

PRESS

RELEASE

DOMESTIC FEDERAL
PUBLIC DEBT AND
OPEN MARKET OPERATIONS

July/2004



BANCO CENTRAL DO BRASIL

Diretoria de Política Monetária

Departamento de Operações
do Mercado Aberto



TESOURO NACIONAL

Coordenação-Geral de
Operações da Dívida Pública

PRESS RELEASE

This monthly the press release has been produced jointly by Tesouro Nacional and Banco Central do Brasil since December 1999. It contains all the information and relevant facts of the previous month concerning Domestic federal public debt – DFPD - and open market operations.

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1. DEBT REDEMPTIONS AND ISSUANCE

1.1.1 Public offerings

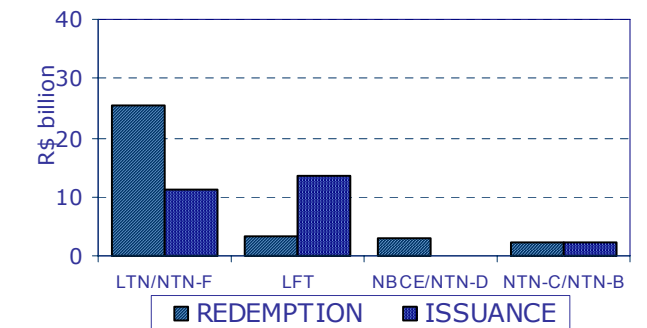
TABLE 1 Redemptions and issuances in federal security auctions							R\$ million
	1st Week 1/July a 2/July	2nd Week 5/July a 9/July	3rd Week 12/July a 16/July	4th Week 19/July a 23/July	5th Week 26/July a 30/July	TOTAL	
TESOURO NACIONAL OPERATIONS							
I - REDEMPTIONS	27.721	62	3.302	2.919	36	34.040	
I-1 Matured	27.119	62	2.445	2.919	36	32.580	
LFT	0	0	400	2.668	0	3.067	
LTN	25.412	0	0	0	0	25.412	
NTN-C	1.330	0	0	0	0	1.330	
NTN-D	0	0	1.534	241	0	1.775	
NTN-F	70	0	0	0	0	70	
Others	306	62	511	10	36	925	
I-2 Purchases/Exchanges*	603	0	857	0	0	1.460	
LFT	129	0	137	0	0	266	
LFT-A	8	0	0	0	0	8	
NTN-B	0	0	69	0	0	69	
NTN-C	415	0	559	0	0	974	
Others	50	0	94	0	0	144	
II - ISSUANCES **	9.150	6.797	6.993	3.591	898	27.427	
LFT	5.047	4.021	2.575	2.008	0	13.652	
LTN 6 months	2.485	2.346	2.614	0	0	7.446	
LTN 9 months	0	0	0	1.346	898	2.243	
LTN 12 months	477	429	474	0	0	1.380	
LTN 18 months	0	0	0	237	0	237	
NTN-B	0	0	540	0	0	540	
NTN-B (second phase)	0	0	789	0	0	789	
NTN-C	569	0	0	0	0	569	
NTN-C (second phase)	571	0	0	0	0	571	
III - LIQUIDITY IMPACT *** (I - II)	18.572	-6.735	-3.691	-672	-861	6.612	
BANCO CENTRAL OPERATIONS							
IV - REDEMPTIONS	0	0	1.174	0	0	1.174	
IV-1 Matured	0	0	1.174	0	0	1.174	
NBCE	0	0	1.174	0	0	1.174	
IV-2 Purchases/Exchanges	0	0	0	0	0	0	
V - SALES **	0	0	0	0	0	0	
VI - LIQUIDITY IMPACT *** (IV - V)	0	0	1.174	0	0	1.174	
VII - TOTAL LIQUIDITY IMPACT *** (III + VI)	18.572	-6.735	-2.516	-672	-861	7.787	

MATURITY AT ISSUANCE IN PUBLIC OFFERINGS

In July, the Tesouro Nacional sold R\$13.7 billion in LFT, with maturities scheduled in 2005, 2006 and 2007, R\$1.1 billion in NTN-C, maturing between 2008 and 2031, and R\$11.3 billion in LTN, with maturity up to Jan/2006.

Public Offering of LTN						
	6 Months	9 Months	12 Months	18 Months	24 Months	36 Months
FEB/04	0.00%	24.89%	58.72%	16.39%	0.00%	0.00%
MAR/04	0.00%	0.00%	78.30%	0.00%	21.70%	0.00%
APR/04	0.00%	0.00%	85.97%	0.00%	14.03%	0.00%
MAY/04	0.00%	78.64%	10.29%	11.07%	0.00%	0.00%
JUN/04	84.74%	0.00%	15.26%	0.00%	0.00%	84.74%
JUL/04	65.86%	19.84%	12.20%	2.10%	0.00%	

Public Offering of LFT *						
	12 Months	24 Months	36 Months	42 Months	54 Months	62 Months
FEB/04	0.00%	0.00%	0.00%	0.00%	0.0%	100.00%
MAR/04	0.00%	0.00%	0.00%	0.00%	0.0%	100.00%
APR/04	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%
MAY/04	42.32%	55.30%	0.00%	2.38%	0.00%	0.00%
JUN/04	66.82%	25.14%	8.04%	0.00%	0.00%	0.00%
JUL/04	37.80%	55.93%	6.27%	0.00%		0.00%



* Includes securities used in settling NTN-C and NTN-B sales

** Financial value of proceeds

*** Positive values mean increased liquidity in system



In July, redemptions of federal public securities totaled R\$35.2 billion, including R\$33.8 billion with maturity within the month and R\$1.5 billion referring to security purchase/exchange operations.

In purchase auctions involving Notas do Tesouro Nacional – series B and C, which are designed to supply greater liquidity for medium and long-term price index-linked securities, the NTN-B purchase offering for settlement on 7/15 was of up to 168,000 securities with maturity between 2006 and 2033. Redemptions came to 56,000 with a total value of R\$68.6 million. In the purchase offering of up to 300,000 NTN-C with maturities between 2008 and 2031 for settlement on 7/1, redemptions came to 19,000 securities with maturities in 2008 and 2017, in the amount of R\$31.6 million.

Starting in July, the Tesouro Nacional initiated public purchase offerings of 6-month NTN-B coupons, in order to create incentives for negotiations involving long-term IPCA-linked securities. The purchase offering was of up to 89,000 interest coupons due August and November 2004. However, in this case, the Tesouro Nacional accepted no proposals.

Security issuances, including security exchanges, totaled R\$27.4 billion, of which 41% referred to fixed rate securities, with maturities up to 1/1/2006 and 50% to LFT, maturing in 2005, 2006 and 2007.

On 7/13 and 7/14, the Tesouro Nacional carried out its monthly NTN-B auction and, in the first round, sold R\$540.5 million in securities with maturities in 2006, 2009, 2015 and 2024, with settlement in cash. In the second round, with settlement in securities, the volume sold came to R\$788.8 million with identical maturities.

In the monthly NTN-C auction, held on the final two business days of the month of June for settlement on the first business day of July, R\$1.1 billion in securities with maturities in 2008, 2017, 2021 and 2031 were sold, including R\$569.2 million in the first round of the auction, with settlement in cash, and R\$571.1 million in the second round, with settlement in securities.

Banco Central carried out a partial rollover of the exchange rate-linked debt and swap operations with maturity in July.

During July, redemptions surpassed issuances in public offerings, producing an expansionary monetary impact of R\$7.8 billion.



1.2 Direct issuances

In July, direct issuances and cancellations of DFPD resulted in a net issuance of R\$512.0 million (see table 2).

