



Federal Public Debt Monthly Report

December / 2012

Brasília

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Contents

1	Primary Market Transactions	5
1.1	FPD Issuances and Redemptions	5
1.2	Domestic Federal Public Debt -DFPD	6
	DFPD Issuances and Redemptions	6
	Treasury Direct Program	8
	Direct Issuances and Cancellations	9
1.3	External Federal Public Debt -EFPD	10
1.4	EFPD Buyback Program	11
2	Outstanding Federal Public Debt - FPD	12
2.1	Evolution	12
2.2	Profile	13
	Indexes	13
	Holdings	14
2.3	Variation Factors	15
3	Federal Public Debt - FPD Maturity Profile	16
3.1	Maturities	16
3.2	Average Maturity	17
3.3	Average Life	18
4	Federal Public Debt - FPD Average Cost	19
5	Secondary Market of Federal Public Securities	20
5.1	Secondary Market Turnover	20
5.2	Public Securities Rate of Return	22

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 - DFPD Non-competitive Issuances	9
Table 1.6 - EFPD Issuances and Redemptions	10
Table 1.7 - EFPD Buyback Program - November-December 2012 period	11
Table 2.1 - Outstanding FPD Held by the Public	12
Table 2.2 - FPD Profile Held by the Public	13
Table 2.3 - DFPD Public Securities Holders	14
Table 2.4 - FPD Variation Factors Held by the Public	15
Table 3.1 - FPD Maturities Held by the Public	16
Table 3.2 - Federal Public Debt Held by the Public Due in 12 Months, by index	16
Table 3.3 - FPD Average Maturity	17
Table 3.4 - Average Maturity of DFPD Issuances - Public Offerings, by index	17
Table 3.5 - FPD Average Life Held by the Public	18
Table 4.1 - FPD Average Cost	19
Table 5.1 - Secondary Market Turnover, by Security	20
Table 5.2 - Top 5 Maturities Turnover in the Secondary Market, by index	21

GRAPHS

Graph 1.1 - DFPD Issuances and Redemptions	7
Graph 1.2 - Treasury Direct - Cumulative Sales	8
Graph 1.3 - Treasury Direct - Registered Investors	8
Graph 1.4 - EFPD Issuances and Redemptions	10
Graph 1.5 - EFPD Buyback Program - Reduction in Interest Payments	11
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	17
Graph 4.1 - FPD, DFPD and EFPD Average Cost and Selic Rate - over the past 12 months	19
Graph 5.1 - Secondary Market of Public Securities - Daily Turnover as Percentage of Respective Outstanding Volume	20
Graph 5.2 - Public Securities Yield	22
Graph 5.3 - Public Securities Yield Evolution - Overall IMA	22

1. Primary Market Transactions

1.1. FPD Issuances and Redemptions

In December, Federal Public Debt - FPD¹ issuances closed at R\$ 62.20 billion, while redemptions totaled R\$ 36.62 billion, resulting in net issuances of R\$ 25.58 billion. Analysis of this total indicates that R\$ 25.62 billion refer to net issuances of Domestic Federal Public Debt - DFPD and R\$ 0.04 billion to net redemptions of External Federal Public Debt - EFPD.

TABLE 1.2 FPD ISSUANCES AND REDEMPTIONS HELD BY THE PUBLIC, BY INDEX - DECEMBER 2012
(R\$ Mn)

	Issuances		Redemptions		Net Issuance
FPD	62.196,71		36.615,54		25.581,17
DFPD	61.441,93	100,00%	35.823,87	100,00%	25.618,06
Fixed Rate	34.544,01	56,22%	16.065,01	44,84%	18.479,00
Inflation Linked	26.044,17	42,39%	18.946,02	52,89%	7.098,15
Floating	853,74	1,39%	768,54	2,15%	85,20
FX-linked	-	0,00%	44,30	0,12%	(44,30)
EFPD	754,78	100,00%	791,67	100,00%	(36,89)
USD	122,70	16,26%	397,21	50,17%	(274,50)
EURO	632,08	83,74%	348,00	43,96%	284,07
BRL	-	0,00%	-	0,00%	-
Other	-	0,00%	46,46	5,87%	(46,46)

Historical Data: Annex 1.2

TABLE 1.1

FPD ISSUANCES AND REDEMPTIONS HELD BY THE PUBLIC - DECEMBER 2012

(R\$ Mn)

	1 st Week Dec 3 to Dec 7	2 nd Week Dec 10 to Dec 14	3 rd Week Dec 17 to Dec 21	4 th Week Dec 24 to Dec 28	5 th Week Dec 31	Total December/2012
FPD ISSUANCES	10.179,73	20.070,97	16.870,86	15.075,15	-	62.196,71
I - DFPD	10.074,40	20.062,42	16.240,26	15.064,84	-	61.441,93
Public Offerings	9.811,99	12.600,91	3.651,12	-	-	26.064,02
Non-competitive Issuances with cash inflow ¹	-	-	-	-	-	-
Non-competitive Issuances without cash inflow ²	205,59	34,28	762,93	15.021,10	-	16.023,89
Exchanges ³	-	7.377,47	11.771,33	-	-	19.148,81
Treasury Direct	56,81	49,77	54,89	43,75	-	205,21
Portfolio Reallocation ⁴	-	-	-	-	-	-
II - EFPD	105,34	8,54	630,59	10,31	-	754,78
Securities	-	-	-	-	-	-
Contractual	105,34	8,54	630,59	10,31	-	754,78
FPD REDEMPTIONS	267,57	7.589,05	12.532,91	2.662,04	13.563,98	36.615,54
III - DFPD	227,72	7.588,82	12.058,71	2.400,87	13.547,75	35.823,87
Maturities	195,44	11,69	72,03	32,60	0,57	312,33
Purchases	0,40	162,75	186,54	2.353,20	13.547,18	16.250,07
Exchanges ³	-	7.377,45	11.771,32	-	-	19.148,77
Treasury Direct	25,31	26,90	28,81	15,07	-	96,09
Cancelled Bonds	6,57	10,03	0,02	0,01	-	16,62
IV - EFPD	39,85	0,23	474,19	261,17	16,23	791,67
Securities	-	-	71,92	166,22	-	238,13
Contractual	39,85	0,23	402,28	94,95	16,23	553,53
NET ISSUANCES	9.912,16	12.481,92	4.337,95	12.413,11	(13.563,98)	25.581,17
DFPD (I - III)	9.846,68	12.473,60	4.181,55	12.663,97	(13.547,75)	25.618,06
EFPD (II - IV)	65,48	8,32	156,40	(250,86)	(16,23)	(36,89)

¹ Non-competitive issuances that involve inflow cash resources as counterpart;

² Non-competitive issuances that do not involve inflow cash resources as counterpart;

³ Refers to securities issued and received in exchange auctions;

⁴ Refers to definitive buy/sell transactions of securities from National Treasury by Central Bank on the market. Positive values mean sales exceeded purchases;

Historical Data: Annex 1.1

¹ All data in this report refer to FPD held by the public.

1.2. Domestic Federal Public Debt -DFPD

DFPD Issuances and Redemption

Issuances of DFPD securities totaled R\$ 61.44 billion: R\$ 34.54 billion (56.22%) in fixed rate bonds; R\$ 26.04 billion (42.39%) in inflation-linked securities and R\$ 0.85 billion (1.39%) in floating rate bonds. A breakdown of total issuances shows that R\$ 26.06 billion occurred in traditional auctions and R\$ 19.15 billion in exchange auctions, coupled with R\$ 0.21 billion in sales through the Treasury Direct Program (p.8) and R\$ 16.02 billion in direct issuances (p.9).

As regards NTN-B auctions (IPCA-linked securities), issuances totaled R\$ 20.90 billion, maturing between 2016 and 2050, including R\$ 4.64 billion with cash payments and R\$ 16.26 billion in exchanges for shorter-term securities.

