

BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros
Brazilian Federal Taxpayer CNPJ No.09.346.601/0001-25
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NOTICE TO THE MARKET

BM&FBOVESPA publishes July 2013 market performance

BOVESPA SEGMENT

In July 2013, the equities market's (BOVESPA segment) financial volume totaled BRL 132.69 billion in 18,355,701 trades, with daily averages of BRL 6.03 billion and 834,350 trades. In June, financial volume totaled BRL 178.84 billion, the total number of trades 21,381,341, the daily average financial volume BRL 8.94 billion and daily average number of trades 1,069,067.

Equities

The most traded stocks in July were: Vale PNA, with BRL 11.1 billion; PETROBRAS PN with BRL 9.7 billion; ITAUUNIBANCO PN, with BRL 7.1 billion; BRADESCO PN, with BRL 5.6 billion; and PETROBRAS ON with BRL 3.6 billion.

Indexes

The Ibovespa ended July at 48,234 points, down 1.64% from the previous month. The best performing stocks for the Ibovespa in July were: B2W DIGITAL ON (+61.83%), USIMINAS PNA (+17.23), GERDAU PN (+15.70%), USIMINAS ON (+14.64%) and GERDAU MET PN (+14.01%). The biggest losses were: OGX PETROLEO ON (-16.46%), PDG REALT ON (-12.80%), ROSSI RESID ON (-8.90%), ALL AMER LAT ON (-6.77%) and SUZANO PAPEL PNA (-5.70%).

All of the other BOVESPA segment stock-exchange indexes ended July as follows: BDRX (6.51% at 1,981 points); IBRA (1.70% at 1,866 points); IBXL (1.61% at 8,056 points); IBXX (1.74% at 19,900 points); ICO2 (0.81% at 1,085 points); ICON (1.33% at 2,334 points); IDIV (2.27% at 3,167 points); IEEX (2.06% at 25,929 points); IFIX (-0.74% at 1,427 points); IFNC (0.31% at 3,862 points); IGCT (1.58% at 1,986 points); IGCX (1.24% at 7,346 points); IGNM (0.86% at 1,606 points); IMAT (7.56% at 1,552 points); IMOB (0.15% at 712 points); INDX (2.41% at 11,619 points); ISEE (2.64% at 2,303 points); ITAG (0.92% at 9,765 points); IVBX (2.08% at 6,596 points); MLCX (1.85% at 897 points); SMLL (0.45% at 1,318 points); UTIL (2.83% at 2,663 points).

Market Value

Market capitalization of the 365 companies listed on the BM&FBOVESPA in July was BRL 2.30 trillion, compared to BRL 2.25 trillion for the 365 companies listed in June.

Special Corporate Governance Levels

At the end of July, the 183 companies that are part of BM&FBOVESPA's special corporate governance levels represented 67.82% of the market capitalization, 82.24% of the financial volume, and 87.64% of the trades in the spot market. At the end of June, there were 182 companies representing 67.70% of the market capitalization, 78.49% of the financial volume, and 88.09% of the spot market trades.

Payouts to Shareholders

In July of 2013, the financial volume from Corporate Actions managed by BM&FBOVESPA totaled BRL 1.31 billion, of which BRL 307.45 million in dividends and BRL 572.14 million in interest on shareholders' equity paid to shareholders that use BM&FBOVESPA's Custody service. In June the amount totaled BRL 4.42 billion, of which BRL 1.77 billion in dividends and BRL 1.29 billion in interest on shareholders' equity.

Market Participation

The cash market accounted for 95.2% of total financial volume in July, followed by the options market, with 3.6%, and by the forward market, with 1.2%. The After Market traded BRL 518.28 million with 42,293 trades, compared to BRL 634.39 million and 50,916 trades in the previous month.



Investor Participation

In July, foreign investors were responsible for 44.87% of the total volume, compared to 44.03% in June. Institutional investors came next, with 31.86% from 33.36%; individual investors had 16.05%, compared to 13.48%; financial institutions, with 6.47%, compared to 8.34%; and companies, with 0.71%, compared to 0.69%.

Individual Investors

BM&FBOVESPA ended July with 628,868 individual investor stock exchange accounts in custody, compared to 633,690 accounts in June.

Foreign Investment

In 2013, the financial volume traded by foreign investors in the stock market was a positive BRL 14.3 billion, from BRL 10.1 billion in stock offerings and BRL 4.2 billion on the BM&FBOVESPA secondary market.

In July, the financial volume traded by foreign investors in the stock market was a positive BRL 57.7 million, which is the net balance between stock sales of BRL 59.4 billion and stock purchases of BRL 59.4 billion.

Foreign investor participation in stock offerings, including IPOs, represented 57.6% of the total BRL 17.4 billion in transactions related to the publication of the closing announcement dates ending on August 05, 2013, pursuant to information available on the Exchange's website, under the media section.

ETFs

The financial volume registered in July by the 15 BM&FBOVESPA Exchange-Traded Funds (ETFs) reached BRL 2.26 billion in 99,835 trades, from BRL 2.96 billion and 131,543 the previous month. The BOVA11 ETF, which tracks Ibovespa, had a financial volume of BRL 2.09 billion and 90,585 trades from BRL 2.78 billion and 120,890 the previous month.