TABLE 2 Domestic Federal Debt securities and Securitized Debt Issued Directly						
ISSUANCE						
SECURITY	ISSUANCE	MATURITY	FINANCIAL VALUE* IN R\$ MILLION	PURPOSE	LEGAL AUTHORIZATION	
CFT-B	Several	Several	0.00	In favor of FUNAD ¹ (R\$7,133.08)		
CFT-E1	01/01/04	01/01/34	51.29	In favor of FIES ²	Law no. 10,260, of 7/12/2001	
CTN	07/01/04	07/01/24	0.00	Refinancing of farming debt (R\$36,177.34)	Law no. 9,138, of 11/29/95	
CVS	01/01/97	01/01/27	197.51	Renewal of debts with the "Caixa Econômica Federal"	Law no. 10,150, of 12/21/00 Law no. 10,184, of 2/12/01	
NTN-I	04/15/01	05/15/20	71.36	In favor of PROEX ³	Provisional Measure no. 2.183-56, of 8/24/2001	
TDA	Several	Several	191.93	Compensation for INCRA land expropriations for purposes of land reform	Provisional Measure no. 2.183-56, of 8/24/2001	
SUBTOTAL			512.13			
CANCELLATION						
SECURITY	ISSUANCE	MATURITY	FINANCIAL VALUE* IN R\$ MILLION	REASON	LEGAL AUTHORIZATION	
TDA	Several	Several	0.1	Payment of ITR (Rural Land Tax)	Provisional Measure no. 2,183-56 of 8/24/2001	
SUBTOTAL			0.1			
TOTAL			512.03	NET ISSUANCE		

* Values as of the operation date

1/ National Anti-drug Fund

2/ Higher Education Student Financing Fund 3/ Export Financing Program



1.3 Profile of Purchasers

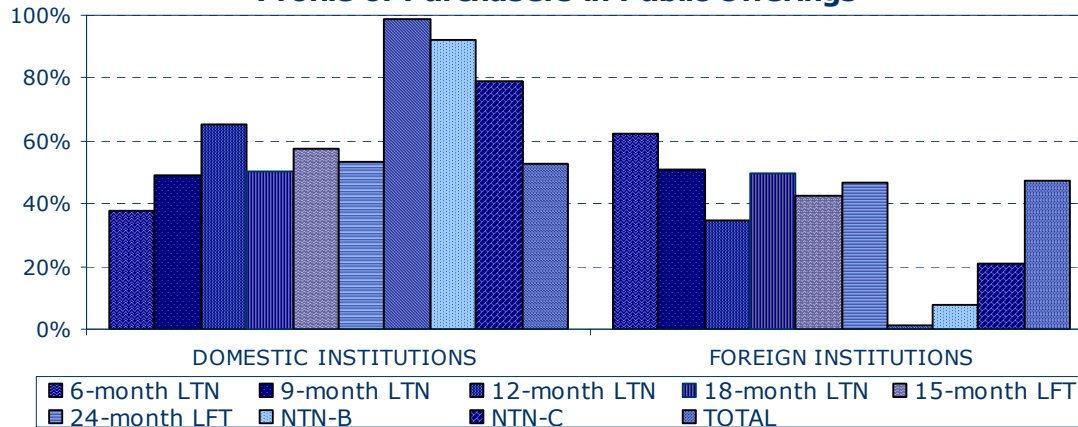
In July, domestic I institutions purchased 52.8% of federal public securities issued in public offerings. Foreign institutions purchased 56.4% of fixed rate securities, with very strong participation in shorter-term LTN (62.2%).

TABLE 3
Profile of purchasers in public offerings (1)

	LTN 6 months	LTN 9 months	LTN 12 months	LTN 18 months	LTN Total	LFT 15 months	LFT 24 months	LFT 33 months	LFT Total	NTN-B	NTN-C	TOTAL
Domestic commercial bank (2)	31.99%	48.05%	64.12%	50.02%	39.48%	43.74%	37.51%	93.00%	43.35%	90.64%	42.93%	42.64%
Foreign commercial bank (2)	33.43%	33.88%	31.09%	33.32%	33.23%	34.23%	35.60%	0.96%	32.91%	0.00%	20.92%	32.11%
Domestic investment bank (3)	3.72%	0.00%	0.00%	0.00%	2.45%	0.00%	1.83%	0.00%	1.02%	0.00%	0.00%	1.60%
Foreign investment bank (3)	25.63%	9.18%	3.47%	16.67%	19.48%	8.35%	11.02%	0.00%	9.32%	0.00%	0.00%	13.33%
Domestic broker/dealer	2.10%	0.90%	1.32%	0.00%	1.72%	13.68%	13.78%	6.04%	13.26%	1.60%	36.15%	8.51%
Foreign broker/dealer	3.12%	8.00%	0.00%	0.00%	3.64%	0.00%	0.26%	0.00%	0.15%	7.76%	0.00%	1.82%
Subtotal domestic institutions	37.81%	48.94%	65.44%	50.02%	43.65%	57.42%	53.12%	99.04%	57.63%	92.24%	79.08%	52.75%
Subtotal foreign institutions	62.19%	51.06%	34.56%	49.98%	56.35%	42.58%	46.88%	0.96%	42.37%	7.76%	20.92%	47.25%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

- (1) Includes public offerings of federal securities registered in the SELIC that were settled in the month.
- (2) Includes banks with commercial portfolio and no investment banking activities as well as those with commercial and investment banking portfolios, which have reserve requirements on demand deposits.
- (3) Includes banks with no commercial portfolio or with commercial and investment banking portfolios that do not have reserve requirements on demand deposits.

Profile of Purchasers in Public Offerings



Purchases on the part of national institutions accounted for 52.8% of the sales of federal public securities in public offerings



2. DOMESTIC FEDERAL DEBT HELD BY PUBLIC

2.1 Breakdown of domestic federal debt held by public

In July, total outstanding DFPD held by the public increased 0.13% compared to the previous month, reached R\$759.2 billion, as interest accrual was almost offset by a net redemption of securities and by the impact of domestic currency appreciation.

With a net redemption of R\$14.1 billion in LTN, the share of fixed rate securities over total DFPD dropped to 15.1%, against 16.8% in the previous month (see table 5), still within the interval (13% to 23%) forecast for 2004 in the National Treasury Annual Financing Plan (PAF).

The share of price index-linked securities rose to 15.1% of the DFPD, as against 14.9% in June (see table 5), reaching the lower limit set in the PAF (between 15% and 21%).

TABLE 4
Domestic federal debt held by the public by type of issuance/negotiability