In the case of LTN auctions, issuances totaled R\$ 20.49 billion, maturing between April 2013 and July 2016, including R\$ 17.60 billion with cash payments and R\$ 2.89 billion in exchanges for shorter-term securities. Issuances through NTN-F auctions closed at R\$ 3.01 billion, maturing between January 2018 and January 2023, with payments in cash. As regards LFT auctions, issuances totaled R\$ 0.81 billion, maturing in March 2018, also with payments in cash.

	1st Week Dec 3 to Dec 7	2nd Week Dec 10 to Dec 14	3rd Week Dec 17 to Dec 21	4th Week Dec 24 to Dec 28	5th Week Dec 31	Total December/2012
I - ISSUANCES	10.074,40	20.062,42	16.240,26	15.064,84	-	61.441,93
<i>Sales</i>	<i>9.811,99</i>	<i>12.600,91</i>	<i>3.651,12</i>	<i>-</i>	<i>-</i>	<i>26.064,02</i>
LFT	-	815,18	-	-	-	815,18
LTN	7.408,18	7.143,96	3.045,46	-	-	17.597,60
NTN-B	-	4.641,76	-	-	-	4.641,76
NTN-F	2.403,82	-	605,66	-	-	3.009,47
<i>Exchanges</i>	<i>-</i>	<i>7.377,47</i>	<i>11.771,33</i>	<i>-</i>	<i>-</i>	<i>19.148,81</i>
LFT	-	-	-	-	-	-
LTN	-	-	2.892,71	-	-	2.892,71
NTN-B	-	7.377,47	8.878,62	-	-	16.256,10
NTN-F	-	-	-	-	-	-
<i>Treasury Direct</i>	<i>56,81</i>	<i>49,77</i>	<i>54,89</i>	<i>43,75</i>	<i>-</i>	<i>205,21</i>
LFT	3,69	3,98	4,45	2,65	-	14,77
LTN	8,49	6,02	6,11	7,46	-	28,08
NTN-B	40,30	35,44	39,33	32,15	-	147,22
NTN-F	4,33	4,34	5,00	1,49	-	15,15
<i>Portfolio Transfer</i> ¹	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Non-competitive Issuances with cash inflow</i> ²	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Non-competitive Issuances without cash inflow</i> ³	<i>205,59</i>	<i>34,28</i>	<i>762,93</i>	<i>15.021,10</i>	<i>-</i>	<i>16.023,89</i>
II - REDEMPTIONS	227,72	7.588,82	12.058,71	2.400,87	13.547,75	35.823,87
<i>Maturities</i>	<i>195,44</i>	<i>11,69</i>	<i>72,03</i>	<i>32,60</i>	<i>0,57</i>	<i>312,33</i>
LFT	16,89	11,69	9,73	32,60	0,57	71,48
LTN	-	-	-	-	-	-
NTN-B	-	-	-	-	-	-
NTN-C	-	-	-	-	-	-
NTN-F	-	-	-	-	-	-
Other	178,55	-	62,30	-	-	240,85
<i>Purchases</i>	<i>0,40</i>	<i>162,75</i>	<i>186,54</i>	<i>2.353,20</i>	<i>13.547,18</i>	<i>16.250,07</i>
LFT	-	-	-	-	-	-
LTN	-	-	-	-	4.700,00	4.700,00
NTN-B	-	126,95	-	2.317,44	410,23	2.854,62
NTN-F	-	-	-	-	8.436,95	8.436,95
Other	0,40	35,80	186,54	35,76	-	258,50
<i>Exchanges</i>	<i>-</i>	<i>7.377,45</i>	<i>11.771,32</i>	<i>-</i>	<i>-</i>	<i>19.148,77</i>
LFT	-	356,40	140,04	-	-	496,44
LTN	-	-	2.891,72	-	-	2.891,72
NTN-B	-	7.021,05	6.692,50	-	-	13.713,56
NTN-C	-	-	2.046,06	-	-	2.046,06
NTN-F	-	-	0,98	-	-	0,98
Other	-	-	-	-	-	-
<i>Treasury Direct</i>	<i>25,31</i>	<i>26,90</i>	<i>28,81</i>	<i>15,07</i>	<i>-</i>	<i>96,09</i>
LFT	2,24	4,44	2,68	1,06	-	10,42
LTN	5,86	6,16	9,53	3,28	-	24,83
NTN-B	14,83	12,65	13,02	9,67	-	50,17
NTN-C	0,03	0,04	0,07	0,02	-	0,15
NTN-F	2,36	3,62	3,51	1,04	-	10,52
<i>Cancelled Bonds</i>	<i>6,57</i>	<i>10,03</i>	<i>0,02</i>	<i>0,01</i>	<i>-</i>	<i>16,62</i>
III - IMPACT ON LIQUIDITY ⁴	(9.647,65)	(12.449,35)	(3.418,64)	2.357,12	6.530,31	(16.628,22)

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

² Non-competitive issuances that involve inflow cash resources as counterpart;

³ Non-competitive issuances that do not involve inflow cash resources as counterpart;

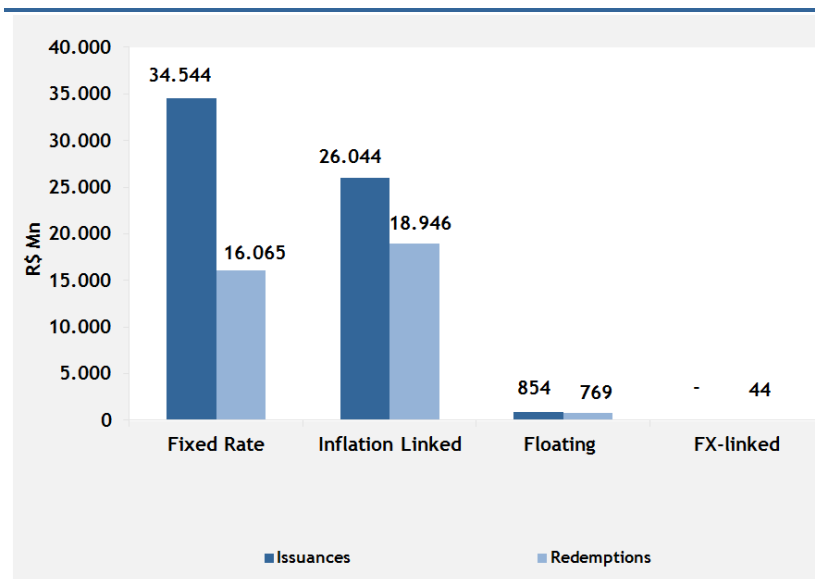
⁴ Refers to monetary impact resulting from DFPD market operations. Non-competitive issuances without cash inflow and cancelled bonds are not considered. Positive values mean increase on liquidity

Historical Data: Annex 1.3

Total DFPD redemptions reached R\$ 35.82 billion, highlighting inflation-linked securities totaling R\$ 18.95 billion (52.89%) and fixed rate bonds amounting to R\$ 16.07 billion (44.84%).

Maturities in the month added up to R\$ 0.31 billion, being the remainder resulting from purchase auctions, worth R\$ 16.25 billion, the exchanges made in the amount of R\$ 19.15 billion, redemptions of Treasury Direct, worth R\$ 0.10 billion, and cancellations, worth R\$ 0.02 billion.

GRAPH 1.1 DFPD ISSUANCES AND REDEMPTIONS - DECEMBER/2012



Treasury Direct Program

December issuances through the Treasury Direct Program² totaled R\$ 205.21 million. Investor demand was centered primarily on inflation-linked securities, with 71.74% of total sales. In its turn, the share of fixed rate securities closed at 21.07%, while floating rate securities accounted for 7.20%.

With regard to the number of investors, 3,215 new participants registered with the Treasury Direct Program in December. As a result, the overall number of investors registered since the program first began increased to 328,839, corresponding to an increase of 18.98% in the last 12 months.

