

BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros
Brazilian Federal Taxpayer CNPJ No.09.346.601/0001-25
Corporate Registry (NIRE) No. 35.300.351.452

NOTICE TO THE MARKET

BM&FBOVESPA announces August market performance

- **Financial Volume:** Highest BOVESPA segment financial volume since August 2011
- **ETFs:** Financial volume grows 34% in August in the 14 ETFs traded on the Exchange
- **BTC:** Securities Lending financial volume grows more than 20% from previous month
- **FIIIs:** Financial volume grows over 20% and number of trades over 37% in Real Estate Funds (FIIIs) in August from July

BOVESPA Segment

In August 2012, the equities market's (BOVESPA segment) financial volume totaled BRL 164.89 billion in 18,259,374 trades, with a daily average of BRL 7.16 billion.

In July, financial volume totaled BRL 126.60 billion, the total number of trades 15,706,354, and the daily average financial volume BRL 6.02 billion.

Equities

The most traded stocks in August were: Vale PNA, with BRL 14.74 billion; PETROBRAS PN with BRL 12.00 billion; ITAUUNIBANCO PN, with BRL 6.15; OGX PETRÓLEO ON, with BRL 4.57 billion; and BRADESCO PN, with BRL 4.20 billion.

Indexes

The Ibovespa ended August at 57,061 points, up 1.72% from the previous month.

The best performing stocks were: GAFISA ON (+61.35%), BROOKFIELD ON (+32.57%), ROSSI RESID ON (+30.75%), MARFRIG ON (+21.69%) and B2W VAREJO ON (+19.31%). The worst performing stocks were: TRANS PAULISTA PN (-21.63%), OI PN (-18.48%), OI ON (-17.34%), CESP PNB (-15.34%) and BRADESPAR PN (-13.77%).

All of the other BOVESPA segment stock-exchange indexes ended August as follows:

IBRA (0.07%, at 1,900 points); IBRX-50 (0.12% at 8,403 points); IBRX-100 (-0.16%, at 20,397 points); ICO2 (-1.02% at 1,078 points); ICON (3.27%, at 2,040 points); IDIV (-4.60% at 3,202 points); IEE (-5.57%, at 32,805 points); IFNC (0.72%, at 3,668 points); IGCT (-0.35% at 1,986 points); IGC (0.89% at 7,246 points); IMAT (-1.87% at 1,574 points); IMOB (9.88% at 873 points); INDX (3.73% at 10,571 points); ISE (-2.41% at 2,244 points); ITAG (1.88%, at 9,546 points); IVBX (-0.21% at 6,540 points); MLCX (-0.75%, at 908 points); SMLL (7.95%, at 1,425 points); and UTIL (-7.69%, at 3,190 points).

Market Value

Market capitalization of the 368 companies listed on the BM&FBOVESPA in August was BRL 2.36 trillion, compared to BRL 2.35 trillion for the 369 companies listed in July.

Special Corporate Governance Levels

At the end of August, the 180 companies that are part of the BM&FBOVESPA's special corporate governance levels represented 65.56% of the market capitalization, 77.52% of the financial volume, and 85.76% of the trades in the spot market. At the end of July, there were 181 companies representing 65.74% of the market capitalization, 80.89% of the financial volume, and 85.45% of the spot market trades.

Payouts to Shareholders

In August of 2012, the companies traded on BM&FBOVESPA paid shareholders BRL 2.74 billion, of which BRL 1.25 billion in dividends and BRL 809.11 million in interest on shareholders' equity. In July the payout totaled BRL 2.41 billion, of which BRL 780.54 million in interest on shareholders' equity and BRL 873.53 million in dividends.

Market Participation

The spot market accounted for 95.4% of total financial volume in August, followed by the options market, with 3.3%, and by the forward market, with 1.4%. The After Market traded BRL 755.71 million with 58,342 trades, compared to BRL 724.80 million and 52,828 trades in the previous month.

