

**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 2013 market performance

- In 2013, the BOVESPA segment set new historic records for total financial volume, average daily financial volume, total number of trades, and for average daily trading volume
- The BM&F segment set a new record for the number of contracts traded
- Real Estate Investment Funds set new records for financial volume and for the number of trades

#### **BOVESPA SEGMENT**

In 2013, the total financial volume and the average daily financial volume in the BOVESPA segment set historic records of BRL1.83 trillion and BRL7.41 billion respectively, surpassing the previous records of BRL1.78 trillion and BRL7.25 billion registered in 2012.

The average daily trading volume and the total number of trades also set historic records in 2013. The total number of trades was 220,550,852, up from 191,973,773 in 2012; and average daily trading volume was 889,318, surpassing 780,381 registered in 2012.

In **December**, the financial volume in the BOVESPA segment was BRL118.60 billion, compared to BRL132.60 billion registered in November. The daily average financial volume was BRL6.24 billion in December, compared to BRL6.97 billion during the previous month. There were a total of 14,405,343 transactions carried out in December compared to 16,946,426 in November, and the average daily trading volume was 758,176, down from 891,917 in November.

#### **Equities**

In **December**, the most traded stocks were: Petrobras PN, with BRL8.48 billion; Vale PNA, with BRL7.19 billion; Itauunibanco ON, with BRL5.28 billion; Bradesco PN, with BRL3.89 billion; and Petrobras ON, with BRL3.08 billion.

#### **Indexes**

The BOVESPA Index (IBOVESPA) closed out 2013 at 51,507 points, down 15.50% for the year.

The best performing stocks on the IBOVESPA in 2013 were: KROTON ON (+73.21%); BRASKEN PNA (+64.06%); TIM PART ON (+56.12%); JBS ON (+47.64%); and CIELO ON (+44.07%). The worst performing stocks in 2013 were: MMX MINER ON (-84.27%); BROOKFIELD ON (-66.37%); ROSSI RESID ON (-55.16%); OI ON (-54.53%); and MARFRIG ON (-52.83%).

In **December**, the IBOVESPA declined 1.86%.

The best performing stocks on the IBOVESPA, in December were: SID NACIONAL ON (+20.74%); DASA ON (+19.54%); USIMINAS PNA (+14.14%); GAFISA ON (+13.49%); and LLX LOG ON (+9.09%). In December, the worst performing stocks were: ALL AMER LAT ON (-15.90%); PETROBRAS ON (-12.72%); BR MALLS PAR ON (-10.97%); PETROBRAS PN (-10.67%); and CYRELA REALT ON (-8.86%).

#### **All other indexes**

All of the other indexes calculated by the Exchange performed as follows: IBRA (-3.52% with 1,984 points at the end of 2013; down 3.10% in December); IBXL (-4.41% with 8,695 points at the end of 2013; down 3.45% in December); IBXX (-3.13% with 21,294 points at the end of 2013; down 3.08% in December); ICO2 (-3.93% with 1,146 points at the end of 2013; down 2.73% in December); ICON (0.74% with 2,395 points at the end of 2013; down 1.71% in December); IDIV (-4.24% with 3,405 points at the end of 2013; down 2.15% in December); IEEX (-8.83% with 26,250 points at the end of 2013; down 2.87% in December); IFIX (-12.63% with 1,374 points at the end of 2013; down 2.62% in December); IFNC (2.94% with 4,132 points at the end of 2013; down 4.42% in December); IGCT (-2.88% with 2,123 points at the end of 2013; down 2.35% in December); IGCX (-2.04% with 7,788 points at the end of 2013; down 2.19% in December); IGNM



(-1.06% with 1,670 points at the end of 2013; down 2.33% in December); IMAT (4.77% with 2,007 points at the end of 2013; up 4.37% in December); IMOB (-26.39% with 675 points at the end of 2013; down 4.92% in December); INDX (3.22% with 12,539 points at the end of 2013; up 0.14% in December); ISEE (1.94% with 2,479 points at the end of 2013; down 1.53% in December); ITAG (-0.56% with 10,325 points at the end of 2013; down 2.80% in December); IVBX (5.22% with 7,317 points at the end of 2013; down 0.27% in December); MLCX (-2.04% with 963 points at the end of 2013; down 3.28% in December); SMLL (-15.21% with 1,309 points at the end of 2013; down 1.74% in December); UTIL (-2.84% with 2,674 points at the end of 2013; down 1.83% in December); BDRX (48.81% with 2,250 points at the end of 2013; up 2.42% in December).