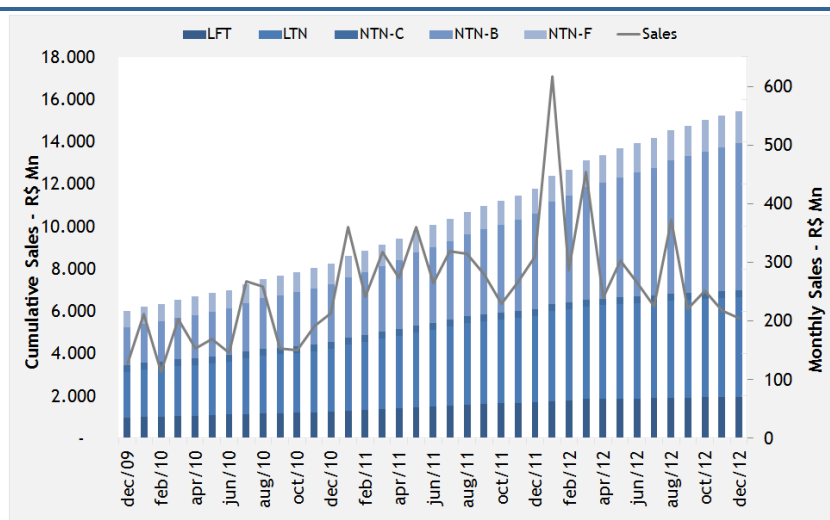
TABLE 1.4 TREASURY DIRECT PROGRAM - DECEMBER 2012

(R\$ Mn)

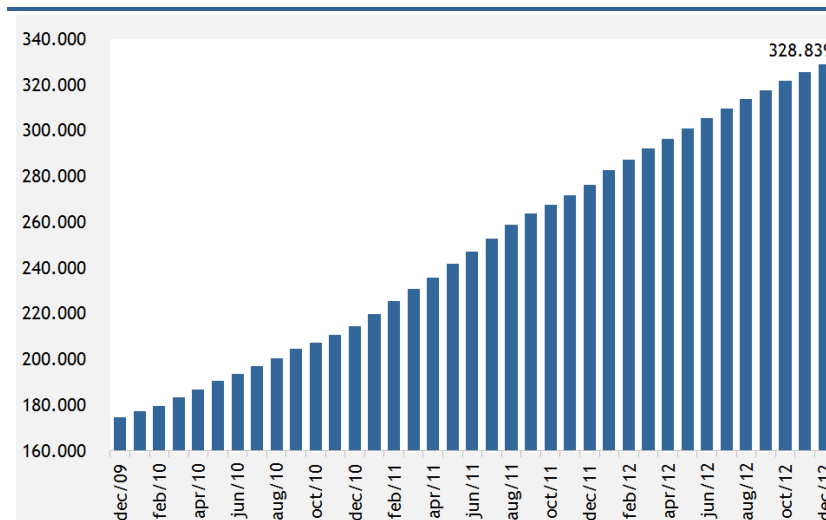
Security	Issuances		Redemptions		Outstanding	
LTN	28,08	13,68%	24,83	25,84%	2.001,37	20,88
LFT	14,77	7,20%	10,42	10,84%	786,61	8,21
NTN-B	43,84	21,36%	20,50	21,33%	2.118,89	22,11
NTN-B Principal	103,38	50,38%	29,67	30,88%	3.702,48	38,63
NTN-C	-	0,00%	0,15	0,16%	81,69	0,85
NTN-F	15,15	7,38%	10,52	10,95%	893,77	9,32
TOTAL	205,21	100%	96,09	100%	9.584,80	100%

Historical Data: Annex 1.5

GRAPH 1.2 TREASURY DIRECT - CUMULATIVE SALES



GRAPH 1.3 TREASURY DIRECT - REGISTERED INVESTORS



² Program involving public security sales over the Internet to individual buyers.

Direct Issuances and Cancellations

Direct issuances of DFPD bonds totaled R\$ 16.02 billion, with cancellations amounting to R\$ 0.02 billion, generating net issuances of R\$ 16.01 billion.

TABLE 1.5 DFPD NON-COMPETITIVE ISSUANCES - DECEMBER 2012

ISSUANCES						
Securities	Date of Transaction	Maturity	Quantity	Financial Volume (R\$ Mn)	Purpose	Legal Support
CFT-E1	Several	Several	85.956.713	237,08	FIES - College Student Financial Fund	Law 10.260, as of 12/07/01
CVS	03/12/2012	1/1/2027	9.502	9,50	FGTS Debt Renewal - Principal amortization and accrued interest	Law 10.150, as of 21/12/00
TDA-H	Several	Several	152.548	14,29	Agrarian Reform	MP 2.183-56, as of 24/8/2001 and Decree 578, as of 24/6/1992
NTN-B	18/12/2012	15/05/2035	44.603	98,72	Agreement with Companhia Estadual de Geração e Transmissão de Energia Elétrica-CEEE-GT	Law 9.469, as of 10/7/1997
NTN-B	18/12/2012	15/05/2017	54.826	121,35	Agreement with Companhia Estadual de Distribuição de Energia Elétrica-CEEE-D	Law 9.469, as of 10/7/1997
NTN-B	18/12/2012	15/05/2017	47.627	105,42	Agreement with Companhia Estadual de Geração e Transmissão de Energia Elétrica-CEEE-GT	Law 9.469, as of 10/7/1997
NTN-B	18/12/2012	15/05/2035	51.348	113,65	Agreement with Companhia Estadual de Distribuição de Energia Elétrica-CEEE-D	Law 9.469, as of 10/7/1997
NTN-B	18/12/2012	15/05/2045	68.001	150,51	Agreement with Companhia Estadual de Geração e Transmissão de Energia Elétrica-CEEE-GT	Law 9.469, as of 10/7/1997
NTN-B	18/12/2012	15/05/2045	78.287	173,28	Agreement with Companhia Estadual de Distribuição de Energia Elétrica-CEEE-D	Law 9.469, as of 10/7/1997
NTN-B	26/12/2012	15/05/2017	35	0,09	Companhia Energética de Minas Gerais-CEMIG Debt Renewal	MP 2.209, as of 29/08/01, Law 8.029, as of 12/4/90 and Decree 1.647, as of 26/9/95
LTN	28/12/2012	01/01/2013	4.005.695	4.003,50	Banco Nacional de Desenvolvimento Econômico e Social - BNDES Financing	Law 12.453, as of 21/07/2011
LTN	28/12/2012	01/01/2014	2.144.015	1.999,50	Banco Nacional de Desenvolvimento Econômico e Social - BNDES Financing	Law 12.453, as of 21/07/2011
LTN	28/12/2012	01/01/2016	2.538.500	1.999,50	Banco Nacional de Desenvolvimento Econômico e Social - BNDES Financing	Law 12.453, as of 21/07/2011
NTN-B	28/12/2012	15/08/2016	785.897	1.999,50	Banco Nacional de Desenvolvimento Econômico e Social - BNDES Financing	Law 12.453, as of 21/07/2011
NTN-B	28/12/2012	15/08/2050	639.484	1.999,50	Banco Nacional de Desenvolvimento Econômico e Social - BNDES Financing	Law 12.453, as of 21/07/2011
NTN-F	28/12/2012	01/01/2017	1.815.189	1.999,50	Banco Nacional de Desenvolvimento Econômico e Social - BNDES Financing	Law 12.453, as of 21/07/2011
NTN-F	28/12/2012	01/01/2018	903.553	999,00	Banco Nacional de Desenvolvimento Econômico e Social - BNDES Financing	Law 12.453, as of 21/07/2011
SUBTOTAL				16.023,89		
CANCELLATIONS						
Securities	Date of Transaction	Maturity	Quantity	Financial Volume (R\$ Mn)	Purpose	Legal Support
TDA	03/12/2012	Several	623	0,06	ITR Gov'tment payments	Law 4.504, as of 30/11/64, and Decree 578, as of 24/6/92
TDA	06/12/2012	Several	29.237	2,74	Court Orders	STN Ordinance 721, as of 06/12/2012
TDA	06/12/2012	Several	40.028	3,81	Court Orders	STN Ordinance 722, as of 06/12/2012
TDA	12/12/2012	Several	104.711	10,00	Court Orders	STN Ordinance 735, as of 12/12/2012
NTN-I	20/12/2012	Several	1.586	0,01	PROEX - Export Financing Program	Law 10.184, as of 12/02/01 and Decree 3.859, as of 4/7/2001
SUBTOTAL				16,62		
NET ISSUANCE				16.007,27		

1.3. External Federal Public Debt -EFPD

EFPD issuances in December totaled R\$ 754.78 million, including R\$ 97.88 million in contracts with multilateral organisms and R\$ 656.90 million with private financial institutions and government agencies.

