



# Federal Public Debt Monthly Report

May / 2013

Brasília

**MINISTER OF FINANCE**

Guido Mantega

**NATIONAL TREASURY SECRETARY**

Arno Hugo Augustin Filho

**NATIONAL TREASURY SUBSECRETARIES**

Cleber Ubiratan de Oliveira

Eduardo Coutinho Guerra

Gilvan da Silva Dantas

Lísio Fábio de Brasil Camargo

Marcus Pereira Aucélio

Paulo Fontoura Valle

**TECHNICAL TEAM**

**Public Debt Subsecretary**

Paulo Fontoura Valle

**Coordinator: Public Debt Operations**

Fernando Eurico de Paiva Garrido

**Coordinator: Public Debt Strategic Planning**

Otávio Ladeira de Medeiros

**Coordinator: Public Debt Control**

Antônio de Pádua Ferreira Passos

**Information:**

Gerência de Relacionamento Institucional - GERIN

Tel: (61) 3412-3188; Fax: (61) 3412-1565

**Secretaria do Tesouro Nacional (National Treasury Secretariat)**

Edifício Sede do Ministério da Fazenda, Esplanada dos Ministérios, Bloco P, 2º andar

70048-900 - Brasília - DF

**Correio Eletrônico:** [stndivida@fazenda.gov.br](mailto:stndivida@fazenda.gov.br)

**Home Page:** <http://www.tesouro.fazenda.gov.br>

The Federal Public Debt Monthly Report is published by the National Treasury Secretariat. Total or partial reproduction is permitted, mentioned its source.

---

**Contents**

<b>1</b>	<b>Primary Market Transactions</b>	<b>5</b>
<b>1.1</b>	<b>FPD Issuances and Redemptions</b>	<b>5</b>
<b>1.2</b>	<b>Domestic Federal Public Debt -DFPD</b>	<b>6</b>
	DFPD Issuances and Redemptions	6
	Treasury Direct Program	8
	Direct Issuances and Cancellations	9
<b>1.3</b>	<b>External Federal Public Debt -EFPD</b>	<b>10</b>
<b>2</b>	<b>Outstanding Federal Public Debt - FPD</b>	<b>11</b>
<b>2.1</b>	<b>Evolution</b>	<b>11</b>
<b>2.2</b>	<b>Variation Factors</b>	<b>12</b>
<b>2.3</b>	<b>Profile</b>	<b>13</b>
	Indexes	13
	Holderes	14
<b>3</b>	<b>Federal Public Debt - FPD Maturity Profile</b>	<b>15</b>
<b>3.1</b>	<b>Maturities</b>	<b>15</b>
<b>3.2</b>	<b>Average Maturity</b>	<b>16</b>
<b>3.3</b>	<b>Average Life</b>	<b>17</b>
<b>4</b>	<b>Federal Public Debt - FPD Average Cost</b>	<b>18</b>
<b>4.1</b>	<b>Outstanding Average Cost</b>	<b>18</b>
<b>4.2</b>	<b>Average Cost of DFPD Issuances - Public Offerings</b>	<b>19</b>
<b>5</b>	<b>Secondary Market of Federal Public Securities</b>	<b>21</b>
<b>5.1</b>	<b>Secondary Market Turnover</b>	<b>21</b>
<b>5.2</b>	<b>Public Securities Yield</b>	<b>23</b>

## TABLES

Table 1.1 - FPD Issuances and Redemptions Held by the Public	5
Table 1.2 - FPD Issuances and Redemptions Held by the Public, by index	5
Table 1.3 - Issuances and Redemptions of DFPD Public Securities	6
Table 1.4 - Treasury Direct Program	8
Table 1.5 - Registered Investors Profile	8
Table 1.6 - DFPD Non-competitive Issuances	9
Table 1.7 - EFPD Issuances and Redemptions	10
Table 2.1 - Outstanding FPD Held by the Public	11
Table 2.2 - FPD Variation Factors Held by the Public	12
Table 2.3 - FPD Profile Held by the Public	13
Table 2.4 - DFPD Public Securities Holders	14
Table 3.1 - FPD Maturities Held by the Public	15
Table 3.2 - Federal Public Debt Held by the Public Due in 12 Months, by index	15
Table 3.3 - FPD Average Maturity	16
Table 3.4 - Average Maturity of DFPD Issuances - Public Offerings, by index	16
Table 3.5 - FPD Average Life Held by the Public	17
Table 4.1 - FPD Average Cost	18
Table 4.2 - Average Cost of DFPD Issuances - Public Offerings	19
Table 5.1 - Secondary Market Turnover, by Security	21
Table 5.2 - Top 5 Maturities Turnover in the Secondary Market, by index	22

## GRAPHS

Graph 1.1 - DFPD Issuances and Redemptions	7
Graph 1.2 - EFPD Issuances and Redemptions	10
Graph 2.1 - FPD Profile, by index	13
Graph 2.2 - Portfolio Profile, by holder	14
Graph 2.3 - Average Maturity Profile, by holder	14
Graph 3.1 - Average Maturity of DFPD Issuances on Public Offerings Vs Outstanding Average Maturity	16
Graph 4.1 - FPD, DFPD and EFPD Average Cost and Selic Rate - over the past 12 months	18
Graph 4.2 - Outstanding Average Cost and Average Cost of DFPD Issuances	19
Graph 4.3 - Average Cost of DFPD Issuances, by Security	20
Graph 5.1 - Secondary Market of Public Securities - Daily Turnover as Percentage of Respective Outstanding Volume	21
Graph 5.2 - Public Securities Yield	23
Graph 5.3 - Public Securities Yield Evolution - Overall IMA	23

## 1. Primary Market Transactions

### 1.1. FPD Issuances and Redemptions

In the month of May, Federal Public Debt - FPD<sup>1</sup> issuances came to R\$ 37.86 billion, while redemptions totaled R\$ 65.09 billion, generating net redemptions of R\$ 27.24 billion, with R\$ 27.84 billion in net redemptions of Domestic Federal Public Debt - DFPD and R\$ 0.60 billion in net issuances of External Federal Public Debt - EFPD.

**TABLE 1.2 FPD ISSUANCES AND REDEMPTIONS HELD BY THE PUBLIC, BY INDEX - MAY 2013**  
(R\$ Mn)

	Issuances		Redemptions		Net Issuance
<b>FPD</b>	<b>37.856,20</b>		<b>65.092,32</b>		<b>(27.236,11)</b>
<b>DFPD</b>	<b>36.128,86</b>	<b>100,00%</b>	<b>63.968,60</b>	<b>100,00%</b>	<b>(27.839,75)</b>
Fixed Rate	17.029,11	47,13%	29,83	0,05%	16.999,28
Inflation Linked	13.388,87	37,06%	63.623,63	99,46%	(50.234,76)
Floating	5.710,88	15,81%	255,77	0,40%	5.455,11
FX-linked	-	0,00%	59,37	0,09%	(59,37)
<b>EFPD</b>	<b>1.727,35</b>	<b>100,00%</b>	<b>1.123,71</b>	<b>100,00%</b>	<b>603,63</b>
USD	1.727,35	100,00%	477,30	42,48%	1.250,05
EURO	-	0,00%	633,93	56,41%	(633,93)
BRL	-	0,00%	-	0,00%	-
Other	-	0,00%	12,48	1,11%	(12,48)

Historical Data: Annex 1.2

**TABLE 1.1**

**FPD ISSUANCES AND REDEMPTIONS HELD BY THE PUBLIC - MAY 2013**

(R\$ Mn)

	1 <sup>st</sup> Week May 2 to May 3	2 <sup>nd</sup> Week May 6 to May 10	3 <sup>rd</sup> Week May 13 to May 17	4 <sup>th</sup> Week May 20 to May 24	5 <sup>th</sup> Week May 27 to May 31	Total May/2013
<b>FPD ISSUANCES</b>	<b>6.031,29</b>	<b>6.146,54</b>	<b>22.675,84</b>	<b>2.764,63</b>	<b>237,90</b>	<b>37.856,20</b>
<b>I - DFPD</b>	<b>5.972,28</b>	<b>6.145,46</b>	<b>21.030,88</b>	<b>2.742,33</b>	<b>237,90</b>	<b>36.128,86</b>
Public Offerings	5.545,53	4.079,03	14.920,03	2.698,36	197,70	27.440,66
Non-competitive Issuances with cash inflow <sup>1</sup>	404,70	23,45	-	-	-	428,15
Non-competitive Issuances without cash inflow <sup>2</sup>	6,58	2.000,00	26,45	3,66	-	2.036,69
Exchanges	-	-	6.034,06	-	-	6.034,06
Treasury Direct	15,46	42,99	50,34	40,31	40,20	189,29
Portfolio Reallocation <sup>3</sup>	-	-	-	-	-	-
<b>II - EFPD</b>	<b>59,01</b>	<b>1,08</b>	<b>1.644,96</b>	<b>22,30</b>	<b>-</b>	<b>1.727,35</b>
Securities	-	-	1.618,32	-	-	1.618,32
Contractual	59,01	1,08	26,64	22,30	-	109,03
<b>FPD REDEMPTIONS</b>	<b>833,17</b>	<b>50,22</b>	<b>63.916,74</b>	<b>223,90</b>	<b>68,29</b>	<b>65.092,32</b>
<b>III - DFPD</b>	<b>214,73</b>	<b>46,60</b>	<b>63.563,49</b>	<b>82,55</b>	<b>61,24</b>	<b>63.968,60</b>
Maturities	171,49	4,71	57.236,60	10,36	33,82	57.456,98
Purchases	27,63	9,44	205,25	30,83	-	273,14
Exchanges <sup>3</sup>	-	-	6.034,04	-	-	6.034,04
Treasury Direct	15,53	32,46	87,10	37,96	27,29	200,34
Dividends Payments <sup>4</sup>	-	-	-	-	-	-
Cancelled Bonds	0,08	-	0,50	3,39	0,13	4,10
<b>IV - EFPD</b>	<b>618,45</b>	<b>3,61</b>	<b>353,25</b>	<b>141,35</b>	<b>7,05</b>	<b>1.123,71</b>
Securities	-	-	347,49	39,15	-	386,64
Contractual	618,45	3,61	5,76	102,20	7,05	737,07
<b>NET ISSUANCES</b>	<b>5.198,12</b>	<b>6.096,33</b>	<b>(41.240,90)</b>	<b>2.540,73</b>	<b>169,61</b>	<b>(27.236,11)</b>
DFPD (I - III)	5.757,56	6.098,86	(42.532,61)	2.659,78	176,66	(27.839,75)
EFPD (II - IV)	(559,44)	(2,53)	1.291,71	(119,05)	(7,05)	603,63

<sup>1</sup> Non-competitive issuances that involve inflow cash resources as counterpart;

<sup>2</sup> Non-competitive issuances that do not involve inflow cash resources as counterpart;

<sup>3</sup> Refers to definitive buy/sell transactions of securities from National Treasury by Central Bank on the market. Positive values mean sales exceeded purchases;

<sup>4</sup> Refers to redemptions of securities in order to pay dividends and/or interests over own capital from entity in which government has share, related to the profit of the fiscal year.