R\$ billion

Month	Tesouro Nacional			Banco Central		Total			Total									
	Negotiable (Public offering)	Negotiable (Direct Issuance)	Non-negotiable	Negotiable (Public offering)	Negotiable (Direct Issuance)	Negotiable (Public offering)	Negotiable (Direct Issuance)	Non-negotiable										
December/99	249.81	56.59%	114.15	25.86%	14.75	3.34%	62.05	14.06%	0.65	0.15%	311.87	70.65%	114.80	26.01%	14.75	3.34%	441.41	100.00%
December/00	284.15	55.64%	125.79	24.63%	15.07	2.95%	85.69	16.78%	-	0.00%	369.84	72.42%	125.79	24.63%	15.07	2.95%	510.70	100.00%
December/01	311.55	49.92%	169.51	27.16%	16.83	2.70%	126.20	20.22%	-	0.00%	437.75	70.14%	169.51	27.16%	16.83	2.70%	624.08	100.00%
December/02	377.29	60.54%	171.36	27.50%	7.41	1.19%	67.13	10.77%	-	0.00%	444.42	71.31%	171.36	27.50%	7.41	1.19%	623.19	100.00%
August/03	475.20	68.28%	179.48	25.79%	7.14	1.03%	34.14	4.90%	-	0.00%	509.33	73.19%	179.48	25.79%	7.14	1.03%	695.95	100.00%
September/03	485.39	68.58%	181.57	25.65%	7.12	1.01%	33.66	4.76%	-	0.00%	519.05	73.34%	181.57	25.65%	7.12	1.01%	707.74	100.00%
October/03	498.55	69.45%	179.68	25.03%	7.03	0.98%	32.60	4.54%	-	0.00%	531.15	73.99%	179.68	25.03%	7.03	0.98%	717.86	100.00%
November/03	509.90	70.01%	178.53	24.51%	7.03	0.97%	32.84	4.51%	-	0.00%	542.74	74.52%	178.53	24.51%	7.03	0.97%	728.31	100.00%
December/03	520.38	71.15%	173.39	23.71%	6.99	0.96%	30.66	4.19%	-	0.00%	551.04	75.34%	173.39	23.71%	6.99	0.96%	731.43	100.00%
January/04	524.33	71.11%	174.53	23.67%	7.05	0.96%	31.43	4.26%	-	0.00%	555.76	75.37%	174.53	23.67%	7.05	0.96%	737.34	100.00%
February/04	532.81	71.70%	172.11	23.16%	7.04	0.95%	31.18	4.20%	-	0.00%	563.99	75.89%	172.11	23.16%	7.04	0.95%	743.15	100.00%
March/04	553.11	72.79%	171.51	22.57%	7.01	0.92%	28.22	3.71%	-	0.00%	581.32	76.51%	171.51	22.57%	7.01	0.92%	759.84	100.00%
April/04	562.51	73.27%	172.18	22.43%	7.00	0.91%	25.98	3.38%	-	0.00%	588.49	76.66%	172.18	22.43%	7.00	0.91%	767.67	100.00%
May/04	540.88	72.27%	174.22	23.28%	7.16	0.96%	26.12	3.49%	-	0.00%	566.99	75.76%	174.22	23.28%	7.16	0.96%	748.38	100.00%
June/04	549.20	72.44%	177.46	23.41%	7.17	0.95%	24.36	3.21%	-	0.00%	573.56	75.65%	177.46	23.41%	7.17	0.95%	758.19	100.00%
July/04	561.78	74.00%	167.55	22.07%	7.10	0.94%	22.76	3.00%	-	0.00%	584.54	76.99%	167.55	22.07%	7.10	0.94%	759.20	100.00%

Note: Values based on portfolio position according to securities' intrinsic yield curve prices.



As a consequence of a net issuance of R\$10.2 billion in LFT, the share of Selic rate linked securities Selic increased to 59.6%, compared to 57.5% in June (see table 5). When one considers swap operations, exposure to the Selic rate rose to 53.8%.

TABLE 5
Domestic federal debt held by the public by type of return

Month	Fixed Rate		SELIC Rate		Price index		Exchange Rate		TR		Others		R\$ billion	
													Total	
December/99	39.75	9.00%	251.68	57.02%	24.63	5.58%	100.71	22.82%	23.97	5.43%	0.67	0.15%	441.41	100.00%
December/00	75.40	14.76%	266.81	52.24%	30.32	5.94%	113.74	22.27%	24.07	4.71%	0.36	0.07%	510.70	100.00%
December/01	48.79	7.82%	329.46	52.79%	43.63	6.99%	178.58	28.61%	23.52	3.77%	0.10	0.02%	624.08	100.00%
December/02	13.66	2.19%	379.07	60.83%	78.17	12.54%	139.47	22.38%	12.78	2.05%	0.05	0.01%	623.19	100.00%
August/03	51.63	7.42%	457.99	65.81%	86.29	12.40%	87.12	12.52%	12.89	1.85%	0.03	0.00%	695.95	100.00%
September/03	64.02	9.05%	457.24	64.61%	90.24	12.75%	83.24	11.76%	12.96	1.83%	0.03	0.00%	707.74	100.00%
October/03	70.97	9.89%	461.28	64.26%	93.24	12.99%	79.67	11.10%	12.67	1.76%	0.03	0.00%	717.86	100.00%
November/03	82.08	11.27%	457.36	62.80%	94.28	12.95%	81.68	11.21%	12.88	1.77%	0.03	0.00%	728.31	100.00%
December/03	91.53	12.51%	449.03	61.39%	99.07	13.55%	78.67	10.76%	13.09	1.79%	0.03	0.00%	731.43	100.00%
January/04	92.71	12.57%	451.82	61.28%	99.89	13.55%	79.64	10.80%	13.26	1.80%	0.02	0.00%	737.34	100.00%
February/04	100.97	13.59%	450.89	60.67%	102.27	13.76%	75.65	10.18%	13.35	1.80%	0.03	0.00%	743.15	100.00%
March/04	117.06	15.41%	455.73	59.98%	103.38	13.61%	70.17	9.23%	13.47	1.77%	0.03	0.00%	759.84	100.00%
April/04	121.25	15.79%	458.09	59.67%	106.74	13.90%	68.05	8.86%	13.51	1.76%	0.03	0.00%	767.67	100.00%
May/04	122.52	16.37%	433.20	57.89%	109.63	14.65%	69.36	9.27%	13.64	1.82%	0.03	0.00%	748.38	100.00%
June/04	127.55	16.82%	436.13	57.52%	113.29	14.94%	67.37	8.89%	13.82	1.82%	0.03	0.00%	758.19	100.00%
July/04	114.90	15.13%	452.25	59.57%	114.75	15.12%	63.14	8.32%	14.14	1.86%	0.02	0.00%	759.20	100.00%

Note: Values based on portfolio position according to securities' intrinsic yield curve prices.

Excluding swap operations, exchange rate-linked debt fell to 8.3% of DFPD in July, compared to 8.9% in June (see table 5), as a result of a net redemption of R\$2.9 billion in securities and the 2.6% impact of domestic currency appreciation in the month.

Swap operations included, the share of the debt with exchange rate exposure registered a reduction to 14.1%, as against 15.8% in the previous month (see table 6). Exchange rate exposure dropped by R\$12.6 billion (see table 9), due to a net redemption of R\$11.0 billion in securities and exchange rate swaps and to the effect of domestic currency appreciation (R\$2.9 billion), somewhat offset by interest accrual totaling R\$0.5 billion and the impact of the reduction in the foreign exchange coupon (R\$0.9 billion).

In the month of July, maturities came to US\$975 million in NBCE and NTN-D and exchange rate swap maturities totaled US\$3.3 billion. Exchange rate swap operations in the amount of US\$674 million were contracted, generating an 18.6% rollover of foreign exchange instruments, when only principal is taken into account, or 15.9%, when total maturities are considered.



TABLE 6
Domestic federal debt held by the public by type of return (exposure – after swap)

Month	Fixed Rate		SELIC Rate		Price index		Exchange Rate		TR		Others		R\$ billion	
													Total	
December/99	39.75	9.00%	251.68	57.02%	24.63	5.58%	100.71	22.82%	23.97	5.43%	0.67	0.15%	441.41	100.00%
December/00	75.40	14.76%	266.81	52.24%	30.32	5.94%	113.74	22.27%	24.07	4.71%	0.36	0.07%	510.70	100.00%
December/01	48.79	7.82%	329.46	52.79%	43.63	6.99%	178.58	28.61%	23.52	3.77%	0.10	0.02%	624.08	100.00%
December/02	13.66	2.19%	287.97	46.21%	78.17	12.54%	230.57	37.00%	12.78	2.05%	0.05	0.01%	623.19	100.00%
August/03	51.63	7.42%	350.31	50.34%	86.29	12.40%	194.80	27.99%	12.89	1.85%	0.03	0.00%	695.95	100.00%
September/03	64.02	9.05%	353.87	50.00%	90.24	12.75%	186.62	26.37%	12.96	1.83%	0.03	0.00%	707.74	100.00%
October/03	70.97	9.89%	366.67	51.08%	93.24	12.99%	174.27	24.28%	12.67	1.76%	0.03	0.00%	717.86	100.00%
November/03	82.08	11.27%	365.52	50.19%	94.28	12.95%	173.52	23.82%	12.88	1.77%	0.03	0.00%	728.31	100.00%
December/03	91.53	12.51%	366.31	50.08%	99.07	13.55%	161.39	22.06%	13.09	1.79%	0.03	0.00%	731.43	100.00%
January/04	92.71	12.57%	376.39	51.05%	99.89	13.55%	155.07	21.03%	13.26	1.80%	0.02	0.00%	737.34	100.00%
February/04	100.97	13.59%	385.18	51.83%	102.27	13.76%	141.36	19.02%	13.35	1.80%	0.03	0.00%	743.15	100.00%
March/04	117.06	15.41%	391.36	51.51%	103.38	13.61%	134.54	17.71%	13.47	1.77%	0.03	0.00%	759.84	100.00%
April/04	121.25	15.79%	400.92	52.23%	106.74	13.90%	125.22	16.31%	13.51	1.76%	0.03	0.00%	767.67	100.00%
May/04	122.52	16.37%	378.47	50.57%	109.63	14.65%	124.09	16.58%	13.64	1.82%	0.03	0.00%	748.38	100.00%
June/04	127.55	16.82%	383.81	50.62%	113.29	14.94%	119.70	15.79%	13.82	1.82%	0.03	0.00%	758.19	100.00%
July/04	114.90	15.13%	408.24	53.77%	114.75	15.12%	107.15	14.11%	14.14	1.86%	0.02	0.00%	759.20	100.00%

Note: Values based on portfolio position according to securities' intrinsic yield curve prices.

