

**PRESS**

**RELEASE**

DOMESTIC FEDERAL  
PUBLIC DEBT AND  
OPEN MARKET OPERATIONS

**September/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

The monthly press release has been produced jointly by National Treasury 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/Sep a 3/Sep	2nd Week 6/Sep a 10/Sep	3rd Week 13/Sep a 17/Sep	4th Week 20/Sep a 24/Sep	5th Week 27/Sep a 30/Sep	TOTAL	
<b>NATIONAL TREASURY OPERATIONS</b>							
<b>I - REDEMPTIONS</b>	<b>716</b>	<b>547</b>	<b>13,514</b>	<b>1,200</b>	<b>46</b>	<b>16,023</b>	
<b>I-1 Matured</b>	<b>293</b>	<b>547</b>	<b>12,258</b>	<b>204</b>	<b>33</b>	<b>13,335</b>	
LFT	0	409	11,519	0	0	11,928	
LTN	0	0	0	0	0	0	
NTN-B	0	0	33	0	0	33	
NTN-C	118	0	0	0	0	118	
NTN-D	0	0	59	193	0	253	
Others	175	138	647	10	33	1,004	
<b>I-2 Purchases/Exchanges*</b>	<b>423</b>	<b>0</b>	<b>1,256</b>	<b>997</b>	<b>13</b>	<b>2,688</b>	
LTN	0	0	992	996	0	1,988	
LFT	16	0	0	0	0	16	
LFT-B	0	0	0	1	13	13	
NTN-B	0	0	264	0	0	264	
NTN-C	407	0	0	0	0	407	
<b>II - ISSUANCES **</b>	<b>5,098</b>	<b>3,458</b>	<b>6,440</b>	<b>4,252</b>	<b>0</b>	<b>19,248</b>	
LFT	3,069	2,051	3,989	1,280	0	10,388	
LTN 9 months	1,327	1,407	1,465	2,972	0	7,172	
LTN 18 months	243	0	604	0	0	847	
NTN-B	0	0	231	0	0	231	
NTN-B (second phase)	0	0	150	0	0	150	
NTN-C	270	0	0	0	0	270	
NTN-C (second phase)	189	0	0	0	0	189	
<b>III - LIQUIDITY IMPACT *** (I - II)</b>	<b>-4,382</b>	<b>-2,911</b>	<b>7,074</b>	<b>-3,052</b>	<b>46</b>	<b>-3,225</b>	
<b>BANCO CENTRAL DO BRASIL OPERATIONS</b>							
<b>IV - REDEMPTIONS</b>	<b>0</b>	<b>0</b>	<b>2,198</b>	<b>0</b>	<b>0</b>	<b>2,198</b>	
<b>IV-1 Matured</b>	<b>0</b>	<b>0</b>	<b>2,198</b>	<b>0</b>	<b>0</b>	<b>2,198</b>	
NBCE	0	0	2,198	0	0	2,198	
<b>IV-2 Purchases/Exchanges</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>V - SALES **</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>VI - LIQUIDITY IMPACT *** (IV - V)</b>	<b>0</b>	<b>0</b>	<b>2,198</b>	<b>0</b>	<b>0</b>	<b>2,198</b>	
<b>VII - TOTAL LIQUIDITY IMPACT *** (III + VI)</b>	<b>-4,382</b>	<b>-2,911</b>	<b>9,272</b>	<b>-3,052</b>	<b>46</b>	<b>-1,027</b>	

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

\*\* Financial value of proceeds

\*\*\* Positive values mean increased liquidity in system

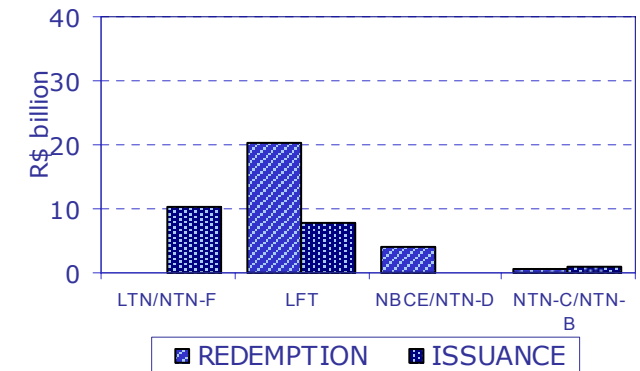
### TERMS OF SECURITIES OFFERED IN AUCTION

In September, the term of all securities offered in auction increased. The issuance of NTN-B maturing in 2045 is worth pointing out. Up to now, the security featuring the longest term matured in 2033.