### Market Value

The market value (market capitalization) of the 363 companies listed at BM&FBOVESPA at the end of 2013 totaled BRL2.41 trillion. In 2012, the market value was BRL2.51 trillion for the 364 companies that were listed at that time.

### Special Corporate Governance Levels

**At the end of 2013**, the 187 companies that were part of the BM&FBOVESPA Special Corporate Governance Levels represented 68.76% of the market capitalization, 80.07% of the financial volume, and 87.34% of the trades on the cash market. At the end of 2012, there were 178 companies, representing 66.25% of the market capitalization, 79.26% of the financial volume, and 85.16% of the cash market trades.

In **December**, the 187 companies that were part of the BM&FBOVESPA Special Corporate Governance Levels represented 68.76% of the market capitalization, 77.45% of the financial volume, and 85.76% of the trades on the cash market. At the end of November, there were 185 companies, representing 68.14% of the market capitalization, 79.79% of the financial volume, and 86.31% of the cash market trades.

### Remuneration to shareholders

In 2013, the companies listed at BM&FBOVESPA paid their shareholders BRL46.56 billion. Of that, BRL19.87 billion were dividends and BRL20.04 billion were interest on capital. In 2012, payments to shareholders were BRL45.82 billion, of which BRL18.77 billion were dividends and BRL16.82 billion were interest on capital.

In **December** 2013, the companies listed at BM&FBOVESPA paid their shareholders BRL1.98 billion. Of that, BRL769.89 million were dividends and BRL884.38 million were interest on capital. In November 2013, the total amount paid to shareholders was BRL3.47 billion, of which BRL2.26 billion were dividends and BRL838.39 million were interest on capital.

### Market Participation

In 2013, the cash market (round lot) accounted for 95.7% of the total financial volume, followed by the options market with 3.1%, and by the forward market with 1.2%. The after-market traded BRL9.51 billion in 617,484 trades.

In December, the cash market (round lot) accounted for 96.6% of the total financial volume, followed by the options market with 1.8%, and by the forward market with 1.6%. The after-market traded BRL731.01 million with 55,448 trades, compared to BRL791.12 million and 62,106 trades during the previous month.

### Investor Participation

In **2013**, foreign investors led trading in the BOVESPA segment accounting for 43.7% of total contracts traded, compared to 40.4% in 2012. They were followed by institutional investors with 32.8%, compared to 32.1% in 2012. Individual investors accounted for 15.2%, compared to 17.9% during the previous year. Financial institutions accounted for 7.4%, compared to 8.1% in 2012, and companies accounted for 1%, compared to 1.5% the previous year.

In December, foreign investors were also the leaders in the BOVESPA segment, accounting for 46.32%, of total contracts traded, compared to 47.06% in November. They were followed by institutional investors with 32.42% in December, compared to 31.62% in the previous month, and individual investors with 12.88% in December, compared to 15.11% in November. Financial institutions accounted for 7.27% in December, compared to 5.13% in the previous month, and companies accounted for 5.13% in December, compared to 1.06% in the previous month.

## Individual Investors

**At the end of 2013**, the number of individual investor accounts in the equities market stood at 589,276. At the end of 2012, that number was 587,165. In November it was 592,438.

## Foreign Investment

Up to December 2013, the net flow of foreign investment into the Brazilian stock market was a positive BRL23.2 billion. This was the result of BRL11.4 billion in stock offerings in Brazil, and the positive balance of BRL11.7 billion on the BM&FBOVESPA secondary market.

In December, the balance of transactions carried out by foreign investors at BM&FBOVESPA was a negative BRL213.0 million, which was the net balance between stock sales of BRL54.9 billion and stock purchases of BRL54.7 billion.

Foreign investor participation in stock offerings, including IPOs, represented 56.0% of the total BRL20.4 billion in transactions related to the publication of the closing announcement dates ending on January 3, 2014, pursuant to information available on the Exchange's website, under the media room.