Securities Lending

In July, the total number of securities lending transactions reached 158,544 compared to 148,778 in June. Financial volume was BRL 76.55 billion in July from BRL 72.27 billion the previous month.

Corporate Securities

In July, the trading volume for the secondary market for corporate securities, counting both the BOVESPA FIX and the SOMA FIX, totaled BRL 17.96 million, compared to BRL 16.12 million in June. This total included debentures and Mortgage Backed Securities (CRI).

Real Estate Funds

Real Estate Funds (FIIs) turned over BRL 516.33 million in 63,812 transactions, against BRL 826.42 million and 69,168 transactions in June.

There were 108 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 53,496,970 contracts and BRL 3.92 trillion in volume in July, compared to 65,441,114 contracts and BRL 5.16 trillion in June. Open interest contracts ended the last trading day of July 2013 with 38,420,296 positions, compared to 46,412,312 in June.

Financial Derivatives

In July, interest rate futures (ID) traded 25,210,985 contracts, in contrast to 36,033,152 in June. US Dollar futures ended the month of July with 6,353,375 contracts, compared to 9,174,916 in the previous month. Ibovespa futures traded 1,908,390 contracts, compared to 2,333,343 in June.

Agribusiness Derivatives

In July, the BM&FBOVESPA agribusiness derivatives market (including futures and options) totaled 201,006 contracts traded, compared to 185,153 in June. Agribusiness markets totaled 96,882 open interest contracts, in contrast to 95,352 in the previous month.

Live cattle futures and options totaled 112,150 contracts traded in July, compared to 86,604 in June. Corn futures and options totaled 57,735 contracts traded, compared to 70,109 in June. Arabica coffee ended July with 14,241 contracts, compared to 7,999 in June. Hydrous ethanol futures totaled 4,904 contracts, compared to 4,272 in June. Soybean derivatives totaled 6,835 contracts traded in July, against 12,103 the previous month.

Agribusiness Securities

In July, agribusiness securities registered with BM&FBOVESPA totaled BRL 64.96 billion, from BRL 55.17 billion in June, including all of the transactions executed in the Agribusiness Securities Registration system. Agribusiness Credit Bills (LCAs) registered with the Exchange totaled BRL 62.18 billion, compared to BRL 52.29 billion in June.

Spot Gold

The spot gold market (250 grams) traded, in July, 2,143 contracts, compared to 1,185 contracts in June. Spot gold market volume totaled BRL 50.40 million, compared to BRL 27.99 million in the previous month.

Spot US Dollar

There were 91 spot US Dollar transactions totaling USD97.75 million in July, from 197 and USD241.25 million in June. US Dollar transactions in the Brazilian interbank market, registered for settlement with the Foreign Exchange Clearinghouse, totaled 2,955 transactions and USD38.29 billion, from 3,315 transactions and USD50.36 billion in June.

Investor Participation

In July, institutional investors led derivatives trading (BM&F segment), accounting for 35.38% of contracts traded, compared to 35.75% in the previous month. Financial institutions were responsible for 34.01%, compared to 32.42%; foreign investors for 23.22%, compared to 24.80%; individuals for 6.11%, compared to 5.45%; and companies for 1.05%, versus 1.30%.



Volumes and trades by Direct Market Access (DMA)

BM&F SEGMENT

In July, BM&F* market segment transactions carried out through order routing via Direct Market Access (DMA) registered 35,224,071 contracts traded and 4,971,763 trades. In June, the volume reached 44,062,453 contracts traded and 6,201,642 trades.

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

Traditional DMA – 12,847,791 contracts traded, in 1,532,857 trades, in comparison to 14,273,322 contracts and 1,726,608 trades in June;

Via DMA provider (including orders routed via the Globex System) – 12,414,982 contracts traded, in 443,190 trades, compared to 16,933,993 contracts and 524,952 trades in June;

DMA via direct connection – 22,497 contracts traded in 11,046 trades, compared to 35,889 contracts in 16,733 trades in June;

DMA via co-location – 9,938,801 contracts traded, in 2,984,670 trades, compared to 12,819,249 contracts and 3,933,349 trades in June.

In July, 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 3,777,049 contracts traded, in 1,232,762 trades, compared to 4,486,314 contracts and 1,407,113 trades in June.

BOVESPA SEGMENT

In July, order routing via DMA in the BOVESPA* segment totaled BRL 144.98 billion and 19,977,806 trades, from BRL 136.10 billion and 22,834,295 trades the previous month.

Trading volumes per type of DMA in the BOVESPA segment:

Traditional DMA – Volume of BRL 72.04 billion and 12,455,105 trades from BRL 86.16 billion and 14,077,484 in June;

DMA via provider – Volume of BRL 7.50 billion and 1,245,435 trades, from BRL 9.21 billion and 1,598,109 in June.

DMA via direct connection – Volume of BRL 1.61 billion and 130,276 trades, from BRL 2.08 billion and 150,335 in June.

DMA via co-location – Volume of BRL 33.83 billion and 6,149,990 trades from BRL 38.65 billion and 7,008,367 in June;

** 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 Exchange's trading platforms 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 July 2009.

São Paulo, August 05, 2013.

Eduardo Refinetti Guardia
Chief Product and IR Officer