In the month of December, EFPD redemptions totaled R\$ 791.67 million, including R\$ 246.47 million in payments of interest, premiums and charges and R\$ 545.20 million in payments of principal.

GRAPH 1.4 EFPD ISSUANCES AND REDEMPTIONS - DECEMBER/2012

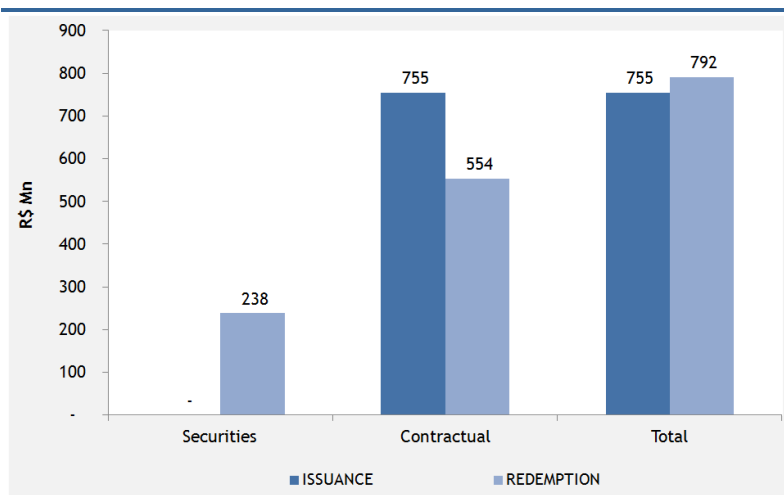


TABLE 1.6 EFPD ISSUANCES AND REDEMPTIONS - DECEMBER 2012

	Principal	Interest, premiums and charges	Total
(R\$ Mn)			
ISSUANCES	754,78	-	754,78
<i>Securities</i>	-	-	-
Sovereign Bonus	-	-	-
<i>Contractual</i>	754,78	-	754,78
Multilateral Organisms	97,88	-	97,88
Private Financial Institutions/Gov. Agencies	656,90	-	656,90
REDEMPTIONS	545,20	246,47	791,67
<i>Securities</i>	136,21	101,92	238,13
Renegotiation Bonds	-	-	-
Sovereign Bonus	-	71,92	71,92
Buybacks	136,21	30,00	166,22
<i>Contractual</i>	408,98	144,55	553,53
Multilateral Organisms	48,02	35,41	83,43
Private Financial Institutions/Gov. Agencies	360,97	109,14	470,10
NET ISSUANCE	209,58	(246,47)	(36,89)

Historical Data: Annex 1.6

1.4. EFPD Buyback Program

Buyback operations in the months of November and December 2012 came to an overall face value of R\$ 136.21 million (US\$ 66.18 million) in EFPD bonds. Total financial outlays in that period came to R\$ 166.22 million (US\$ 80.74 million).

One should stress that buyback operations have already impacted on the outstanding external debt, since the cancellation process was effectively concluded.

The graph below shows the reduction in the flow of interest payments on the External Federal Public Securities Debt through 2041, as a result of 2012 buyback operations. The overall reduction in interest during that period closed at R\$ 2.97 billion at current values (US\$ 1.45 billion).

TABLE 1.7 EFPD BUYBACK PROGRAM - NOVEMBER-DECEMBER 2012 PERIOD ¹

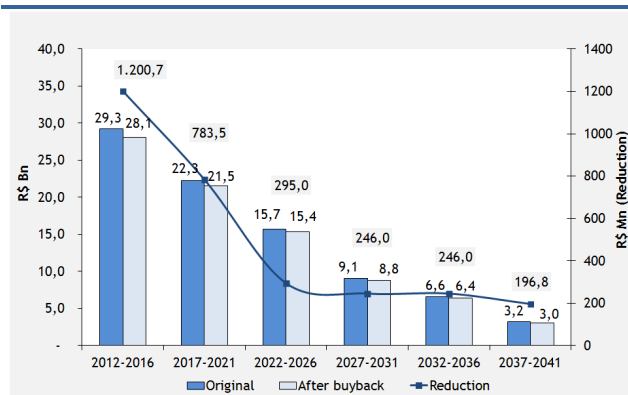
SECURITY	FACE VALUE		FINANCIAL	
	US\$	R\$ ²	US\$	R\$ ²
A BOND	43.388.889	89.139.453	52.150.660	107.137.791
BR13	4.995.000	10.147.343	5.491.309	11.155.594
BR40	17.796.000	36.926.736	23.095.621	47.923.481
TOTAL	66.179.889	136.213.531	80.737.590	166.216.865

¹ Values referring to securities buyback date. For EFPD outstanding reduction, will be considered accrued interest until the effectual securities cancellation date.

² Amounts converted into Brazilian Real at the rate of settlement date.

Historical Data: Annex 1.7

GRAPH 1.5 EFPD BUYBACK PROGRAM - REDUCTION IN INTEREST PAYMENTS



2. Outstanding Federal Public Debt - FPD

2.1 Evolution

Outstanding FPD registered nominal growth of 2.18%, moving from R\$ 1,965.22 billion in November to R\$ 2,007.98 billion in the month of December.

Outstanding DFPD expanded 2.38%, shifting from R\$ 1,872.23 billion to R\$ 1,916.71 billion, due to net issuances in the amount of R\$ 25.62 billion and positive appropriation of interest worth R\$ 18.86 billion.

As far as outstanding EFPD is concerned, compared to the month of November, overall volume decreased 1.84%, ending the month of December at R\$ 91.28 billion (US\$ 44.67 billion), with R\$ 78.19 billion (US\$ 38.27 billion) involving securities debt and R\$ 13.08 billion (US\$ 6.40 billion) referring to contractual debt.

2012 ABP Limits		
Outstanding held by the public (R\$ Bn)		
	Min	Max
FPD	1.950,00	2.050,00

TABLE 2.1

OUTSTANDING FPD HELD BY THE PUBLIC

(R\$ Bn)

	Dec/11	Nov/12	Dec/12		
FPD	1.866,35	1.965,22	2.007,98	100,00%	
DFPD	1.783,06	1.872,23	1.916,71	100,00%	95,45%
LFT	548,66	422,37	424,95	22,17%	21,16%
LTN	402,38	526,78	552,03	28,80%	27,49%
NTN-B	453,53	585,28	602,14	31,42%	29,99%
NTN-C	62,44	66,19	65,89	3,44%	3,28%
NTN-F	280,25	236,93	237,27	12,38%	11,82%
Securitized Debt	9,72	8,26	8,22	0,43%	0,41%
TDA	4,01	3,53	3,46	0,18%	0,17%
Other	22,07	22,89	22,76	1,19%	1,13%
EFPD ¹	83,29	92,99	91,28	100,00%	4,55%
Securities	71,72	79,82	78,19	85,67%	3,89%
Global USD	55,36	63,65	61,93	67,85%	3,08%
Euro	4,21	2,35	2,33	2,55%	0,12%
Global BRL	12,03	13,75	13,87	15,20%	0,69%
BIB ²	0,12	0,07	0,06	0,07%	0,00%
Contractual	11,57	13,17	13,08	14,33%	0,65%
Multilateral Organisms	6,91	7,56	7,38	8,09%	0,37%
Private Financial Institutions/Gov. Agencies	4,66	5,61	5,70	6,24%	0,28%

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

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

Obs.: From January 2010 on, outstanding EFPD is calculated by the rate of return, following what has been done with outstanding DFPD.