Investor Participation

In August, foreign investors were responsible for 40.02% of the total volume, compared to 39.97% in July. Institutional investors came next, with 32.34% from 31.32%; individual investors had 18.85%, compared to 19.84%; financial institutions, with 7.83%, compared to 7.31%; companies, with 0.94%, compared to 1.55%; and other types of investors with 0.01%, compared to the same 0.01% figure July.

Foreign Investment

Over January to August the financial volume traded by foreign investors in the stock market was a positive BRL 7.33 billion, from BRL 4.36 billion in stock offerings (BRL 4.16 billion of which registered in Brazil) and a positive BRL 2.97 billion on the BM&FBOVESPA secondary market.

In August, the financial volume traded by foreign investors in the stock market was a positive BRL 1.08 billion, which is the net balance between stock sales of BRL 65.38 billion and stock purchases of BRL 66.46 billion.

Foreign investor participation in stock offerings, including IPOs, represented 51.2% of the total BRL 8.51 billion in transactions related to the publication of the closing announcement dates ending on August 04, 2012, pursuant to information available on the Exchange's website, under the media section.

Investment Clubs

BM&FBOVESPA ended August with 2,578 investment clubs and 12 new registrations. Total liquid assets reached BRL 8.82 billion and the number of participants reached 93,272, according to the latest available data.

Individual Investors

BM&FBOVESPA ended August with 573,641 individual investor stock exchange accounts in custody, compared to 579,313 accounts in July.

ETFs

The financial volume registered in August by the 14 BM&FBOVESPA Exchange-Traded Funds (ETFs) reached BRL 2.54 billion in 103,649 trades, from BRL 1.89 billion and 75,421 the previous month. The BOVA11 ETF had a financial volume of BRL 2.28 billion and 87,188 trades from BRL 1.70 billion and 63,609 the previous month.

Securities Lending

In August, the total number of securities lending transactions reached 113,502, compared to 111,423 in July. Financial volume was BRL 67.34 billion in August from BRL 55.47 billion the previous month.

Corporate Securities

In August, the trading volume for the secondary market for corporate securities, counting both the BOVESPA FIX and the SOMA FIX, totaled BRL 76.78 million, compared to BRL 110.52 million in July. Of this total, debentures accounted for BRL 16.84 million and Mortgage Backed Securities (CRI) accounted for BRL 59.94 million.

Real Estate Funds

Real Estate Funds (FIIs) turned over BRL 293.65 million in 38,469 transactions in August, against BRL 242.71 million and 28,063 transactions in July. There were 80 of these funds registered at the end of the month for trading in the exchange and OTC markets of BM&FBOVESPA.

BM&F Segment

Derivatives markets in the BM&F segment (including financial and commodities derivatives) totaled 60,486,696 contracts and BRL 4.06 trillion in volume in August, compared to 59,029,459 contracts and BRL 3.74 trillion in July. Open interest contracts ended the last trading day of August 2012 with 39,795,832 positions, compared to 35,695,804 in July.

Financial Derivatives

In August, interest rate futures (ID) traded 28,708,180 contracts, in contrast to 23,276,954 in July. US Dollar futures ended the month of August with 6,109,886 contracts, compared to 6,906,235 in the previous month. Ibovespa futures traded 2,180,924 contracts, compared to 1,915,180 in July.

Mini Contracts

The derivatives market for mini contracts traded 4,278,488 contracts in August, compared to 3,628,595 in July. Of this total, the futures market for Ibovespa mini contracts traded 4,122,221, compared to 3,470,805 contracts in the previous month. Mini US Dollar futures traded 152,896 contracts, compared to 155,932 in July. Mini futures contracts ended August with 27,146 open interest contracts, compared to 68,291 in the previous month.

Agribusiness Derivatives

In August, the BM&FBOVESPA agribusiness derivatives market (including futures and options) totaled 234,674 contracts traded, compared to 309,013 in July. Agribusiness markets totaled 149,197 open interest contracts, in contrast to 140,904 in the previous month.