Historical Data: Annex 1.1

<sup>1</sup> All data in this report refer to FPD held by the public.

## 1.2. Domestic Federal Public Debt - DFPD

### DFPD Issuances and Redemptions

DFPD security issuances totaled R\$ 36.13 billion: R\$ 17.03 billion (47.13%) in fixed-rate securities; R\$ 13.39 billion (37.06%) in inflation-linked securities and R\$ 5.71 billion (15.81%) in floating-rate securities. Analysis of total issuances reveals that R\$ 27.44 billion were issued in traditional auctions and R\$ 6.03 billion in exchange auctions, coupled with R\$ 0.19 billion in sales through the Treasury Direct Program (p.8) and R\$ 2.46 billion in direct issuances (p.9).

In LTN auctions, total issuances added up to R\$ 14.07 billion in securities maturing between October 2013 and January 2017, with cash payments.

As regards NTN-B auctions (IPCA-linked securities), issuances came to a total of R\$ 12.85 billion, maturing between August 2018 and 2050, including R\$ 6.82 billion in cash payments and R\$ 6.03 billion in exchanges for shorter-term securities. In the case of NTN-F auctions, issuances totaled R\$ 0.91 billion, in securities maturing between January 2019 and January 2023, with payment in cash. In LFT auctions, total issuances added up to R\$ 5.65 billion, maturing at September 2018, also with cash payments.

	1st Week May 2 to May 3	2nd Week May 6 to May 10	3rd Week May 13 to May 17	4th Week May 20 to May 24	5th Week May 27 to May 31	Total May/2013
<b>I - ISSUANCES</b>	<b>5.972,28</b>	<b>6.145,46</b>	<b>21.030,88</b>	<b>2.742,33</b>	<b>237,90</b>	<b>36.128,86</b>
<i>Sales</i>	<i>5.545,53</i>	<i>4.079,03</i>	<i>14.920,03</i>	<i>2.698,36</i>	<i>197,70</i>	<i>27.440,66</i>
LFT	-	-	5.646,20	-	-	5.646,20
LTN	5.545,53	3.370,82	2.655,20	2.501,12	-	14.072,67
NTN-B	-	-	6.618,63	-	197,70	6.816,34
NTN-F	-	708,21	-	197,25	-	905,46
<i>Exchanges</i>	<i>-</i>	<i>-</i>	<i>6.034,06</i>	<i>-</i>	<i>-</i>	<i>6.034,06</i>
LFT	-	-	-	-	-	-
LTN	-	-	-	-	-	-
NTN-B	-	-	6.034,06	-	-	6.034,06
NTN-F	-	-	-	-	-	-
<i>Treasury Direct</i>	<i>15,46</i>	<i>42,99</i>	<i>50,34</i>	<i>40,31</i>	<i>40,20</i>	<i>189,29</i>
LFT	3,03	7,98	6,00	6,62	4,36	27,99
LTN	3,20	7,40	9,05	9,03	7,52	36,19
NTN-B	8,28	24,83	31,09	22,02	24,11	110,32
NTN-F	0,96	2,77	4,21	2,63	4,21	14,78
<i>Portfolio Transfer</i> <sup>1</sup>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Non-competitive Issuances with cash inflow</i> <sup>2</sup>	<i>404,70</i>	<i>23,45</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>428,15</i>
<i>Non-competitive Issuances without cash inflow</i> <sup>3</sup>	<i>6,58</i>	<i>2.000,00</i>	<i>26,45</i>	<i>3,66</i>	<i>-</i>	<i>2.036,69</i>
<b>II - REDEMPTIONS</b>	<b>214,73</b>	<b>46,60</b>	<b>63.563,49</b>	<b>82,55</b>	<b>61,24</b>	<b>63.968,60</b>
<i>Maturities</i>	<i>171,49</i>	<i>4,71</i>	<i>57.236,60</i>	<i>10,36</i>	<i>33,82</i>	<i>57.456,98</i>
LFT	12,68	4,71	12,03	10,36	33,82	73,61
LTN	-	-	-	-	-	-
NTN-B	-	-	57.147,15	-	-	57.147,15
NTN-C	-	-	-	-	-	-
NTN-F	-	-	-	-	-	-
Other	158,80	-	77,41	-	-	236,22
<i>Purchases</i>	<i>27,63</i>	<i>9,44</i>	<i>205,25</i>	<i>30,83</i>	<i>-</i>	<i>273,14</i>
LFT	-	-	-	-	-	-
LTN	-	-	-	-	-	-
NTN-B	-	-	-	-	-	-
NTN-F	-	-	-	-	-	-
Other	27,63	9,44	205,25	30,83	-	273,14
<i>Exchanges</i>	<i>-</i>	<i>-</i>	<i>6.034,04</i>	<i>-</i>	<i>-</i>	<i>6.034,04</i>
LFT	-	-	10,02	-	-	10,02
LTN	-	-	-	-	-	-
NTN-B	-	-	6.024,03	-	-	6.024,03
NTN-C	-	-	-	-	-	-
NTN-F	-	-	-	-	-	-
Other	-	-	-	-	-	-
<i>Treasury Direct</i>	<i>15,53</i>	<i>32,46</i>	<i>87,10</i>	<i>37,96</i>	<i>27,29</i>	<i>200,34</i>
LFT	1,21	4,24	2,20	2,94	3,67	14,25
LTN	1,96	5,49	5,22	3,82	3,18	19,66
NTN-B	11,40	20,51	76,87	29,22	18,06	156,06
NTN-C	0,00	0,02	-	0,13	0,04	0,20
NTN-F	0,96	2,20	2,81	1,86	2,35	10,17
<i>Dividends Payments</i> <sup>4</sup>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Cancelled Bonds</i>	<i>0,08</i>	<i>-</i>	<i>0,50</i>	<i>3,39</i>	<i>0,13</i>	<i>4,10</i>
<b>III - IMPACT ON LIQUIDITY</b> <sup>5</sup>	<b>(5.751,06)</b>	<b>(4.098,86)</b>	<b>42.558,56</b>	<b>(2.659,52)</b>	<b>(176,79)</b>	<b>29.872,34</b>

<sup>1</sup> Refers to definitive buy/sell operations involving National Treasury bonds by the Central Bank in the market. Positive values mean sales exceeded purchases.

<sup>2</sup> Non-competitive issuances that involve inflow cash resources as counterpart.

<sup>3</sup> Non-competitive issuances that do not involve inflow cash resources as counterpart.

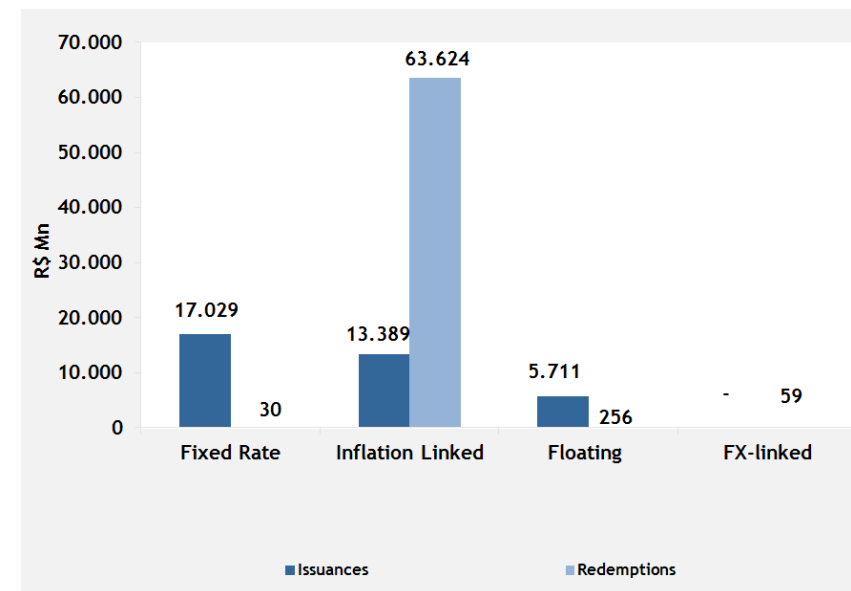
<sup>4</sup> Refers to redemptions of securities in order to pay dividends and/or interests over own capital from entity in which government has share, related to the profit of the fiscal year.

<sup>5</sup> Refers to monetary impact resulting from DFPD market operations. Non-competitive issuances without cash inflow and cancelled bonds are not considered. Positive values mean increase on liquidity. Historical Data: Annex 1.3

Total DFPD redemptions reached to R\$ 63.97 billion, highlighting floating-rate securities totaling R\$ 63.62 billion (99.46%).

Maturities in the period totaled R\$ 57.46 billion, with R\$ 57.15 billion referring to NTN-B maturities.

