

Minister of Finance
Eduardo Refinetti Guardia

Executive-Secretary
Ana Paula Vitali Janes Vescovi

National Treasury Secretary
Mansueto Facundo de Almeida Junior

Assistant National Treasury Secretary
Otavio Ladeira de Medeiros

Deputy Secretaries
Adriano Pereira de Paula
Gildenora Batista Dantas Milhomem
José Franco Medeiros de Moraes
Liscio Fábio de Brasil Camargo
Pedro Jucá Maciel
Pricilla Maria Santana

Head of Fiscal and Economic Studies Department
Felipe Palmeira Bardella

Deputy Head of Fiscal and Economic Studies Department
Alex Pereira Benício

Technical Staff
Fábio Felipe Dáquilla Prates
Fernando Cardoso Ferraz
Gabriel Gdalevici Junqueira
Karla de Lima Rocha
Vitor Henrique Barbosa Fabel

Assessoria de Comunicação Social
(ASCOM/Tesouro Nacional)
Phone: (61) 3412-1843
E-mail: ascom@tesouro.gov.br
Available: www.tesouro.gov.br

The **National Treasury Fiscal Balance** is a monthly publication of the National Treasury Secretariat. Reproduction in full or in part is permitted, provided the source be given proper credit.

Vol. 24, N.7 July/2018

National Treasury Fiscal Balance

Brasília, August 2018

Resultado do Tesouro Nacional / Secretaria do Tesouro Nacional. – v. 24, n. 07 (Julho 2018). – Brasília : STN, 1995.

*Mensal.
Continuação de: Demonstrativo da execução financeira do Tesouro Nacional.
ISSN 1519-2970*

*1.Finanças públicas – Periódicos. 2.Receita pública – Periódicos. 3.Despesa pública – Periódicos.
I. Brasil. Secretaria do Tesouro Nacional.*

CDD 336.005

Summary

<i>Central Government Primary Balance Overview</i>	3
<i>Yearly Balance</i>	4
Overview	4
Central Government Revenue	5
Transfers by Revenue Sharing	7
Central Government Expenditure	8
Social Security	11
<i>Monthly Balance Compared to the Same Month of the Previous Year</i>	12
Central Government Revenue	13
Transfers by Revenue Sharing	14
Central Government Expenditure	15
Social Security	16
<i>Monthly Balance Compared to the Previous Month</i>	17
Overview	17
Central Government Revenue	18
Transfers by Revenue Sharing	19
Central Government Expenditure	20
Social Security	22

Central Government Primary Balance Overview

Table 1.1 - Central Government Primary - Brazil - 2017/2018

current prices

	Jan-Jul					July				
	R\$ Million		Variation (2018/2017)			R\$ Million		Variation (2018/2017)		
	2017	2018	Difference	% Nominal	% Real	2017	2018	Difference	%	% Real
I. Total Revenue	772.793,0	856.948,8	84.155,8	10,9%	7,4%	108.508,4	126.313,6	17.805,3	16,4%	11,4%
II. Transfers by Revenue Sharing	135.989,1	149.379,0	13.389,9	9,8%	6,4%	19.390,8	19.912,9	522,1	2,7%	-1,7%
III. Net Revenue (I-II)	636.803,9	707.569,8	70.766,0	11,1%	7,6%	89.117,6	106.400,8	17.283,2	19,4%	14,3%
IV. Total Expenditure	713.437,1	750.465,6	37.028,4	5,2%	1,9%	109.272,1	113.947,6	4.675,5	4,3%	-0,2%
V. Sovereign Fund of Brazil - FSB	0,0	4.021,0	4.021,0	-	-	0,0	0,0	0,0	-	-
VI. Central Government Primary Balance (III - IV)	-76.633,3	-38.874,8	37.758,5	-49,3%	-51,2%	-20.154,5	-7.546,9	12.607,6	-62,6%	-64,2%
National Treasury and Central Bank	19.750,7	66.493,8	46.743,0	236,7%	224,3%	-6.637,6	7.000,3	13.637,9	-	2,9%
Social Security (RGPS)	-96.384,0	-105.368,5	-8.984,5	9,3%	5,9%	-13.516,9	-14.547,2	-1.030,3	7,6%	3,0%
VII. Primary Balance/GDP	-2,0%	-1,0%	-	-	-	-	-	-	-	-
Memo:										
National Treasury Primary Balance	20.216,5	66.976,0	46.759,5	231,3%	219,2%	-6.560,9	7.139,9	13.700,8	-	-53,0%
Central Bank Primary Balance	-465,8	-482,3	-16,5	3,5%	0,3%	-76,7	-139,6	-62,9	82,0%	74,2%
Social Security Primary Balance	-96.384,0	-105.368,5	-8.984,5	9,3%	5,9%	-13.516,9	-14.547,2	-1.030,3	7,6%	3,0%

In July 2018, the Central Government's primary result, at current prices, deficit was R\$ 7.5 billion against a deficit of 20.2 billion in July 2017. In real terms, net revenue increased by 14.3% while total expenditure decreased by 2.0%. Highlights of the month:

It should be noted that the increase in revenue was conditioned both by the growth in Revenues Collected by the Federal Revenue Office (11.4% in real terms) and by the step up in Revenues not Collected by the Federal Revenue Office (43.5% in real terms).

Compared to the accumulated until July 2017, at current prices, the result of the Central Government went from a deficit of R\$ 76.6 billion in 2017 to a deficit of R\$ 38.9 billion in 2018. In real terms, net revenue increased by 7.6% while total expenditure grew 1.9%. The revenue increase is mainly explained by the PIS/Cofins legislation changes, the collection of the PRT/PERT and the improvement of the main macroeconomic indicators that influence the collection. There is also a positive effect of R\$ 4.0 billion referring to the redemption of FFIE quotas.