Public Offering of LTN					
	6 Months	9 Months	12 Months	18 Months	24 Months
APR/04	0.00	0.00	85.97	0.00	14.03
MAY/04	0.00	78.64	10.29	11.07	0.00
JUN/04	84.74	0.00	15.26	0.00	0.00
JUL/04	65.86	19.84	12.20	2.10	0.00
AUG/04	0.00	95.34	0.00	4.65	0.00
SEP/04	0.00	89.44	0.00	10.56	0.00

Public Offering of LFT *						
	12 Months	24 Months	30 Months	36 Months	42 Months	62 Months
APR/04	0.00	0.00	0.00	100.00	0.00	100.00
MAY/04	42.32	55.30	0.00	0.00	2.38	0.00
JUN/04	66.82	25.14	0.00	8.04	0.00	0.00
JUL/04	37.80	55.93	0.00	6.27	0.00	0.00
AUG/04	69.62	24.23	6.15	0.00	0.00	0.00
SET/04	31.20	57.83	10.98	0.00	0.00	0.00

\*





In September, issuances in public offerings exceeded redemptions, causing a monetary contraction of R\$1.0 billion.

Securities issued, including exchanges, totaled R\$19.2 billion, of which 42% prefixed, maturing in July 2005 (R\$7.2 billion) and January 2006 (R\$0.8 billion), and 54% in LFT maturing on 2005, 2006 and 2007, and the remainder in NTN series B and C.

In the month, redemption of federal public securities totaled R\$18.2 billion, of which R\$15.5 billion relate to maturities within the month and R\$2.7 billion, to purchase/exchange operations.

During the monthly NTN-C selling auction held in the two last days of August for settlement in the first business day of September, R\$459.2 million securities were sold maturing on 2008, 2021 and 2031, of which R\$270.5 million in the first phase of the auction, for settlement in cash, and R\$188.7 million in the second phase, settled in securities.

On September 13 and 14, the National Treasury held a monthly NTN-B auction and sold, in the first phase, for settlement in cash, R\$231.4 million in securities maturing on 2006 and 2045. Acceptance of the 2045 maturity was responsible for 67.7% of the sales (R\$156.6 million). In the second phase the demand to be met in securities was R\$150.0 million.

In auctions to purchase National Treasury Bonds, series B and C, held on a monthly basis since September 2003 with the purpose of granting greater liquidity to medium- and long-term price index-linked securities, the offer to purchase NTN-B was up 183,000 securities maturing between 2006 and 2033, for settlement on September 15, while 88,000 securities were redeemed, amounting to R\$113.6 million. The offer to purchase NTN-C was up to 343,000 securities, while R\$233.8 million maturing between 2011 and 2031 were redeemed, to be settled in September 1.

Besides, the National Treasury held a public offer to buy half-yearly NTN-B coupons, with the purpose of encouraging the trade of long-term IPCA-linked securities. In September, the purchase offer was up to 106,000 interest coupons, maturing on November 2004 and February 2005, for settlement on September 15, but there was no market demand.

The security debt and swap operations maturing in the month were not rolled over.



## 1.2 Direct issuances

In September, DFPD direct issuances and cancellations resulted in a net issuance of R\$312.5 million (see Table 2).

<b>TABLE 2</b>					
<b>Domestic Federal Debt securities and Securitized Debt Issued Directly</b>					
<b>ISSUANCE</b>					
<b>SECURITY</b>	<b>ISSUANCE</b>	<b>MATURITY</b>	<b>FINANCIAL VALUE* IN R\$ MILLION</b>	<b>PURPOSE</b>	<b>LEGAL AUTHORIZATION</b>
CFT-E	01/01/2004	01/01/2034	50.6	For the benefit of FIES (1)	Law no. 10,160, of 07/12/2001
CVS	01/01/1997	01/01/2027	115.9	Novation of debt with banks	Law no. 10,150, of 12/21/2000
TDA	Several	Several	95.1	Indemnification of land expropriations by INCRA for the purpose of agrarian reform	Provisional Measure no. 2,183-56, of 08/24/2001
NTN-I	04/15/2001	04/15/2020	51.4	For the benefit of PROEX (2)	Law no. 10,180, of 02/12/2001
<b>SUBTOTAL</b>			<b>313.0</b>		
<b>CANCELLATION</b>					
<b>SECURITY</b>	<b>ISSUANCE</b>	<b>MATURITY</b>	<b>FINANCIAL VALUE* IN R\$ MILLION</b>	<b>REASON</b>	<b>LEGAL AUTHORIZATION</b>
TDA	Several	Several	0.5	Payment of ITR	Provisional Measure no. 2,183-56, of 08/24/2001
<b>SUBTOTAL</b>			<b>0.5</b>		
<b>NET ISSUANCE</b>					
<b>TOTAL</b>			<b>312.5</b>		