**GRAPH 1.1 DFPD ISSUANCES AND REDEMPTIONS - MAY 2013**



## Treasury Direct Program

Issuances through the Treasury Direct Program<sup>2</sup> in the month of May totaled R\$ 189.29 million, while redemptions totaled R\$ 200.34 million, generating net redemptions of R\$ 11.05 million. The securities in greatest demand were inflation-linked bonds, with 58.28% of the total sold.

Treasury Direct stock reached to R\$ 9,759.21 million, representing 0.85% increase compared to the previous month. Highest share of the securities belongs to NTN-B Principal, with 43.33% of the stock.

As regards total participants in Treasury Direct operations, 3,795 new investors registered with the Program in the month of May. As a result, total investors registered since the program first began operating came to 350,124, corresponding to an increase of 16.39% in the last 12 months.

**TABLE 1.4** TREASURY DIRECT PROGRAM - MAY 2013

(R\$ Mn)

Security	Issuances		Redemptions				Net Issuances	Outstanding	
			Repurchases	Maturities					
<b>Fixed Rate</b>									
LTN	36,19	19,12%	19,66	14,29%	-	0,00%	16,54	1.473,76	15,10%
NTN-F	14,78	7,81%	10,17	7,40%	-	0,00%	4,61	892,22	9,14%
<b>Inflation Linked</b>									
NTN-B	33,30	17,59%	34,64	25,19%	62,80	100,00%	(64,14)	2.262,36	23,18%
NTN-B Principal	77,02	40,69%	58,62	42,62%	-	0,00%	18,40	4.228,38	43,33%
NTN-C	-	0,00%	0,20	0,14%	-	0,00%	(0,20)	80,43	0,82%
<b>Floating</b>									
LFT	27,99	14,79%	14,25	10,36%	-	0,00%	13,74	822,06	8,42%
<b>TOTAL</b>	<b>189,29</b>	<b>100,00%</b>	<b>137,54</b>	<b>100,00%</b>	<b>62,80</b>	<b>100,00%</b>	<b>(11,05)</b>	<b>9.759,21</b>	<b>100,00%</b>

Historical Data: Annex 1.5

**TABLE 1.5** REGISTERED INVESTORS PROFILE  
MAY 2013

	In the month	Total
<b>Investors by Gender</b>		
Men	77,26%	78,74%
Women	22,74%	21,26%
<b>Investors by Age</b>		
Up to 15 years	0,45%	0,35%
From 16 to 25 years	14,36%	5,50%
From 26 to 35 years	34,36%	34,32%
From 36 to 45 years	19,84%	26,39%
From 46 to 55 years	15,10%	17,07%
From 56 to 65 years	9,51%	10,76%
Over 66 years	6,38%	5,61%
<b>Investors by Region</b>		
Northern	1,26%	1,32%
Northeast	6,53%	6,73%
Midwest	4,51%	7,60%
Southeast	74,39%	69,89%
South	13,31%	14,46%
<b>Number of Investors</b>		
Registries	3.795	350.124

<sup>2</sup> Program involving public security sales over the Internet to individual buyers.



## Direct Issuances and Cancellations

Direct issuances of DFPD securities totaled R\$ 2.46 billion, while cancellations reached a level of R\$ 4.10 million, generating net issuances of R\$ 2.46 billion.

**TABLE 1.6** DFPD NON-COMPETITIVE ISSUANCES - MAY 2013

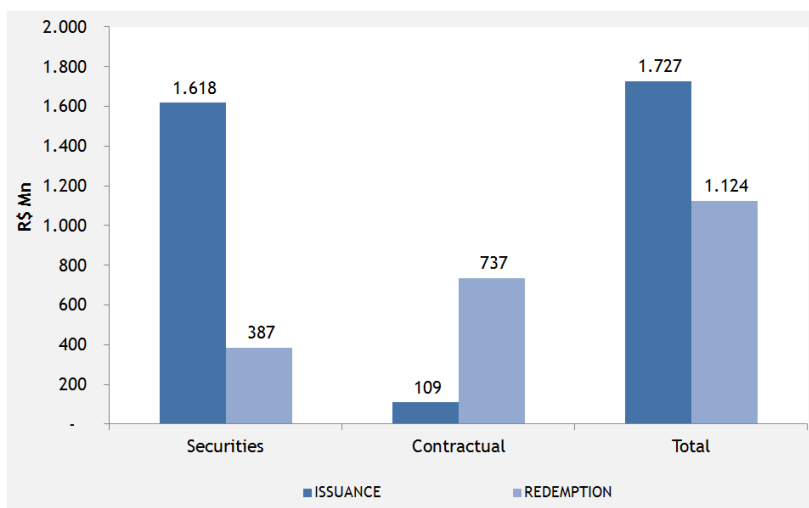
ISSUANCES						
Securities	Date of Transaction	Maturity	Quantity	Financial Volume (R\$ Mn)	Purpose	Legal Support
CFT-E1	Several	Several	152.676.425	428,15	FIES - College Student Financial Fund	Law 10.260, as of 12/07/01
CVS	02/05/2013	1/1/2027	5.528	6,03	Companhia de Habitação Popular Bandeirante Debt Renewal - Principal amortization and accrued interest	Law 10.150, as of 21/12/00
CVS	02/05/2013	1/1/2027	513	0,55	Fundo de Garantia do Tempo de Serviço - FGTS Debt Renewal - Principal amortization and accrued interest	Law 10.150, as of 21/12/00
LTN	10/05/2013	01/04/2014	2.145.051	2.000,00	Banco Nacional de Desenvolvimento Econômico e Social - BNDES / Fundo da Marinha Mercante Financing	Law 12.249, as of 11/06/10
TDA	Several	Several	321.336	30,11	Request by INCRA (Indemnity of dispossessions for agrarian reform)	MP 2.183-56, as of 24/08/01 and Decree 578, as of 24/06/92
<b>SUBTOTAL</b>				<b>2.464,84</b>		
CANCELLATIONS						
Securities	Date of Transaction	Maturity	Quantity	Financial Volume (R\$ Mn)	Purpose	Legal Support
TDA	Several	Several	8.416	0,80	ITR Gov'tment payments	Law 4.504, as of 30/11/64, and Decree 578, as of 24/06/92
NTN-I	14/05/2013	Several	791	0,00	PROEX - Export Financing Program	Law 10.184, as of 12/02/01 and Decree 3.859, as of 4/7/2001
TDA	21/05/2013	Several	34.717	3,30	Court Orders	STN Ordinance 278, as of 21/05/13
<b>SUBTOTAL</b>				<b>4,10</b>		
<b>NET ISSUANCE</b>				<b>2.460,74</b>		

### 1.3. External Federal Public Debt -EFPD

EFPD redemptions totaled R\$ 1.12 billion, including R\$ 0.82 billion in payments of principal and R\$ 0.30 billion in payments of interest, premiums and charges.

On the issuance side, special mention should be made of the reopening of the 10-year benchmark security, the Global Bond 2023, with a financial volume of R\$ 1.62 billion.

**GRAPH 1.2 EFPD ISSUANCES AND REDEMPTIONS - MAY 2013**



**TABLE 1.7 EFPD ISSUANCES AND REDEMPTIONS - MAY 2013**  
(R\$ Mn)

	Principal	Interest, premiums and charges	Total
<b>ISSUANCES</b>	<b>1.728,95</b>	<b>(1,60)</b>	<b>1.727,35</b>
<b>Securities</b>	<b>1.619,92</b>	<b>(1,60)</b>	<b>1.618,32</b>
Sovereign Bonus	1.619,92	(1,60)	1.618,32
<b>Contractual</b>	<b>109,03</b>	<b>-</b>	<b>109,03</b>
Multilateral Organisms	109,03	-	109,03
Private Financial Institutions/Gov. Agencies	-	-	-
<b>REDEMPTIONS</b>	<b>820,76</b>	<b>302,96</b>	<b>1.123,71</b>
<b>Securities</b>	<b>106,96</b>	<b>279,68</b>	<b>386,64</b>
Renegotiation Bonds	-	-	-
Sovereign Bonus	-	258,06	258,06
Buybacks	106,96	21,63	128,59
<b>Contractual</b>	<b>713,80</b>	<b>23,27</b>	<b>737,07</b>
Multilateral Organisms	57,73	19,37	77,10
Private Financial Institutions/Gov. Agencies	656,06	3,90	659,97
<b>NET ISSUANCE</b>	<b>908,19</b>	<b>(304,56)</b>	<b>603,63</b>

Historical Data: Annex 1.6

**Brazil reopens 10-year security on external market**

In the month of May, The National Treasury effected the reopening of its 10-year benchmark security, the Global Bond 2023, in a total value of US\$ 800 million (US\$ 750 million on the european and north-american markets and US\$ 50 million on the asian market). The bond was sold at 98.946% of its face value, resulting in a 2.75% per year yield for investors.

The bond was issued with a spread of 98 basis points over Treasuries (United States Treasury bond) of same term of reference, 10 years (maturing February 2023). It is the closest differential to the Treasuries ever on the sovereign issuances since Brazil started issuing again on external market, in 1995.

## 2. Outstanding Federal Public Debt - FPD

### 2.1 Evolution

Outstanding FPD registered a 0.26% nominal decrease, shifting from R\$ 1,940.31 billion in April to R\$ 1,935.20 billion in May.

Outstanding DFPD decreased 0.60%, shifting from R\$ 1,851.79 billion to R\$ 1,840.61 billion, due to net redemptions in the amount of R\$ 27.84 billion, partially offset by positive appropriation of interest in the amount of R\$ 16.66 billion.

As regards outstanding EFPD, the stock increased 6.85% compared to the month of April, closing May at R\$ 94.59 billion (US\$ 43.57 billion), with R\$ 81.36 billion (US\$ 37.36 billion) referring to securities debt and R\$ 13.23 billion (US\$ 6.21 billion) to contractual debt.

