



## 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-F and NTN-B, in percentages of 50.0%, 32.2% and 17.7%, respectively. The financial volume of such long-term repurchase operations reached R\$30.5 billion and repurchases related to previous operations hit R\$24.6 billion, causing a monetary contraction of R\$5.9 billion. In the six-month operations settled over the month, the Central Bank sold LTN, NTN-F and NTN-B, in percentages of 45.3%, 34.3% and 20.4%, respectively. The financial volume of such long-term repurchase operations reached R\$24.5 billion and repurchases related to previous operations hit R\$15.5 billion, causing a monetary contraction of R\$9.0 billion. As a result, the balance of outstanding three-month repurchase operations, accrued by the contracted rates, went from R\$85.1 billion on 5/31 to R\$92.0 billion on 6/30. In the same period, the average term to mature of such operations came from 35 to 33 business days. With respect to the six-month repo operations, the balance accrued by the contracted rates went from R\$82.2 billion on 5/31 to R\$92.2 billion on 6/30. In the same period, the average term to mature of such operations varied from 55 to 64 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\$159.4 billion at a maximum rate of 14.15% p.y. The Central Bank also held a borrowing intervention on 6/9 with term to mature of 30 business days and financial volume of R\$668.5 billion, at a maximum rate of 14.18% p.y.

Along the month, there were no standing facilities.

Along the month, there were no foreign exchange swap auctions. On the last day of the month, the foreign exchange swap net long position reached US\$62.1 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 increased 13.2% as against the previous month, totaling R\$24.9 billion and 2,229 operations per day, on average.

Operations with fixed-rate securities (LTN and NTN-F) raised 29.9% as against the previous month totaling R\$16.3 billion, or 65.3% share of the total market. On the other hand, on the segment of inflation-linked securities (NTN-B and NTN-C), trading volume decreased 12.8% as against May and was responsible for an average daily trade volume of R\$5.9 billion, equivalent to a 23.5% share of the secondary market. On the floating rate (LFT) segment, the average daily trade volume increased 0.7% as against the previous month, totaling R\$2.8 billion, which was equivalent to an 11.2% share of the total market.

The most traded security in the secondary market, on the financial volume criteria, was the LTN due on 4/1/2018, with a daily average of R\$2.2 billion, corresponding to 8.9% of the whole secondary market. Next in rank, came the LTN maturing on 7/1/2016 and on 10/1/2016, with daily averages of R\$2.0 billion and R\$1.9 billion, respectively. The security with the highest number of trades in the secondary market was the NTN-B due on 5/15/2021, with an average of 153 trades per day.

The daily average financial volume of forward operations increased 35.1%, reaching R\$14.6 billion in June. On the segment of fixed-rate securities, forward negotiation rose 56.3% as against the previous month, reaching R\$9.9 billion. Transactions with inflation-linked securities raised 4.3% as against the previous month, totaling R\$4.7 billion. The LTN due on 4/1/2018 was the most transacted security, with a financial volume of R\$2.0 billion and a share of 13.9% of total trade.

Repurchase operations, except those performed with the Central Bank, reached daily averages of R\$980.4 billion and 6,094 operations. Intraday repos recorded daily averages of R\$3.9 billion and 15 operations.

Overnight operations corresponded to 98.4% of total repurchase operations, recording daily averages of R\$965.1 billion and 6,037 operations. Repurchase operations maturing over one business day, allowing trade of collateral, recorded daily averages of R\$756.1 million and 9 operations. Regarding those not allowing transaction of collateral, daily averages were R\$10.6 billion and 33 transactions.

The daily average of outright brokerage operations increased 17.6% as against the previous month, to R\$8.8 billion. Their share of total outright operations changed from 34.2% to 35.5%. In June, the lowest traded volume was R\$3.7 billion, on 6/7, and the highest, R\$15.5 billion, on 6/24.



Considering only fixed-rate securities, the financial volume of outright brokerage operations increased from R\$4.6 billion in May to R\$6.1 billion in June. The number of operations came from 101 to 119 per day on average. Their share of this segment rose from 36.8% to 37.2%.

In the group of inflation-linked securities, the volume of outright operations with brokers was R\$1.4 billion, corresponding to 24.2% of the joint NTN-B and NTN-C market.

The LTN due on 4/1/2018, which recorded in June a daily average of R\$995.6 million in brokerage transactions, or 44.8% 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\$4.7 billion.