a Brazilian international energy company, is notifying its customers today, an increase in the price of its products according to the following table, coming into effect from midnight on October 15, 2004 (Increases in invoicing prices at Petrobras refineries, without ICMS - average figures for Brazil).

| Increase: | with CIDE and PIS/Cofins |
|------------------|---------------------------------|
| Gasoline | 2.4 % |
| Diesel | 4.8 % |

The price of gasoline and diesel in the refineries is composed by Petrobras realization price and federal and state taxes. The federal taxes, CIDE and PIS/Cofins, have fixed values, as shown in the table below:

| Product | Unit | PIS / Cofins | CIDE |
|----------|-------|--------------|------|
| Gasoline | R\$/l | 0.2616 | 0.28 |
| Diesel | R\$/l | 0.1480 | 0.07 |

The adjustments in the realization prices of Petrobras (prices without taxes) are 4.0%, for the gasoline, and of 6.0%, for diesel - average figures for Brazil.

With the adjustments mentioned above, it is estimated that the impact in the consumer prices is close to 1.6% in gasoline and 3.8% in diesel - Brazil average figures, considering the same distribution and retail margins , alcohol price and ICMS as currently practiced.

<http://www.petrobras.com.br/ri/english>

Contacts:

PETRÓLEO BRASILEIRO S.A PETROBRAS
Investor Relations Department
 Raul Adalberto de Campos Executive Manager
 E-mail: petroinvest@petrobras.com.br
 Av. República do Chile, 65 - 4th floor
 20031-912 Rio de Janeiro, RJ
 (55-21) 2534-1510 / 2534-9947

This document may contain forecasts that merely reflect the expectations of the Company s management. Such terms as anticipate , believe , expect , forecast , intend , plan , project , seek , should , along with similar or analogous expressions, are used to identify such forecasts. These predictions involve risks and uncertainties, whether foreseen or not by the Company. Therefore, the future results of operations may differ from current expectations, and readers must not base their expectations exclusively on the information presented herein.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: October 14, 2004

PETRÓLEO BRASILEIRO
S.A--PETROBRAS

By: */s/* José Sergio Gabrielli de
Azevedo

**José Sergio Gabrielli de
Azevedo
Chief Financial Officer
and Investor Relations
Director**

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