2013 ABP Limits		
Outstanding held by the public (R\$ Bn)		
	Min	Max
FPD	2.100,00	2.240,00

TABLE 2.1

OUTSTANDING FPD HELD BY THE PUBLIC

(R\$ Bn)

	Dec/12	Apr/13	May/13		
<b>FPD</b>	<b>2.007,98</b>	<b>1.940,31</b>	<b>1.935,20</b>	<b>100,00%</b>	
<b>DFPD</b>	<b>1.916,71</b>	<b>1.851,79</b>	<b>1.840,61</b>	<b>100,00%</b>	<b>95,11%</b>
LFT	424,95	396,08	404,04	21,95%	20,88%
LTN	552,03	526,74	547,21	29,73%	28,28%
NTN-B	602,14	634,82	591,00	32,11%	30,54%
NTN-C	65,89	65,49	66,01	3,59%	3,41%
NTN-F	237,27	194,10	196,85	10,69%	10,17%
Securitized Debt	8,22	7,98	7,94	0,43%	0,41%
TDA	3,46	3,49	3,45	0,19%	0,18%
Other	22,76	23,09	24,10	1,31%	1,25%
<b>EFPD <sup>1</sup></b>	<b>91,28</b>	<b>88,53</b>	<b>94,59</b>	<b>100,00%</b>	<b>4,89%</b>
<b>Securities</b>	<b>78,19</b>	<b>75,52</b>	<b>81,36</b>	<b>86,01%</b>	<b>4,20%</b>
Global USD	61,93	59,61	65,21	68,94%	3,37%
Euro	2,33	2,24	2,37	2,50%	0,12%
Global BRL	13,87	13,63	13,75	14,54%	0,71%
BIB <sup>2</sup>	0,06	0,03	0,03	0,04%	0,00%
<b>Contractual</b>	<b>13,08</b>	<b>13,01</b>	<b>13,23</b>	<b>13,99%</b>	<b>0,68%</b>
Multilateral Organisms	7,38	7,06	7,60	8,03%	0,39%
Private Financial Institutions/Gov. Agencies	5,70	5,94	5,63	5,96%	0,29%

<sup>1</sup> All EFPD values converted to USD and then converted to BRL at the spot FX-rate as of the month's last day.

<sup>2</sup> Refers to the pre-Brady bond (BIB), which does not have an embedded call option.

Historical Data: Annex 2.1

## 2.2 Variation Factors

The Federal Public Debt - FPD registered a 0.26% nominal decrease, moving from R\$ 1,940.31 billion in April to a level of R\$ 1,935.20 billion in May. This variation was generated by net redemptions in the amount of R\$ 27.24 billion, partially offset by positive appropriation of interest in the amount of R\$ 22.12 billion.

**TABLE 2.2 FPD VARIATION FACTORS HELD BY THE PUBLIC - MAY 2013**

INDICATORS	Monthly		2013	
	R\$ Mn	% of outstanding debt	R\$ Mn	% of outstanding debt <sup>1</sup>
<b>Previous Outstanding Debt<sup>2</sup></b>	<b>1.940.314,49</b>		<b>2.007.984,99</b>	
DFPD	1.851.789,31		1.916.709,28	
EFPD	88.525,18		91.275,71	
<b>Outstanding Debt in May-31-13</b>	<b>1.935.195,21</b>		<b>1.935.195,21</b>	
DFPD	1.840.605,25		1.840.605,25	
EFPD	94.589,96		94.589,96	
<b>Nominal Variation</b>	<b>(5.119,27)</b>	<b>-0,26%</b>	<b>(72.789,77)</b>	<b>-3,63%</b>
DFPD	(11.184,06)	-0,58%	(76.104,03)	-3,79%
EFPD	6.064,79	0,31%	3.314,25	0,17%
<b>I - Debt Management - (Treasury) (I.1 + I.2)</b>	<b>(5.119,27)</b>	<b>-0,26%</b>	<b>(72.789,77)</b>	<b>-3,63%</b>
<b>I.1 - Issuance/Net Redemption</b>	<b>(27.236,11)</b>	<b>-1,40%</b>	<b>(160.554,89)</b>	<b>-8,00%</b>
I.1.1 - Issuances	<b>37.856,20</b>	<b>1,95%</b>	<b>159.354,39</b>	<b>7,94%</b>
- Public Offerings Issuances (DFPD)	27.629,96	1,42%	138.597,01	6,90%
- Public Offerings Exchanges (DFPD)	6.034,06	0,31%	14.572,92	0,73%
- Non-competitive Issuances (DFPD)	2.464,84	0,13%	4.136,73	0,21%
- Issuances (EFPD)	1.727,35	0,09%	2.047,74	0,10%
I.1.2 - Redemptions	<b>(65.092,32)</b>	<b>-3,35%</b>	<b>(319.909,28)</b>	<b>-15,93%</b>
- Current Payments (DFPD)	(57.930,46)	-2,99%	(300.013,32)	-14,94%
- Public Offerings Exchanges (DFPD)	(6.034,04)	-0,31%	(14.572,80)	-0,73%
- Cancellations (DFPD)	(4,10)	0,00%	(30,78)	0,00%
- Current Payments (EFPD)	(376,68)	-0,02%	(3.866,29)	-0,19%
- Early Redemption (EFPD)	(747)	-0,04%	(1.426)	-0,07%
<b>I.2 - Accrued Interest</b>	<b>22.116,84</b>	<b>1,14%</b>	<b>87.765,12</b>	<b>4,37%</b>
- DFPD Nominal Accrued Interest	16.655,69	0,86%	81.206,22	4,04%
- EFPD Nominal Accrued Interest	5.461,15	0,28%	6.558,89	0,33%
<b>II - Central Bank Operations</b>	<b>-</b>	<b>0,00%</b>	<b>-</b>	<b>0,00%</b>
<b>II.1 - Securities' Net Sales to the Market</b>	<b>-</b>	<b>0,00%</b>	<b>-</b>	<b>0,00%</b>
<b>Total (I + II)</b>	<b>(5.119,27)</b>	<b>-0,26%</b>	<b>(72.789,77)</b>	<b>-3,63%</b>

<sup>1</sup> Over 2012 December 31st.

<sup>2</sup> The "Monthly" column relates to the last day of the previous month. The "2013" column relates to stock of the last day of the previous year.

Historical Data: Annex 2.8

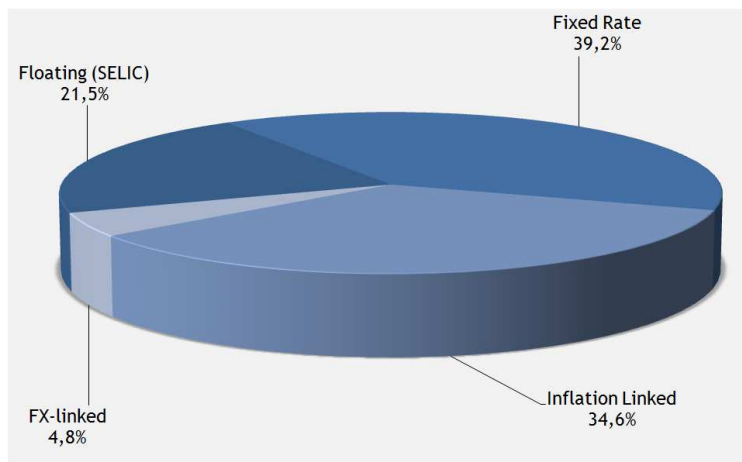
## 2.3 Profile

### Indexes

In terms of the FPD profile, DFPD share diminished from 95.44% in April to 95.11% in May. In contrast, EFPD share increased from 4.56% to 4.89%.

The share of fixed-rate FPD securities shifted from 37.85% in April to 39.16% in May. Share of inflation-linked securities decreased from 36.75% in April to 34.62% in May. At the same time, the share of floating-rate securities increased from 20.99% in April to 21.45% in May.

**GRAPH 2.1 FPD PROFILE, BY INDEX - MAY 2013**



**TABLE 2.3 FPD PROFILE HELD BY THE PUBLIC**

(R\$ Bn)

	Dec/12		Apr/13		May/13	
<b>FPD</b>	<b>2.007,98</b>	<b>100,00%</b>	<b>1.940,31</b>	<b>100,00%</b>	<b>1.935,20</b>	<b>100,00%</b>
Fixed Rate	803,17	40,00%	734,47	37,85%	757,81	39,16%
Inflation Linked	680,12	33,87%	713,04	36,75%	669,98	34,62%
Floating	436,34	21,73%	407,30	20,99%	415,19	21,45%
FX-linked	88,36	4,40%	85,50	4,41%	92,22	4,77%
<b>DFPD</b>	<b>1.916,71</b>	<b>100,00%</b>	<b>1.851,79</b>	<b>100,00%</b>	<b>1.840,61</b>	<b>100,00%</b>
Fixed Rate	789,30	41,18%	720,84	38,93%	744,06	40,42%
Inflation Linked	680,12	35,48%	713,04	38,51%	669,98	36,40%
Floating	436,34	22,76%	407,30	22,00%	415,19	22,56%
FX-linked	10,95	0,57%	10,61	0,57%	11,38	0,62%
<b>EFPD</b>	<b>91,28</b>	<b>100,00%</b>	<b>88,53</b>	<b>100,00%</b>	<b>94,59</b>	<b>100,00%</b>
USD	71,15	77,95%	68,36	77,22%	74,59	78,86%
EURO	5,68	6,22%	6,05	6,83%	5,76	6,09%
BRL	13,87	15,20%	13,63	15,40%	13,75	14,54%
Other	0,57	0,63%	0,49	0,55%	0,49	0,52%

Historical Data FPD: Annex 2.4

Historical Data DFPD: Annex 2.5

Historical Data EFPD: Annex 2.6

**2013 ABP Limits  
Share in Outstanding FPD**

	Min	Max
Fixed rate	41%	45%
Inflation linked	34%	37%
Floating rate	14%	19%
FX-linked	3%	5%

## Holders

The category of Financial Institutions posted an increase, in absolute share, from R\$ 512.93 billion to a level of R\$ 523.71 billion between April 2013 and May 2013. Relative share expanded from 27.70% to 28.45%. Investment Funds decreased their stock from R\$ 450.89 billion to R\$ 450.80 billion. Relative share shifted from 24.35% to 24.49%.

