

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 March 2014 market performance

BOVESPA SEGMENT

In March the equities market's (BOVESPA segment) financial volume totaled BRL 125.23 billion against BRL 131.54 billion in February. The daily average was BRL 6.59 billion against BRL 6.57 billion in the previous month. The total number of trades in March was 18,503,854 against 17,943,360 in February. Daily average number of trades was 973,887 against 897,168 in February.

Equities

The most traded stocks in March were: PETROBRAS PN, with BRL 10.41 billion; VALE PNA, with BRL 8.59 billion; ITAUUNIBANCO PN, with BRL 6.28 billion; BRADESCO PN, with BRL 5.31 billion; and PETROBRAS ON, with BRL 3.75 billion.

Indexes

The Ibovespa ended March at 50,414 points, up 7.05% from the previous month.

The best performing stocks for the Ibovespa in March were: ELETROBRAS ON (+32.00%); ELETROBRAS PNB (+19.69%); CESP PNB (+18.44%); COPEL PNB (+18.06%); and LOJAS AMERICANAS PN (+16.23%). The main losses were: OI PN (-13.09%); BRADESPAR PN (-7.65%); SUZANO PAPEL PNA (-5.63%); VALE ON (-4.79%); and PDG REALT ON (-4.64%).

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

IBRA (6.65%, at 1,938 points); IBXL (6.83%, at 8,515 points); IBXX (6.89% at 20,841 points); ICO2 (6.76% at 1,157 points); ICON (4.84%, at 2,336 points); DIV (7.11% at 3,308 points); IEEX (7.72%, at 24,838 points); IFIX (0.42%, at 1,336 points); IFNC (11.11% at 4,412 points); IGCT (6.13% at 2,090 points); IGCX (6.15% at 7,642 points); IGNM (6.62%, at 1,644 points); IMAT (0.07%, at 1,645 points); IMOB (5.59%, at 667 points); INDX (2.55%, at 11,450 points); ISEE (5.76%, at 2,391 points); ITAG (7.50%, at 10,335 points); IVBX (5.30%, at 7,024 points); MLCX (6.94%, at 944 points); SMLL (4.35%, at 1,237 points); UTIL (8.86%, at 2,602 points); BDRX (-1.78%, at 2,185 points).

Market value

Market capitalization of the 370 companies listed on the BM&FBOVESPA in March was BRL 2.32 trillion against BRL 2.20 trillion in February for the same number of companies.

Special Corporate Governance Levels

At the end of March, the 187 companies that are part of BM&FBOVESPA's special corporate governance levels represented 68.97% of market capitalization, 80.29% of financial volume and 84.04% of trades in the cash market. At the end of February, there were 187 companies representing 68.83% of market capitalization, 75.50% of financial volume and 82.21% of cash market trades.

Market Participation

The cash market accounted for 96% of total financial volume in March, followed by the options market with 2.7%; and by the forward market, with 1.3%. The After Market traded BRL 623.32 million, with 48,222 trades against BRL 872.46 million and 66,106 trades in the previous month.

Payouts to Shareholders

In March, the financial volume from Corporate Actions managed by BM&FBOVESPA totaled BRL 3.63 billion, of which BRL 1.99 billion in dividends; and BRL 1.36 billion in interest on shareholders' equity paid to shareholders that use BM&FBOVESPA's Custody service. In February, the amount totaled BRL 3.26 billion, of which BRL 676 million in dividends and BRL 2.34 billion in interest on shareholders' equity.



Investor Participation

In March foreign investors maintained their lead in financial volume, at 51.59% of the total against 50.42% in February. Institutional investors came next, with 29.16% against 29.09%; individual investors had 13.75% compared to 13.73%; financial institutions had 4.50% against 5.38%; and companies had 0.91% against 1.37% in the previous month.

Individual Investors

BM&FBOVESPA ended March with 579,035 individual investor stock exchange accounts in custody, compared to 582,763 in February.

Foreign Investment

In 2014, the financial volume traded by foreign investors in the stock market to March was a positive BRL 3.78 billion, on the BM&FBOVESPA secondary market.

In March, the financial volume traded by foreign investors in the stock market was a positive BRL 2.9 billion, which is the net balance between stock sales of BRL 63.1 billion and stock purchases of BRL 66 billion.

See stock offering and IPO data

ETF

The financial volume registered in March by the 15 BM&FBOVESPA Exchange-Traded Funds (ETFs) reached BRL 1.65 billion, from 126,078 trades against BRL 1.70 billion and 109,880 trades in February. In March, the ETF with the highest financial volume was ETF BOVA11, with BRL 1.45 billion against BRL 1.58 billion in the previous month.

Securities lending

In March, the total number of securities lending transactions reached 144,313 against 144,925 in the previous month. Financial volume was BRL 71.59 billion against BRL 77.17 billion in February.

