

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 October market performance

BOVESPA SEGMENT

Trading value in the equity market (BOVESPA segment) totaled BRL 250.16 billion in October, compared with BRL 184.32 billion the previous month. Average daily trading value was BRL 10.87 billion, from BRL 8.37 the previous month. Total volume reached 30,418,509 trades, from 22,765,248 the previous month. Average daily volume was 1,322,544 (1,034,784 in September).

Equities

The most traded stocks in October were PETROBRAS PN, with BRL 37.44 billion; ITAUUNIBANCO PN, with BRL 17.65 billion; PETROBRAS ON, with BRL 14.26 billion; BRADESCO PN with BRL 10.94 billion; and BRASIL ON, with BRL 9.81 billion.

Indexes

Ibovespa gained 0.95% in October, reaching 54,628 points.

The month's top performers in Ibovespa were: JBS ON (+20.77%); KROTON ON (+14.82%); ESTÁCIO PART ON (+12.81%); BRASKEN PNA (+11.91%); and FIBRIA ON (+11.81%). The worst performers in October were: OI PN (-25.29%); ELETROPAULO PN (-18.37%); SANTANDER BR UNT (-15.67%); PETROBRAS PN (-15.53%); and PETROBRAS ON (-15.07%).

Other indexes

The other indexes calculated by the Exchange ended October as follows:

IBRA (0.89% to 2,086 points); IBXL (1.24% to 9,263 points); IBXX (0.95% to 22,497 points); ICO2 (3.74% to 1,285 points); ICON (5.93% to 2,760 points); IDIV (-5.62% to 3,223 points); IEEX (-4.15% to 26,451 points); IFIX (-1.34% to 1,402 points); IFNC (3.76% to 5,159 points); IGCT (3.07% to 2,286 points); IGCC (3.22% to 8,426 points); IGM (4.10% to 1,867 points); IMAT (-0.61% to 1,441 points); IMOB (-0.17% to 633 points); INDX (4.05% to 12,333 points); ISEE (1.28% to 2,549 points); ITAG (4.12% to 11,683 points); IVBX (2.76% to 7,589 points); MIBV (0.95% to 5,462 points); MLCX (1.17% to 1,030 points); SMLL (-1.59% to 1,179 points); UTIL (-3.12% to 2,757 points); BDRX (1.94% to 2,609 points).

Market value

Market capitalization of the 365 stocks listed on BM&FBOVESPA reached BRL 2.42 trillion in October, compared with BRL 2.43 trillion for 366 stocks the previous month.

Special listings

In October the 185 stocks listed in BM&FBOVESPA's special corporate governance segments represented 68.02% of total market cap, 67.52% of total trading value, and 79.43% of the total volume traded in the cash market, compared with 184 stocks, 68.74%, 71.06% and 81.22% respectively in the previous month.

Market Participation

The cash market (round lots) accounted for 95.2% of total trading value in October, followed by the options market with 3.8% and the forward market with 1.0%. The After Market traded BRL 1.55 billion, with 121,003 trades, compared with BRL 799.5 million and 55,601 trades in the previous month.

Shareholder payouts

Payouts to shareholders by the companies listed on BM&FBOVESPA totaled BRL 4.77 billion in October. Dividends accounted for BRL 2.43 billion and interest on equity for BRL 2.02 billion. The total in September was BRL 2.18 billion, with dividends accounting for BRL 1.34 billion and interest on equity for BRL 507.87 million.



Investor Participation

Foreign investors maintained their lead in October, accounting for 55.28% of total trading value (52.23% in September). Institutional investors came next, accounting for 26.58% (27.84% in September), followed by individual investors with 12.18% (14.38% in September), financial institutions with 5.08% (4.44% in September), and corporates with 0.85% (1.07% in September).

Individual Investors

At end-October, BM&FBOVESPA had 557,417 individual investor stock exchange accounts in custody, compared with 548,620 a month earlier.

