



I. Open market and foreign exchange swap operations

In June, the Central Bank borrowed funds through security selling auctions with commitment of repurchase in three and six months. In the three-month operations settled over the month, the Central Bank sold LTN, NTN-B and NTN-F, in percentages of 54.9%, 30.9% and 14.2%, respectively. The financial volume of such long-term repurchase operations reached R\$20.0 billion and repurchases related to previous operations hit R\$24.8 billion, causing a monetary expansion of R\$4.8 billion. In the six-month operations settled over the month, the Central Bank sold NTN-F, NTN-B and LTN, in percentages of 45.6%, 37.4% and 17.0%, respectively. The financial volume of such long-term repurchase operations reached R\$13.1 billion and repurchases related to previous operations hit R\$8.0 billion, causing a monetary contraction of R\$5.1 billion. As a result, the balance of outstanding three-month repurchase operations, accrued by the contracted rates, went from R\$70.6 billion on 5/30 to R\$66.4 billion on 6/30. In the same period, the average term to mature of such operations came from 32 to 33 business days. With respect to the six-month repo operations, the balance accrued by the contracted rates went from R\$87.3 billion on 5/30 to R\$93.2 billion on 6/30. In the same period, the average term to mature of such operations varied from 65 to 60 business days.

In managing short-term liquidity, the Central Bank borrowed funds overnight in all business days of the month. The average financial volume of these borrowing operations reached R\$95.7 billion at a maximum rate of 10.91% p.y.

On 6/2, standing facilities were accessed to borrow R\$430.0 million, at a rate of 10.10% p.y.

On every business day of the month, except on 6/12, the Central Bank offered contracts in traditional foreign exchange swap auctions. In these events were signed 5,600 contracts maturing on 12/1/2014, 62,100 contracts maturing on 2/2/2015, 42,900 contracts maturing on 4/1/2015, 70,300 contracts maturing on 5/4/2015, 8,300 contracts maturing on 6/1/2015 and 61,800 contracts maturing on 7/1/2015, totaling the equivalent of US\$12.6 billion. On the last day of the month, the foreign exchange swap net long position reached US\$89.9 billion.



II. Secondary market transactions with federal securities registered in Selic

In June, the volume of outright operations among market institutions with Selic-registered federal public securities decreased 6.0% as against the previous month, totaling R\$15.8 billion and 2,006 operations per day, on average.

Operations with fixed-rate securities (LTN and NTN-F) raised 10.8% as against the previous month totaling R\$9.2 billion, or 58.1% share of the total market. On the other hand, on the segment of inflation-linked securities (NTN-B and NTN-C), trading volume decreased 29.0% as against May and was responsible for an average daily trade volume of R\$3.9 billion, equivalent to a 24.5% share of the secondary market. On the floating rate (LFT) segment, the average daily trade volume decreased 10.5% as against the previous month, totaling R\$2.7 billion, which was equivalent to a 17.3% share of the total market.

The most traded security in the secondary market, on the financial volume criteria, was the LTN due on 1/1/2017, with a daily average of R\$1.1 billion, corresponding to 7.1% of the whole secondary market. Next in rank, came the LTN maturing on 7/1/2014 and on 10/1/2014, with daily averages of R\$1.1 billion and R\$934.8 million, respectively. The security with the highest number of trades in the secondary market was the LFT due on 3/7/2015, with an average of 272 trades per day.

The daily average financial volume of forward operations decreased 4.4%, reaching R\$6.5 billion in June. On the segment of fixed-rate securities, forward negotiation rose 21.6% as against the previous month, reaching R\$4.2 billion. Transactions with inflation-linked securities declined 31.2% as against the previous month, totaling R\$2.3 billion. The LTN due on 1/1/2017 was the most transacted security, with a financial volume of R\$659.7 million and a share of 10.1% of total trade.

Repurchase operations, except those performed with the Central Bank, reached daily averages of R\$770.9 billion and 5,866 operations. Intraday repos recorded daily averages of R\$3.6 billion and 12 operations.

Overnight operations corresponded to 98.1% of total repurchase operations, recording daily averages of R\$756.6 billion and 5,739 operations. Repurchase operations maturing over one business day, allowing trade of collateral, recorded daily averages of R\$402.9 million and 14 operations. Regarding those not allowing transaction of collateral, daily averages were R\$10.3 billion and 102 transactions.

The daily average of outright brokerage operations decreased 0.8% as against the previous month, to R\$5.9 billion. Their share of total outright operations changed from 35.1% to 37.0%. In June, the lowest traded volume was R\$1.2 billion, on 6/13, and the highest, R\$14.0 billion, on 6/27.



Considering only fixed-rate securities, the financial volume of outright brokerage operations increased from R\$3.0 billion in May to R\$3.4 billion in June. The number of operations came from 66 to 80 per day on average. Their share of this segment rose from 36.2% to 37.2%.

In the group of inflation-linked securities, the volume of outright operations with brokers was R\$1.3 billion, corresponding to 33.8% of the joint NTN-B and NTN-C market.

The LTN due on 4/1/2016, which recorded in June a daily average of R\$527.8 million in brokerage transactions, or 74.2% of its total outright operations, was the most traded security by brokers.

The financial volume of repurchase operations with brokers reached a daily average of R\$5.1 billion.