The reference value for swap adjustments was deducted from the SELIC rate-linked securities outstanding, and added to the exchange rate-linked securities outstanding



TABLE 7
Exposure by type of return of domestic federal debt held by the public added to open market operations

Month	Fixed Rate		SELIC Rate		Price index		Exchange Rate		TR		Month	Open market operations				Total	R\$ billion	
	Up to 1 month	Over 1 month	% Up to 1 month	% Over 1 month	Up to 1 month	Over 1 month	% Up to 1 month	% Over 1 month										
December /99	39.75	9.06%	251.68	57.36%	24.63	5.61%	100.71	22.95%	23.97	5.46%	0.67	0.15%	-2.60	-	-0.59%	-	438.80	100.00%
December /00	75.40	14.88%	266.81	52.66%	30.32	5.98%	113.74	22.45%	24.07	4.75%	0.36	0.07%	-7.86	3.87	-1.55%	0.76%	506.71	100.00%
December /01	48.79	8.06%	329.46	54.42%	43.63	7.21%	178.58	29.50%	23.52	3.89%	0.10	0.02%	-19.01	0.36	-3.14%	0.06%	605.43	100.00%
December/02	13.66	1.99%	287.97	41.90%	78.17	11.37%	230.57	33.55%	12.78	1.86%	0.05	0.01%	64.00	0.11	9.31%	0.02%	687.30	100.00%
August/03	51.63	6.85%	350.31	46.49%	86.29	11.45%	194.80	25.85%	12.89	1.71%	0.03	0.00%	57.57	-	7.64%	-	753.52	100.00%
September/03	64.02	8.35%	353.87	46.16%	90.24	11.77%	186.62	24.34%	12.96	1.69%	0.03	0.00%	58.93	-	7.69%	-	766.67	100.00%
October/03	70.97	9.19%	366.67	47.46%	93.24	12.07%	174.27	22.56%	12.67	1.64%	0.03	0.00%	54.74	-	7.09%	-	772.60	100.00%
November/03	82.08	10.48%	365.52	46.94%	94.28	12.11%	173.52	22.28%	12.88	1.64%	0.03	0.00%	50.45	4.66	6.48%	0.60%	783.41	100.00%
December/03	91.53	11.81%	366.31	47.26%	99.07	12.78%	161.39	20.82%	13.09	1.69%	0.03	0.00%	43.74	11.97	5.56%	1.52%	787.14	100.00%
January/04	92.71	11.40%	376.39	46.27%	99.89	12.28%	155.07	19.06%	13.26	1.63%	0.02	0.00%	57.99	18.18	7.13%	2.23%	813.52	100.00%
February/04	100.97	12.38%	385.18	47.22%	102.27	12.54%	141.36	17.33%	13.35	1.64%	0.03	0.00%	56.18	16.30	6.89%	2.00%	815.63	100.00%
March/04	117.06	14.17%	391.36	47.38%	103.38	12.52%	134.54	16.29%	13.47	1.63%	0.03	0.00%	47.72	18.44	5.78%	2.23%	826.00	100.00%
April/04	121.25	14.68%	400.92	48.55%	106.74	12.93%	125.22	15.16%	13.51	1.64%	0.03	0.00%	39.01	19.17	4.72%	2.32%	825.86	100.00%
May/04	122.52	14.70%	378.47	45.40%	109.63	13.15%	124.09	14.88%	13.64	1.64%	0.03	0.00%	62.88	22.47	7.54%	2.69%	833.73	100.00%
June/04	127.55	15.23%	383.81	45.84%	113.29	13.53%	119.70	14.30%	13.82	1.65%	0.03	0.00%	46.51	32.58	5.55%	3.89%	837.27	100.00%
July/04	114.90	13.70%	408.24	48.67%	114.75	13.68%	107.15	12.77%	14.14	1.69%	0.02	0.00%	32.75	46.84	3.90%	5.58%	838.79	100.00%

Note: Values based on portfolio position according to securities' intrinsic yield curve prices.
The reference value for swap adjustments was deducted from the SELIC rate-linked securities outstanding, and added to the exchange rate-linked securities outstanding.
Open market operations represent the balance, adjusted according to the contracted rate, of financing operations with a term to be run on the last working day of the month.

TABLE 8
Banco Central SWAP operations - Redemptions and issuances

Month	R\$ billion	
	Issuances	Redemptions
December/02	16.4	15.1
August/03	2.2	3.8
September/03	3.5	5.1
October/03	0.9	10.2
November/03	0.1	5.4
December/03	1.0	9.5
January/04	0.0	8.5
February/04	0.0	8.5
March/04	0.0	2.1
April/04	0.0	8.1
May/04	0.0	7.5
June/04	1.0	1.5
July/04	2,1	10,1

Values based on portfolio position according to securities' intrinsic yield curve prices

TABLE 9
Exchange rate exposure – Domestic federal debt outstanding and Banco Central SWAP operations

Month	R\$ billion		
	Domestic federal debt outstanding	Swap	Total
December /99	100.71	-	100.71
December /00	113.74	-	113.74
December /01	178.58	-	178.58
December/02	139.47	91.10	230.57
August/03	87.12	107.67	194.80
September/03	83.24	103.37	186.62
October/03	79.67	94.61	174.27
November/03	81.68	91.84	173.52
December/03	78.67	82.72	161.39
January/04	79.64	75.43	155.07
February/04	75.65	65.71	141.36
March/04	70.17	64.37	134.54
April/04	68.05	57.17	125.22
May/04	69.36	54.73	124.09
June/04	67.37	52.32	119.69
July/04	63.14	44.01	107.15

Note:



2.2 Average term to maturity

The average term of issuance was 20.5 months, compared to 23.1 in June, as a result of increased share of shorter-term LTN in the month's issuances (see table 12). The average term of the DFPD outstanding remained constant at 29.9 months (see tables 10 and 11).