Yearly Balance

Overview

Table 1.2 - Central Government Primary Balance - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	Jan-Jul		Variation	
	2017	2018	Difference	% Real
I. Total Revenue	810.835,0	870.872,3	60.037,3	7,4%
I.1 Revenues Collected by the Federal Revenue Office	507.999,7	549.681,7	41.681,9	8,2%
I.2 Fiscal Incentives	-18,2	-1,7	16,6	-
I.3 Net Social Security Revenues	214.400,1	215.972,7	1.572,6	0,7%
I.4 Revenues not Collected by the Federal Revenue Office	88.453,5	105.219,6	16.766,1	19,0%
II. Transfers by Revenue Sharing	142.657,5	151.781,4	9.123,9	6,4%
III. Net Revenue (I-II)	668.177,5	719.090,9	50.913,4	7,6%
IV. Total Expenditure	748.312,6	762.268,4	13.955,7	1,9%
IV.1 Social Security Benefits	315.490,1	323.038,4	7.548,3	2,4%
IV.2 Payroll	172.363,6	173.523,1	1.159,4	0,7%
IV.3 Other Compulsory Expenses	124.198,2	117.900,2	-6.298,0	-5,1%
IV.4 Discretionary Expenses - All Branches	136.260,6	147.806,7	11.546,1	8,5%
V. Sovereign Fund of Brazil - FSB			-	-
VI. Central Government Primary Balance (III - IV + V)	-80.135,1	-39.099,0	41.036,1	-
National Treasury and Central Bank	20.955,0	67.966,8	47.011,8	224,3
Social Security (RGPS)	-101.090,1	-107.065,7	-5.975,7	5,9%
Memo:				
National Treasury Primary Balance	21.443,2	68.456,4	47.013,1	219,2
Central Bank Primary Balance	-488,2	-489,6	-1,3	0,3%
Social Security Primary Balance	-101.090,1	-107.065,7	-5.975,7	5,9%

At July 2018 prices, compared to 2017, there was an improvement of R\$ 41.0 billion in the Central Government primary balance result, from a deficit of R\$ 80.1 billion in 2017 to R\$ 39.1 billion in 2018. This improvement was due a growth in net revenue (7.9%) above the increase in total expenditure (1.9%) and due to the positive effect of R\$ 4.0 billion related to the redemption of FFIE quotas.

Regarding the increase in revenue, we highlight:

- increase in the PIS/Cofins tax collection due to a large increase in the tax rate on fuels (Decree 9.101/17);
- performance of the collection associated with the special installments, PERT and PRT programs; and
- the improvement in economic activity and in the macroeconomic indicators that influence the collection.

Primary expenditure, on the other hand, is still under pressure due to increases in social security benefits and personnel expenses. There was also an increase in discretionary expenses.

Central Government Revenue

Tabela 1.3 - Central Government Primary Revenues - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	Jan-Jul		Variation	
	2017	2018	Difference	% Real
I. Total Revenue	810.835,0	870.872,3	60.037,3	7,4%
I.1 Revenues Collected by the Federal Revenue Office	507.999,7	549.681,7	41.681,9	8,2%
Import Tax	18.525,4	23.403,2	4.877,8	26,3%
Industrialized Products Tax (IPI)	26.256,6	32.319,7	6.063,1	23,1%
Income tax (IR)	222.793,1	228.448,1	5.655,0	2,5%
Tax on Credit Operations, Exchange and Insurance (IOF)	21.027,8	21.287,6	259,8	1,2%
Contribution to Social Security Financing (COFINS)	123.496,0	143.917,1	20.421,0	16,5%
PIS/Pasep	33.439,0	38.418,5	4.979,5	14,9%
Social Contribution on Net Corporate Profits (CSLL)	47.523,3	51.418,1	3.894,8	8,2%
Provisional Contribution on Financial Operations (CPMF)	0,0	0,0	0,0	-
CIDE - Fuels	3.487,8	2.831,2	-656,6	-18,8%
Other	11.450,8	7.638,3	-3.812,5	-33,3%
I.2 Fiscal Incentives	-18,2	-1,7	16,6	-90,9%
I.3 Net Social Security Revenues	214.400,1	215.972,7	1.572,6	0,7%
Urban	209.173,1	210.046,0	872,9	0,4%
Rural	5.226,9	5.926,6	699,7	13,4%
I.4 Revenues Not Collected by the Federal Revenue Office	88.453,5	105.219,6	16.766,1	19,0%
Concessions and Permissions	3.095,5	3.090,4	-5,0	-0,2%
Dividends	4.510,3	5.745,1	1.234,8	27,4%
Contribution to Civil Service Social Security (CPSS)	7.706,1	7.592,1	-114,0	-1,5%
Financial Compensation Quotas	24.447,2	37.018,4	12.571,2	51,4%
Own Revenues (source codes 50, 81 and 82)	8.343,4	8.813,4	470,0	5,6%
Education-Salary (social contribution for education)	12.707,7	12.656,5	-51,2	-0,4%
FGTS Complement (LC nº 110/01)	2.759,5	3.033,5	273,9	9,9%
Assets Operations	648,7	664,8	16,1	2,5%
Other Revenues	24.235,1	26.605,4	2.370,3	9,8%

The total revenue of the Central Government increased by R\$ 60.0 billion (7.4%) compared to accumulated until July 2017. This performance was due to the increase of R\$ 41.7 billion (8.2%) in revenues collected by RFB along with an increase of R\$ 16.8 billion (19.0%) in revenues not collected by RFB and an increase of R\$ 1.6 billion (0.7%) in net social security revenues.

It should be noted that in revenues administered by RFB there was reclassification of the stock of special installments not reclassified in November 2017 (see reports for November/2017 and Dec/2017). This reclassification, although does not impact the total revenue it influences its composition, mainly, increasing income tax, Cofins, PIS/PASEP and CSLL and reducing other revenues.

In addition to this effect, the main factors of variation of revenue managed by the RFB were:

- increase of R\$ 20.4 billion (16.5%) in Cofins and R\$ 5.0 billion (14.9%) in PIS/Pasep resulting from the combined effect on the of PIS/Cofins tax rates on the fuels (Decree 9.101/17), increase of volume of sales of goods (real increase of 6.00% - PMC-IBGE);
- increase of R\$ 6.1 billion (23.1%) in IPI influenced mainly by growth of 2.61% in industrial production from December 2017 to June 2018 compared to production from December 2016 to

June 2017;

- increase of R\$ 5.7 billion (2.5%) in the Income Tax, which was determined by the increase in IRPJ collection (R\$ 7.8 billion); and
- increase of R\$ 4.9 billion (26.3%) in the Import Tax, mainly due to the 9.5% increase in the average exchange rate, a reduction in the average effective tax rate and an increase of 25.7% in the dollar value of imports.