Pensions grouping showed positive variation in its stock level, moving from R\$ 320.40 billion to R\$ 322.43 billion. The share of Nonresidents in DFPD decreased from 14.55% to 14.38%, while their stock diminished R\$ 4.75 billion, approximately. The category of Government decreased in terms of relative share from 7.43% to 6.42%.

One should note that 78.26% of the portfolio of Nonresidents was concentrated in fixed-rate securities, while 72.4% of the Pensions portfolio is composed of inflation-linked securities.

TABLE 2.4

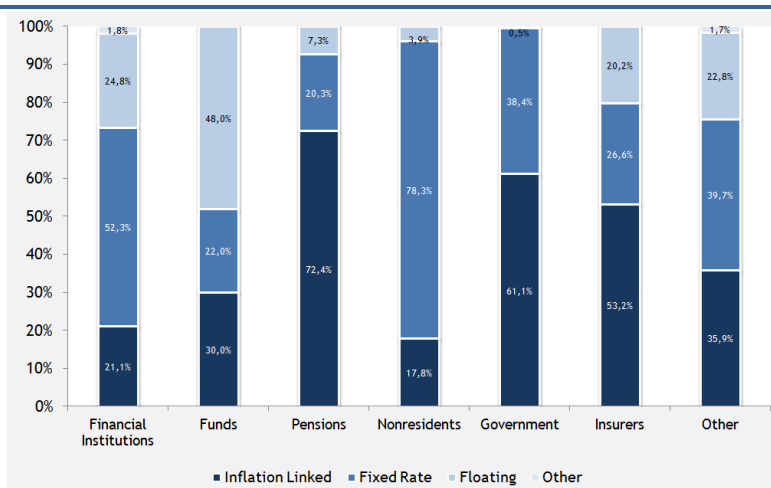
DFPD PUBLIC SECURITIES HOLDERS

(R\$ Bn)

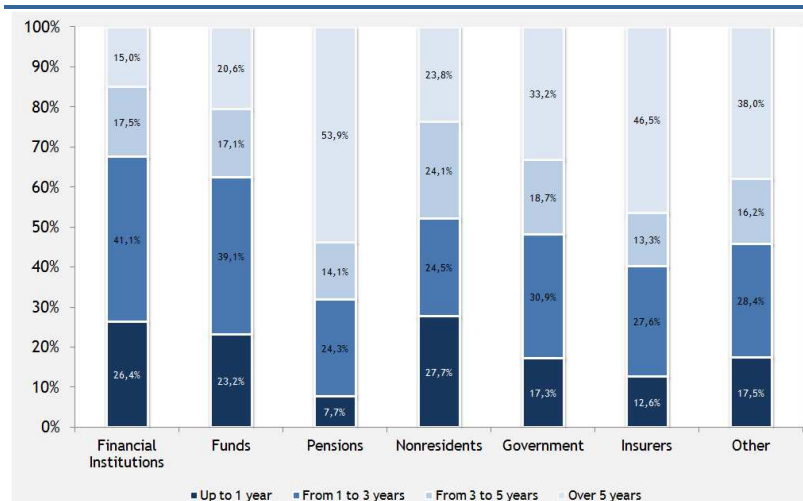
	Dec/12		Apr/13		May/13	
Financial Institutions	576,80	30,09%	512,93	27,70%	523,71	28,45%
Funds	472,49	24,65%	450,89	24,35%	450,80	24,49%
Pensions	306,27	15,98%	320,40	17,30%	322,43	17,52%
Nonresidents	263,00	13,72%	269,44	14,55%	264,69	14,38%
Government	139,98	7,30%	137,56	7,43%	118,21	6,42%
Insurers	75,15	3,92%	77,13	4,17%	78,25	4,25%
Other	83,02	4,33%	83,44	4,51%	82,51	4,48%
<b>Total</b>	<b>1.916,71</b>	<b>100,00%</b>	<b>1.851,79</b>	<b>100,00%</b>	<b>1.840,61</b>	<b>100,00%</b>

Historical Data and Notes: Annex 2.7

GRAPH 2.2 PORTFOLIO PROFILE, BY HOLDER - MAY/2013



GRAPH 2.3 AVERAGE MATURITY PROFILE, BY HOLDER - MAY/2013



### 3. Federal Public Debt - FPD Maturity Profile

#### 3.1 Maturities

FPD maturities in the next 12 months posted a decrease, shifting from 25.52% in April to 23.38% in May.

The volume of DFPD securities maturing in up to 12 months decreased from 26.21% in April to 24.01% in May. Fixed-rate securities accounted for 57.23% of this total, followed by floating-rate securities with share of 33.68% of the total.

With respect to EFPD, the percentage maturing in 12 months shifted from 11.27% in April to 11.03% in May, with those denominated in American Dollar accounting for 75.29% of this total. It is important to emphasize maturities of more than five years account for 50.50% of outstanding EFPD.

2013 ABP Limits % Up to 12 months		
	Min	Max
FPD	21%	25%

**TABLE 3.1 FPD MATURITIES HELD BY THE PUBLIC**

(R\$ Bn)

Maturities	DFPD				EFPD				FPD			
	Apr/13		May/13		Apr/13		May/13		Apr/13		May/13	
Up to 12 months	485,28	26,21%	441,94	24,01%	9,98	11,27%	10,43	11,03%	495,26	25,52%	452,38	23,38%
From 1 to 2 years	383,33	20,70%	433,81	23,57%	11,43	12,91%	11,99	12,68%	394,76	20,35%	445,81	23,04%
From 2 to 3 years	239,83	12,95%	193,15	10,49%	8,73	9,87%	9,03	9,54%	248,57	12,81%	202,18	10,45%
From 3 to 4 years	222,51	12,02%	260,83	14,17%	9,61	10,85%	10,11	10,69%	232,12	11,96%	270,94	14,00%
From 4 to 5 years	126,60	6,84%	99,76	5,42%	5,07	5,73%	5,26	5,56%	131,68	6,79%	105,02	5,43%
Over 5 years	394,23	21,29%	411,10	22,34%	43,70	49,36%	47,77	50,50%	437,92	22,57%	458,87	23,71%
<b>TOTAL</b>	<b>1.851,79</b>	<b>100,00%</b>	<b>1.840,61</b>	<b>100,00%</b>	<b>88,53</b>	<b>100,00%</b>	<b>94,59</b>	<b>100,00%</b>	<b>1.940,31</b>	<b>100,00%</b>	<b>1.935,20</b>	<b>100,00%</b>

Historical Data: Annex 3.1

**TABLE 3.2 FEDERAL PUBLIC DEBT HELD BY THE PUBLIC DUE IN 12 MONTHS, BY INDEX**

(R\$ Bn)

	Dec/12			Apr/13			May/13		
<b>FPD</b>	<b>489,60</b>	<b>100,00%</b>	<b>495,26</b>	<b>495,26</b>	<b>100,00%</b>	<b>452,38</b>	<b>452,38</b>	<b>100,00%</b>	
<b>DFPD</b>	<b>479,72</b>	<b>100,00%</b>	<b>97,98%</b>	<b>485,28</b>	<b>100,00%</b>	<b>97,98%</b>	<b>441,94</b>	<b>100,00%</b>	<b>97,69%</b>
Fixed Rate	247,21	51,53%	50,49%	246,29	50,75%	49,73%	252,94	57,23%	55,91%
Inflation Linked	86,83	18,10%	17,73%	89,61	18,46%	18,09%	38,70	8,76%	8,55%
Floating	144,33	30,09%	29,48%	148,06	30,51%	29,90%	148,87	33,68%	32,91%
FX-linked	1,34	0,28%	0,27%	1,33	0,27%	0,27%	1,43	0,32%	0,32%
<b>EFPD</b>	<b>9,89</b>	<b>100,00%</b>	<b>2,02%</b>	<b>9,98</b>	<b>100,00%</b>	<b>2,02%</b>	<b>10,43</b>	<b>100,00%</b>	<b>2,31%</b>
USD	7,38	74,68%	1,51%	7,32	73,30%	1,48%	7,86	75,29%	1,74%
EURO	1,03	10,43%	0,21%	1,21	12,12%	0,24%	1,11	10,62%	0,24%
BRL	1,35	13,67%	0,28%	1,33	13,31%	0,27%	1,34	12,84%	0,30%
Other	0,12	1,21%	0,02%	0,13	1,26%	0,03%	0,13	1,24%	0,03%

Historical Data: Annex 3.3

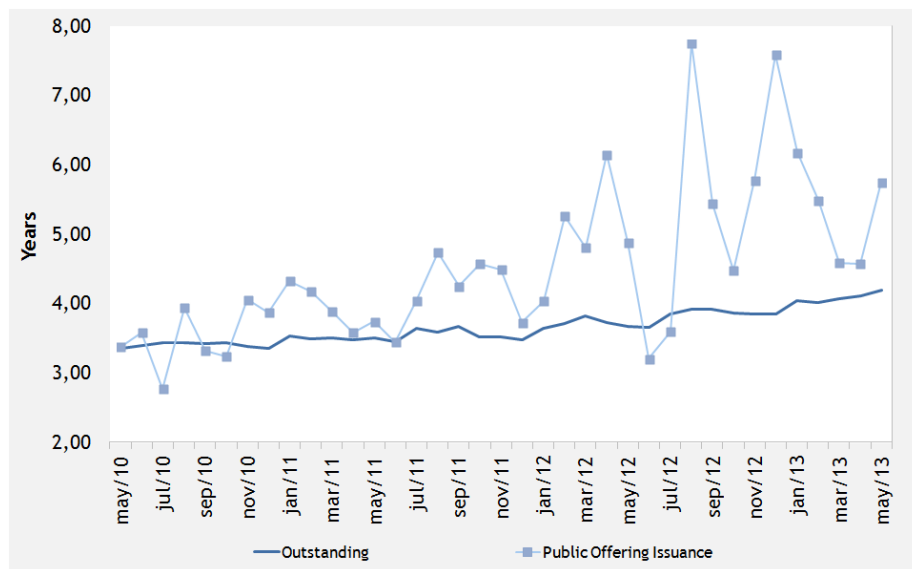
### 3.2 Average Maturity

FPD average maturity increased from 4.22 years in April to 4.30 years in May.