## ETFs

In **2013**, the 15 ETFs available for trade at BM&FBOVESPA (BRAX11, CSMO11, MOBI11, BOVA11, SMAL11, MILA11, PIBB11, IT NOW IFNC 11, IT NOW ISUS 11, IT NOW GOVE 11, ECOO11, UTIP11, DIVO11, MATB11 and XBOV11) reached a financial volume of BRL24.62 billion with 1,139,014 transactions carried out. In 2012, the total financial volume was BRL28.45 billion, with 992,600 transactions carried out.

In **December**, 54,101 transactions were carried out with the 15 ETFs available for trade at the Exchange. In November, that number was 52,586. The total financial volume in December was BRL1.23 billion, compared to BRL1.44 billion in November. In December, the ETF BOVA11 registered the largest financial volume with BRL1.14 billion, compared to the BRL1.33 billion it registered in November.

## Securities lending

In **2013**, securities lending transactions at BM&FBOVESPA reached a new milestone with a financial volume of BRL1.0 trillion with 1,693,151 trades, surpassing the 2012 financial volume of BRL785.92 billion and 1,313,365 trades.

In **December**, the financial volume for securities lending transactions was BRL92.93 billion, exceeding the mark of BRL70.02 billion in November 2013. The number of transactions in December was 136,246, compared to 134,913 during the previous month.

## Fixed Income

In **2013**, the financial volume for the fixed income secondary market totaled BRL345.46 million, compared to BRL1.46 billion in 2012, counting the trades of Mortgage Backed Securities (CRI), Receivables Investment Funds (FIDC) and Certificate of Agribusiness (CRA).

In **December**, the financial volume for the fixed income market totaled BRL27.05 million, compared to BRL9.81 million in November. Of this total, debentures accounted for BRL24.11 million, and CRIs accounted for BRL2.94 million.

## Real Estate Investment Funds

In **2013**, Real Estate Investment Funds (FIIs) set a new record with a financial volume of BRL7.85 billion and 816,663 transactions. During the previous year, FIIs accounted for a financial volume of BRL3.59 billion and 316,023 transactions. At the end of 2013, there were 115 Real Estate Investment Funds registered compared to 93 in 2012.

In **December**, the FII market accounted for a financial volume of BRL553.72 million and 61,842 transactions. During the previous month, they accounted for a financial volume of BRL394.80 million and 52,149 transactions.

## **BM&F SEGMENT**

In **2013**, the BM&F segment set a new record for contracts traded with a total of 705,173,503, surpassing the previous record in 2012 of 688,916,114. The financial volume in 2013 totaled BRL54.92 trillion, compared to a total of BRL48.58 trillion in 2012. Open interest contracts ended the last trading day of December with 43,378,762 positions, compared to 52,909,677 in 2012.

In **December**, the markets in the BM&F segment accounted for a total of 41,299,815 contracts traded and a financial volume of BRL3.42 trillion, compared to 45,668,650 contracts and BRL3.56 trillion in November.

### **Financial Derivatives**

In **2013**, the interest rate futures (DI) traded a record 394,055,420 contracts, compared to 340,800,485 in 2012. The US dollar futures ended the year with 83,426,499 contracts traded, compared to 84,049,097 in 2012. The Ibovespa futures traded 20,443,962 contracts in 2013, compared to 22,328,572 during the previous year.

In **December**, the interest rate futures (DI) accounted for 20,270,826 contracts, compared to 24,274,722 in November. The US dollar futures ended December with 6,046,255 contracts traded, compared to 5,774,150 in November. The Ibovespa futures traded 1,115,845 contracts compared to 1,283,975 during the previous month.

### **Commodity derivatives**

In **2013**, a total of 2,203,688 futures and options commodity contracts were traded, down from 2,258,122 in 2012. When trading closed in 2013, there were 71,995 open interest contracts, compared to 74,623 at the end of the previous year.