Table 1.4 - Dividends - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	Jan-Jul	
	2017	2018
Banco do Brasil	547,0	915,0
BNB	65,5	49,8
BNDES	3.577,6	1.524,0
Caixa	0,0	2.849,0
Correios	0,0	0,0
Eletrobrás	0,0	0,0
IRB	55,2	61,1
Petrobras	0,0	190,0
Others	265,0	156,3
Total	4.510,3	5.745,1

It should also be noted that, for the period, there was an increase of R\$ 10.2 billion related to the Tax Regularization Program (PERT), instituted through Law 13496/17, whose effect is distributed in different items of income (Income Tax, IPI, COFINS and CSLL), PRT and other installments of the Active Debt.

Revenues not collected by RFB increased by R\$ 16.8 billion (19.0%) when compared to the same period of 2017. This increase is mainly explained by the increase of R\$ 12.6 billion in financial quotas compensation due to the increase in oil production and international prices and to increase of R\$ 1.2 billion in dividends, determined, mainly due to distribution of R\$ 2.8 billion of dividends by the Federal Savings Bank (CAIXA) with no counterpart in the same period of 2017.

Transfers by Revenue Sharing

Table 1.5 - Transfers by Revenue Sharing - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	Jan-Jul		Variation	
	2017	2018	Difference	%
II. Transfers by Revenue Sharing	142.657,5	151.781,4	9.123,9	6,4%
II.1 FPM / FPE / IPI-EE	115.357,3	120.153,0	4.795,7	4,2%
II.2 Constitutional Funds	4.943,7	4.837,3	-106,4	-2,2%
Total Transfer	7.393,3	7.692,6	299,3	4,0%
Funds Surplus	-2.449,6	-2.855,3	-405,7	16,6%
II.3 Education-Salary (social contribution for education)	7.621,6	7.616,9	-4,7	-0,1%
II.4 Financial Compensations	13.075,9	17.667,3	4.591,4	35,1%
II.5 CIDE - Fuels	1.316,8	1.187,9	-128,9	-9,8%
II.6 Other	342,2	319,1	-23,1	-6,8%

Obs.: Data subject to change.

Transfers by revenue sharing have increased of R\$ 9.1 billion (6.4%), compared to the accumulated until July 2017, from R\$ 142.7 billion 2017 to R\$ 151.8 billion in 2018. The main variations in the period were:

- increase of R\$ 4.8 billion (4.2%) in of FPM/FPE/IPI-EE, reflecting the increase in taxes shared (IR and IPI); and
- R\$ 4.6 billion (35.1%) increase in Financial Compensation, due to the factors previously explained on the performance of Financial Compensation revenues.

Central Government Expenditure

Table 1.6 - Central Government Primary Expenditure - Brazil - Brasil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	Jan-Jul		Variation	
	2017	2018	Difference	% Real
IV. Total Expenditure	748.312,6	762.268,4	13.955,7	1,9%
IV.1 Social Security Benefit	315.490,1	323.038,4	7.548,3	2,4%
IV.1.1 Social Security Benefit - Urban	247.382,1	254.769,5	7.387,5	3,0%
IV.1.2 Social Security Benefit - Rural	68.108,1	68.268,9	160,8	0,2%
IV.2 Payroll	172.363,6	173.523,1	1.159,4	0,7%
IV.3 Other Compulsory Expenses	124.198,2	117.900,2	-6.298,0	-5,1%
Salary Allowance and Unemployment Benefit	34.132,6	32.363,3	-1.769,3	-5,2%
Assistance Benefits (LOAS/RMV)	32.759,5	33.134,3	374,8	1,1%
FGTS Complement (LC nº 110/01)	2.759,5	3.028,0	268,5	9,7%
Extraordinary credits (excluding PAC)	504,8	207,2	-297,6	-
(MP) 540/11, 563/12, 582/12 Exoneration	9.788,0	8.911,0	-877,0	-9,0%
FUNDEB (Federal Complementation)	8.867,4	9.159,7	292,3	3,3%
Federal District (DF) Constitutional Fund	883,0	855,6	-27,4	-3,1%
Judicial Remedies	10.414,8	13.342,1	2.927,3	28,1
Subsidies and Grants	17.929,2	12.081,1	-5.848,1	-
FIES primary impact (Student Funding)	3.178,0	2.100,2	-1.077,8	-
Others	2.981,4	2.717,8	-263,6	-8,8%
IV.4 Discretionary Expenses - All Branches	136.260,6	147.806,7	11.546,1	8,5%
Executive Branch Discretionary Expenses	129.816,9	140.771,0	10.954,2	8,4%
PAC (Growth Acceleration Program)	12.644,3	11.232,0	-1.412,4	-
o/w "Minha Casa Minha Vida - MCMV" Program	1.734,0	1.368,8	-365,1	-
Issuance of Agricultural Debt Securities (TDA)	25,5	16,0	-9,5	-
Donations and Agreements	0,0	132,8	132,8	-
Other Executive Branch Discretionary Expenses	117.147,0	129.390,3	12.243,3	10,5
Legislative and Judiciary Branches and Prosecutor's Office	6.443,7	7.035,6	591,9	9,2%
Memo:				
Other Current and Capital Expenditures	175.174,9	187.680,1	12.505,3	7,1%
Other Current Expenditures	154.335,3	162.757,0	8.421,7	5,5%
Other Capital Expenditures	20.839,6	24.923,1	4.083,6	19,6

The total expenditure of the Central Government until July 2018 reached R\$ 762.3 billion, 1.9% above that observed in the same period of 2017, when expenses totaled R\$ 748.3 billion.

This variation is due to the combined increase of:

- Increase of R\$ 7.5 billion (2.4%) in Benefits Social Security;
- Growth of R\$ 1.2 billion (0.7%) in Payroll;
- Increase R\$ 11.5 billion (8.5%) in Discretionary Expenses; and
- Reduction of R\$ 6.3 billion Other Expenses Compulsory (5.1%).

The reduction in subsidies and grants (R\$ 5.8 billion) is a result of the rationalization of subsidies expenditures. The decrease in unemployment benefits and insurance (R\$ 1.8 billion) were partially offset by the increase in other compulsory – judicial remedies expenses (R\$ 2.9 billion).

Table 1.7 - Other Executive Branch Discretionary Expenses - Brazil - 2017/2018*R\$ million - at constant prices Jul/2018- IPCA*

	Jan-Jul		Variation	
	2017	2018	Difference	% Real
Total	117.147,0	129.390,3	12.243,3	10,5%
Ministry of Health	57.853,4	63.808,0	5.954,6	10,3%
Ministry of Education	17.080,4	16.258,7	-821,7	-4,8%
Ministry of Social Development	19.315,0	19.956,6	641,6	3,3%
Ministry of Defense	6.877,4	9.122,9	2.245,5	32,7%
Ministry of Science and Technology	2.166,8	1.950,6	-216,3	-10,0%
Other	13.854,0	18.293,5	4.439,5	32,0%

Discretionary expenditures - all branches increased by R\$ 12.2 billion (10.5%), explained almost entirely by the increase in other discretionary expense, which accounted for the current expenses and investment of the ministries and for mandatory parliamentary amendments.