TABLE 10
Average term of domestic federal debt held by the public by type of issuance/negotiability

Month	Tesouro Nacional			Banco Central			Total		Months
	Negotiable (Public offering)	Negotiable (Direct Issuance)	Non-negotiable	Negotiable (Public offering)	Negotiable (Direct Issuance)	Negotiable (Public offering)	Negotiable (Direct Issuance)	Non-negotiable	Total
December/99	8.27	68.35	95.34	11.26	1.57	8.87	67.97	95.34	27.13
December/00	15.36	62.54	98.42	17.81	-	15.93	62.54	98.42	29.85
December/01	29.40	54.01	90.22	15.77	-	25.47	54.01	90.22	34.97
December/02	23.05	60.93	67.42	16.01	-	21.99	60.93	67.42	33.24
August/03	23.54	53.62	62.16	17.62	-	23.14	53.62	62.16	31.40
September/03	23.51	53.29	61.50	16.70	-	23.06	53.29	61.50	31.21
October/03	24.14	53.05	61.35	15.96	-	23.63	53.05	61.35	31.37
November/03	24.15	53.49	61.42	15.56	-	23.63	53.49	61.42	31.31
December/03	24.50	53.51	60.76	15.35	-	23.99	53.51	60.76	31.34
January/04	24.79	53.03	60.09	14.38	-	24.20	53.03	60.09	31.37
February/04	24.17	52.91	59.51	13.54	-	23.58	52.91	59.51	30.71
March/04	23.37	52.61	59.25	13.92	-	22.91	52.61	59.25	29.95
April/04	23.08	52.38	59.09	14.39	-	22.69	52.38	59.09	29.68
May/04	23,57	52,00	58,40	14,29	-	23,14	52,00	58,40	30,20
June/04	23.24	51.27	57.80	14.32	-	22.86	51.27	57.80	29.84
July/04	23.23	53.02	57.45	14.04	-	22.88	53.02	57.45	29.85

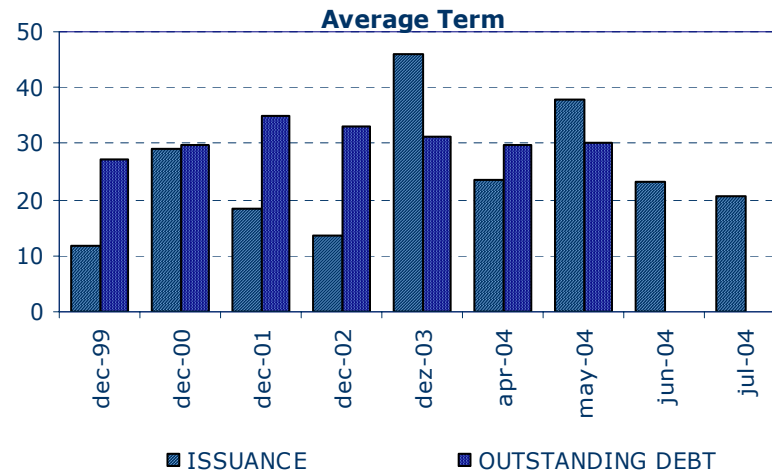




TABLE 11
Average term of domestic federal debt outstanding held by the public by type of return

Month							Months
	Fixed Rate	SELIC Rate	Price index	Exchange Rate	TR	Others	Total
December/99	2.00	19.88	63.02	24.71	118.58	11.27	27.13
December/00	5.15	27.61	59.11	28.50	101.82	11.04	29.85
December/01	3.45	36.39	68.45	25.36	91.43	18.21	34.97
December/02	3.06	21.83	79.18	35.47	98.46	15.27	33.24
August/03	6.76	22.10	77.51	40.52	90.51	14.24	31.40
September/03	6.64	22.38	76.00	40.95	89.61	13.24	31.21
October/03	7.11	22.49	77.25	41.02	92.09	12.20	31.37
November/03	6.95	22.81	77.33	40.67	92.37	11.20	31.31
December/03	6.50	22.74	77.88	40.51	92.75	10.17	31.34
January/04	7.83	22.59	77.90	40.16	91.87	12.85	31.37
February/04	7.38	21.97	76.68	41.15	91.10	11.89	30.71
March/04	7.57	21.06	77.57	43.37	90.11	10.85	29.95
April/04	8.44	20.14	77.75	44.52	89.34	9.85	29.68
May/04	7.37	20.33	77.67	45.64	88.37	8.82	30.20
June/04	6.38	20.07	77.07	45.90	89.37	7.82	29.84
July/04	6.95	19.20	78.08	46.94	88.87	10.97	29.85

TABLE 12
Average term of issuances in public offerings

Month					Months
	LTN/NTN-F	LFT	NTN-D/NBCE	NTN-B/NTN-C	Total
December/99	4.12	12.13	21.25	43.45	11.73
December/00	9.73	48.81	24.40	47.50	28.91
December/01	6.60	-	35.30	53.32	18.29
December/02	-	7.47	-	65.42	13.45
August/03	10.61	30.50	-	116.61	23.83
September/03	11.51	38.87	-	68.99	30.43
October/03	11.74	37.92	-	95.01	35.38
November/03	11.92	45.27	-	104.29	29.73
December/03	12.50	55.07	-	95.59	45.78
January/04	13.66	58.60	-	47.61	26.61
February/04	12.64	61.87	-	65.41	24.12
March/04	14.55	61.16	-	119.23	23.75
April/04	13.05	35.77	-	78.08	23.43
May/04	9.46	20.70	-	89.21	38.37
June/04	7.49	18.18	-	68.87	23.20
July/04	7.44	19.80	-	83.83	20.47



2.3 Maturity structure of domestic federal debt held by public

The share of federal public securities held by the public and scheduled to mature in up to 12 months declined to 41.9% of the DFPD. In absolute terms, there was a reduction of R\$2.5 billion, as a result of the fact that maturities that occurred in the month and redemptions of securities with maturity up to July 2005 received in exchange operations, totaling R\$34.3 billion, surpassed July 2005 maturities, interest accrual on securities with terms of up to 12 months and issues of securities with maturities up to this limit, which came to a total of R\$31.8 billion.

TABLE 13
Federal securities held by the public maturing in twelve months by type of return

Month	R\$ billion													
	Fixed Rate		SELIC Rate		Price index		Exchange Rate		TR		Others		Total	
December/99	39.75	100.00%	146.48	58.20%	2.03	8.26%	53.31	52.94%	0.91	3.79%	0.02	3.34%	242.51	54.94%
December/00	72.95	96.75%	95.53	35.81%	3.65	12.03%	51.22	45.03%	1.31	5.46%	0.24	66.47%	224.90	44.04%
December/01	47.20	96.73%	35.39	10.74%	7.33	16.81%	82.20	46.03%	0.97	4.14%	0.02	23.62%	173.12	27.74%
December/02	13.21	96.77%	185.83	49.02%	6.79	8.68%	49.16	35.25%	0.91	7.11%	-	0.00%	255.90	41.06%
August/03	46.64	90.34%	148.41	32.40%	9.51	11.02%	32.98	37.86%	0.92	7.11%	-	0.00%	238.46	34.26%
September/03	55.62	86.89%	141.05	30.85%	10.18	11.28%	32.03	38.48%	0.89	6.89%	-	0.00%	239.78	33.88%
October/03	61.68	86.91%	136.03	29.49%	10.34	11.09%	34.77	43.64%	0.78	6.12%	-	0.00%	243.60	33.93%
November/03	71.09	86.61%	132.75	29.02%	10.28	10.90%	37.36	45.74%	0.73	5.66%	-	0.00%	252.20	34.63%
December/03	78.69	85.97%	130.73	29.12%	10.66	10.76%	37.75	47.98%	0.67	5.12%	0.02	49.75%	258.52	35.34%
January/04	85.36	92.08%	125.05	27.68%	10.73	10.74%	41.18	51.70%	0.73	5.49%	0.02	60.32%	263.06	35.68%
February/04	92.02	91.14%	140.86	31.24%	11.06	10.82%	39.09	51.67%	0.78	5.85%	0.01	58.15%	283.82	38.19%
March/04	90.91	77.66%	163.89	35.96%	10.15	9.81%	33.71	48.04%	0.84	6.26%	0.02	60.31%	299.51	39.42%
April/04	105.70	87.18%	166.17	36.28%	10.36	9.71%	31.73	46.62%	0.84	6.23%	0.02	60.31%	314.82	41.01%
May/04	107.21	87.51%	163.42	37.72%	10.58	9.65%	30.93	44.60%	0.87	6.39%	0.02	60.31%	313.04	41.83%
June/04	111.53	87.44%	168.40	38.61%	10.83	9.56%	28.98	43.01%	0.76	5.53%	0.02	57.67%	320.53	42.28%
July/04	107.29	93.38%	168.78	37.32%	15.58	13.58%	25.59	40.54%	0.79	5.56%	0.01	57.67%	318.05	41.89%

Note: Values based on portfolio position according to securities' intrinsic yield curve prices. The payments of principal and interests are considered at the maturity date.
Percentage of total of securities maturing with same type of return.
Historical series of data available in Annex VI