Live cattle futures and options totaled 109,384 contracts traded in August, compared to 131,817 in July. Corn futures and options totaled 90,496 contracts traded, compared to 138,273 in July. Arabica coffee ended August with 21,991 contracts, compared to 24,771 in July. Hydrous ethanol futures totaled 6,257 contracts, compared to 6,496 in July. Soybean derivatives totaled 6,546 contracts traded in August, against 7,645 the previous month.

Agribusiness Securities

In August, agribusiness securities registered with BM&FBOVESPA totaled BRL 25.49 billion, from BRL 22.80 billion in July, including all of the transactions executed in the Agribusiness Securities Registration system. Agribusiness Credit Bills (LCAs) registered with the Exchange totaled BRL 23.86 billion, compared to BRL 21.14 billion in July.

Spot Gold

The spot gold market (250 grams) traded, in August, 706 contracts, compared to 777 contracts in July. Spot gold market volume totaled BRL 18.83 million, compared to BRL 20.18 million in the previous month.

Spot US Dollar

There were 164 spot US Dollar transactions totaling USD168 million in August, from 81 and USD58.25 million in July. US Dollar transactions in the Brazilian interbank market, registered for settlement with the Foreign Exchange Clearinghouse, totaled 3,114 transactions and USD36.56 billion, from 3,161 transactions and USD46.02 billion in July.

Government Securities

Financial volume in the secondary market for government securities totaled BRL 1.91 billion in August, against BRL 588.4 million in July, based on all of the transactions at SISBEX.

Investor Participation

In August, institutional investors led derivatives trading (BM&F segment), accounting for 35.96% of contracts traded, compared to 33.73% in the previous month. Financial institutions were responsible for 32.62%, compared to 35.54%; foreign investors for 25.37%, compared to 24.54%; individuals for 4.41%, compared to 4.17%; and companies for 1.64%, versus 1.86%.

Individual Investors

BM&FBOVESPA ended August with 130,241 individual investor stock exchange accounts in custody, compared to 128,819 accounts in July.

Volumes and trades by Direct Market Access (DMA)

BM&F Segment

In August, BM&F* market segment transactions carried out through order routing via Direct Market Access (DMA) registered 33,284,800 contracts traded and 4,284,785 trades. In July, the volume reached 30,176,701 contracts traded and 3,756,542 trades.

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

- **Traditional DMA** – 11,963,478 contracts traded, in 1,367,477 trades, in comparison to 9,618,768 contracts and 1,163,426 trades in July;
- **Via DMA provider** (including orders routed via the Globex System) – 12,402,882 contracts traded, in 292,153 trades, compared to 12,490,368 contracts and 317,269 trades in July;
- **DMA via direct connection** – 2,834 contracts traded in 279 trades, against 800 contracts and 184 trades in July;
- **DMA via co-location** – 8,915,606 contracts traded, in 2,624,876 trades, compared to 8,066,765 contracts and 2,275,663 trades in July.

In August, transactions carried out by foreign investors presented by CME to BM&FBOVESPA (who use the Globex-BM&FBOVESPA PUMA Trading System order routing system or access BM&FBOVESPA markets via co-location) totaled 3,856,153 contracts traded, in 1,195,902 trades, compared to 3,309,619 contracts and 931,563 trades in July.

BOVESPA Segment

In August, order routing via DMA in the BOVESPA* segment totaled BRL 123.05 billion and 19,107,739 trades, from BRL 99.61 billion and 16,654,540 trades the previous month.

Trading volumes per type of DMA in the BOVESPA segment:

- **Traditional DMA** – Volume of BRL 84.53 billion and 12,927,744 trades from BRL 69.86 billion and 11,451,605;
- **DMA via provider** – Volume of BRL 3.37 billion and 533,092 trades, from BRL 2.72 billion and 472,974 in July.
- **DMA via direct connection** – Volume of BRL 2.60 billion and 198,057 trades, from BRL 2.04 billion and 118,033 in July.
- **DMA via co-location** – Volume of BRL 32.55 billion and 5,448,846 trades from BRL 24.99 billion and 4,611,928 in July;

** 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 trading system 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 August 2009.*

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