The amount of remnants to be paid (PR) paid (excluding financial PR) up to July 2018 was R\$ 67.3 billion, compared to R\$ 60.6 billion in the same period of the previous year.

Table 1.8 - Subsidies and Grants - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	Jan-Jul		Variation	
	2017	2018	Difference	% Real
Agricultural price policy	9.077,3	6.349,0	-2.728,2	-30,1%
Equalisation of agricultural extension	2.089,3	1.107,5	-981,7	-47,0%
Equalisation of rural and agroindustrial investments	2.278,8	1.590,8	-688,0	-30,2%
Agricultural price policy	-131,2	238,0	369,2	-
Pronaf - National programme for the strengthening of family farming	4.171,6	2.799,9	-1.371,7	-32,9%
PESA - Programme of financial assets rehabilitation	127,6	313,4	185,9	145,7%
Alcohol	48,4	28,5	-19,9	-41,2%
Cocoa	0,0	0,0	0,0	-
Agricultural debt securitisation (Law 9,138/1995)	0,0	0,0	0,0	-
INCRA - Land fund/national institute of colonization and agrarian reform	28,2	137,7	109,5	388,3%
Coffee economy defense fund	59,5	53,7	-5,9	-9,9%
Revitaliza - Production development programme / capital goods	17,1	9,3	-7,8	-45,5%
Proagro - Agricultural Activity Support Program	388,0	70,2	-317,8	-81,9%
Others	8.851,9	5.732,1	-3.119,9	-35,2%
Proex - Export financing programme	351,0	252,0	-99,1	-28,2%
PSH - Subsidy programme for social interest housing	0,0	0,0	0,0	-
PSI - Investment Maintenance Program	8.299,9	5.078,0	-3.221,9	-38,8%
EQMPO - Credit Operations to Small Productive Businesses	0,0	0,0	0,0	-
EQPCD - Credit Operations to persons with disabilities	6,6	6,7	0,1	1,6%
FND - National Development Fund	0,0	0,0	0,0	-
FSA - Audiovisual Sectorial Fund	275,0	449,6	174,6	63,5%
Capitalization of Emgea	0,0	0,0	0,0	-
Itaipu	0,0	0,0	0,0	-
Economic Subventions	0,0	0,0	0,0	-
Equalisation of FDA/FDNE/FDCO	48,8	44,4	-4,4	-9,0%
Sudene	0,0	0,0	0,0	-
Subsidy Recovery Revenues	-3,2	-41,4	-38,2	-
PNAFE - Program for States' Fiscal and Administrative Modernization	-126,2	-57,2	69,0	-54,7%
PRODECER	0,0	0,0	0,0	-
Total	17.929,2	12.081,1	-5.848,1	-32,6%

Social Security

Table 1.9 - Social Security (RGPS) Primary Balance - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

Discriminação	Jan-Jul		Variation	
	2017	2018	Difference	% Real
Net Social Security Revenues	214.400,1	215.972,7	1.572,6	0,7%
Total Revenue	240.066,8	241.502,2	1.435,4	0,6%
Contributions deposited in banks	206.520,4	208.000,2	1.479,8	0,7%
Contributions from SIMPLES	22.563,1	23.596,1	1.033,0	4,6%
Debt Rescheduling REFIS	103,2	74,9	-28,3	-27,4%
Judicial Payments	1.092,2	920,1	-172,1	-15,8%
Social Security Compensation1	9.788,0	8.911,0	-877,0	-9,0%
(-) Restituição/Devolução	-620,4	-525,3	95,1	-15,3%
(-) Transferências a Terceiros	-25.046,4	-25.004,2	42,2	-0,2%
Social Security Benefit	315.490,1	323.038,4	7.548,3	2,4%
Primary Balance	-101.090,1	-107.065,7	-5.975,7	5,9%

Comparing the accumulated up to July 2018 with the same period of 2017, the social security deficit increased from R\$ 101.1 billion to R\$ 107.1 billion (5.9%) at July 2018 prices. This variation results of the combined effect of the following factors:

- R\$ 7.5 billion (2.4%) increase in payments of social security benefits, due to the increase of 605.6 thousand (2.1%) in the number of benefits issued, partially offset by the reduction of the average real value of the benefits paid by the Pension Plan by R\$ 12.12 (0.9%); and
- a real increase of R\$ 1.6 billion (0.7%).

Table 1.10 - Social Security (RGPS) Primary Balance - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

Discriminação	Jan-Jul		Variation	
	2017	2018	Difference	% Real
Net Revenue	214.400,1	215.972,7	1.572,6	0,7%
Urban	209.173,1	210.046,0	872,9	0,4%
Rural	5.226,9	5.926,6	699,7	13,4%
Benefits	315.490,1	323.038,4	7.548,3	2,4%
Urban	247.382,1	254.769,5	7.387,5	3,0%
Rural	68.108,1	68.268,9	160,8	0,2%
Primary Balance	-101.090,1	-107.065,7	-5.975,7	5,9%
Urban	-38.208,9	-44.723,5	-6.514,6	17,0%
Rural	-62.881,1	-62.342,2	538,9	-0,9%