DFPD average maturity increased from 4.11 years in April to 4.19 years in May.

Parallel to this, EFPD average maturity shifted from 6.52 years in April to 6.55 years in May.

**GRAPH 3.1** AVERAGE MATURITY OF DFPD ISSUANCES ON PUBLIC OFFERINGS VS OUTSTANDING AVERAGE MATURITY



**TABLE 3.3** FPD AVERAGE MATURITY (Years)

	Dec/12	Apr/13	May/13
<b>FPD</b>	<b>3,97</b>	<b>4,22</b>	<b>4,30</b>
<b>DFPD</b>	<b>3,84</b>	<b>4,11</b>	<b>4,19</b>
LFT	1,92	2,04	2,00
LTN	1,49	1,61	1,56
NTN-B	7,25	7,19	7,87
NTN-C	7,12	7,10	7,01
NTN-F	2,68	3,44	3,37
TDA	4,04	4,13	4,12
Securitized Debt	5,61	5,54	5,50
Other	8,56	8,65	8,67
<b>EFPD</b>	<b>6,61</b>	<b>6,52</b>	<b>6,55</b>
<b>Securities</b>	<b>7,07</b>	<b>7,00</b>	<b>6,99</b>
Global USD	7,47	7,41	7,39
Euro	2,54	2,32	2,24
Global BRL	6,04	6,02	5,93
BIB <sup>1</sup>	0,45	0,38	0,30
<b>Contractual</b>	<b>3,87</b>	<b>3,74</b>	<b>3,84</b>
Multilateral Organisms	4,98	4,93	4,99
Private Financial Institutions/Gov. Agencies	2,42	2,33	2,29

<sup>1</sup> Refers to the pre-Brady bond (BIB), which does not have an embedded call option.

Historical Data: Annex 3.7

**TABLE 3.4** AVERAGE MATURITY OF DFPD ISSUANCES PUBLIC OFFERINGS, BY INDEX (Years)

INDEX	Dec/12	Apr/13	May/13
<b>DFPD</b>	<b>7,59</b>	<b>4,58</b>	<b>5,75</b>
Fixed Rate	2,85	3,04	3,02
LTN	2,56	2,95	2,82
NTN-F	4,81	6,44	6,16
Inflation Linked	13,02	11,53	9,10
Floating	5,29	5,47	5,37

Historical Data: Annex 3.9

2013 ABP Limits Average Maturity (years)		
	Min	Max
FPD	4,1	4,3



### 3.3 Average Life

FPD average life<sup>3</sup>, which reflects the remaining maturity of public debt principal only, shifted from 6.80 years in April to 6.92 years in May.

**TABLE 3.5** **FPD AVERAGE LIFE HELD BY THE PUBLIC**  
(Years)

	Dec/12	Apr/13	May/13
<b>FPD</b>	<b>6,43</b>	<b>6,80</b>	<b>6,92</b>
<b>DFPD</b>	<b>6,15</b>	<b>6,55</b>	<b>6,66</b>
Fixed Rate	2,15	2,42	2,34
Inflation Linked	13,11	13,00	13,98
Floating	2,13	2,23	2,19
FX-linked	10,31	9,98	9,98
<b>EFPD</b>	<b>12,35</b>	<b>12,00</b>	<b>11,91</b>
<b>Securities</b>	<b>12,73</b>	<b>12,36</b>	<b>12,25</b>
Global USD	13,60	13,23	13,06
Euro	3,00	2,71	2,63
Global BRL	10,52	10,19	10,10
BIB <sup>1</sup>	0,71	0,37	0,29
<b>Contractual</b>	<b>10,06</b>	<b>9,88</b>	<b>9,82</b>
Multilateral Organisms	11,15	10,99	11,15
Private Financial Institutions/Gov. Agencies	8,65	8,57	8,03

<sup>1</sup> Refers to the pre-Brady bond (BIB), which does not have an embedded call option.

Historical Data: Annex 3.10

<sup>3</sup> This statistic provides more homogeneous information and criteria for comparisons with the data of other countries.

## 4. Federal Public Debt - FPD Average Cost

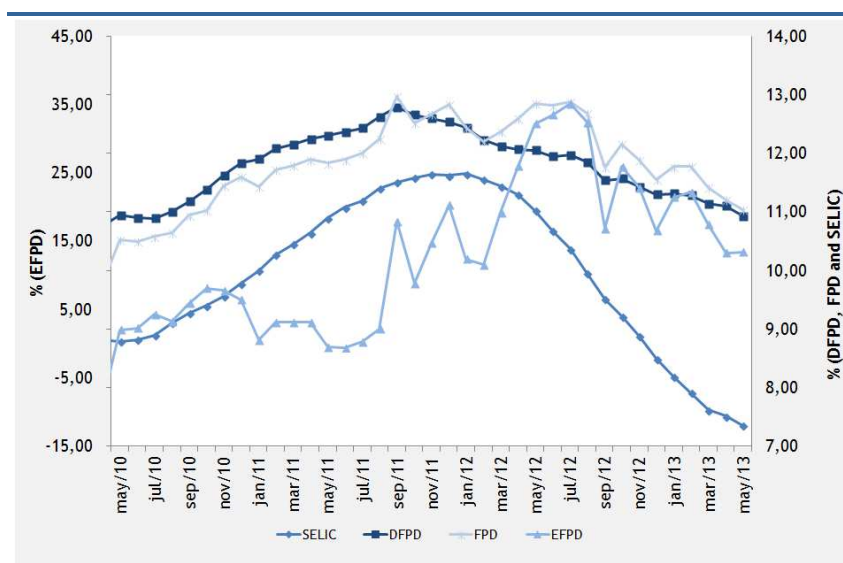
### 4.1 Outstanding Average Cost

FPD cumulative 12-month average cost decreased 0.16 percentage points, moving from 11.20% per year in April to 11.04% per year in May.

At the same time, DFPD cumulative 12-month average cost shifted from 11.10% per year in April to 10.93% per year in May, mostly as a consequence of lesser growth in the following indexing factors: IGP-M (0.00% in May/13, against 1.02% in May/12), IGP-DI (0.32% in May/13, against 0.91% in May/12) and SELIC rate (0.60% in May/13, against 0.74% in May/12).

With respect to EFPD, this indicator registered an increase from 13.31% per year in April to 13.43% per year in May, mostly as a result of 4.98% valuation of the Euro against the Brazilian Real in May 2013, compared to 0.09% devaluation in May 2012.

**GRAPH 4.1 FPD, DFPD AND EFPD AVERAGE COST AND SELIC RATE - OVER THE PAST 12 MONTHS**



**TABLE 4.1**

**FPD AVERAGE COST**

(% p.y.)

	Monthly Average Cost			12-Month Cumulative Average Cost		
	Dec/12	Apr/13	May/13	Dec/12	Apr/13	May/13
<b>FPD</b>	<b>10,24</b>	<b>10,07</b>	<b>15,14</b>	<b>11,55</b>	<b>11,20</b>	<b>11,04</b>
<b>DFPD</b>	<b>11,72</b>	<b>10,37</b>	<b>10,72</b>	<b>11,30</b>	<b>11,10</b>	<b>10,93</b>
LFT	7,16	7,26	7,42	8,49	7,51	7,35
LTN	10,73	10,34	10,18	11,37	10,83	10,66
NTN-B	15,86	12,07	11,74	12,38	12,94	12,81
NTN-C	19,68	11,67	9,89	18,40	17,78	16,54
NTN-F	11,86	11,67	11,67	12,06	11,83	11,73
TDA	3,90	3,75	3,74	4,27	3,96	3,87
Securitized Debt	5,49	4,71	4,95	5,60	5,36	5,26
Other	(6,24)	5,40	54,82	16,94	15,15	14,40
<b>EFPD</b>	<b>(19,53)</b>	<b>3,84</b>	<b>107,51</b>	<b>16,52</b>	<b>13,31</b>	<b>13,43</b>
<b>Securities</b>	<b>(18,74)</b>	<b>3,30</b>	<b>107,19</b>	<b>16,51</b>	<b>13,44</b>	<b>13,60</b>
Global USD	(25,42)	0,38	129,80	17,81	14,29	13,83
Euro	(10,49)	37,54	92,03	19,85	14,04	19,87
Global BRL	10,80	10,80	10,80	11,08	10,81	10,79
BIB <sup>1</sup>	(25,80)	(1,31)	120,54	15,54	12,25	11,88
<b>Contractual<sup>2</sup></b>	<b>(24,28)</b>	<b>6,97</b>	<b>109,37</b>	<b>16,52</b>	<b>12,57</b>	<b>12,43</b>
Multilateral Organisms	(27,22)	(2,79)	119,48	14,23	10,77	10,32
Private Financial Institutions/Gov. Agencies	(20,32)	19,31	97,36	19,47	14,37	15,01

<sup>1</sup> Refers to the pre-Brady bond (BIB), which does not have an embedded call option.

<sup>2</sup> The National Treasury is revising the External Contractual Debt accounting methodology, in line with what's recently been done to the DFPD average maturity and the External Debt in bonds.

