



BM&FBOVESPA announces October 2010 market performance

- Bovespa sets new records for total financial volume, average daily volume and number of trades
- Securities lending reached a BRL 44.88bn record
- Live cattle market reached a record of 228,082 contracts traded

Bovespa Segment

In October 2010, equity markets (Bovespa segment) traded a record BRL 154.5 billion, in 10,220,821 trades, with daily averages of a record BRL 7.77 billion and a record 511,041 trades, in comparison to September when total volume reached BRL 140.9 billion, in 9,398,749 trades, with daily averages of BRL 6.71 billion and 447,559 trades.

Equities

The most traded stocks in October were: Petrobras PN, with BRL 18.79 billion; Vale PNA with BRL 15.97 billion; OGX Petróleo ON, with BRL 6.6 billion; Petrobras ON, with BRL 5.2 billion; and BM&FBOVESPA, with BRL 4.7 billion.

Indexes

The Ibovespa ended October at 70,673 points, up 1.79% from the previous month.

The best performing stocks were: Lojas Americanas PN (+10.31%); Lojas Renner ON (+15.88%); Ambev PN (+15.33%); Pão de Açúcar PNA (+14.14%); and Gol PN (+13.10%). The worst performing stocks were: Redecard ON (-16.19%); Marfrig ON (-10.79%); JBS ON (-10.53%); Petrobras ON (-6.09%); and Usiminas PNA (-5.40%).

All of the other Bovespa segment stock-exchange indexes ended October as follows: IBrX-50 (+1.28% at 9,643 points); IBrX-100 (+1.67% at 22,218 points); ISE (+2.38% at 2,070 points); Itel (+5.77% at 1,442 points); IEE (+3.82% at 26,473 points); INDX (+3.04% at 10,945 points); IVBX-2 (+3.23% at 6,146 points); IGC (+3.46% at 7,714 points); Itag (+3.28% at 10,025 points); Small Cap (+6.35% at 1,426 points); MidLarge Cap (+1.63% at 977 points); Iconsumo (+6.57% at 1,645 points); Imobiliário (+5.74% at 1,091 points); and Ifinanceiro (+2.32% at 3,888 points).

Market Value

Market capitalization of the 379 companies listed on the BM&FBOVESPA in October was BRL 2.55 trillion, compared to BRL 2.48 trillion for the 377 companies listed in September.

Special Corporate Governance Levels

At the end of October, the 163 companies that are part of the BM&FBOVESPA's special corporate governance levels represented 66.86% of the market capitalization, 73.63% of the financial volume, and 78.44% of the trades in the spot market. At the end of September, there were 162 companies, representing 66.02% of the market capitalization, 71.31% of the financial volume, and 78.61% of the spot market trades.

Market Participation

The spot market accounted for 94.1% of total trading volume in October, followed by the options market, with 4%, and by the forward market, with 1.9%. The after-market traded BRL 1.2 billion with 69,794 trades, compared to BRL 1.1 billion and 75,658 trades in the previous month.

Investor Participation

In October, foreign investors were responsible for 32.88% of the total volume, compared to 30.85% in September. Institutional investors came next, with 32.49%, compared to 35.45%; individual investors had 22.52%, compared to 24.25%; financial institutions, with 8.92%, compared to 7.08%; companies, with 3.08%, compared to 2.31%; and other types of investors with 0.10%, compared to 0.06%.

Foreign Investment

The net flow of foreign investment into the Brazilian stock market in 2010 as of October 31 reached BRL 42,608,216,442.55, which is the combined result of the amount of BRL 37,911,665,001.6 in acquisitions carried out by foreign investors in stock offerings (including BRL 20.21 billion registered in Brazil) and the positive balance of BRL 4,696,551.441.0 in direct trading at BM&FBOVESPA.

In October, the financial volume traded by foreign investors in the stock market was a positive BRL 1,595,230,798.0, which is the net balance between stock sales of BRL 50,220,452,013.0 and stock purchases of BRL 51,815,682,811.0.

The foreign investor participation in stock offerings, including IPOs, represented 26.0% of the total BRL 145,790,463,129.3 in transactions related to the publication of the closing announcement dates ending on November 3rd, 2010, pursuant to information available on the Exchange's website, under the media section.

Investment Clubs

BM&FBOVESPA ended October with 3,084 investment clubs and 33 new registrations. Total liquid assets reached BRL 11.29 billion and the number of participants reached 135,347, according to the latest available data for September.

Individual Investors

BM&FBOVESPA ended October with 615,694 individual investor stock exchange accounts in custody, compared to 630,895 accounts in September.

Home Broker

Average daily trading via Home Broker hit 213,792 trades in October, compared to 199,523 in September. The total number of trades reached 4,275,836, compared to 4,189,981 in the previous month. The volume in Home Broker trades totaled BRL 36.83 billion, compared to BRL 36.13 billion in September. Home Broker's participation in the stock market's total volume in October was 20.92%, compared to 22.29% in September. In October, the number of brokerage firms offering Home Broker remained unchanged at 64.

Securities Lending

In October, the total number of securities lending transactions reached 79,348, with a record financial volume of BRL 44.88 billion, compared to 81,301 transactions and BRL 44.21 billion in September.

Fixed Income

In October, the trading volume for the secondary market, counting both the Bovespa Fix and the Soma Fix, totaled BRL 16.53 million, compared to BRL 38.84 million in September. Of this total, debentures accounted for BRL 8.26 million and Mortgage Backed Securities (CRI) accounted for BRL 8.28 million.