Monthly Balance Compared to the Same Month of the Previous Year

Table 2.1 - Central Government Primary Balance - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	July		Variation	
	2017	2018	Difference	% Real
I. Total Revenue	113.374,8	126.313,6	12.938,9	11,4%
I.1 Revenues Collected by the Federal Revenue Office	69.001,7	76.342,0	7.340,3	10,6%
I.2 Fiscal Incentives	0,0	0,0	0,0	-
I.3 Net Social Security Revenues	30.966,5	30.729,1	-237,4	-0,8%
I.4 Revenues not Collected by the Federal Revenue Office	13.406,6	19.242,6	5.836,0	43,5%
II. Transfers by Revenue Sharing	20.260,4	19.912,9	-347,5	-1,7%
III. Net Revenue (I-II)	93.114,4	106.400,0	13.286,4	14,3%
IV. Total Expenditure	114.172,8	113.947,0	-225,1	-0,2%
IV.1 Social Security Benefits	45.089,6	45.276,2	186,7	0,4%
IV.2 Payroll	28.930,0	29.013,2	83,2	0,3%
IV.3 Other Compulsory Expenses	20.934,7	17.972,2	-2.962,5	-14,2%
IV.4 Discretionary Expenses - All Branches	19.218,5	21.686,0	2.467,5	12,8%
V. Sovereign Fund of Brazil - FSB	0,0	0,0	0,0	-
VI. Central Government Primary Balance (III - IV + V)	-21.058,4	-7.546,9	13.511,5	-64,2%
National Treasury and Central Bank	-6.935,3	7.000,3	13.935,6	-
Social Security (RGPS)	-14.123,1	-14.547,2	-424,0	3,0%
Memo:				
National Treasury Primary Balance	-6.855,1	7.139,9	13.995,1	-
Central Bank Primary Balance	-80,2	-139,6	-59,5	74,2%
Social Security (RGPS) Primary Balance	-14.123,1	-14.547,2	-424,0	3,0%

increase in collection with quota and financial compensation.

Although expenditure remained practically constant, there was a reduction of R\$ 3.0 billion (14.2%) in other expenses compulsory payments partially offset by An increase of R\$ 2.5 billion (12.8%) in discretionary expenses - all branches.

At July 2018 prices, the primary result of the Central Government went from a deficit of R\$ 21.1 billion in July 2017 to a deficit of R\$ 7.5 billion in the same month of 2018, which represented a decrease in the deficit in R\$ 13.5 billion (64.2%). This variation was due to a step up of R\$ 13.3 billion (14.3%) in net revenue and to a decrease in total expenditure of R\$ 225.1 million (0.2%).

Regarding the increase in revenue, the main factors were the step up of R\$ 7.3 billion (10.6%) in revenues collected by the Federal Revenue Office, mainly due to the recovery of economic activity and additional measures implemented by the Federal Revenue Office for the recovery of tax credit, and the increase of R\$ 5.8 billion in revenues not collected by the Federal Revenue Office (43.5%) determined, almost entirely, by the

Central Government Revenue

Tabela 2.2 - Central Government Primary Revenues - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	July		Variation	
	2017	2018	Difference	% Real
I. Total Revenue	113.374,8	126.313,6	12.938,9	11,4%
I.1 Revenues Collected by the Federal Revenue Office	69.001,7	76.342,0	7.340,3	10,6%
Import Tax	2.842,2	3.842,4	1.000,2	35,2%
Industrialized Products Tax (IPI)	4.208,1	4.531,1	323,0	7,7%
Income tax (IR)	28.470,9	29.605,0	1.134,1	4,0%
Tax on Credit Operations, Exchange and Insurance (IOF)	3.110,1	3.050,3	-59,7	-1,9%
Contribution to Social Security Financing (COFINS)	16.931,3	20.064,8	3.133,5	18,5%
PIS/PASEP	4.582,1	5.252,7	670,7	14,6%
Social Contribution on Net Corporate Profits (CSLL)	6.860,3	7.991,7	1.131,4	16,5%
Provisional Contribution on Financial Operations (CPMF)	0,0	0,0	0,0	-
CIDE - Fuels	516,2	215,6	-300,6	-58,2%
Other	1.480,6	1.788,2	307,6	20,8%
I.2 Fiscal Incentives	0,0	0,0	0,0	-
I.3 Net Social Security Revenues	30.966,5	30.729,1	-237,4	-0,8%
Urban	30.109,8	29.857,0	-252,8	-0,8%
Rural	856,7	872,1	15,4	1,8%
I.4 Revenues Not Collected by the Federal Revenue Office	13.406,6	19.242,6	5.836,0	43,5%
Concessions and Permissions	367,6	450,9	83,3	22,7%
Dividends	0,0	0,1	0,1	-
Contribution to Civil Service Social Security (CPSS)	1.102,5	1.065,5	-37,0	-3,4%
Financial Compensation Quotas	5.326,4	11.042,3	5.716,0	107,3%
Own Revenues (source codes 50, 81 and 82)	961,8	1.272,1	310,2	32,3%
Education-Salary (social contribution for education)	1.623,8	1.594,4	-29,4	-1,8%
FGTS Complement (LC nº 110/01)	461,3	428,9	-32,3	-7,0%
Assets Operations	123,1	124,2	1,1	0,9%
Other Revenues	3.440,1	3.264,2	-175,9	-5,1%

Total revenue from the Central Government increased R\$ 12.9 billion (11.4%), from R\$ 113.4 billion in July 2017 to R\$ 126.3 billion in July 2018. This result was due to an increase of R\$ 7.3 billion (10.6%) in the revenue managed by the Federal Revenue Office along with a decrease of R\$ 237.4 million (0.8%) in net social security revenues and a growth of R\$ 5.8 billion (43.5%) in revenues not collected by the RFB. The main variations in revenue collected by the Federal Revenue Office were:

- step up of R\$ 1.1 billion (10.8%) in income tax explained by the increase of R\$ 2.3 billion in IRPJ partially offset by the reduction of R\$ 1.1 billion in IRRF (8.8%); and
- increase of R\$ 3.1 billion (18.5%) in Cofins due to the combined effect on the adjustment of PIS/Cofins rates on fuels (Decree 9.101/17), and the increase in sales volume of goods of 3.7% - PMC-IBGE) between June 2018 and June 2017.

Revenues not collected by the Federal Revenue Office increased R\$ 5.8 billion, which is explained almost entirely by the increase in financial compensation quotas (R\$ 5.8 billion) due to mainly due to the combined effect of the the international oil price and the exchange rate.

Transfers by Revenue Sharing

Tabela 2.3 - Transfers by Revenue Sharing - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	July		Variation	
	2017	2018	Difference	% Real
II. Transfers by Revenue Sharing	20.260,4	19.910,8	-349,6	-1,7%
II.1 FPM / FPE / IPI-EE	16.753,6	15.854,1	-899,5	-5,4%
II.2 Constitutional Funds	640,7	645,5	4,8	0,7%
Total Transfer	886,2	776,1	-110,1	-
Funds Surplus	245,5	130,6	-114,9	-
II.3 Education-Salary (social contribution for education)	991,1	958,4	-32,7	-3,3%
II.4 Financial Compensations	1.400,6	2.049,9	649,3	46,4
II.5 CIDE - Fuels	443,7	371,8	-71,9	-
II.6 Other	30,9	31,2	0,3	0,9%

In July 2018, transfers by revenue sharing decreased R\$ 349.6 million (1.7%) compared to July 2017. This result is due to the reduction of transfers related to FPM/FPE/IPI-EE.