In **2013**, the live cattle futures and option contracts totaled 1,094,620, compared to 1,058,254 in 2012. A total of 805,247 Corn futures and options contracts were traded in **2013**, up from 804,508 in 2012. Arabica coffee ended 2013 with 164,731 contracts traded compared to 256,887 in 2012. In 2013, the Soybean market traded 59,769 contracts compared to 67,316 the previous year, and the Ethanol futures market traded 43,605 contracts in 2013, down from 71,135 in 2012.

In **December**, a total of 136,687 futures and options commodity contracts were traded, down from 176,930 in November.

In December, live cattle futures and options contracts totaled 69,863, compared to 83,534 in November. The corn market closed out the period with a total of 46,259 futures and options contracts traded, down from 73,513 in November. Arabica coffee ended December with 15,297 contracts traded, up from the 14,956 contracts traded in November. The soybean market registered 1,069 contracts in December compared to 300 during the previous month, and the ethanol futures market accounted for 2,040 contracts traded, compared to the 2,461 contracts traded in November.

### **Spot Gold**

In **2013**, the spot gold market (250 grams) traded 11,682 contracts, compared to 10,258 in 2012. The financial volume for the spot gold market totaled BRL284.70 million, compared to BRL276.26 million the year before.

In **December**, the spot gold market (250 grams) traded 865 contracts, up from 417 in November. The total financial volume in December was BRL19.81 million, compared to BRL9.74 million during the previous month.

### **Agribusiness Securities**

In **2013**, the agribusiness securities registered at BM&FBOVESPA totaled BRL93.46 billion compared to BRL38.53 billion in 2012. The LCA (Agribusiness Credit Bills) positions totaled BRL89.89 billion in 2013, compared to BRL36.36 billion in 2012.

In **December**, the agribusiness securities registered at BM&FBOVESPA totaled BRL93.46, compared to BRL88.37 billion in November. The stock of LCAs (Agribusiness Credit Bills) totaled BRL89.89 billion in December, compared to BRL85.49 billion in November.

### Spot Dollar

In 2013, the spot US dollar totaled 1,620 transactions with a financial volume of USD2.04 billion, compared to 6,793 transactions and a financial volume of USD12.67 billion in 2012. The financial volume of U.S. dollars traded on the Brazilian interbank settlement market and registered in the BM&FBOVESPA FX Clearinghouse was USD533.66 billion, with 34,633 trades, compared to USD516.41 billion and 40,994 trades in 2012.

In **December**, the spot dollar totaled 20 transactions with a financial volume of USD8.25 million. In November, 45 transactions were registered with a financial volume of USD24.25 million. The financial volume of U.S. dollars traded on the Brazilian interbank settlement market and registered in the BM&FBOVESPA FX Clearinghouse in December, was USD32.25 billion with 2,275 transactions, compared to USD25.47 billion and 2,080 transactions in November.

### Investor Participation

In **2013**, institutional investors led trading in the markets of the BM&F segment accounting for 35.86% of total contracts traded, compared to 33.96%, in 2012. They were followed by financial institutions with 32.54% in 2013, compared to 34.48% in 2012, and foreign investors with 25.36%, compared to 25.41% during the previous year. Individual investors ended the year with 4.82%, up from 4.53% in 2012, and companies accounted for 1.24% compared to 1.55% the previous year.

In **December**, institutional investors led trading in the markets of the BM&F segment accounting for 35.11% of total contracts traded, compared to 33.92% in November. They were followed by financial institutions with 30.01%, compared to 33.53% the previous month. During this same period foreign investors accounted for 27.98%, compared to 25.43%. Individual investors ended December with 5.31%, compared to 5.42% in November; and companies accounted for 1.14%, down from 1.38% the month before.

### DMA in 2013

#### BM&F SEGMENT

In 2013, the transactions carried out via Direct Market Access (DMA) in the BM&F\* segment totaled 469,114,643 contracts traded in 55,854,319 trades. During the previous year, 387,272,045 contracts were traded in 42,409,314 trades.

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

**Traditional DMA** – 171,974,295 contracts traded in 16,276,847 trades in 2013, compared to 156,198,511 contracts traded in 13,519,896 trades in 2012;

**Via DMA provider** (including orders routed via the Globex System) – 179,225,305 contracts traded in 5,038,573 trades in 2013, compared to 140,873,134 contracts traded in 3,442,800 trades in 2012;

**DMA via direct connection** – 1,006,150 contracts traded in 162,759 trades in 2013, compared to 15,252 contracts traded in 2,518 trades in 2012; and

**DMA via co-location** – 116,908,893 contracts traded in 34,376,140 trades in 2013, compared to 90,185,148 contracts traded in 25,444,100 trades in 2012.