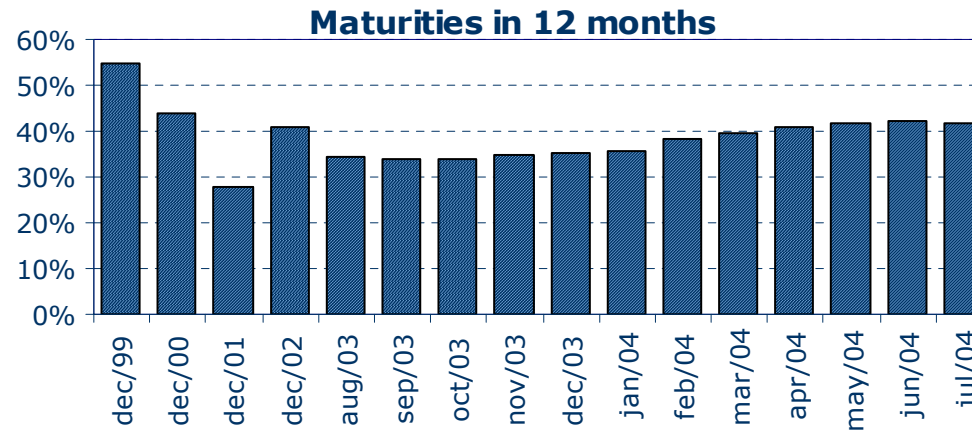


TABLE 14
Maturity structure of federal securities held by the public

Month	Up to 1 year		1 to 2 years		2 to 3 years		3 to 4 years		4 to 5 years		Over 5 years		R\$ billion	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%	Total	%
December/99	242.51	54.94%	102.68	23.26%	10.89	2.47%	9.97	2.26%	9.48	2.15%	65.88	14.92%	441.41	100.00%
December/00	224.90	44.04%	63.24	12.38%	102.06	19.98%	32.23	6.31%	16.64	3.26%	71.62	14.02%	510.70	100.00%
December/01	173.12	27.74%	146.67	23.50%	75.98	12.17%	47.29	7.58%	106.42	17.05%	74.61	11.95%	624.08	100.00%
December/02	255.90	41.06%	106.93	17.16%	72.42	11.62%	90.22	14.48%	20.38	3.27%	77.34	12.41%	623.19	100.00%
August/03	238.46	34.26%	177.37	25.49%	130.55	18.76%	60.39	8.68%	18.68	2.68%	70.51	10.13%	695.95	100.00%
September/03	239.78	33.88%	185.79	26.25%	133.38	18.85%	60.28	8.52%	20.89	2.95%	67.61	9.55%	707.74	100.00%
October/03	243.60	33.93%	189.81	26.44%	139.40	19.42%	55.11	7.68%	20.67	2.88%	69.29	9.65%	717.86	100.00%
November/03	252.20	34.63%	185.14	25.42%	148.85	20.44%	50.08	6.88%	23.17	3.18%	68.87	9.46%	728.31	100.00%
December/03	258.52	35.34%	187.49	25.63%	137.27	18.77%	52.89	7.23%	27.77	3.80%	67.48	9.23%	731.43	100.00%
January/04	263.06	35.68%	188.18	25.52%	132.09	17.92%	51.90	7.04%	30.37	4.12%	71.74	9.73%	737.34	100.00%
February/04	283.82	38.19%	178.90	24.07%	125.06	16.83%	52.56	7.07%	30.24	4.07%	72.57	9.76%	743.15	100.00%
March/04	299.51	39.42%	197.33	25.97%	104.96	13.81%	52.58	6.92%	34.26	4.51%	71.19	9.37%	759.84	100.00%
April/04	314.82	41.01%	194.18	25.29%	99.31	12.94%	61.46	8.01%	25.00	3.26%	72.91	9.50%	767.67	100.00%
May/04	313.04	41.83%	187.43	25.04%	90.29	12.06%	59.75	7.98%	25.66	3.43%	72.22	9.65%	748.38	100.00%
June/04	320.53	42.28%	196.34	25.90%	96.66	12.75%	55.53	7.32%	15.35	2.02%	73.78	9.73%	758.19	100.00%
July/04	318.05	41.89%	205.98	27.13%	89.64	11.81%	56.51	7.44%	14.61	1.92%	74.41	9.80%	759.20	100.00%

Note: Values based on portfolio position according to securities' intrinsic yield curve prices.
The payments of principal and interests are considered at the maturity date.
Percentage of total of securities.
Historical series of data available in Annex VI



3. OPEN MARKET OPERATIONS

3.1 Banco Central Interventions

In the month of July, Banco Central carried out very short-term fixed rate repo operations, fixed rate operations with three month terms and floating rate operation with two week terms, as well as end-of-day leveling operation, with the objective of balancing the liquidity of the banking reserve market and managing the Selic rate.

The three month and two week operations were carried out weekly. The first of these withdrew a total volume of R\$16.3 billion from the market at rates that varied between 16.15% and 16.18%, while the others registered a average volume of R\$15.5 billion and earnings equivalent to 99.90% of the Selic rate. Repurchases originating in the maturities of fixed rate operations reached R\$2.5 billion in the month.

Very short-term fixed rate operations were also targeted at withdrawing resources (sales of federal securities with repurchase commitment) for one business day (overnight). During July, 13 of these operations were carried out and reached an average financial volume of R\$7.9 billion with rates between 15.83% and 15.90%.

Operations aimed at leveling liquidity occurred on 20 of the 22 business days of the month. On 15 days, operations were restricted to borrowers of funds and, on 5 days, to those supplying funds. Financing contracted by Banco Central registered an average volume of R\$1.0 billion and yield of 15.60% up to 7/13 and 15.55% from then on. In average terms, financing granted came to R\$385 million, at a rate of 15.95% or 16.00%. The period of the interventions was 2 business days.

Assessed according to the net balance of financing taken by Banco Central with terms of up to one month, excess banking liquidity dropped in July from R\$46.5 billion to R\$32.8 billion (see table 7) due to the increase in the financial volume of three-month repo operations.



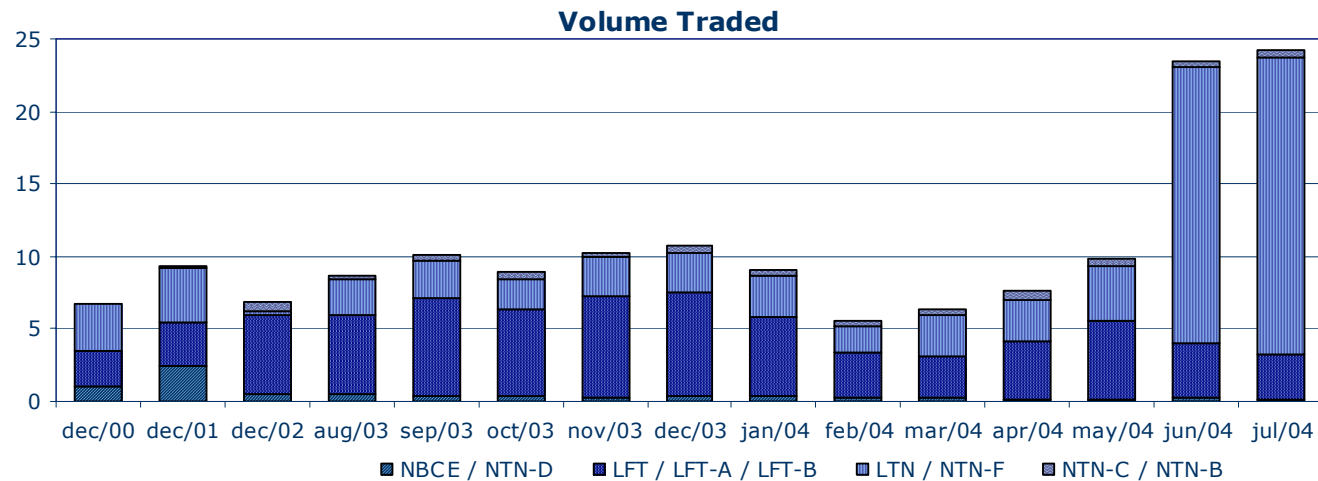
3.2 Secondary market transactions with federal securities recorded with SELIC

The average daily financial volume of definitive operations among market participants (excluding Banco Central and the Tesouro Nacional) remained relatively stable in relation to June/04 (increase of 3%), closing at R\$24.3 billion (daily average of 1,984 operations). This was the largest volume since the Press Release on the DFPD and Open Market was first issued in November/99.