\* Values as of the operation date

1/ Higher Education Student Financing Fund

2/ Export Financing Program



### 1.3 Profile of Purchasers

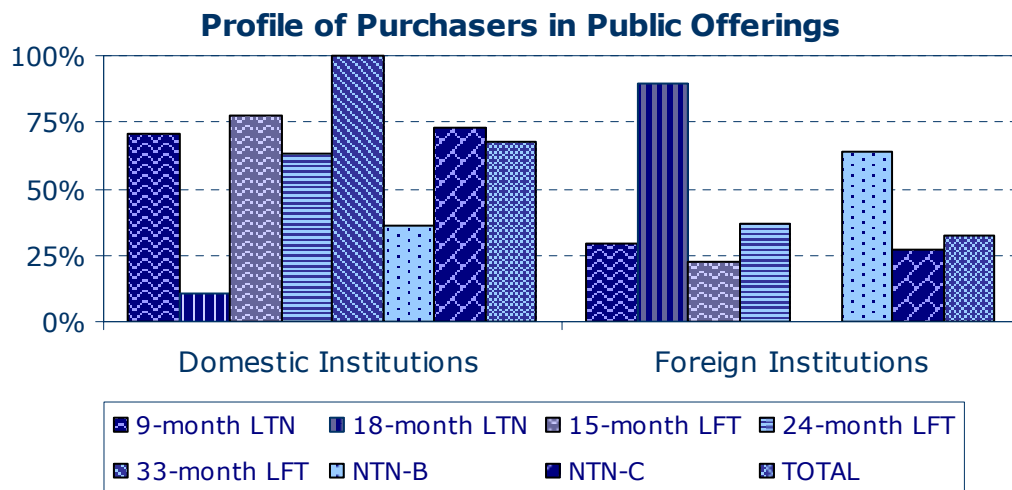
In September, domestic institutions purchased 68.0% of federal security public offerings, predominantly LFT (71.5%) and LTN maturing in nine months (70.7%). Purchases by such institutions reached R\$12.9 billion and concentrated on Selic index-linked securities, versus just 40.1% of prefixed securities. However, foreign institutions, which purchased R\$6.0 billion securities, recorded a balance between the volumes of LFT and LTN purchased, reaching shares of 49.0% and 47.3%, respectively.

TABLE 3 Profile of purchasers in public offerings <sup>(1)</sup>										
	LTN 9 months	LTN 18 months	LTN Total	LFT 12 months	LFT 24 months	LFT 30 months	LFT Total	NTN-B	NTN-C	TOTAL
Domestic commercial bank (2)	67.79%	7.88%	61.47%	61.63%	47.91%	79.82%	55.70%	35.75%	48.53%	57.80%
Foreign commercial bank (2)	20.77%	84.78%	27.53%	20.68%	20.55%	0.00%	18.33%	64.25%	14.64%	22.74%
Domestic investment bank (3)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Foreign investment bank (3)	8.43%	4.71%	8.04%	0.19%	8.01%	0.00%	4.69%	0.00%	12.33%	6.16%
Domestic broker/dealer	2.89%	2.63%	2.86%	15.59%	15.03%	20.18%	15.77%	0.00%	24.49%	10.23%
Foreign broker/dealer	0.12%	0.00%	0.11%	1.91%	8.51%	0.00%	5.51%	0.00%	0.00%	3.08%
<b>Subtotal domestic institutions</b>	<b>70.68%</b>	<b>10.51%</b>	<b>64.32%</b>	<b>77.22%</b>	<b>62.94%</b>	<b>100.00%</b>	<b>71.46%</b>	<b>35.75%</b>	<b>73.03%</b>	<b>68.02%</b>
<b>Subtotal foreign institutions</b>	<b>29.32%</b>	<b>89.49%</b>	<b>35.68%</b>	<b>22.78%</b>	<b>37.06%</b>	<b>0.00%</b>	<b>28.54%</b>	<b>64.25%</b>	<b>26.97%</b>	<b>31.98%</b>
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

(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.



Domestic institutions purchased R\$1.9 billion in public offerings of federal securities, representing nearly 70% of the total sold by the Tesouro Nacional.