In 2013, the transactions carried out by foreign investors who were presented to BM&FBOVESPA by CME (which either use the Globex-PUMA Trading System order routing system or access the BM&FBOVESPA markets via co-location) totaled 10,725,449 contracts traded in 36,820,424 trades. In 2012, those totals were 10,411,066 and 37,126,170 respectively.

#### BOVESPA SEGMENT

In 2013, the transactions carried out via Direct Market Access (DMA) in the BOVESPA\* segment had a total financial volume of BRL1.48 trillion in 241,873,929 trades. During 2012, those numbers were BRL1.31 trillion and 199,897,247 respectively.

#### **The volumes registered by each DMA model in the BOVESPA segment were as follows:**

**Traditional DMA** – BRL947.71 billion in 150,460,061 trades, compared to BRL967.70 billion in 142,257,179 trades the previous year;



**Via DMA provider** – BRL98.40 billion in 15,802,484 trades, compared to BRL40.96 billion in 5,795,954 trades the previous year;

**DMA via direct connection** – BRL18.21 billion in 1,248,840 trades, compared to BRL15.03 billion in 940,060 trades the previous year; and

**DMA via co-location** – BRL415.78 billion in 74,362,544 trades, compared to BRL283.25 billion in 50,904,054 trades the previous year.

#### **DMA in December**

##### **BM&F SEGMENT**

In December, the transactions carried out via Direct Market Access (DMA) in the BM&F\* segment totaled 31,584,259 contracts traded in 3,739,552 trades. During the previous month, 36,147,048 contracts were traded in 5,069,141 trades.

**The volumes registered by each DMA model in the BM&F segment were as follows::**

**Traditional DMA** – 10,505,631 contracts traded in 1,045,353 trades, compared to 11,710,250 contracts and 1,234,099 trades the previous month;

**Via DMA provider (including orders routed via the Globex System)** – 11,528,819 contracts traded in 376,947 trades, compared to 13,999,371 contracts and 445,644 trades the previous month;

**DMA via direct connection** – 28,933 contracts traded in 12,727 trades, compared to 154,919 contracts and 16,350 trades the previous month; and

**DMA via co-location** – 9,520,876 contracts traded in 2,304,525 trades, compared to 10,359,812 contracts and 2,555,189 trades the previous month.

In December, the transactions carried out by foreign investors who were presented to BM&FBOVESPA by CME (which either use the Globex-PUMA Trading System order routing system or access the BM&FBOVESPA markets via co-location) totaled 2,244,968 contracts traded in 494,317 trades. During the previous month those totals were 2,553,230 and 682.752 respectively.

##### **BOVESPA SEGMENT**

In December, the transactions carried out via Direct Market Access (DMA) in the BOVESPA\* segment had a total financial volume of BRL91.72 billion in 16,310,381 trades. During the month of November, those numbers were BRL120.55 billion and 20,129,877 respectively.

**The volumes registered by each DMA model in the BOVESPA segment were as follows:**

**Traditional DMA** – BRL55.75 billion in 9,774,093 trades, compared to BRL72.05 billion in 11,854,475 trades the previous month;

**Via DMA provider** – BRL7.33 billion in 1,210,276 trades, compared to BRL10.08 billion in 1,568,411 trades the previous month;

**DMA via direct connection** – BRL0.75 billion in 60,925 trades, compared to BRL1.04 billion in 82,698 trades the previous month; and

**DMA via co-location** – BRL27.89 billion in 5,265,087 trades, compared to BRL37.37 billion in 6,624,293 trades the previous month.

*\*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 in the BM&F segment is also a form of DMA model 2.*

*In model 3 or DMA via direct connection, the client connects to the Exchange trading platforms through a direct connection.*

*In model 4 or DMA 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.*

São Paulo, January 6, 2014.

**Eduardo Refinetti Guardia**  
Chief Product and IR Officer