Central Government Expenditure

Table 2.4 - Central Government Primary Expenditure - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	July		Variation	
	2017	2018	Difference	% Real
IV. Total Expenditure	114.172,8	113.947,6	-225,1	-0,2%
IV.1 Social Security Benefit	45.089,6	45.276,2	186,7	0,4%
IV.1.1 Social Security Benefit - Urban	35.421,1	35.731,1	310,0	0,9%
IV.1.2 Social Security Benefit - Rural	9.668,4	9.545,1	-123,3	-1,3%
IV.2 Payroll	28.930,0	29.013,2	83,2	0,3%
IV.3 Other Compulsory Expenses	20.934,7	17.972,2	-2.962,5	-14,2%
Salary Allowance and Unemployment Benefit	4.563,9	4.844,3	280,3	6,1%
Assistance Benefits (LOAS/RMV)	4.729,7	4.652,0	-77,7	-1,6%
FGTS Complement (LC nº 110/01)	461,3	428,9	-32,3	-7,0%
Extraordinary credits (excluding PAC)	56,7	28,7	-28,0	-49,4%
Provisional Measures (MP) 540/11, 563/12 and 582/12 Exoneration	1.104,6	961,0	-143,7	-13,0%
FUNDEB (Federal Complementation)	960,2	963,9	3,7	0,4%
Federal District (DF) Constitutional Fund	121,1	162,0	40,8	33,7%
Judicial Remedies	272,3	280,5	8,2	3,0%
Subsidies and Grants	7.714,1	4.662,3	-3.051,7	-39,6%
FIES primary impact (Student Funding)	484,3	552,4	68,0	14,0%
Others	466,4	436,3	-30,1	-6,4%
IV.4 Discretionary Expenses - All Branches	19.218,	21.686,	2.467,5	12,8%
Executive Branch Discretionary Expenses	18.222,8	20.676,0	2.453,3	13,5%
PAC (Growth Acceleration Program)	1.806,3	1.891,1	84,8	4,7%
o/w "Minha Casa Minha Vida - MCMV" Program	259,1	280,9	21,8	8,4%
Issuance of Agricultural Debt Securities (TDA)	14,8	3,8	-11,1	-74,7%
Other Executive Branch Discretionary Expenses	16.401,6	18.781,1	2.379,5	14,5%
Legislative and Judiciary Branches and Prosecutor's Office (LEJU/MPU)	995,8	1.010,0	14,2	1,4%
Memo:				
Other Current and Capital Expenditures	23.039,6	25.380,2	2.340,6	10,2%
Other Current Expenditures	19.877,2	21.996,7	2.119,5	10,7%
Other Capital Expenditures	3.162,4	3.383,5	221,0	7,0%

In July 2018, there was a reduction of R\$ 225.1 million (0.2%) in total central government expenditure compared to the same month of the previous year, going from R\$ 114.2 billion to R\$ 113.9 billion. This variation is due, mainly, the reduction of R\$ 3.0 billion (14.2%) in other compulsory expenditure, largely offset by the increase of R\$ 2.5 billion in expenses discretionary powers - all powers.

Other compulsory expenditure decreased by R\$ 3.0 billion (14.2%) mainly due to the reduction in Subsidies and Grants (R\$ 3.1 billion, 39.6%) partially offset by a step up in Salary Allowance and Unemployment Benefit (R\$ 280.3 million, 6.1%), while discretionary expenses - all powers increased R\$ 2.5 billion (12.8%) concentrated mainly on other expenses discretionary powers of the Executive Branch (R\$ 2.4 billion, 14.5%).

Table 2.5 - Other Executive Branch Discretionary Expenses - Brazil - 2017/2018*R\$ million - at constant prices Jul/2018- IPCA*

	July		Variation	
	2017	2018	Difference	% Real
Total	16.401,6	18.763,5	2.361,9	14,4%
Ministry of Health	7.943,3	9.111,9	1.168,6	14,7%
Ministry of Education	2.651,6	2.611,3	-40,3	-1,5%
Ministry of Social Development	2.017,4	2.954,6	937,2	46,5%
Ministry of Defense	1.179,0	1.197,6	18,6	1,6%
Ministry of Science and Technology	379,8	312,7	-67,1	-17,7%
Other	2.230,5	2.575,4	344,9	15,5%

Social Security

Tabela 2.6 - Social Security (RGPS) Primary Balance - Brazil - 2017/2018*R\$ million - at constant prices Jul/2018- IPCA*

	July		Variation	
	2017	2018	Difference	% Real
Net Social Security Revenues	30.966,5	30.729,1	-237,4	-0,8%
Total Revenue	34.372,8	33.961,7	-411,1	-1,2%
Contributions deposited in banks	29.802,9	29.410,3	-392,6	-1,3%
Contributions from SIMPLES	3.318,2	3.443,5	125,3	3,8%
Debt Rescheduling REFIS	9,5	103,3	93,7	985,6%
Judicial Payments	137,7	43,8	-93,9	-68,2%
Social Security Compensation	1.104,6	961,0	-143,7	-13,0%
(-) Restituição/Devolução	-172,1	-62,7	109,4	-63,6%
(-) Transferências a Terceiros	-3.234,3	-3.169,9	64,3	-2,0%
Social Security Benefit	45.089,6	45.276,2	186,7	0,4%
Primary Balance	-14.123,1	-14.547,2	-424,0	3,0%

The Social Security primary result went from a deficit of R\$ 14.1 billion in July 2017 to a deficit of R\$ 14.5 billion in July 2018, a difference of R\$ 424.0 million in the primary result. This variation is due to the combined effect of the reduction in net social security revenues (R\$ 237.4 million) and higher expenses related to benefits (R\$ 186.7 million).

The increase in Social Security Benefits expenses was influenced by the step up of 634.2 thousand (2.2%) in the number of benefits issued, partially offset by the reduction of the average real value of benefits paid by social security in R\$ 26.82 (2.1%).