Historical Data: Annex 2.1

2.2 Profile

Indexes

As to the FPD profile, DFPD share expanded, moving from 95.27% in November to 95.45% in December. In contrast, EFPD share declined from 4.73% to 4.55%.

The share of fixed-rate FPD securities shifted from 39.56% in November to 40.00% in December. The share held by inflation-linked securities expanded from 33.76% to 33.87% in December. The share of floating rate securities diminished from 22.08% in November to 21.73% in December.

GRAPH 2.1 FPD PROFILE BY INDEX - DECEMBER/2012

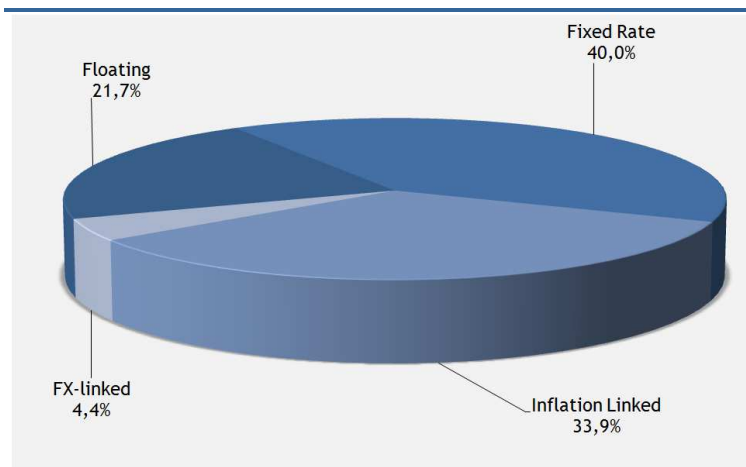


TABLE 2.2 FPD PROFILE HELD BY THE PUBLIC

(R\$ Bn)

	Dec/11		Nov/12		Dec/12	
FPD	1.866,35	100,00%	1.965,22	100,00%	2.007,98	100,00%
Fixed Rate	694,66	37,22%	777,46	39,56%	803,17	40,00%
Inflation Linked	527,78	28,28%	663,43	33,76%	680,12	33,87%
Floating	562,44	30,14%	433,88	22,08%	436,34	21,73%
FX-linked	81,48	4,37%	90,45	4,60%	88,36	4,40%
DFPD	1.783,06	100,00%	1.872,23	100,00%	1.916,71	100,00%
Fixed Rate	682,63	38,28%	763,70	40,79%	789,30	41,18%
Inflation Linked	527,78	29,60%	663,43	35,44%	680,12	35,48%
Floating	562,44	31,54%	433,88	23,17%	436,34	22,76%
FX-linked	10,22	0,57%	11,21	0,60%	10,95	0,57%
EFPD	83,29	100,00%	92,99	100,00%	91,28	100,00%
USD	64,26	77,15%	73,10	78,61%	71,15	77,95%
EURO	6,27	7,53%	5,48	5,89%	5,68	6,22%
BRL	12,03	14,44%	13,75	14,79%	13,87	15,20%
Other	0,74	0,88%	0,66	0,71%	0,57	0,63%

Historical Data FPD: Annex 2.4
 Historical Data DFPD: Annex 2.5
 Historical Data EFPD: Annex 2.6

**2012 ABP Limits
Share in Outstanding FPD**

	Min	Max
Fixed rate	37%	41%
Inflation linked	30%	34%
Floating rate	22%	26%
FX-linked	3%	5%

Holders

The category of Financial Institutions posted an increase, in absolute share, from R\$ 553.12 billion to R\$ 576.80 billion between November and December 2012. Relative share also expanded from 29.54% to 30.09%. The stock of Investment Funds increased from R\$ 464.79 billion to R\$ 472.49 billion. Their relative share shifted from 24.83% to 24.65%. The stock of Investment Funds increased from R\$ 464.79 billion to R\$ 472.49 billion. Their relative share shifted from 24.83% to 24.65%.

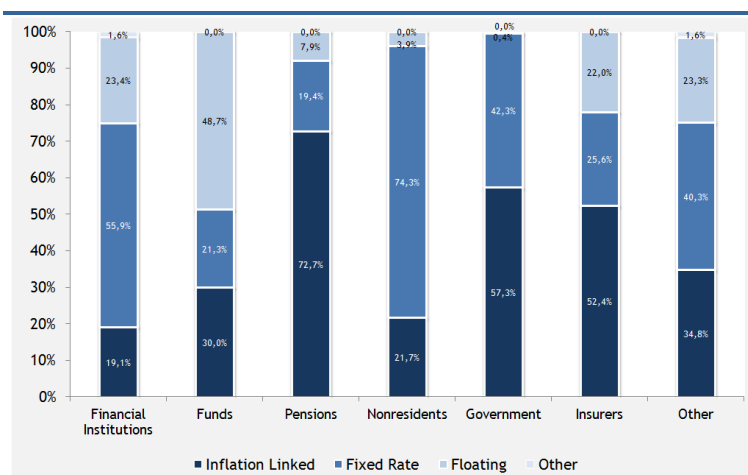
The Pensions grouping posted positive variation in its stock, shifting from R\$ 299.31 billion to R\$ 306.27 billion. The share of Nonresidents in DFPD decreased from 13.88% to 13.72%, while the outstanding volume expanded nearly R\$ 3.13 billion. The category of Government decreased its relative share from 7.73% to 7.30%.

It is important to understand that 74.3% of the portfolio of Nonresidents is concentrated in fixed rate securities, while 72.7% of the Pensions portfolio is composed of inflation-linked securities.

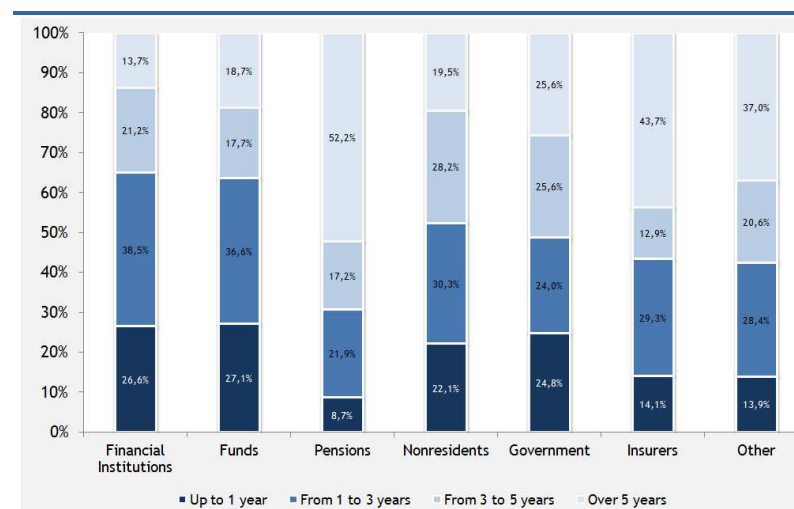
	Dec/11		Nov/12		Dec/12	
Financial Institutions ¹	561,16	31,47%	553,12	29,54%	576,80	30,09%
Funds ²	451,11	25,30%	464,79	24,83%	472,49	24,65%
Pensions ³	274,84	15,41%	299,31	15,99%	306,27	15,98%
Nonresidents ⁴	202,33	11,35%	259,87	13,88%	263,00	13,72%
Government ⁵	157,00	8,81%	144,68	7,73%	139,98	7,30%
Insurers ⁶	72,91	4,09%	69,61	3,72%	75,15	3,92%
Other ⁷	63,71	3,57%	80,85	4,32%	83,02	4,33%
Total	1.783,06	100,0%	1.872,23	100,0%	1.916,71	100,0%