## 2. DOMESTIC FEDERAL DEBT HELD BY PUBLIC

### 2.1 Breakdown of domestic federal debt held by public

In September, total outstanding DFPD held by the public increased 1.25% as against the previous month, reaching R\$771.3 billion, due to net issuances and interest accrual, only partially offset by the effect of foreign exchange appreciation.

Due to a net LTN issuance of R\$6.0 billion, the share of fixed-rate securities in DFPD increased to 17.5%, as against 16.7% in the previous month (see Table 5), keeping within the range (13% to 23%) set in the 2004 National Treasury Yearly Financing Plan (PAF).

The share of Selic rate linked-securities, 58.3%, held practically stable as against August (see Table 5), and the net redemption of R\$1.7 billion LFT offset interest accrual in the month. The PAF sets an interval from 50 to 61% as a goal for December 2004. Considering swap operations, exposure to the Selic rate kept at 53% (See Table 6).

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

R\$ billion

Month	Tesouro Nacional			Banco Central do Brasil			Total											
	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	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%
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%
August/04	573.13	75.24%	163.08	21.41%	7.05	0.93%	18.51	2.43%	-	0.00%	591.64	77.67%	163.08	21.41%	7.05	0.93%	761.77	100.00%
September/04	588.09	76.25%	160.18	20.77%	7.01	0.91%	16.03	2.08%	-	0.00%	604.12	78.32%	160.18	20.77%	7.01	0.91%	771.30	100.00%

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

At the close of the third quarter of 2004, a better breakdown of DFPD is noticeable as against December 2003, especially in relation to an increased share of fixed-rate securities, from 12.5% to 17.5%, and reduced exposure to the exchange rate, from 22.1% to 12.3%.

The share of price index-linked securities held steady at 15.3% (See Table 5), above the lower bracket of the 15% to 21% range set in the 2004 PAF.

**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	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%	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%
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%
August/04	126.87	16.66%	445.55	58.49%	117.04	15.36%	57.84	7.59%	14.44	1.90%	0.02	0.00%	761.77	100.00%
September/04	134.68	17.46%	449.55	58.28%	118.14	15.32%	54.27	7.04%	14.64	1.90%	0.02	0.00%	771.30	100.00%

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

Exchange rate-linked debt, disregarding swap operations, reduced to 7.0% of DFPD in September, versus 7.6% in August (see Table 5), due to a R\$2.5 billion net redemption of securities and a 2.56% domestic currency appreciation in the month.

Taking swap operations into consideration, the debt share exposed to the exchange rate dropped from 13.2% in the previous month to 12.3% (see Table 6). Foreign exchange exposure diminished R\$5.2 billion (see Table 9), largely due to a net R\$3.6 billion redemption of exchange rate securities and exchange rate swaps, coupled with a domestic currency appreciation (R\$2.5 billion).

In September, US\$0.8 billion in NBCE and NTN-D, and US\$0.4 billion in foreign exchange swaps matured. No new swap operations were contracted in the period.

**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%
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%
August/04	126.87	16.66%	403.21	52.93%	117.04	15.36%	100.18	13.15%	14.44	1.90%	0.02	0.00%	761.77	100.00%
September/04	134.68	17.46%	449.55	58.28%	118.14	15.32%	54.27	7.04%	14.64	1.90%	0.02	0.00%	771.30	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	
											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%
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%
August/04	126.87	15.08%	403.21	47.94%	117.04	13.91%	100.18	11.91%	14.44	1.72%	0.02	0.00%	29.48	49.86	3.51%	5.93%	841.11	100.00%
September/04	134.68	15.93%	408.80	48.36%	118.14	13.97%	95.03	11.24%	14.64	1.73%	0.02	0.00%	34.84	39.25	4.12%	4.64%	845.39	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 do Brasil SWAP operations**  
**Redemptions and issuances**

Month	R\$ billion	
	Issuances	Redemptions
December/02	16.4	15.1
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
August/04	0.9	1.1
September/04	0.0	1.1

**TABLE 9**  
**Exchange rate exposure – Domestic federal debt outstanding and Banco Central do Brasil 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
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
August/04	57.84	42.34	100.18
September/04	54.27	40.75	95.03