Corporate securities

In March, the trading volume for the secondary market for corporate securities totaled BRL 45.40 million against BRL 12.42 million in February. Of the total volume, BRL 12.69 million were from debentures and BRL 32.71 million from Mortgage Backed Securities (CRI).

Real Estate Funds

In March, Real Estate Funds (FIIs) turned over BRL 381.72 million in 68,026 transactions against BRL 582.51 million and 105,305 transactions in the previous month. There were 119 of these funds registered at the end of the month for trading.

BM&F SEGMENT

Derivatives markets in the BM&F segment (including financial and commodities derivatives) totaled 46,972,143 contracts and BRL 3.27 trillion in volume in March against 62,179,222 contracts and BRL 4.48 trillion in February. Open interest contracts ended the last trading day of March with 35,087,042 positions against 32,903,867 in the previous month.

Financial Derivatives

In March, interest rate futures (ID) traded 19,468,273 contracts against 30,059,456 in February. US Dollar futures ended the month of March with 6,630,715 contracts compared to 7,019,665 contracts in February. IBOVESPA futures traded 1,566,535 contracts against 1,596,455 in the previous month.

Agribusiness Derivatives

In March, the BM&FBOVESPA agribusiness derivatives market (including futures and options) totaled 200,823 contracts traded compared to 260,144 contracts in February. Agribusiness markets totaled 119,739 open interest contracts against 118,945 in the previous month.

Live cattle futures and options totaled 95,605 contracts traded in March against 102,910 in February. Corn futures and options totaled 73,807 contracts traded against 120,187 in the previous month. Arabica coffee ended March with 15,294 contracts against 25,917 in February. Hydrous ethanol futures totaled 2,148 contracts against 2,814 in the previous month; and soybean derivatives totaled 8,974 contracts in March against 4,101 in the previous month.



Spot Gold

In March the spot gold market (250 grams) traded 4,437 contracts against 2,057 in February. Spot gold market volume totaled BRL 110.54 million in March against BRL 50.82 million in the previous month.

Agribusiness Securities

In March, agribusiness securities registered with BM&FBOVESPA totaled BRL 97.67 billion against BRL 95.82 billion in February. Agribusiness Credit Bills (LCAs) registered with the Exchange totaled BRL 93.99 billion in March against BRL 91.70 billion in February.

Spot US Dollar

There were 28 spot US Dollar transactions in March totaling US\$ 14 million compared to 120 transactions and US\$ 78.50 million in February. US Dollar transactions in the Brazilian interbank market, registered for settlement with the Foreign Exchange Clearinghouse totaled US\$ 30.37 billion and 2,328 transactions in March, against US\$ 25.76 billion and 2,307 transactions in February.

Investor Participation

In March financial institutions led derivatives trading (BM&F segment), accounting for 31.87% of contracts against 32.30% in the previous month. Foreign investors came next, with 30.85% - stable against the previous month. Institutional investors were responsible for 29.81% against 30.37%; individuals for 6.21% compared to 5.25%; and companies for 1.02% against 0.98% in February.

DMA - BM&F SEGMENT

In March, BM&F* market segment transactions carried out through order routing via Direct Market Access (DMA) registered 36,706,349 contracts traded and 5,155,319 trades. In February, the volume reached 49,135,461 contracts and 5,528,404 trades.

The volumes registered by each access modality in the BM&F segment were as follows: **Traditional DMA** – 11,542,637 contracts traded in 1,426,623 trades against 16,816,762 contracts and 1,501,246 trades in February; **Via DMA provider (including orders routed via the Globex System)** – 12,942,310 contracts traded in 524,063 trades against 18,679,576 contracts and 638,643 trades in the previous month; **DMA via direct connection** – 61,154 contracts traded in 25,762 trades against 36,265 contracts and 18,206 trades in the previous month; and **DMA via co-location** – 12,160,248 contracts traded in 3,178,871 trades against 13,602,858 contracts and 3,370,309 trades in the previous month.

In March, 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 3,052,595 contracts in 704,132 trades compared to 3,408,959 contracts and 714,716 trades in the previous month.

DMA - BOVESPA SEGMENT

In March, order routing via DMA in the BOVESPA* segment totaled BRL 109.91 billion in 21,460,268 trades compared to BRL 108.46 billion and 20,549,692 trades in the previous month.

Trading volumes per type of DMA in the BOVESPA segment:

Traditional DMA – BRL 58.85 billion in 11,693,479 trades against BRL 58.85 billion and 11,226,947 trades in the previous month; **DMA via provider** – BRL 11.41 billion in 1,930,234 trades against BRL 11.17 billion in 1,909,702 trades in the previous month; **DMA via direct connection** – BRL 1.02 billion in 90,007 trades against BRL 1.03 billion in 100,600 trades in the previous month; and **DMA via co-location** – BRL 38.62 billion in 7,746,548 trades against BRL 37.41 billion in 7,312,443 trades in 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 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 May 2009.

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