Operations with fixed rate securities (LTN) were particularly strong and accounted for approximately 85% of the total volume negotiated in the secondary market. The average volume negotiated in this segment increased by 8% compared to the previous month and surpassed the mark of R\$20.5 billion. This growth was driven by the end of the period of assessment of the performance of Banco Central and the Tesouro Nacional dealers* on 7/30 and continuation of the process of defining market makers** by clearing BMA.

The 18% drop in the average daily financial volume of LFT, coupled with growth in operations with fixed rate securities, generated a reduction in the share of Selic rate-linked securities in relation to the total traded. This share dropped to 13%, the lowest since November/99.

As regards price index-linked securities, the result was similar to that of the previous month. In July, the average volume was approximately R\$0.5 billion and share held steady at 2% of total transactions.



*dealers – Institutions accredited to operate directly with Banco Central and the Tesouro Nacional.

**market makers - Institutions accredited by clearing BMA that are permitted to operate with the benefit of anonymity.

The security most intensely negotiated in the secondary market (see table 16), in terms of volume (R\$19.5 billion) and the number of operations (529), was clearly the LTN maturing on 1/4/2005. With the start of the clearing BMA in May/04, there was a substantial increase in transactions with these securities, making them the security with the largest negotiated volume for the third consecutive month. The outstanding held by the public with this maturity in relation to total LTN increased from 26% on 6/30 to 35% on 7/30.

In the segment of securities Selic rate-linked securities, the most intensely negotiated maturity changed. In July, LFT maturing on 5/17/2006 closed in first place in volume (R\$646 million), in contrast to June, when that with maturity on 8/17/2005 was the security most commonly negotiated. The Tesouro Nacional has offered both securities weekly since May 2004.

For the second consecutive month, NTN-C maturing on 4/1/2008 was the most intensely negotiated security of all those updated by price indices. Parallel to this, the exchange referenced security most commonly transacted was the



NBCE maturing on 10/12/2006.

TABLE 15
Volume traded by security

Month	LFT / LFT-A / LFT-B			LTN			NBCE / NTN-D			NTN-C			Others		Total		
	Volume (1)	% (2)	Change (3)	Volume (1)	% (2)	Change (3)	Volume (1)	% (2)	Change (3)	Volume (1)	% (2)	Change (3)	Volume (1)	% (2)	Volume (1)	% (2)	Change (3)
December/00	2.38	35.0%	-9.6%	3.25	47.8%	21.1%	1.09	16.1%	25.2%	0.06	0.9%	-5.5 %	0.01	0.2%	6.79	100.0%	8.5%
December/01	2.94	31.6%	74.4%	3.77	40.5%	-4.1%	2.49	26.7%	53.4%	0.12	1.3%	85.3 %	0.00	0.1%	9.32	100.0%	27.6%
December/02	5.46	80.1%	12.5%	0.18	2.6%	-24.2%	0.55	8.1%	40.5%	0.62	9.2%	4.0%	0.00	0.0%	6.81	100.0%	12.0%
August/03	5.40	62.6%	-22.0%	2.41	27.9%	-20.2%	0.57	6.6%	57.4%	0.25	2.9%	8.1%	0.00	0.0%	8.63	100.0%	-18.1%
September/03	6.68	66.5%	23.8%	2.53	25.2%	5.1%	0.44	4.4%	-23.4%	0.39	3.9%	57.2%	0.00	0.0%	10.05	100.0%	16.4%
October/03	5.95	66.6%	-10.9%	2.10	23.5%	-17.2%	0.35	4.0%	-19.1%	0.54	6.0%	37.6%	0.00	0.0%	8.94	100.0%	-11.0%
November/03	6.90	67.2%	15.9%	2.81	27.4%	34.0%	0.30	2.9%	-14.7%	0.26	2.5%	-51.3%	-	0.0%	10.27	100.0%	14.9%
December/03	7.05	65.9%	2.2%	2.68	25.0%	-4.8%	0.45	4.2%	49.1%	0.52	4.9%	100.8%	0.00	0.0%	10.70	100.0%	4.2%
January/04	5.46	60.1%	-22.6%	2.86	31.5%	7.0%	0.34	3.8%	-23.7%	0.41	4.6%	-20.7%	-	0.0%	9.08	100.0%	-15.2%
February/04	3.18	57.5%	-41.7%	1.80	32.5%	-37.2%	0.25	4.5%	-28.3%	0.31	5.5%	-26.4%	-	0.0%	5.53	100.0%	-39.1%
March/04	2.80	44.4%	-11.9%	2.81	44.5%	56.1%	0.29	4.6%	17.2%	0.41	6.5%	34.5%	-	0.0%	6.31	100.0%	14.0%
April/04	3.94	51.7%	40.5%	2.92	38.4%	4.2%	0.19	2.5%	-34.8%	0.56	7.4%	37.4%	0.00	0.0%	7.61	100.0%	20.7%
May/04	5.41	54.8%	37.4%	3.81	38.6%	30.3%	0.11	1.2%	-39.0%	0.53	5.4%	-5.8%	0.00	0.0%	9.86	100.0%	29.6%
June/04	3.77	16.0%	-30.3%	19.09	81.2%	401.2%	0.20	0.9%	76.4%	0.45	1.9%	-15.8%	0.00	0.0%	23.51	100.0%	138.3%
July/04	3.09	12.7%	-18.2%	20.55	84.7%	7.6%	0.14	0.6%	-31.9%	0.48	2.0%	6.3%	0.02	0.1%	24.27	100.0%	3.2%

(1) Monthly average of the daily financial value of outright operations. Operations where the prices agreed are outside the range of +/- 25% of the security collateral price, accepted by Banco Central in repo operations; and operations where one of the parties is either the Banco Central or the Tesouro Nacional are not considered.

(2) Share of the security monthly volume traded against total monthly trade.

(3) Percentage change of the security monthly volume traded against the volume traded in the previous month.

(4) Calculations performed using the original values, before rounding.

TABLE 16
Most traded maturities in the secondary market by type of return

Security	Fixed Rate			Security	SELIC Rate			Security	Price Index			Security	Exchange Rate		
	Maturity	Financial Volume	# of Operations		Maturity	Financial Volume	# of Operations		Maturity	Financial Volume	# of Operations		Maturity	Financial Volume	# of Operations
LTN	1/4/2005	19,493.3	529.0	LFT	5/17/2006	646.0	34.3	NTN-C	4/1/2008	177.2	24.7	NBCE	10/12/2006	32.9	2.2
LTN	4/1/2005	553.7	26.5	LFT	8/18/2004	435.8	377.0	NTN-C	12/1/2005	76.0	16.3	NTN-D	12/15/2004	24.3	1.0
LTN	10/1/2004	332.1	21.1	LFT	8/17/2005	414.0	24.2	NTN-C	1/1/2031	59.3	2.6	NBCE	11/16/2006	22.6	0.3
LTN	7/1/2005	146.4	12.2	LFT	11/17/2004	178.9	129.1	NTN-B	8/15/2006	43.2	7.0	NBCE	10/14/2004	9.4	0.4
LTN	1/1/2006	20.1	2.3	LFT	3/16/2005	169.8	72.7	NTN-C	7/1/2005	37.1	6.3	NTN-D	10/13/2004	9.2	0.7

Notes: Includes only outright operations.

The financial volume and the number of operations relate to daily averages in the month.