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

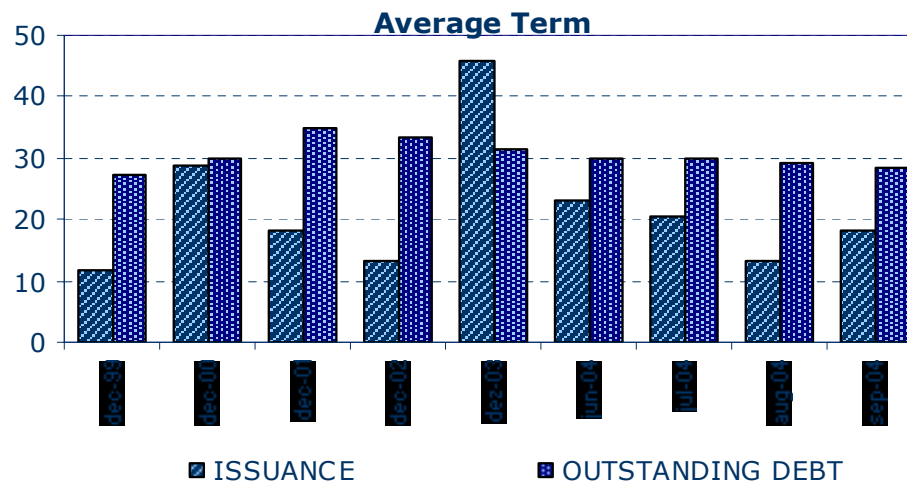


## 2.2 Average term to maturity

The average term of issuance was 18.1 months, versus 13.3 in August, a result of an increased average term of issuance for all types of securities, as shown in Table 12. The average term of the DFPD balance reduced from 29.3 months to 28.6 months (See Tables 10 and 11).

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

Month	National Treasury			Banco Central do Brasil		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
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
August/04	22.42	53.67	56.81	15.73	-	22.21	53.67	56.81	29.26
September/04	21.60	54.16	56.20	16.79	-	21.47	54.16	56.20	28.58



**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
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
August/04	6.02	18.84	77.18	48.90	88.05	9.94	29.26
September/04	5.38	18.35	76.82	50.01	87.33	8.94	28.58

**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
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
August/04	7.96	15.40	-	56.10	13.28
September/04	10.30	19.28	-	77.13	18.07



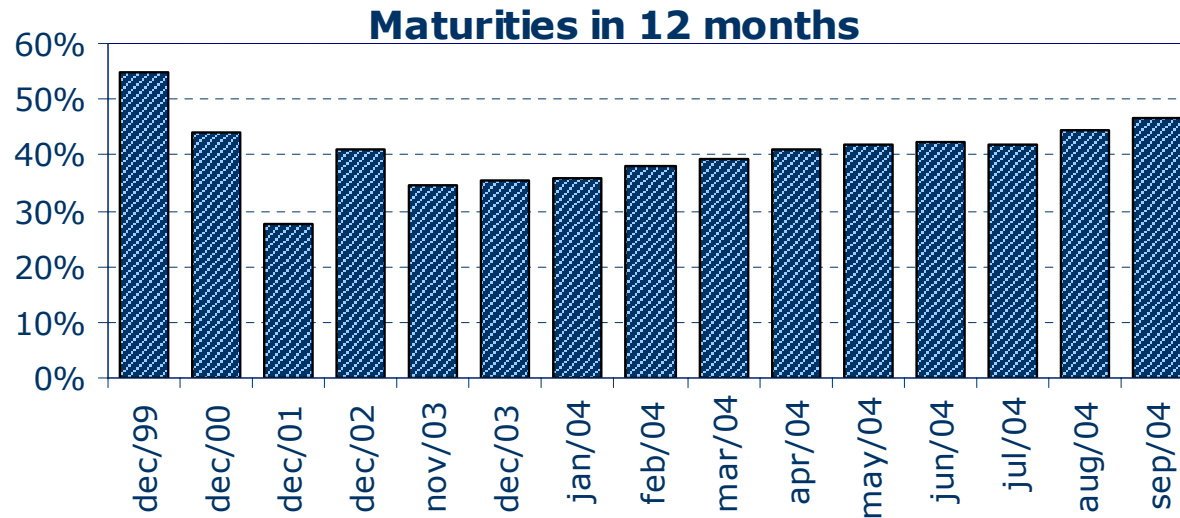
## 2.3 Maturity structure of domestic federal debt held by public

The portion of federal public securities held by the public maturing within 12 months increased from 44.5% to 46.7% of DFPD. In absolute terms, there was an increase of R\$21.4 billion, given that maturities in the month plus redemptions of securities maturing up to September 2005 received in exchange operations, totaling R\$17.5 billion, were lower than maturities in September 2005, plus interest accrued on securities maturing up to 12 months plus issuances of securities up to that term, which are equivalent to R\$38.9 billion.

