

**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 publishes October 2013 market performance**

#### **BOVESPA Segment**

In October 2013, the equities market's (BOVESPA segment) financial volume totaled BRL 152.59 billion in 18,850,774 trades, with daily averages of BRL 6.63 billion and 819,599 trades. In September, financial volume totaled BRL 150.34 billion, the total number of trades 18,412,454, daily average financial volume BRL 7.15 billion and daily average number of trades 876,784.

#### **Equities**

The most traded stocks in October were: PETROBRAS PN with BRL 12.71 billion; Vale PNA, with BRL 11.54 billion; ITAUUNIBANCO PN, with BRL 7.01 billion; BRADESCO PN, with BRL 4.87 billion; and VALE ON with BRL 4.44 billion.

#### **Indexes**

The Ibovespa ended October at 54,256 points, up 3.66% from the previous month. The best performing stocks for the Ibovespa in October were SID NACIONAL ON (+28.86%), B2W DIGITAL ON (+18.21%), ELETROPAULO PN (+16.96%), PETROBRAS ON (+15.21%) and BRASIL ON (+15.09%). The main losses were: MMX MINER ON (-45.16%), OGX PETROLEO ON (-38.10%), MARFRIG ON (-24.79%), PDG REALTY ON (-17.48%) and GAFISA ON (-15.36%).

All of the other BOVESPA segment stock-exchange indexes ended October as follows: BDRX (5.96% at 2,026 points); IBRA (5.21% at 2,091 points); IBXL (6.17% at 9,231 points); IBXX (5.36% at 22,422 points); ICO2 (4.55% at 1,208 points); ICON (-0.01% at 2,414 points); IDIV (5.89% at 3,605 points); IEEX (2.90% at 27,821 points); IFIX (1.58% at 1,423 points); IFNC (7.84% at 4,544 points); IGCT (4.87% at 2,218 points); IGCX (4.33% at 8,090 points); IGM (3.47% at 1,730 points); IMAT (8.97% at 1,905 points); IMOB (-0.35% at 756 points); INDX (0.58% at 12,428 points); ISEE (4.88% at 2,564 points); ITAG (4.56% at 10,828 points); IVBX (4.84% at 7,367 points); MLCX (6.06% at 1018 points); SMLL (-1.08% at 1,345 points); UTIL (3.78% at 2,760 points),

#### **Market Value**

Market capitalization of the 366 companies listed on the BM&FBOVESPA in October was BRL 2.50 trillion, compared to BRL 2.40 trillion for the 364 companies listed in September.

#### **Special Corporate Governance Levels**

At the end of October, the 186 companies that are part of BM&FBOVESPA's special corporate governance levels represented 68.63% of market capitalization, 76.89% of financial volume, and 86.49% of trades in the cash market. At the end of September, there were 183 companies representing 68.31% of market capitalization, 80.60% of financial volume, and 87.50% of cash market trades.

#### **Payouts to Shareholders**

In October of 2013, the financial volume from Corporate Actions managed by BM&FBOVESPA totaled BRL 4.89 billion, of which BRL 1.19 billion in dividends and BRL 1.65 billion in interest on shareholders' equity paid to shareholders that use BM&FBOVESPA's Custody service. In September the amount totaled BRL 2.86 billion, of which BRL 1.70 billion in dividends and BRL 767 million in interest on shareholders' equity.

#### **Market Participation**

The cash market accounted for 95.8% of total financial volume in October, followed by the options market, with 2.7%, and by the forward market, with 1.5%. The After Market traded BRL 874.15 million with 47,286 trades, compared to BRL 576.25 million and 33,962 trades in the previous month.

#### **Investor Participation**

In October, foreign investors were responsible for 44.45% of the total volume, compared to 46.13% in September. Institutional investors came next, with 33.26% from 32.01%; individual investors had 15.34%, compared to 14.93%; financial institutions, with 5.68%, compared to 5.69%; and companies, with 1.25%, compared to 1.22%.

**Individual Investors**

BM&FBOVESPA ended October with 594,950 individual investor stock exchange accounts in custody, compared to 600,914 accounts in September.

**Foreign Investment**

In 2013, the financial volume traded by foreign investors in the stock market was a positive BRL 22 billion, from BRL 10.5 billion in stock offerings and BRL 11.4 billion on the BM&FBOVESPA secondary market;

In October, the financial volume traded by foreign investors in the stock market was a positive BRL 780.1 million, which is the net balance between stock sales of BRL 67.3 billion and stock purchases of BRL 68.1 billion;

Foreign investor participation in stock offerings, including IPOs, represented 56.1% of the total BRL 18.8 billion in transactions related to the publication of the closing announcement dates ending on November 02, 2013, pursuant to information available on the Exchange's website, under the media section.