Operations where the prices agreed are outside the range of +/- 25% of the security collateral price accepted by Banco Central in repo operations; and operations where one of the parties is either the Banco Central or the Tesouro Nacional are not considered.



TABLE 17
Volume traded in the forward market by security

Month	R\$ million														
	LFT			LTN			NBCE/NTN-D			NTN-C			Total		
	Volume	LFT %	Change	Volume	LTN %	Change	Volume	%	Change	Volume	%	Change	Volume	%	Change
(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	
December/00	-	-	-	1,221.20	100.0%	358.3%	0.06	0.0%	-98.8%	-	-	-	1,221.25	100.0%	350.2%
December/01	1.72	0.1%	-23.3%	2,965.84	99.7%	-3.0%	8.18	0.3%	-63.6%	-	-	-	2,975.74	100.0%	-3.5%
December/02	95.17	99.0%	62.2%	0.99	1.0%	8.7%	-	0.0%	-	-	0.0%	-100.0%	96.16	100.0%	59.7%
August/03	20.00	1.3%	-28.5%	1,547.80	98.6%	-38.1%	2.06	0.1%	-36.5%	-	0.0%	-	1,569.85	100.0%	-38.0%
September/03	7.28	0.5%	-63.6%	1,523.01	99.5%	-1.6%	-	0.0%	-100.0%	-	0.0%	-	1,530.29	100.0%	-2.5%
October/03	43.64	3.4%	499.7%	1,240.03	96.5%	-18.6%	-	0.0%	-	0.68	0.1%	-	1,284.35	100.0%	-16.1%
November/03	-	0.0%	-100.0%	1,814.47	100.0%	46.3%	-	0.0%	-	-	0.0%	-100.0%	1,814.47	100.0%	41.3%
December/03	-	0.0%	0.0%	1,829.01	100.0%	0.8%	-	0.0%	-	-	0.0%	-	1,829.01	100.0%	0.8%
January/04	-	0.0%	0.0%	1,888.44	98.7%	3.2%	3.84	0.2%	-	20.67	1.1%	-	1,912.95	100.0%	4.6%
February/04	-	0.0%	0.0%	1,116.64	98.9%	-40.9%	12.41	1.1%	223.3%	-	0.0%	-100.0%	1,129.05	100.0%	-41.0%
March/04	2.20	0.1%	0.0%	1,802.17	99.8%	61.4%	0.86	0.0%	-93.0%	-	0.0%	-	1,805.24	100.0%	59.9%
April/04	19.54	1.3%	786.7%	1,512.24	98.7%	-16.1%	-	0.0%	-100.0%	-	0.0%	-	1,531.77	100.0%	-15.1%
May/04	1.84	0.1%	-90.6%	2,936.80	99.9%	94.2%	-	0.0%	-	-	0.0%	-	2,938.64	100.0%	91.8%
June/04	38.55	0.2%	2,000.1%	18,023.21	99.8%	513.7%	-	0.0%	-	0.83	0.0%	-	18,062.59	100.0%	514.7%
July/04	2.90	0.0%	-89.5%	19,512.85	99.9%	9.5%	6.18	0.0%	-	4.85	0.0%	484.2%	19,526.78	100.0%	9.4%

(1) Monthly average of the daily financial value of operations.

(2) Share of the security monthly volume traded against total monthly trade.

(3) Percentage change of the security monthly volume traded against the volume traded in the previous month.

(4) Calculations performed using the original values, before rounding.

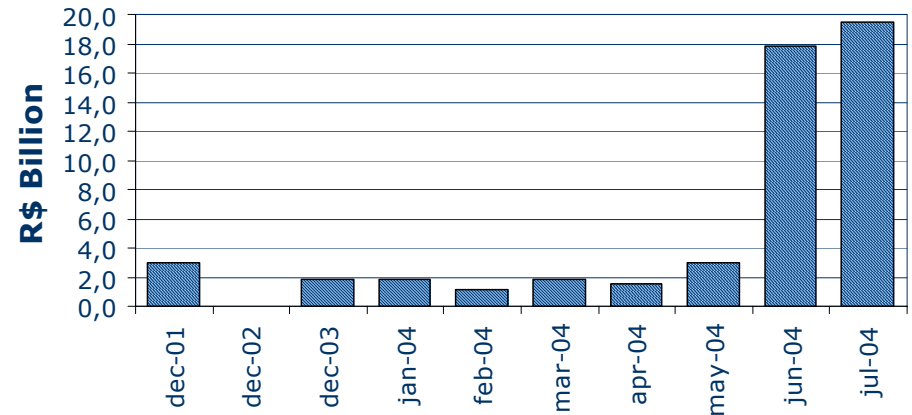
(5) For operations with return in a date later than the end of the month, the price was calculated based on the updated nominal value on the closing of the month.

TABLE 18
Most traded maturities in the forward market

Security	Maturity	Financial Volume (R\$ million)	Number of Operations
LTN	14/2005	18,978.5	516.86
LTN	4/1/2005	346.3	10.10
LTN	7/1/2005	91.2	4.10
LTN	10/1/2004	87.8	1.71
LTN	1/1/2006	9.0	0.86

Note: Financial value and number of operations refer to daily averages in the month.

Volume Traded in the Forward Market - LTN/NT-F





The average daily volume on the forward market (see table 17) expanded by 9.4% and reached a level of R\$19.5 billion. Fixed rate securities predominated in this market, principally LTN maturing on 1/4/2005, which corresponded to 97% of all forward operations.

Repo operations, excluding those carried out with Banco Central, reached daily averages of R\$143.7 billion (see table "Volume of secondary market operations with federal securities – monthly average of daily total"). and 3,087 operations. Intraday repo operations registered daily averages of R\$2.7 billion and thirty operations.

Overnight operations corresponded to 95% of total repo operations, with daily averages of R\$137.0 billion and 2,958 operations. Freely operated repo operations registered daily averages of R\$340 million and four operations.

TABLE 19 Volume of brokerage operations							
R\$ million							
Month	Outright operations				Repo operations		
	Volume (1)	# of Operations	Change (2)	% Total	Volume (1)	# of Operations	Change (2)
December/02	950.4	92.5	18.3%	15.0%	252.1	3.0	1.6%
August/03	2,639.4	164.8	-43.0%	31.0%	-	-	-100.0%
September/03	2,729.4	173.0	3.4%	27.0%	29.1	0.8	-
October/03	2,592.8	163.0	-5.0%	29.0%	171.8	5.3	490.8%
November/03	3,711.1	205.3	43.1%	36.0%	127.7	3.9	-25.7%
December/03	4,323.2	199.1	16.5%	40.0%	118.9	5.4	-6.9%
January/04	3,415.6	181.5	-21.0%	38.0%	51.7	3.6	-56.5%
February/04	1,871.2	134.6	-45.2%	33.8%	14.2	1.6	-72.5%
March/04	2,392.8	152.9	27.9%	37.9%	18.7	1.9	31.6%
April/04	2,755.4	156.2	15.2%	36.2%	39.0	2.5	108.5%
May/04	2,093.0	138.4	-24.0%	21.2%	58.4	2.7	49.8%
June/04	2,128.4	120.4	6.1%	9.1%	74.0	2.8	26.7%
July/04	1,654.8	110.6	-22.3%	6.8%	85.5	2.7	15.4%

(1) Monthly average of the daily financial value of operations.

(2) Percentage change of the security monthly volume traded against the volume traded in the previous month.



The average daily volume of definitive brokerage operations dropped sharply (-22.3%) to R\$1.7 billion. This was the lowest volume since April/03 and represented just 7% of total definitive operations. This level of participation occurred exclusively in the first months following implementation of the Brazilian Payments System (SPB) in April/02 and was caused by the low volume of brokerage operations in the Sisbex/BMA environment. When only definitive operations in Selic are considered, this participation rises to 25%. The minimum daily volume was R\$280 million on 7/12 and the maximum was R\$3.3 billion on 7/5. Repo brokerage operations reached a value of R\$86 million per day.