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

Month	R\$ billion												Total	
	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%
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%
August/04	118.69	93.55%	181.33	40.70%	16.59	14.17%	21.17	36.60%	0.90	6.20%	0.01	74.44%	338.68	44.46%
September/04	125.53	93.20%	198.27	44.10%	16.82	14.24%	18.59	34.25%	0.91	6.19%	0.01	74.44%	360.12	46.69%

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		Total	
	R\$ billion	%	R\$ billion	%	R\$ billion	%	R\$ billion	%	R\$ billion	%	R\$ billion	%	R\$ billion	%
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%
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%
August/04	338.68	44.46%	197.89	25.98%	78.14	10.26%	56.74	7.45%	14.67	1.93%	75.64	9.93%	761.77	100.00%
September/04	360.12	46.69%	193.89	25.14%	85.15	11.04%	42.08	5.46%	14.29	1.85%	75.77	9.82%	771.30	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 do Brasil Interventions

During September, the Banco Central do Brasil increased from two to four weeks the term for weekly floating-rate repurchase operations, while keeping at three months the term of fixed-rate operations with the same frequency. In addition, the Banco Central do Brasil performed very short-term fixed-rate operations, and end-of-day liquidity leveling operations.

In the month, three two-week floating-rate operations were conducted, borrowing a weekly average of R\$12.5 billion from the market, and the two four-week operations performed borrowed an average of R\$10.1 billion, all paying 99.90% of the Selic rate.

On the same dates, the Banco Central do Brasil also intervened through three-month fixed-rate operations that recorded a total volume of R\$15.5 billion at rates that ranged from 16.63% to 16.87%. The maturities of this type of operations totaled R\$26.7 billion in the month.

Sixteen fixed-rate overnight borrowing operations and one two-business-day operation were conducted on September 29, at rates that rose from 15.95% to 16.25%. The change in the rate level was due to the increased Selic rate target effective from September 16 on. The average daily financial volume of such operations reached R\$7.7 billion.

Leveling operations were conducted in 17 of the 21 business days of September. Eleven such operations lent funds, reaching an average volume of R\$268 million and rates ranging from 16.10% to 16.45%. Fund-borrowing operations, on the other hand, occurred on 7 opportunities and recorded an average volume of R\$379 million and yields ranging from 15.70% to 16.05%. The term of such operations remained at two business days, except the one on September 15, conducted overnight.

In September, an increase was recorded in excess bank liquidity valued by the net balance of funds borrowed by the Banco Central do Brasil for up to one month (from R\$29.5 billion to R\$34.8 billion). However, if one considers the balance of total funds borrowed by the Banco Central do Brasil, a reduction of R\$5.3 billion becomes the case, due to a net placement of securities (R\$1.0 billion), a National Treasury primary surplus (R\$3.9 billion) and an adjustment in operations with derivatives (R\$ 1.4 billion).

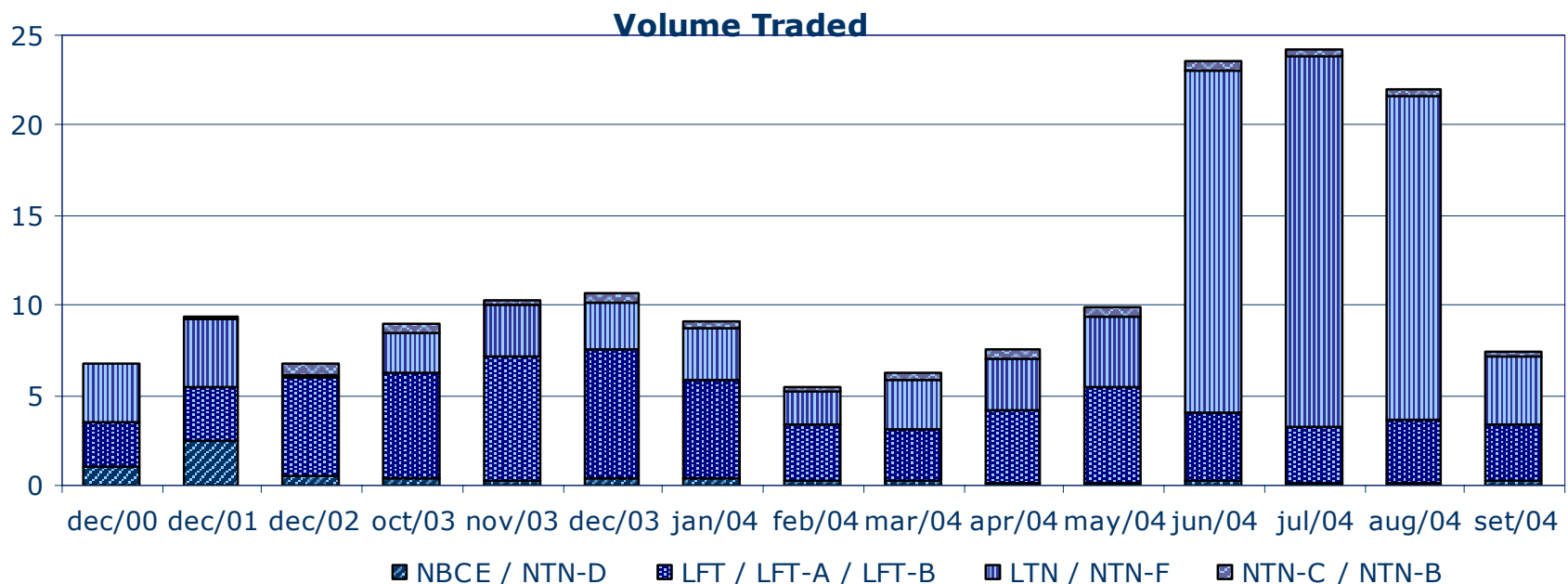
### 3.2 Secondary market transactions with federal securities recorded with SELIC