ETFs

The financial volume registered in October by the seven BM&FBOVESPA Exchange-Traded Funds (ETFs) reached BRL 654.85 million, in contrast to BRL 646 million in September. The ETFs BRAX11, CSMO11, MOBI11, BOVA11, SMAL11, MILA11 and PIBB11 registered 17,920 trades. In the previous month, the number of trades was 23,391. In October the ETF with the highest financial volume was BOVA11 with BRL 558.24 million, in comparison to its total financial volume of BRL 551.45 in September.

BM&F Segment

Derivatives markets in the BM&F segment (including financial and commodities derivatives) totaled 42,754,273 contracts and BRL 2.97 trillion in volume in October, compared to 41,566,908 contracts and BRL 2.72 trillion in September. The daily average of contracts traded in the derivatives markets in October was 2,137,714 contracts, in contrast to 1,979,377 in September. Open interest contracts ended the last trading day of October with 38,018,126 positions, compared to 42,433,285 in September.

Financial Derivatives

In October, interest rate futures (ID) traded 17,014,100 contracts, in contrast to 18,639,700 in September. The US dollar futures ended the month of October with 6,975,505 contracts, compared to 6,135,310 in the previous month. The Ibovespa futures traded 1,567,505 contracts, compared to 1,483,160 in September. The Euro futures contract (EUR) registered 30,510 contracts, in contrast to 31,745 contracts in September.

Agribusiness Derivatives

In October, the BM&FBOVESPA agribusiness derivatives market (including futures and options) totaled 353,731 contracts traded, compared to 300,356 in September. Agribusiness markets totaled 142,252 open interest contracts, in contrast to 174,265 in the previous month.

Live cattle futures and options totaled a record 228,082 contracts traded in October, compared to 155,460 in September. Arabica coffee ended October with 59,106 contracts, compared to 53,743 in September. Soybeans totaled 15,704 contracts, compared to 16,929 in September, and cash-settled corn futures and options totaled 46,831 contracts traded, compared to 70,672 in September. Hydrous ethanol futures totaled 4,008 contracts, compared to 3,552 in September.

Mini Contracts

The derivatives market for mini contracts traded 2,001,831 contracts in October, compared to 1,726,290 in September. Of this total, the futures market for Ibovespa mini contracts traded 1,770,782, compared to 1,561,825 contracts in the previous month. Mini U.S. dollar futures traded 229,236 contracts, compared to 163,382 in September. Mini futures contracts ended October with 21,187 open interest contracts, compared to 28,104 in the previous month

Spot Gold

The spot gold market (250 grams) traded, in October, 1,362 contracts, compared to 526 contracts in September. Spot gold market volume totaled BRL 25.94 million, compared to BRL 9.58 million in the previous month.

Investor Participation

In October, financial institutions led derivatives trading (BM&F segment), accounting for 40.46% of contracts traded, compared to 43.85% in the previous month. Institutional investors were responsible for 31.29%, compared to 28.20%; foreign investors for 22.12%, compared to 21.77%; individuals for 4.40%, compared to 4.39%; and companies for 1.74%, versus 1.79%.

Individual Investors

In October, there were 130,530 individual investors with at least one account registered at the Derivatives Clearinghouse, compared to 125,710 during the previous month.

Volumes and trades by Direct Market Access (DMA)

BM&F

Segment

In October, BM&F* market segment transactions carried out through order routing via Direct Market Access (DMA) registered 17,469,654 contracts traded and 2,355,643 trades. In September, the volume reached 14,735,086 contracts traded and 2,042,499 trades.

The volumes registered by each access modality in the BM&F segment were as follows:

- **Traditional DMA** – 6,994,936 contracts traded, in 737,728 trades, in comparison to 6,099,415 contracts and 650,321 trades in September;
- **Via DMA provider** (including orders routed via the Globex System) – 6,411,890 contracts traded, in 355,115 trades, compared to 5,231,302 contracts and 328,060 trades in September;
- **DMA via co-location** – 4,062,828 contracts traded, in 1,262,800 trades, compared to 3,404,369 contracts and 1,064,118 trades in September.

In October, transactions carried out by foreign investors presented by CME to BVMF (who use the Globex-GTS order routing system or access BVMF markets via co-location) totaled 2,809,924 contracts traded, in 818,390 trades, compared to 3,324,575 contracts and 872,753 trades in September.

Bovespa Segment

In October, BOVESPA* market segment transactions carried out through order routing via Direct Market Access (DMA) registered a financial volume of BRL 106,316,674,000.00 and 9,853,783 trades.

Trading volumes per type of DMA in the Bovespa segment:

Traditional DMA – Volume of BRL 105,948,731,000.00 and 9,811,686 trades;

DMA via co-location – Volume of BRL 367,943,000.00 and 42,097 trades.

** Direct access to the BM&FBOVESPA market segments is carried out through DMA models 1, 2, 3 and 4. In model 1 or traditional DMA, the client accesses the GTSor Mega Bolsa through technological intermediation of a brokerage house. In model 2 or via DMA provider, the client does not use the technological intermediation of a brokerage house, but rather connects to the system through an authorized access provider. DMA via order routing with CME Globex is also a form of DMA model 2. In model 3, the client connects to the system through a direct connection. In model 4 or via co-location, the client installs its own computer within the Exchange's facilities.*

Notes:

The volumes registered by access modality include both buy and sell sides of a trade.

The volumes by access modality for both the BM&F and the Bovespa market segments have been reported in a consolidated manner in the BM&FBOVESPA statements since May 2009.