Monthly Balance Compared to the Previous Month

Overview

Table 3.1 - Central Government Primary Balance - Brazil - 2018

R\$ million - at constant prices Jul/2018- IPCA

	2018		Variation	
	June	July	Difference	% Real
I. Total Revenue	109.199,	126.313,6	17.114,3	15,7%
I.1 Revenues Collected by the Federal Revenue Office	67.280,2	76.342,0	9.061,8	13,5%
I.2 Fiscal Incentives	0,0	0,0	0,0	-
I.3 Net Social Security Revenues	30.449,9	30.729,1	279,2	0,9%
I.4 Revenues not Collected by the Federal Revenue Office	11.469,3	19.242,6	7.773,3	67,8%
II. Transfers by Revenue Sharing	20.566,3	19.910,8	-655,5	-3,2%
III. Net Revenue (I-II)	88.633,1	106.402,8	17.769,8	20,0%
IV. Total Expenditure	105.622,	113.947,6	8.325,0	7,9%
IV.1 Social Security Benefits	45.010,8	45.276,2	265,4	0,6%
IV.2 Payroll	22.774,2	29.013,2	6.239,0	27,4%
IV.3 Other Compulsory Expenses	12.254,1	17.972,2	5.718,1	46,7%
IV.4 Discretionary Expenses - All Branches	25.583,5	21.686,0	-3.897,4	-15,2%
V. Sovereign Fund of Brazil - FSB	522,7	0,0	0,0	-100,0%
VI. Central Government Primary Balance (III - IV + V)	-16.466,8	-7.544,8	8.922,1	-54,2%
National Treasury and Central Bank	-1.905,9	7.002,4	8.908,3	-
Social Security (RGPS)	-14.560,9	-14.547,2	13,8	-0,1%
Memo:				
National Treasury Primary Balance	-1.884,1	7.142,0	9.026,1	-
Central Bank Primary Balance	-21,9	-139,6	-117,8	539,0%
Social Security (RGPS) Primary Balance	-14.560,9	-14.547,2	13,8	-0,1%

In July 2018, the primary result of the Central Government was a deficit of R\$ 7.5 billion, compared to a deficit of R\$ 16.5 billion in June 2018 at constant July prices. There was an increase of R\$ 17.8 billion (20.0%) in net revenue, mainly because of the collection of the 1st quota or single quota of CSLL and the participation of oil and gas. Total expenditure increased by R\$ 8.3 billion (7.9%), mainly to the seasonal increases in Payroll and in subsidies and grants in July.

Central Government Revenue

Table 3.2 - Central Government Primary Revenues - Brazil - 2017/2018

R\$ million - at constant prices Jul/2018- IPCA

	2018		Variation	
	June	July	Difference	% Real
I. Total Revenue	109.199,4	126.313,6	17.114,3	15,7%
I.1 Revenues Collected by the Federal Revenue Office	67.280,2	76.342,0	9.061,8	13,5%
Import Tax	3.596,7	3.842,4	245,7	6,8%
Industrialized Products Tax (IPI)	4.124,1	4.531,1	407,0	9,9%
Income tax (IR)	25.501,9	29.605,0	4.103,1	16,1%
Tax on Credit Operations, Exchange and Insurance (IOF)	3.249,4	3.050,3	-199,1	-6,1%
Contribution to Social Security Financing (COFINS)	19.499,1	20.064,8	565,7	2,9%
PIS/PASEP	5.093,8	5.252,7	158,9	3,1%
Social Contribution on Net Corporate Profits (CSLL)	4.102,2	7.991,7	3.889,6	94,8%
Provisional Contribution on Financial Operations (CPMF)	0,0	0,0	0,0	-
CIDE - Fuels	380,6	215,6	-165,0	-43,4%
Other	1.732,3	1.788,2	55,9	3,2%
I.2 Fiscal Incentives	0,0	0,0	0,0	-
I.3 Net Social Security Revenues	30.449,9	30.729,1	279,2	0,9%
Urban	29.641,9	29.857,0	215,1	0,7%
Rural	808,0	872,1	64,1	7,9%
I.4 Revenues Not Collected by the Federal Revenue Office	11.469,3	19.242,6	7.773,3	67,8%
Concessions and Permissions	1.170,3	450,9	-719,3	-61,5%
Dividends	133,9	0,1	-133,9	-99,9%
Contribution to Civil Service Social Security (CPSS)	1.081,2	1.065,5	-15,7	-1,5%
Financial Compensation Quotas	2.676,2	11.042,3	8.366,1	312,6%
Own Revenues (source codes 50, 81 and 82)	1.620,4	1.272,1	-348,3	-21,5%
Education-Salary (social contribution for education)	1.602,4	1.594,4	-8,0	-0,5%
FGTS Complement (LC nº 110/01)	429,5	428,9	-0,6	-0,1%
Assets Operations	84,6	124,2	39,5	46,7%
Other Revenues	2.670,8	3.264,2	593,4	22,2%

In July 2018, total revenues from the Central Government increased R\$ 17.1 billion (15.7%) compared to the previous month, from R\$ 109.2 billion in June 2018 to R\$ 126.3 billion in July 2018. This variation results from the combined effect of the following factors:

- Step up of R\$ 9.1 billion (13.5%) in revenues collected by the Federal Revenue Office mainly due to the an increase of R\$ 3.9 billion (94.8%) in CSLL and of R\$ 4.1 billion (16.1%) in income tax due to the payment in July of the 1st quota or single quota of the CSLL / IRPJ related to the quarterly calculation ended in the month of June / 2018; and and
- An increase of R\$ 7.8 billion (67.8%) in non-administered by RFB: an increase of R\$ 8.4 billion in financial compensation quotas due to the quarterly collection of part of the revenue related to oil and natural gas exploration.

Transfers by Revenue Sharing

Table 3.3 - Transfers by Revenue Sharing - Brazil - 2018

R\$ million - at constant prices Jul/2018- IPCA

Discriminação	2018		Variation	
	June	July	Difference	% Real
II. Transfers by Revenue Sharing	20.566,3	19.910,8	-655,5	-3,2%
II.1 FPM / FPE / IPI-EE	17.315,1	15.854,1	-1.461,0	-8,4%
II.2 Constitutional Funds	714,8	645,5	-69,3	-9,7%
Total Transfer	1.146,5	776,1	-370,4	-32,3%
Funds Surplus	-431,7	-130,6	301,1	-69,7%
II.3 Education-Salary (social contribution for education)	965,2	958,4	-6,8	-0,7%
II.4 Financial Compensations	1.552,8	2.049,9	497,1	32,0%
II.5 CIDE - Fuels	0,0	371,8	371,8	-
II.6 Other	18,4	31,2	12,8	69,5%

In July 2018, transfers by revenue sharing decreased by R\$ 655.5 million (3.2%), totaling R\$ 19.9 billion, compared to R\$ 20.6 billion in the previous month. This behavior was mainly due a decrease in FPM / FPE / IPI-EE, partially offset by the increase in transfers related to Financial Compensations (R\$ 497.1 million) and to CIDE – Fuels (R\$ 371.8 million).