The volume of federal public securities traded in the secondary market was strongly affected, from May to August, by the entry into operation of the BMF Asset Clearing (BMA). This was even clearer in the period from May 14 to August 13, during which BMA operated free of operating charges and used the results of volume traded by institution to ascertain which of them would operate as market makers.

The end of the period, which had already reduced the August outcome, was fully perceived in September, taking the daily average financial volume of outright operations between financial institutions or between these and their customers to record a drop of 66.6%, to R\$7.4 billion, a level similar to that of April.

With the 78.8% drop in the average volume of fixed-rate securities traded, LTN resumed sharing with the LFT, the preference of market agents. The daily volume of LTN was R\$3.8 billion and its relative share about 51.7% of the total volume traded in the secondary market.

The daily average financial volume of LFT decreased slightly, from R\$3.5 billion to R\$3.2 billion. Such securities represented a share of 42.7% of total volume traded.



(\*) Market makers – Institutions, accredited by BMA clearing house, that may perform their Sisbex operations anonymously.



As in the previous five months, the LTN maturing on 1/4/2005 was the most traded security in the fixed-rate market (See Table 16), both in volume (R\$1.9 billion) and in number of operations (93). By the end of the month, this maturity represented 31% of the total LTN balance held by the public.

Among Selic rate-linked securities, the LFT maturing on 6/14/2006 was the security with the highest financial volume traded (R\$499 million), while the LFT maturing on 11/17/2004 remains the most representative security regarding the number of daily trades (310) in the secondary market.

Remaining for the fourth consecutive month as the most traded among all price index-linked securities, the NTN-C maturing on 4/1/2008 recorded a daily average volume of R\$98.8 million.

The most traded Dollar-linked security was the NTN-D maturing on 3/15/2006, with a daily average of R\$52.3 million.

**TABLE 15**  
Volume traded by security

Month	LFT / LFT-A / LFT-B			LTN			NBCE / NTN-D			NTN-C			Others		Total		
	Volume	%	Change	Volume	%	Change	Volume	%	Change	Volume	%	Change	Volume	%	Volume	%	Change
	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(1)	(2)	(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%
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%
August/04	3.54	16.1%	14.7%	17.95	81.4%	-12.7%	0.09	0.4%	-32.0%	0.45	2.1%	-4.5%	0.00	0.0%	22.03	100.0%	-9.2%
September/04	3.15	42.7%	-11.0%	3.81	51.7%	-78.8%	0.22	2.9%	129.1%	0.20	2.7%	-56.3%	-	0.0%	7.37	100.0%	-66.6%

(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 do Brasil in repo operations; and operations where one of the parties is either the Banco Central do Brasil or the National Treasury 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**

R\$ million															
Fixed Rate				SELIC Rate				Price Index				Exchange Rate			
Security	Maturity	Financial Volume	# of Operations	Security	Maturity	Financial Volume	# of Operations	Security	Maturity	Financial Volume	# of Operations	Security	Maturity	Financial Volume	# of Operations
LTN	1/4/2005	1,940.7	92.6	LFT	6/14/2006	499.0	36.0	NTN-C	4/1/2008	98.8	24.6	NTN-D	3/15/2006	52.3	0.0
LTN	4/1/2005	811.8	32.3	LFT	5/17/2006	495.9	40.7	NTN-C	12/1/2005	46.5	9.7	NTN-D	1/19/2005	34.5	0.0
LTN	10/1/2004	541.2	22.3	LFT	8/17/2005	437.8	39.1	NTN-B	5/15/2009	17.3	5.6	NBCE	10/13/2005	25.3	0.6
LTN	7/1/2005	487.4	23.8	LFT	11/17/2004	311.2	309.7	NTN-C	1/1/2031	8.7	1.8	NBCE	10/12/2006	21.0	1.5
LTN	1/1/2006	23.7	5.0	LFT	10/20/2004	247.5	131.7	NTN-B	5/15/2045	8.0	0.3	NTN-D	9/20/2006	19.0	0.6

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 do Brasil in repo operations; and operations where one of the parties is either the Banco Central do Brasil or the National Treasury are not considered.