¹ Includes its own portfolio of commercial banks and foreign banks and domestic and foreign investment banks. It also includes state-owned banks and BNDES, as well as FGTS accounts operated by the Caixa Econômica. The funds' investment banks are also linked to this category.
² Includes investment funds regulated by CVM Instruction 409, dated 18/08/2004, and other funds. Does not include applications to banks, pension funds, non-resident investors and insurers that are allocated in their respective categories.
³ Includes investment funds and its
⁴ Includes accounts of nonresident created by Circular Letter No. 3278 of 18.6.2007. Are considered non-resident investors natural persons or legal entities and funds and other collective investment entities resident, domiciled or headquartered abroad. This includes securities held by non-residents through investment funds.
⁵ Includes funds and resources administered by the Federal Government, such as FAT, FGTS, Extramarket Funds, the Sovereign Fund and Guarantee Funds.
⁶ Includes insurers and reinsurers.
⁷ Includes accounts of resident natural person, its own portfolio of domestic and foreign distributor/broker, capitalization companies, others of own portfolio.
 Obs.1: Database includes only securities registered in the SELIC system, representing approximately 98% of the DFPD stock provided by the BACEN and grouped according to the classification established by the National Treasury. It is ongoing work to include CETIP data.
 Obs. 2: Values based on portfolio position measured by the price curve of the intrinsic yield of the securities.
 Historical Data: Annex 2.7

GRAPH 2.2 PORTFOLIO PROFILE, BY HOLDER - DECEMBER/2012



GRAPH 2.3 AVERAGE MATURITY PROFILE, BY HOLDER - DECEMBER/2012



2.3 Variation Factors

The Federal Public Debt - FPD registered nominal expansion of 2.18%, moving from R\$ 1,965.22 billion in November to R\$ 2,007.98 billion in December. This variation was due to net issuances of R\$ 25.58 billion and to positive interest appropriations totaling R\$ 17.19 billion.

INDICATORS	Monthly		2012	
	R\$ Mn	% of outstanding debt	R\$ Mn	% of outstanding debt ¹
<i>Previous Outstanding Debt²</i>	1.965.217,35		1.866.353,26	
DFPD	1.872.226,84		1.783.060,64	
EFPD	92.990,51		83.292,63	
<i>Outstanding Debt in Dec-31-12</i>	2.007.984,99		2.007.984,99	
DFPD	1.916.709,28		1.916.709,28	
EFPD	91.275,71		91.275,71	
<i>Nominal Variation</i>	42.767,64	2,18%	141.631,73	7,59%
DFPD	44.482,44	2,26%	133.648,64	7,16%
EFPD	(1.714,80)	-0,09%	7.983,08	0,43%
<i>I - Debt Management - (Treasury) (I.1 + I.2)</i>	42.767,64	2,18%	141.631,73	7,59%
<i>I.1 - Issuance/Net Redemption</i>	25.581,17	1,30%	(66.353,06)	-3,56%
I.1.1 - Issuances	43.047,94	2,19%	522.561,11	28,00%
- Public Offerings (DFPD)	26.269,27	1,34%	321.812,02	17,24%
- Non-competitive Issuances (DFPD)	16.023,89	0,82%	191.094,31	10,24%
- Issuances (EFPD)	754,78	0,04%	9.654,78	0,52%
I.1.2 - Redemptions	(17.466,77)	-0,89%	(588.914,17)	-31,55%
- Current Payments (DFPD)	(16.658,49)	-0,85%	(467.475,45)	-25,05%
- Cancellations (DFPD)	(16,62)	0,00%	(105.687,30)	-5,66%
- Current Payments (EFPD)	(625,45)	-0,03%	(12.494,09)	-0,67%
- Early Redemption (EFPD)	(166)	-0,01%	(3.257)	-0,17%
<i>I.2 - Accrued Interest</i>	17.186,47	0,87%	207.984,78	11,14%
- DFPD Nominal Accrued Interest	18.864,38	0,96%	193.905,06	10,39%
- EFPD Nominal Accrued Interest	(1.677,91)	-0,09%	14.079,72	0,75%
<i>II - Central Bank Operations</i>	-	0,00%	-	0,00%
<i>II.1 - Securities' Net Sales to the Market</i>	-	0,00%	-	0,00%
Total (I + II)	42.767,64	2,18%	141.631,73	7,59%

¹ Over 2011 December 31st.

² The "Monthly" column relates to the last day of the previous month. The "2012" column relates to stock of the last day of the previous year.
Historical Data: Annex 2.7

3. Federal Public Debt - FPD Maturity Profile

3.1 Maturities

FPD maturities in the coming 12 months posted a reduction, shifting from 24.48% in November to 24.38% in December.

The volume of DFPD securities scheduled to mature in up to 12 months decreased from 25.16% in November to 25.03% in December. Fixed rate securities accounted for 51.53% of this total, followed by floating rate securities, with share of 30.09% of the total.

In the case of EFPD, the percentage maturing in 12 months moved from 10.76% in November to 10.83% in December, with securities denominated in American Dollar accounting for 74.68% of this total. Here, one should note that maturities of more than 5 years account for 50.13% of outstanding EFPD.

2012 ABP Limits % Up to 12 months		
	Min	Max
FPD	22%	26%

TABLE 3.1 FPD MATURITIES HELD BY THE PUBLIC

Maturities	(R\$ Bn)											
	DFPD				EFPD				FPD			
	Nov/12		Dec/12		Nov/12		Dec/12		Nov/12		Dec/12	
Up to 12 months	471,01	25,16%	479,72	25,03%	10,01	10,76%	9,89	10,83%	481,02	24,48%	489,60	24,38%
From 1 to 2 years	393,74	21,03%	394,12	20,56%	8,52	9,16%	8,43	9,24%	402,26	20,47%	402,55	20,05%
From 2 to 3 years	290,79	15,53%	297,78	15,54%	10,10	10,86%	10,00	10,95%	300,88	15,31%	307,78	15,33%
From 3 to 4 years	205,15	10,96%	220,06	11,48%	8,02	8,62%	7,80	8,55%	213,17	10,85%	227,87	11,35%
From 4 to 5 years	140,67	7,51%	139,40	7,27%	9,57	10,29%	9,41	10,30%	150,25	7,65%	148,81	7,41%
Over 5 years	370,86	19,81%	385,62	20,12%	46,78	50,30%	45,75	50,13%	417,64	21,25%	431,37	21,48%
TOTAL	1.872,23	100,00%	1.916,71	100,00%	92,99	100,00%	91,28	100,00%	1.965,22	100,00%	2.007,98	100,00%

Obs.: From January 2010 on, future flows of EFPD payments (securities) are calculated at present values.
Historical Data: Annex 3.1

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

	Dec/11			Nov/12			Dec/12		
	(R\$ Bn)			(R\$ Bn)			(R\$ Bn)		
FPD	408,53	100,00%		481,02	100,00%		489,60	100,00%	
DFPD	397,94	100,00%	97,41%	471,01	100,00%	97,92%	479,72	100,00%	97,98%
Fixed Rate	255,57	64,22%	62,56%	244,66	51,94%	50,86%	247,21	51,53%	50,49%
Inflation Linked	67,26	16,90%	16,46%	85,59	18,17%	17,79%	86,83	18,10%	17,73%
Floating	73,93	18,58%	18,10%	139,40	29,60%	28,98%	144,33	30,09%	29,48%
FX-linked	1,18	0,30%	0,29%	1,36	0,29%	0,28%	1,34	0,28%	0,27%
EFPD	10,59	100,00%	2,59%	10,01	100,00%	2,08%	9,89	100,00%	2,02%
USD	6,66	62,83%	1,63%	7,68	76,71%	1,60%	7,38	74,68%	1,51%
EURO	2,62	24,75%	0,64%	0,86	8,58%	0,18%	1,03	10,43%	0,21%
BRL	1,25	11,81%	0,31%	1,34	13,39%	0,28%	1,35	13,67%	0,28%
Other	0,06	0,60%	0,02%	0,13	1,32%	0,03%	0,12	1,21%	0,02%

Historical Data: Annex 3.3

3.2 Average Maturity

FPD average maturity diminished from 3.99 years in November to 3.97 years in December.