Historical Data: Annexes 4.1 e 4.2

## 4.2 Average Cost of DFPD Issuances - Public Offerings

Starting this month, the National Treasury will release a new statistic of average cost. This is the average cost of DFPD issuances in public offerings. The goal is to strengthen and increase the level of transparency in management public debt, allowing citizens to track more effectively which has been the cost of funding of the National Treasury on domestic market.

The average cost of DFPD issuances in public offerings is an indicator that reflects the internal rate of return - IRR of Treasury securities in domestic market, plus the variations of their indexes, considering only the placement of securities in a public offering (auctions) in the last 12 months. By capturing the pricing conditions and profile of issuances, coupled with implied risk premiums for the period in which estimates the statistics, the effect of inertia on the arising costs of issuances more separated in time is avoided.

Important to mention that the limitation of this statistic to the domestic debt is to avoid the volatility that the external debt, strongly influenced by the exchange rate, might have over an indicator of average cost of the FPD funding. Furthermore, DFPD issuances represent annually more than 95% of all funding from the Federal Government on the market, having issuances of external debt only qualitative role, generating benchmarks for public and private issuances and not the role to meet funding needs.

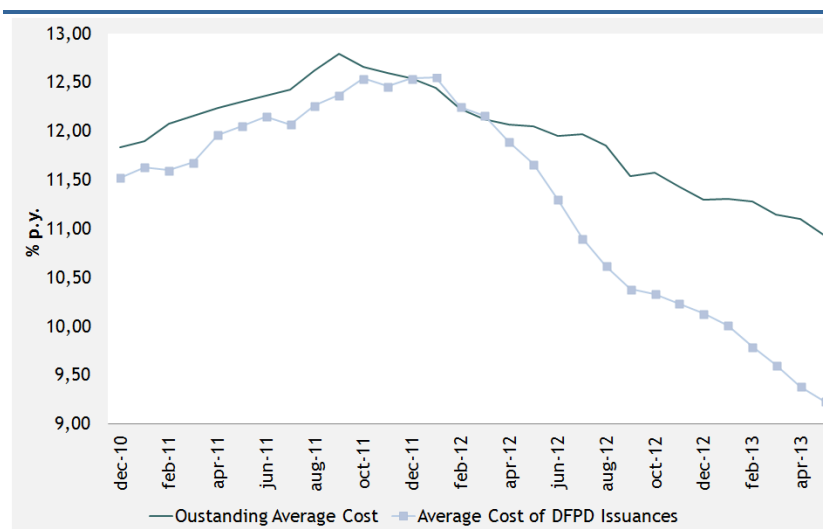
In the month of May, the average cost of DFPD issuances in public offerings decreased 0.13 percentage points, moving from 9.38% per year in April to 9.25% per year in May. Compared to December 2012, this indicator decreased 0.88 percentage points.

**TABLE 4.2 AVERAGE COST OF DFPD ISSUANCES - PUBLIC OFFERINGS**  
(% a.a.)

	Dec/12	Apr/13	May/13
<b>DFPD</b>	<b>10,13</b>	<b>9,38</b>	<b>9,25</b>
LTN	9,72	8,55	8,37
NTN-F	10,81	9,71	9,44
NTN-B	10,78	10,65	10,63
LFT	8,46	7,50	7,34

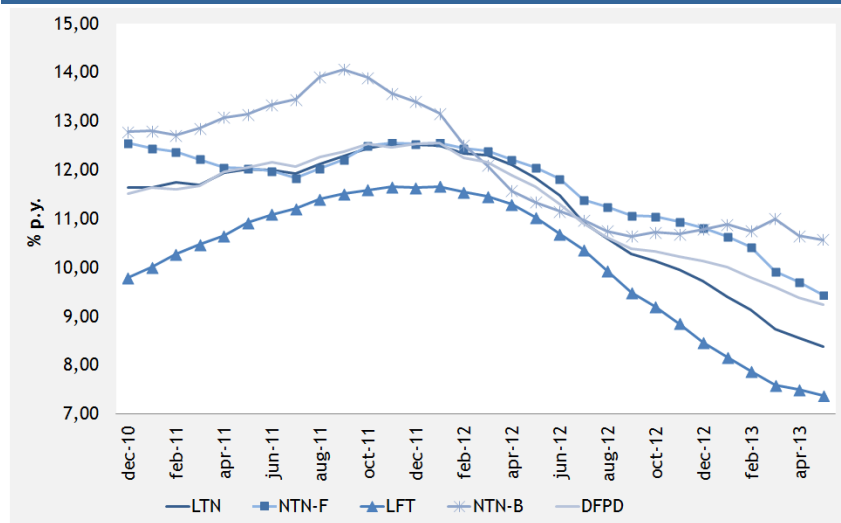
Historical Data: Annex 4.3

**GRAPH 4.2 OUTSTANDING AVERAGE COST AND AVERAGE COST OF DFPD ISSUANCES**



Among DFPD securities, one should highlight the decrease of the average cost of issuances of fixed-rate securities. In the case of NTN-F, it shifted from 9.71% per year in April to 9.44% per year in May. As far as LTN is concerned, it diminished 1.35 percentage points between December 2012 and May 2013.

**GRAPH 4.3 AVERAGE COST OF DFPD ISSUANCES, BY SECURITY**

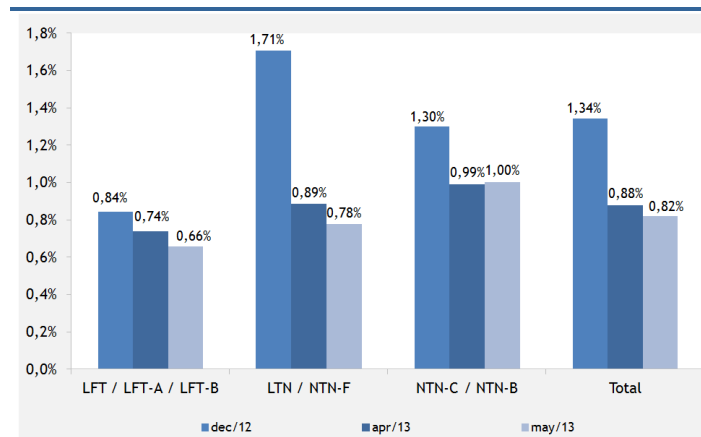


## 5. Secondary Market of Federal Public Securities

### 5.1 Secondary Market Turnover

The average daily financial volume of securities negotiated on the secondary market dropped from R\$ 16.27 billion in April to R\$ 15.13 billion in May. The share of fixed-rate securities decreased to 37.58% in May, against 39.70% in April. The share of inflation-linked securities increased to a level of 45.03% in May, compared to 42.43% in April. Securities tied to the SELIC rate decreased from 17.87% in April to 17.39% in May.

**GRAPH 5.1** SECONDARY MARKET OF PUBLIC SECURITIES - DAILY TURNOVER AS PERCENTAGE OF RESPECTIVE OUTSTANDING VOLUME



**TABLE 5.1** SECONDARY MARKET TURNOVER, BY SECURITY

(R\$ Bn)

Month	LFT / LFT-A / LFT-B			LTN / NTN-F			NTN-B / NTN-C			Total		
	Volume <sup>1</sup>	% of Total Traded <sup>2</sup>	Variation <sup>3</sup>	Volume <sup>1</sup>	% of Total Traded <sup>2</sup>	Variation <sup>3</sup>	Volume <sup>1</sup>	% of Total Traded <sup>2</sup>	Variation <sup>3</sup>	Volume <sup>1</sup>	% of Total Traded <sup>2</sup>	Variation <sup>3</sup>
dec/00	2,38	35,00%	-9,60%	3,25	47,80%	21,10%	0,06	0,90%	-5,50%	6,79	100,00%	8,50%
dec/01	2,94	31,60%	74,40%	3,77	40,50%	-4,10%	0,12	1,30%	85,30%	9,32	100,00%	27,60%
dec/02	5,46	80,10%	12,50%	0,18	2,60%	-24,20%	0,62	9,20%	4,00%	6,81	100,00%	12,00%
dec/03	7,05	65,90%	2,20%	2,68	25,00%	-4,80%	0,52	4,90%	100,80%	10,70	100,00%	4,20%
dec/04	5,93	43,40%	4,20%	7,12	52,10%	21,60%	0,31	2,30%	-6,40%	13,67	100,00%	11,50%
dec/05	4,77	36,70%	-8,60%	6,97	53,60%	-12,80%	1,22	9,40%	180,60%	13,00	100,00%	-5,00%
dec/06	4,38	27,40%	6,00%	9,68	60,60%	56,50%	1,90	11,90%	8,90%	15,96	100,00%	32,10%
dec/07	4,39	29,89%	54,88%	8,67	59,01%	47,74%	1,62	11,04%	8,74%	14,70	100,00%	44,10%
dec/08	3,89	29,20%	67,50%	8,28	62,22%	76,78%	1,14	8,58%	38,06%	13,31	100,00%	69,94%
dec/09	4,24	31,40%	69,15%	7,11	52,68%	2,55%	2,15	15,92%	53,34%	13,51	100,00%	24,51%
dec/10	4,83	30,51%	57,39%	8,83	55,75%	19,78%	2,17	13,74%	-24,55%	15,83	100,00%	18,85%
dec/11	4,55	27,39%	0,79%	9,28	55,90%	16,56%	2,77	16,71%	-34,42%	16,60	100,00%	-0,61%
jan/12	3,13	19,56%	-31,24%	8,65	54,13%	-6,80%	4,16	26,02%	49,82%	15,98	100,00%	-3,75%
feb/12	3,53	21,88%	12,98%	7,14	44,24%	-17,42%	5,47	33,88%	31,59%	16,15	100,00%	1,04%
mar/12	3,12	18,26%	-11,75%	8,03	47,04%	12,39%	5,92	34,69%	8,24%	17,07	100,00%	5,70%
apr/12	2,63	20,00%	-15,58%	5,75	43,72%	-28,34%	4,78	36,29%	-19,36%	13,16	100,00%	-22,89%
may/12	2,86	17,64%	8,50%	7,04	43,50%	22,43%	6,29	38,86%	31,74%	16,19	100,00%	23,02%
jun/12	2,82	17,99%	-1,16%	8,95	57,07%	27,10%	3,91	24,94%	-37,81%	15,69	100,00%	-3,11%
jul/12	3,16	20,41%	11,93%	6,13	39,63%	-31,48%	6,19	39,97%	58,14%	15,48	100,00%	-1,32%
aug/12	2,69	17,98%	-14,82%	5,46	36,53%	-10,90%	6,81	45,49%	10,01%	14,96	100,00%	-3,34%
sep/12	3,19	15,55%	18,62%	10,82	52,72%	97,96%	6,51	31,72%	-4,36%	20,52	100,00%	37,15%
oct/12	2,52	15,96%	-21,17%	6,95	44,13%	-35,71%	6,29	39,91%	-3,37%	15,76	100,00%	-23,19%
nov/12	2,38	15,96%	-5,34%	7,74	51,87%	11,28%	4,80	32,17%	-23,69%	14,92	100,00%	-5,33%
dec/12	3,57	14,06%	50,07%	13,27	52,21%	71,44%	8,57	33,73%	78,59%	25,41	100,00%	70,33%
jan/13	3,18	17,62%	-11,14%	7,01	38,91%	-47,16%	7,83	43,46%	-8,64%	18,02	100,00%	-29,10%
feb/13	3,35	18,84%	5,59%	5,72	32,16%	-18,38%	8,72	48,99%	11,33%	17,80	100,00%	-1,24%
mar/13	3,46	16,36%	3,17%	9,69	45,81%	69,27%	8,00	37,83%	-8,26%	21,14	100,00%	18,82%
apr/13	2,91	17,87%	-15,96%	6,46	39,70%	-33,34%	6,90	42,43%	-13,71%	16,27	100,00%	-23,07%
may/13	2,63	17,39%	-9,52%	5,69	37,58%	-11,96%	6,81	45,03%	-1,29%	15,13	100,00%	-6,99%