**ETFs**

The financial volume registered in October by the 15 BM&FBOVESPA Exchange-Traded Funds (ETFs) reached BRL 1.85 billion in 87,755 trades, from BRL 1.93 billion and 108,065 the previous month. The BOVA11 ETF, which tracks Ibovespa, had a financial volume of BRL 1.65 billion and 81,087 trades from BRL 1.72 billion and 101,147 the previous month.

**Securities Lending**

In October, the total number of securities lending transactions reached 152,069 compared to 141,418 in September. Financial volume was BRL 89.21 billion in October from BRL 81.24 billion the previous month.

**Corporate Securities**

In October, the trading volume for the secondary market for corporate securities, counting both the BOVESPA FIX and the SOMA FIX, totaled BRL 85.56 million, compared to BRL 17.92 million in September. This total included debentures and Mortgage Backed Securities (CRI).

**Real Estate Funds**

Real Estate Funds (FILs) turned over BRL 511.95 million in 67,014 transactions, against BRL 471.17 million and 56,477 transactions in September.

There were 112 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 48,331,275 contracts and BRL 3.68 trillion in volume in October, compared to 45,520,820 contracts and BRL 3.72 trillion in September. Open interest contracts ended the last trading day of October 2013 with 39,297,499 positions, compared to 39,354,902 in September.

**Financial Derivatives**

In October, interest rate futures (ID) traded 23,616,174 contracts, in contrast to 24,588,346 in September. US Dollar futures ended the month of October with 6,068,525 contracts, compared to 6,934,490 in the previous month. Ibovespa futures traded 1,585,595 contracts, compared to 1,589,515 in September.

**Agribusiness Derivatives**

In October, the BM&FBOVESPA agribusiness derivatives market (including futures and options) totaled 276,784 contracts traded, compared to 235,880 in September. Agribusiness markets totaled 75,253 open interest contracts, in contrast to 92,687 in the previous month;

Live cattle futures and options totaled 175,384 contracts traded in October, compared to 144,015 in September. Corn futures and options totaled 80,578 contracts traded, compared to 71,956 in September. Arabica coffee ended October with 12,512 contracts, compared to 11,756 in September. Hydrous ethanol futures totaled 3,187 contracts, compared to 3,449 in September. Soybean derivatives totaled 1,878 contracts traded in October, against 963 the previous month.

**Spot Gold**

The spot gold market (250 grams) traded, in October, 527 contracts, compared to 887 contracts in September. Spot gold market volume totaled BRL 12.19 million, compared to BRL 22.19 million in the previous month.



### Spot US Dollar

There were 96 spot US Dollar transactions totaling USD134.75 million in October, from 169 and USD142.50 million in September. US Dollar transactions in the Brazilian interbank market, registered for settlement with the Foreign Exchange Clearinghouse, totaled 2,963 transactions and USD32.18 billion, from 2,817 transactions and USD30.36 billion in September.

### Investor Participation

In October, institutional investors led derivatives trading (BM&F segment), accounting for 33.77% of contracts traded, compared to 33.09% in the previous month. Financial institutions were responsible for 32.95%, compared to 32.40%; foreign investors for 24.82%, compared to 26.49%; individuals for 6.73%, compared to 6.05%; and companies for 1.38%, versus 1.62%.

### 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 36,147,048 contracts traded and 5,069,141 trades. In September, the volume reached 35,320,300 contracts traded and 4,508,334 trades.

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

**Traditional DMA** – 11,246,299 contracts traded, in 1,569,786 trades, in comparison to 11,341,250 contracts and 1,619,686 trades in September;

**Via DMA provider (including orders routed via the Globex System)** – 13,953,700 contracts traded, in 501,796 trades, compared to 13,878,192 contracts and 517,524 trades in September;

**DMA via direct connection** – 542,063 contracts traded in 24,670 trades, compared to 71,467 contracts in 16,239 trades in September;

**DMA via co-location** – 10,404,986 contracts traded, in 2,972,889 trades, compared to 10,029,391 contracts and 2,646,461 trades in September.

In October, 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 2,553,230 contracts traded, in 682,752 trades, compared to 2,820,287 contracts and 681,048 trades in September.

#### BOVESPA Segment

In October, order routing via DMA in the BOVESPA\* segment totaled BRL 129.78 billion and 21,564,275 trades, from BRL 124.78 billion and 20,134,182 trades the previous month.

#### **Trading volumes per type of DMA in the BOVESPA segment:**

**Traditional DMA** – Volume of BRL 79.97 billion and 13,075,353 trades from BRL 75.53 billion and 12,255,370 in September;

**DMA via provider** – Volume of BRL 9.46 billion and 1,434,186 trades, from BRL 9.03 billion and 1,388,318 in September.

**DMA via direct connection** – Volume of BRL 1.09 billion and 80,899 trades, from BRL 2.37 billion and 147,881 in September.

**DMA via co-location** – Volume of BRL 39.26 billion and 6,973,837 trades from BRL 37.85 billion and 6,342,613 in September;

\* 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 October 2009.

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