



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 70.3%, 23.5% and 6.2%, respectively. The financial volume of such long-term repurchase operations reached R\$58.3 billion and repurchases related to previous operations hit R\$66.2 billion, causing a monetary expansion of R\$8.0 billion. In the six-month operations settled over the month, the Central Bank sold NTN-B, NTN-F and LTN, in percentages of 40.1%, 30.8% and 29.1%, respectively. The financial volume of such long-term repurchase operations reached R\$24.2 billion and repurchases related to previous operations hit R\$15.9 billion, causing a monetary contraction of R\$8.4 billion. As a result, the balance of outstanding three-month repurchase operations, accrued by the contracted rates, went from R\$137.1 billion on 7/31 to R\$129.8 billion on 8/31. In the same period, the average term to mature of such operations came from 25 to 33 business days. With respect to the six-month repo operations, the balance accrued by the contracted rates went from R\$107.0 billion on 7/31 to R\$116.0 billion on 8/31. In the same period, the average term to mature of such operations varied from 67 to 68 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\$114.2 billion at a maximum rate of 14.15% p.y.

Along the month, there were no standing facilities.

On every business day of the month, except on 8/31, the Central Bank offered contracts in traditional foreign exchange swap auctions. In these events were signed 79,155 contracts maturing on 7/1/2016, 14,770 contracts maturing on 8/1/2016 and 106,075 contracts maturing on 12/1/2016, totaling the equivalent of US\$10.0 billion. On the last day of the month, the foreign exchange swap net long position reached US\$103.9 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 18.2% as against the previous month, totaling R\$24.1 billion and 2,490 operations per day, on average.

Operations with fixed-rate securities (LTN and NTN-F) raised 12.0% as against the previous month totaling R\$13.4 billion, or 55.5% share of the total market. Likewise, on the segment of inflation-linked securities (NTN-B and NTN-C), trading volume increased 35.2% as against July and was responsible for an average daily trade volume of R\$6.9 billion, equivalent to a 28.4% share of the secondary market. On the floating rate (LFT) segment, the average daily trade volume increased 14.6% as against the previous month, totaling R\$3.9 billion, which was equivalent to a 16.1% share of the total market.

The most traded security in the secondary market, on the financial volume criteria, was the LTN due on 4/1/2016, with a daily average of R\$2.0 billion, corresponding to 8.4% of the whole secondary market. Next in rank, came the LTN maturing on 10/1/2015 and the LFT maturing on 9/1/2021, both with a daily average of R\$1.5 billion. The security with the highest number of trades in the secondary market was the LFT due on 9/7/2015, with an average of 272 trades per day.

The daily average financial volume of forward operations increased 23.5%, reaching R\$10.9 billion in August. On the segment of fixed-rate securities, forward negotiation rose 24.0% as against the previous month, reaching R\$6.5 billion. Transactions with inflation-linked securities raised 22.7% as against the previous month, totaling R\$4.4 billion. The NTN-B due on 5/15/2019 was the most transacted security, with a financial volume of R\$948.3 million and a share of 8.7% of total trade.

Repurchase operations, except those performed with the Central Bank, reached daily averages of R\$883.8 billion and 6,160 operations. Intraday repos recorded daily averages of R\$3.3 billion and 14 operations.

Overnight operations corresponded to 99.5% of total repurchase operations, recording daily averages of R\$879.0 billion and 6,081 operations. Repurchase operations maturing over one business day, allowing trade of collateral, recorded daily averages of R\$746.6 million and 44 operations. Regarding those not allowing transaction of collateral, daily averages were R\$784.5 million and 22 transactions.

The daily average of outright brokerage operations increased 11.8% as against the previous month, to R\$8.8 billion. Their share of total outright operations changed from 38.7% to 36.6%. In August, the lowest traded volume was R\$4.2 billion, on 8/4, and the highest, R\$14.5 billion, on 8/14.



Considering only fixed-rate securities, the financial volume of outright brokerage operations increased from R\$5.0 billion in July to R\$5.5 billion in August. The number of operations came from 107 to 115 per day on average. Their share of this segment fell from 41.6% to 40.8%.

In the group of inflation-linked securities, the volume of outright operations with brokers was R\$2.1 billion, corresponding to 30.1% of the joint NTN-B and NTN-C market.

The LTN due on 4/1/2016, which recorded in August a daily average of R\$688.4 million in brokerage transactions, or 34.0% 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\$4.8 billion.