



## I. Open market and foreign exchange swap operations

In August, 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 63.0%, 23.3% and 13.7%, respectively. The financial volume of such long-term repurchase operations reached R\$32.9 billion and repurchases related to previous operations hit R\$24.8 billion, causing a monetary contraction of R\$8.1 billion. In the six-month operations settled over the month, the Central Bank sold NTN-F, LTN and NTN-B, in percentages of 39.6%, 38.2% and 22.2%, respectively. The financial volume of such long-term repurchase operations reached R\$14.7 billion and repurchases related to previous operations hit R\$14.1 billion, causing a monetary contraction of R\$560.9 million. As a result, the balance of outstanding three-month repurchase operations, accrued by the contracted rates, went from R\$67.3 billion on 7/31 to R\$75.6 billion on 8/29. In the same period, the average term to mature of such operations came from 31 to 36 business days. With respect to the six-month repo operations, the balance accrued by the contracted rates went from R\$87.1 billion on 7/31 to R\$87.9 billion on 8/29. In the same period, the average term to mature of such operations remained unchanged (58 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\$182.8 billion at a maximum rate of 10.91% p.y.

Along the month, there were no standing facilities.

On every business day of the month, the Central Bank offered contracts in traditional foreign exchange swap auctions. In these events were signed 39,500 contracts maturing on 2/2/2015, 72,850 contracts maturing on 5/4/2015, 21,300 contracts maturing on 6/1/2015, 107,150 contracts maturing on 8/3/2015 and 23,200 contracts maturing on 9/1/2015, totaling the equivalent of US\$13.2 billion. On the last day of the month, the foreign exchange swap net long position reached US\$94.2 billion.



## II. Secondary market transactions with federal securities registered in Selic

In August, the volume of outright operations among market institutions with Selic-registered federal public securities increased 11.2% as against the previous month, totaling R\$15.7 billion and 2,158 operations per day, on average.

Operations with fixed-rate securities (LTN and NTN-F) raised 0.3% as against the previous month totaling R\$7.9 billion, or 50.5% share of the total market. Likewise, on the segment of inflation-linked securities (NTN-B and NTN-C), trading volume increased 29.6% as against July and was responsible for an average daily trade volume of R\$5.1 billion, equivalent to a 32.4% share of the secondary market. On the floating rate (LFT) segment, the average daily trade volume increased 17.4% as against the previous month, totaling R\$2.7 billion, which was equivalent to a 17.1% share of the total market.

The most traded security in the secondary market, on the financial volume criteria, was the NTN-B due on 8/15/2016, with a daily average of R\$1.2 billion, corresponding to 7.4% of the whole secondary market. Next in rank, came the LTN maturing on 1/1/2017 and on 1/1/2015, with daily averages of R\$1.1 billion and R\$801.3 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 279 trades per day.

The daily average financial volume of forward operations increased 11.9%, reaching R\$6.4 billion in August. On the segment of fixed-rate securities, forward negotiation rose 1.7% as against the previous month, reaching R\$3.4 billion. Transactions with inflation-linked securities raised 25.6% as against the previous month, totaling R\$3.0 billion. The NTN-B due on 8/15/2016 was the most transacted security, with a financial volume of R\$837.7 million and a share of 13.1% of total trade.

Repurchase operations, except those performed with the Central Bank, reached daily averages of R\$892.9 billion and 5,941 operations. Intraday repos recorded daily averages of R\$3.6 billion and 11 operations.

Overnight operations corresponded to 98.5% of total repurchase operations, recording daily averages of R\$879.6 billion and 5,865 operations. Repurchase operations maturing over one business day, allowing trade of collateral, recorded daily averages of R\$526.0 million and 29 operations. Regarding those not allowing transaction of collateral, daily averages were R\$9.2 billion and 36 transactions.

The daily average of outright brokerage operations increased 16.6% as against the previous month, to R\$5.9 billion. Their share of total outright operations changed from 35.9% to 37.6%. In August, the lowest traded volume was R\$3.9 billion, on 8/14, and the highest, R\$8.4 billion, on 8/29.



Considering only fixed-rate securities, the financial volume of outright brokerage operations increased from R\$2.9 billion in July to R\$3.0 billion in August. The number of operations came from 71 to 70 per day on average. Their share of this segment rose from 37.0% to 37.7%.

In the group of inflation-linked securities, the volume of outright operations with brokers was R\$1.8 billion, corresponding to 36.1% of the joint NTN-B and NTN-C market.

The NTN-B due on 8/15/2016, which recorded in August a daily average of R\$507.1 million in brokerage transactions, or 43.6% 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.