<sup>1</sup> Average, in the month, of the daily financial volume of definitive transactions. There are not considered: i) transactions in which pricings are not in +/- 25% range of the price accepted on purchase and sale transactions (outliers); ii) transactions in which the National Treasury or the Central Bank is the financial principal;

<sup>2</sup> Share of securities volume traded compared to total volume traded in the month;

<sup>3</sup> Variation of total traded in the month compared to the previous month;

Obs.1: Date calculated based on the original numbers, before roundings;

Obs.2: On brokerage operations, only the values of the final principals are accounted.

LTN maturing in July 2013, with a gain of one position, became the fixed-rate security with the largest financial volume. Second place was occupied by LTN maturing in January 2017, with a gain of one position. Third place was occupied by LTN maturing in January 2014, with a gain of two positions.

As regards NTN-F, maturities in January 2017, with a gain of one position, secured first place. Second place was occupied by those maturing in January 2023, with a loss of one position. Third place was occupied by those maturing in January 2021, with a gain of one position.

Among LFT, securities maturing in September 2013 secured first place, with a gain of one position. Second place was occupied by those maturing in September 2018, with a loss of one position. Third place was occupied by those maturing in March 2014, with a gain of one position.

Finally, NTN-B maturing in August 2022 secured first place, with a gain of three positions. Second place was occupied by those maturing in August 2016, with a gain of one position. Third place was occupied by those maturing in August 2018, which had not even appeared among the top five securities in the previous month.

**TABLE 5.2** TOP 5 MATURITIES TURNOVER IN THE SECONDARY MARKET, BY INDEX - MAY 2013

(R\$ Mn)

Fixed Rate - LTN					Fixed Rate - NTN-F				
Security	Maturity	Financial Volume	Number of Transactions	% of Respective Outstanding Total	Security	Maturity	Financial Volume	Number of Transactions	% of Respective Outstanding Total
LTN	01/07/2013	1.004,26	33,2	1,46%	NTN-F	01/01/2017	273,01	20,7	0,37%
LTN	01/01/2017	789,30	20,6	3,52%	NTN-F	01/01/2023	222,18	21,7	0,86%
LTN	01/01/2014	679,28	32,3	0,98%	NTN-F	01/01/2021	184,39	22,7	0,56%
LTN	01/01/2016	495,14	21,6	0,53%	NTN-F	01/01/2014	159,91	7,1	0,41%
LTN	01/01/2015	427,86	21,4	0,53%	NTN-F	01/01/2015	30,89	3,1	0,64%
Inflation Linked					Floating (SELIC)				
Security	Maturity	Financial Volume	Number of Transactions	% of Respective Outstanding Total	Security	Maturity	Financial Volume	Number of Transactions	% of Respective Outstanding Total
NTN-B	15/08/2022	1.283,98	158,8	2,28%	LFT	07/09/2013	580,67	232,4	0,85%
NTN-B	15/08/2016	1.175,39	117,9	1,68%	LFT	01/09/2018	520,20	36,3	2,02%
NTN-B	15/08/2018	1.153,68	110,5	2,85%	LFT	07/03/2014	360,89	109,9	0,61%
NTN-B	15/05/2015	780,16	76,0	1,38%	LFT	07/06/2013	291,04	135,1	1,98%
NTN-B	15/08/2050	726,05	123,5	0,98%	LFT	07/03/2015	246,52	129,7	0,41%

Obs. 1: Only definitive transactions are considered.

Obs. 2: Financial volume and number of transactions reflect daily averages within the month;

Obs. 3: There are not considered: i) transactions in which pricings are not in +/- 25% range of the price accepted on purchase and sale transactions (outliers); ii) transactions in which the National Treasury or the Central Bank is the financial principal;

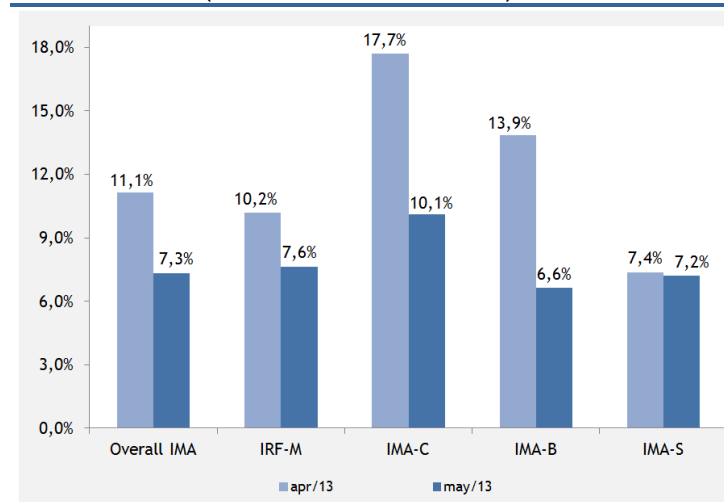
Obs. 4: On brokerage operations, only the values of the final principals are accounted.

## 5.2 Public Securities Yield

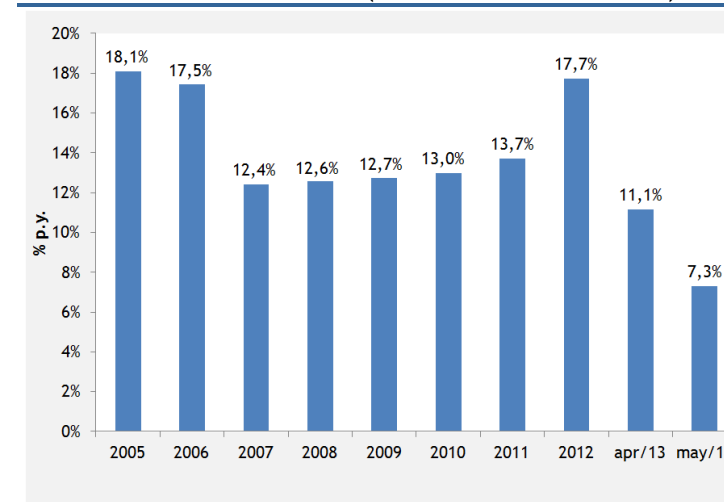
The Anbima Market index - IMA<sup>4</sup>, created by ANBIMA<sup>5</sup> in a partnership with the National Treasury, verifies the profitability of a theoretical portfolio composed of public securities in circulation on the market. It is considered an efficient parameter for purposes of evaluating the evolution of public security profitability, and has introduced greater dynamics into the primary and secondary federal public debt markets.

Data for the month of May indicate a drop of 0.2 percentage points in the IMA-S index, referring to SELIC-linked securities, and a decrease of 3.8 percentage points in the General Index. At the same time, a drop of 2.6 percentage points was registered in the yield of fixed-rate securities, represented by the IRF-M. There was a decrease of 7.6 percentage points in IGP-M-linked securities, represented by the IMA-C. There was a decrease of 7.3 percentage points under IPCA-linked securities, represented by the IMA-B.

**GRAPH 5.2 PUBLIC SECURITIES YIELD - MAY/2013 (CUMULATIVE 12-MONTH %)**



**GRAPH 5.3 PUBLIC SECURITIES YIELD EVOLUTION - OVERALL IMA (CUMULATIVE 12-MONTH %)**



<sup>4</sup> IMA - Fixed-rate indexes calculated on the basis of the evolution of the market value of portfolios composed of public securities. The overall IMA is the result of weighting of the variations of each index; the IRF-M is composed of fixed-rate securities (LTN and NTN-F); the IMA-C, of securities tied to the IGP-M (NTN-C); the IMA-B, composed of securities tied to the IPCA (NTN-B); and the IMA-S, of securities tied to the SELIC rate (LFT). For greater information on the IMA indices, access: [http://www.anbima.com.br/publicacoes/arqs/edesp\\_ima\\_tpf.pdf](http://www.anbima.com.br/publicacoes/arqs/edesp_ima_tpf.pdf)

<sup>5</sup> Brazilian Association of Financial and Capital Market Entities.