DFPD average maturity shifted from 3.85 years in November to 3.84 years in December.

In its turn, EFPD average maturity decreased from 6.67 years in November to 6.61 years in December.

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

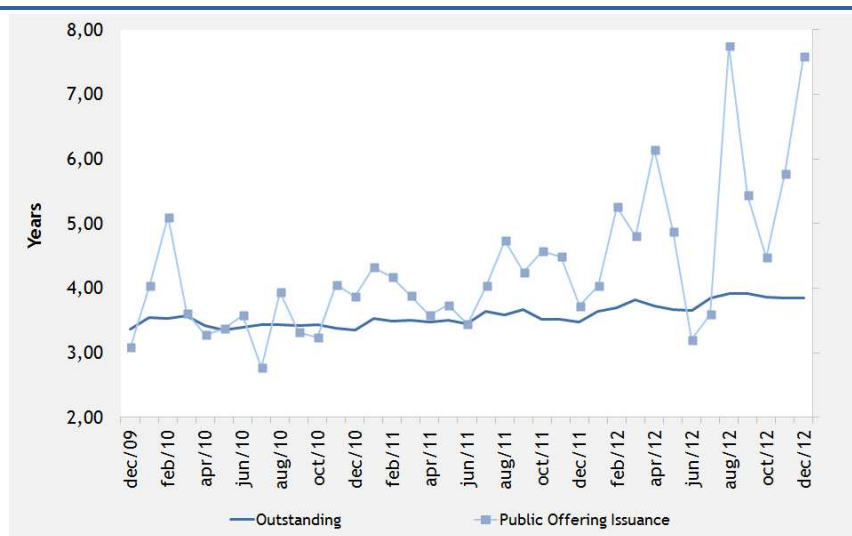


TABLE 3.3 FPD AVERAGE MATURITY

	(Years)		
	Dec/11	Nov/12	Dec/12
FPD	3,62	3,99	3,97
DFPD	3,49	3,85	3,84
LFT	2,51	2,00	1,92
LTN	1,39	1,52	1,49
NTN-B	6,66	7,11	7,25
NTN-C	7,47	7,21	7,12
NTN-F	1,90	2,80	2,68
TDA	4,10	4,03	4,04
Securitized Debt	5,91	5,64	5,61
Other	8,44	8,66	8,56
EFPD	6,48	6,67	6,61
Securities	6,87	7,15	7,07
Global USD	7,46	7,54	7,47
Euro	2,01	2,62	2,54
Global BRL	5,92	6,13	6,04
BIB ¹	0,93	0,54	0,45
Contractual	4,07	3,80	3,87
Multilateral Organisms	5,06	4,91	4,98
Private Financial Institutions/Gov. Agencies	2,60	2,31	2,42

¹ 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/11	Nov/12	Dec/12
DFPD	3,73	5,78	7,59
Fixed Rate	2,33	2,97	2,85
LTN	1,96	2,76	2,56
NTN-F	4,11	4,79	4,81
Inflation Linked	7,12	10,36	13,02
Floating Rate	6,32	5,38	5,29

Historical Data: Annex 3.9

2012 ABP Limits Average Maturity (years)		
	Min	Max
FPD	3,6	3,8

3.3 Average Life

FPD average life³, which reflects the remaining maturity of public debt principal only, shifted from 6.37 years in November to 6.43 years in December.

TABLE 3.5
FPD AVERAGE LIFE HELD BY THE PUBLIC

(Years)

	Dec/11	Nov/12	Dec/12
FPD	5,70	6,37	6,43
DFPD	5,37	6,07	6,15
Fixed Rate	1,86	2,24	2,15
Inflation Linked	12,45	12,76	13,11
Floating Rate	2,69	2,20	2,13
FX-linked	10,98	10,38	10,31
EFPD	12,66	12,40	12,35
Securities	13,07	12,81	12,73
Global USD	14,38	13,66	13,60
Euro	2,39	3,08	3,00
Global BRL	10,86	10,60	10,52
BIB ¹	1,71	0,79	0,71
Contractual	10,16	9,90	10,06
Multilateral Organisms	11,23	11,05	11,15
Private Financial Institutions/Gov. Agencies	8,57	8,35	8,65

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

Historical Data: Annex 3.10

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

4. Federal Public Debt - FPD Average Cost

FPD cumulative 12-month average cost decreased 0.33 percentage points, moving from 11.88% per year in November to 11.55% per year in December.

Parallel to this performance, DFPD cumulative 12-month average cost shifted from 11.43% per year in November to 11.30% per year in December, due partially to lesser growth in the SELIC rate (0.55% in December/12, against 0.91% in December/11).

In the case of EFPD, this indicator registered a reduction, from 22.78% per year in November to 16.52% per year in December, mainly as a result of 3.03% devaluation of the United States currency against the Brazilian Real in December 2012, compared to 3.58% valuation in December 2011.

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

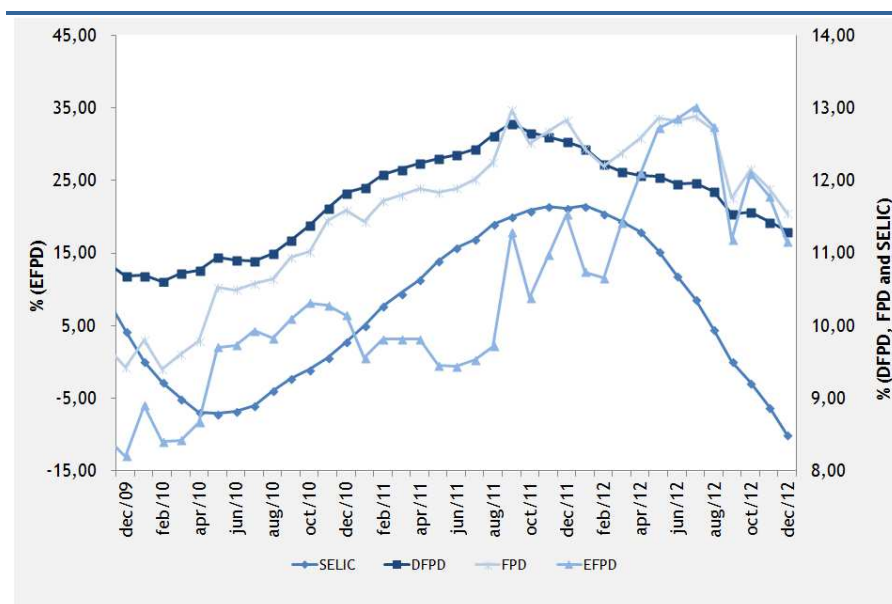


TABLE 4.1

FPD AVERAGE COST

(% p.y.)