Central Government Expenditure

Tabela 3.4 - Central Government Primary Expenditure - Brazil - 2018

R\$ million - at constant prices Jul/2018- IPCA

	2018		Variation	
	June	July	Difference	% Real
IV. Total Expenditure	105.622,6	113.947,6	8.325,0	7,9%
IV.1 Social Security Benefit	45.010,8	45.276,2	265,4	0,6%
IV.1.1 Social Security Benefit - Urban	35.524,2	35.731,1	206,9	0,6%
IV.1.2 Social Security Benefit - Rural	9.486,6	9.545,1	58,6	0,6%
IV.2 Payroll	22.774,2	29.013,2	6.239,0	27,4%
IV.3 Other Compulsory Expenses	12.254,1	17.972,2	5.718,1	46,7%
Salary Allowance and Unemployment Benefit	3.250,8	4.844,3	1.593,5	49,0%
Assistance Benefits (LOAS/RMV)	4.700,9	4.652,0	-48,9	-1,0%
FGTS Complement (LC nº 110/01)	863,3	428,9	-434,4	-
Extraordinary credits (excluding PAC)	22,4	28,7	6,3	28,0%
Provisional Measures (MP) 540/11, 563/12 and 582/12 Exoneration	1.164,3	961,0	-203,3	-
FUNDEB (Federal Complementation)	967,1	963,9	-3,2	-0,3%
Federal District (DF) Constitutional Fund	122,4	162,0	39,6	32,3%
Judicial Remedies	160,3	280,5	120,2	75,0%
Subsídios, Subvenções e Proagro	359,9	4.662,3	4.302,5	-
FIES primary impact (Student Funding)	335,7	552,4	216,7	64,6%
Others	307,2	436,3	129,1	42,0%
IV.4 Discretionary Expenses - All Branches	25.583,5	21.686,0	-3.897,4	-
Executive Branch Discretionary Expenses	24.583,2	20.676,0	-	-
PAC (Growth Acceleration Program)	1.872,7	1.891,1	18,4	1,0%
o/w "Minha Casa Minha Vida - MCMV" Program	358,5	280,9	-77,6	-
Issuance of Agricultural Debt Securities (TDA)	0,0	3,8	3,8	-
Other Executive Branch Discretionary Expenses	22.710,5	18.781,1	-	-
Legislative and Judiciary Branches and Prosecutor's Office (LEJU/MPU)	1.000,2	1.010,0	9,7	1,0%
Memo:				
Other Current and Capital Expenditures	29.460,9	25.380,2	-4.080,7	-13,9%
Other Current Expenditures	23.867,5	21.996,7	-1.870,8	-7,8%
Other Capital Expenditures	5.593,4	3.383,5	-2.209,9	-39,5%

In June 2018, the total expenditure of the Central Government recorded the amount of R\$ 113.9 billion, an increase of R\$ 8.3 billion (7.9%), compared to June 2018. This variation is explained by the combined effect of the increase of (i) R\$ 6.2 billion in Payroll due to the payment of Christmas bonus of public servants from the Executive Branch and of (ii) R\$ 5.7 billion (46.7%) in other compulsory expenses and the reduction in R\$ 3.9 billion (15.2%) in discretionary expenses - all branches.

The increase in compulsory expenditure was influenced by the growth of R\$ 4.3 billion in Subsidies and Grants, explained by the system of payments established in accordance with the Court of Accounts' decisions no. 825/2015 and no. 3,297/2015 (see Box 1 of the RTN December 2015) and by an increase of R\$ 1.6 billion (49.0%) in Salary Allowance and Unemployment Benefits, explained by the calendar of payments of the salary allowance.

Tabela 3.5 - Other Executive Branch Discretionary Expenses - Brazil - 2018

R\$ million - at constant prices Jul/2018- IPCA

Discriminação	2018		Variation	
	June	July	Difference	% Real
Total	22.694,9	18.763,5	-3.931,4	-17,3%
Ministry of Health	10.967,0	9.111,9	-1.855,1	-16,9%
Ministry of Education	2.058,2	2.611,3	553,1	26,9%
Ministry of Social Development	2.811,8	2.954,6	142,9	5,1%
Ministry of Defense	2.836,5	1.197,6	-1.638,9	-57,8%
Ministry of Science and Technology	311,0	312,7	1,7	0,5%
Other	3.710,5	2.575,4	-1.135,0	-30,6%

The reduction of the Executive Branch discretionary expenses is explained by the decrease in the discretionary spending of the ministries of Health (R\$ 1.9 billion) and Defense R\$ 1.6 billion. The latter is explained by the capitalization of Emgepron (R\$ 1.6 billion) held in June 2018.

Social Security

Tabela 3.6 - Social Security (RGPS) Primary Balance - Brazil - 2018

R\$ million - at constant prices Jul/2018- IPCA

Discriminação	2018		Variation	
	June	July	Difference	% Real
Net Social Security Revenues	30.449,9	30.729,1	279,2	0,9%
Total Revenue	33.713,4	33.961,7	248,3	0,7%
Contributions deposited in banks	29.167,5	29.410,3	242,8	0,8%
Contributions from SIMPLES	3.245,9	3.443,5	197,6	6,1%
Debt Rescheduling REFIS	125,9	103,3	-22,7	-18,0%
Judicial Payments	9,9	43,8	33,8	340,8%
Social Security Compensation	1.164,3	961,0	-203,3	-17,5%
(-) Restituição/Devolução	-45,4	-62,7	-17,3	38,1%
(-) Transferências a Terceiros	-3.218,2	-3.169,9	48,2	-1,5%
Social Security Benefit	45.010,8	45.276,2	265,4	0,6%
Primary Balance	-14.560,9	-14.547,2	13,8	-0,1%

In July 2018, the General Social Security System (RGPS) registered a deficit of R\$ 14.5 billion compared to a deficit of R\$ 14.6 billion in the previous month. The decrease in Social Security primary deficit of R\$ 13.8 million (0.1%) is due to the combined effect of an increase of R\$ 265.4 million in benefits and a step up of R\$ 279.2 million in net social security revenues.