**TABLE 17**  
**Volume traded in the forward market by security**

R\$ million																
Month	LFT			LTN			NBCE/NTN-D			NTN-C			Total			
	Volume	%	Change	Volume	%	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%	
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%	
August/04	13.46	0.1%	364.8%	17,056.31	99.9%	-12.6%	-	0.0%	-100.0%	0.76	0.0%	-84.4%	17,070.52	100.0%	-12.6%	
September/04	37.57	1.2%	179.2%	3,035.26	98.8%	-82.2%	-	0.0%	-	0.41	0.0%	-45.5%	3,073.24	100.0%	-82.0%	

(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.

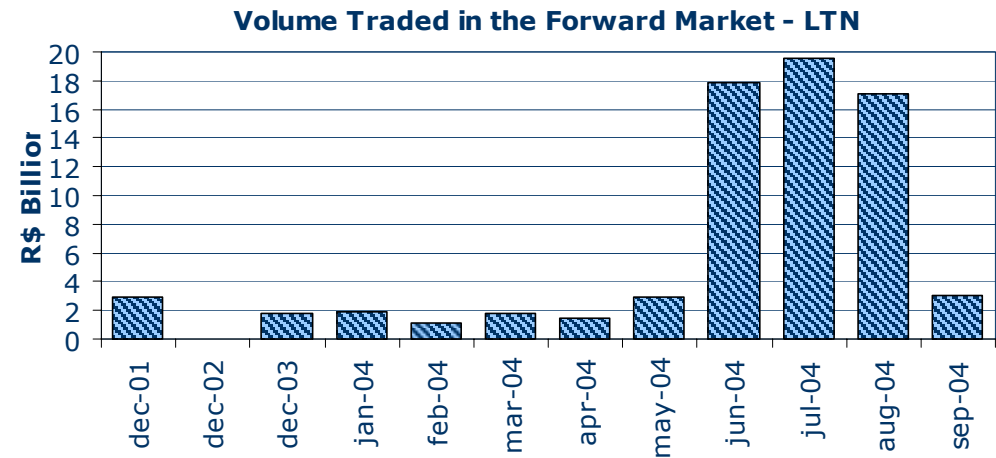
(4) Calculations performed using the original values, before rounding.

(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	1/4/2005	1,591.9	66.95
LTN	4/1/2005	578.7	18.81
LTN	7/1/2005	471.5	13.62
LTN	10/1/2004	374.5	6.05
LTN	8/17/2005	21.6	0.71

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



As forward operations were concentrated in BMA, the reduced volume traded in that clearing house strongly affected the market. The average daily volume reduced 82.0% (See Table 7), recording R\$3.1 billion.

Fixed-rate securities corresponded to 98.8% of this market segment and trades with LTN maturing on 1/4/2005 recorded a share of 51.8% of total volume traded.

Repurchase operations, except those performed with the Banco Central do Brasil, reached daily averages of R\$141.9 billion (see Table "Volume of Operations with Federal Securities in the Secondary Market – Monthly Average of Daily Total") and 3,187 operations. Intra-day repo recorded daily averages of R\$2.7 billion and 29 operations.

Overnight operations responded for 97% of total repurchase operations, recording daily averages of R\$136.9 billion and 3,051 operations. Freely transacted repo, performed on just 4 opportunities in September, recorded daily averages of R\$351 million.

**TABLE 19**  
**Volume of brokerage operations**

R\$ million

Month	Volume (1)	Outright operations			Repo operations		
		# 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%
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%
August/04	1,673.5	107.1	1.1%	7.6%	70.8	2.1	-17.1%
September/04	2,048.8	116.5	22.4%	27.8%	57.1	2.0	-19.4%

(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 daily average of outright brokerage operations raised to R\$2.0 billion, representing 27.8% of total outright operations. The lowest daily average was R\$105 million, on September 8, and the highest, R\$3.7 million, on September 29. The market for repurchase brokerage operations recorded a new drop.