	Monthly Average Cost			12-Month Cumulative Average Cost		
	Dec/11	Nov/12	Dec/12	Dec/11	Nov/12	Dec/12
FPD	13,57	13,48	10,24	12,83	11,88	11,55
DFPD	12,03	11,30	11,72	12,54	11,43	11,30
LFT	10,90	7,14	7,16	11,62	8,88	8,49
LTN	12,17	10,81	10,73	11,96	11,59	11,37
NTN-B	12,98	14,10	15,86	13,76	12,27	12,38
NTN-C	8,39	9,50	19,68	15,40	17,55	18,40
NTN-F	12,57	11,88	11,86	12,52	12,23	12,06
TDA	5,27	3,92	3,90	5,48	4,42	4,27
Securitized Debt	5,84	5,06	5,49	6,45	5,68	5,60
Other	29,01	36,00	(6,24)	16,66	20,18	16,94
EFPD	52,58	58,71	(19,53)	20,29	22,78	16,52
Securities	52,58	57,88	(18,74)	20,29	22,78	16,51
Global USD	65,54	67,82	(25,42)	22,31	25,90	17,81
Euro	4,63	73,92	(10,49)	18,52	21,45	19,85
Global BRL	11,61	10,80	10,80	11,50	11,14	11,08
BIB ¹	59,68	64,95	(25,80)	19,60	23,42	15,54
Contractual²	N/D	63,82	(24,28)	N/D	N/D	16,52
Multilateral Organisms	N/D	63,67	(27,22)	N/D	N/D	14,23
Private Financial Institutions/Gov. Agencies	N/D	64,04	(20,32)	N/D	N/D	19,47

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

² 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

5. Secondary Market of Federal Public Securities

5.1 Secondary Market Turnover

The average daily financial volume of bonds negotiated on the secondary market increased from R\$ 14.92 billion in November to R\$ 25.41 billion in December. Fixed rate securities remained at first place, whose share increased to a level of 52.21% in December, against 51.87% in November. Second place was occupied by inflation-indexed securities, with an increase in share from 32.17% in November to 33.73% in December. The share of SELIC-indexed bonds decreased to 14.06% in December, against 15.96% in November.

TABLE 5.1 SECONDARY MARKET TURNOVER, BY SECURITY

Month	LFT / LFT-A / LFT-B			LTN / NTN-F			NTN-B / NTN-C			Total		
	Volume ¹	% of Total Traded ²	Variation ³	Volume ¹	% of Total Traded ²	Variation ³	Volume ¹	% of Total Traded ²	Variation ³	Volume ¹	% of Total Traded ²	Variation ³
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%	69,9%
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%

¹ 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;

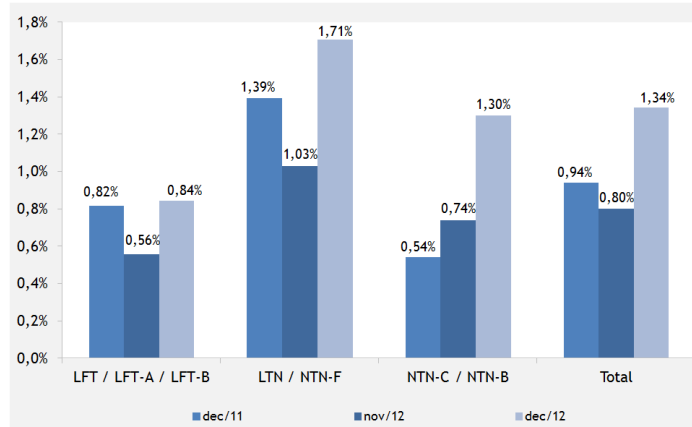
² Share of securities volume traded compared to total volume traded in the month;

³ 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.

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



LTN maturing in January 2013 continue as the fixed-rate security with the largest financial volume, followed by LTN maturing in July 2014, with a gain of two positions. Third place, also with a gain of two positions, was occupied by LTN maturing in July 2013.

With respect to NTN-F, maturities in January 2013 registered the largest financial volume negotiated, with a gain of one position. NTN-F maturing in January 2017 moved to second place, with a loss of one position. Finally, third place was held by securities maturing in January 2021, preserving the previous month's position.

Among LFT, bonds maturing in March 2013 remained at first place, followed by those maturing in September 2013 and March 2015, both preserving the previous month's position.

Finally, NTN-B maturing in August 2016 continued in first place, followed by NTN-B maturing in May 2015, remaining in second place. Third place was occupied by those maturing in August 2050, 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 - DECEMBER 2012

(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	01/01/2013	1.745,03	27,0	3,14%	NTN-F	01/01/2013	863,24	17,2	1,65%
LTN	01/07/2014	1.490,38	25,0	2,73%	NTN-F	01/01/2017	719,14	29,7	0,96%
LTN	01/07/2013	1.237,54	37,2	1,88%	NTN-F	01/01/2021	370,66	26,6	1,12%
LTN	01/04/2013	1.192,85	19,4	2,40%	NTN-F	01/01/2018	328,47	4,4	2,02%
LTN	01/01/2016	1.176,84	25,0	1,31%	NTN-F	01/01/2014	275,40	18,6	0,70%
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	15/08/2016	1.769,28	195,4	2,50%	LFT	07/03/2013	988,41	310,2	1,76%
NTN-B	15/05/2015	1.451,50	108,1	2,60%	LFT	07/09/2013	612,84	147,9	0,91%
NTN-B	15/08/2050	884,32	49,2	1,39%	LFT	07/03/2015	383,02	122,2	0,65%
NTN-B	15/08/2014	860,61	101,3	1,74%	LFT	07/09/2015	294,54	81,3	0,65%
NTN-B	15/08/2018	821,25	110,3	2,60%	LFT	01/03/2018	288,89	69,1	0,95%

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;

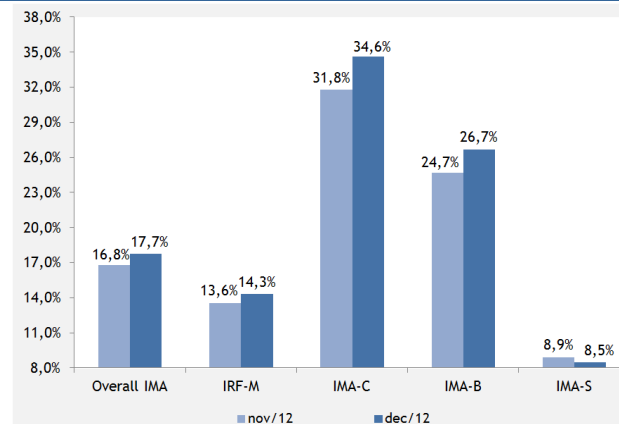
Obs. 4: On brokerage operations, only the values of the final principals are accounted.

5.2 Public Securities Yield

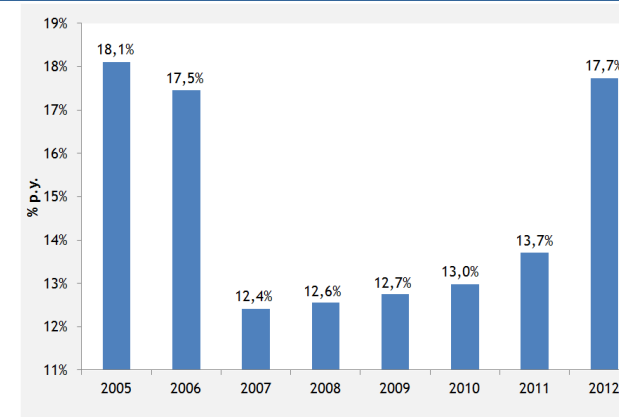
The Anbima Market index - IMA⁴, created by ANBIMA⁵ in a partnership with the National Treasury, verifies the profitability of a theoretical portfolio composed of public securities in circulation on the market. It is considered an efficient parameter for purposes of evaluating the evolution of public security profitability, and has introduced greater dynamics into the primary and secondary federal public debt markets.

Data for the month of December indicate a drop of 0.4 percentage points in the IMA-S index, referring to SELIC-linked securities, and an increase of 0.9 percentage points in the overall IMA. Data also indicate a growth of 0.7 percentage points in the yield of fixed rate bonds, represented by the IRF-M. There was an increase of 2.8 percentage points in IGP-M-linked securities, represented by the IMA-C, and a growth of 2.0 percentage points in IPCA-linked securities, represented by the IMA-B.

GRAPH 5.2 PUBLIC SECURITIES YIELD - DECEMBER/2012 (CUMULATIVE 12-MONTH %)



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



⁴ 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.andima.com.br/publicacoes/arqs/edesp_ima_tpf.pdf

⁵ Brazilian Association of Financial and Capital Market Entities.