Foreign Investment

Net foreign investment in the Brazilian stock market totaled BRL 26.7 billion from the start of 2014 through October, comprising BRL 5.8 billion invested in stock offerings in Brazil and BRL 20.9 billion in trading on BM&FBOVESPA's secondary market.

In the month of October, net foreign investment in the Brazilian stock market was a negative BRL 0.9 billion, with stock purchases amounting to BRL 137.8 billion and stock sales to BRL 138.7 billion.

Foreign investor participation in stock offerings including IPOs represented 39% of transactions pursuant to offers with close dates announced on or before October 31, which totaled BRL 14 billion, as shown in the table available on BM&FBOVESPA's website (Media Room).

Exchange-traded funds (ETFs)

The number of transactions involving BM&FBOVESPA's 16 exchange-traded funds totaled 184,872 in October, for an aggregate value of BRL 4.03 billion, compared with 147,900 and BRL 2.36 billion respectively in previous month. The most traded ETF was BOVA11, which tracks the Ibovespa, with BRL 3.87 billion in October (BRL 2.16 billion in the previous month).

Un-sponsored Brazilian Depositary Receipts (BDRs)

In October there were 800 trades with the 65 Un-sponsored BDRs available for trading on BM&FBOVESPA. In September the number was 1,138. Trading value amounted to BRL 154.75 million, compared with BRL 245.31 million the previous month.

Securities lending

In October the number of securities lending transactions reached 141,274, compared with 118,015 in the previous month. Trading value amounted to BRL 65.71 billion, compared with BRL 56.69 billion in September.

Corporate bonds

Trading value in BM&FBOVESPA's secondary market for corporate bonds reached BRL 17.97 million in October, compared with BRL 20.12 million in the previous month. Debentures accounted for BRL 12.39 million and mortgaged-backed securities (CRIs) for BRL 4.22 million.

Real estate funds (FIIs)

The number of transactions involving FIIs traded on BM&FBOVESPA totaled 87,114 in October, for an aggregate value of BRL 412.54 million, compared with 93,010 and BRL 426.87 million respectively in the previous month. At the end of the month 127 FIIs were registered for trading.

BM&F SEGMENT

The number of contracts traded in BM&FBOVESPA's derivatives markets (BM&F Segment) totaled 67,122,052 in October, for an aggregate value of BRL 4.92 trillion, compared with 66,008,410 and BRL 4.73 trillion in the previous month. Open interest comprised 35,998,139 contracts at closing on the last trading day of October, compared with 38,705,868 a month earlier.

Financial Derivatives

The number of interest-rate futures contracts (DI) traded in October totaled 27,568,562, compared with 31,377,436 in the previous month. The number of United States Dollar (USD) futures contracts traded in October totaled 9,146,385,

compared with 8,839,795 in September. The number of Ibovespa futures contracts traded in October totaled 3,136,855, compared with 2,163,500 in the previous month.

Commodities derivatives

The number of commodity futures and options contracts traded in October totaled 322,652, compared with 242,634 in the previous month. Open interest at the end of the period amounted to 101,141 positions, compared with 106,304 a month earlier.

The number of corn futures and options contracts totaled 146,552, compared with 130,409 in the previous month. The number of live cattle futures and options contracts traded in October totaled 134,533, compared with 83,024 in September. Arabica coffee ended with 25,422 contracts, compared with 20,259 at end-September. In the case of soybeans, the total was 1,406, compared with 566 a month earlier. In that of hydrous ethanol, it was 8,424, compared with 5,297 at end-September.

Spot gold

The number of contracts traded in the spot gold market (250 grams) totaled 694, for an aggregate value of BRL 16.70 million, compared with 641 and BRL 14.84 million respectively in the previous month.

Agribusiness securities

Agribusiness securities

Trading value in agribusiness securities registered with BM&FBOVESPA totaled BRL 114.86 billion in October, compared with BRL 114.53 billion in the previous month. The stock of Agribusiness Credit Bills (LCAs) totaled BRL 109.94 billion at end-October, compared with BRL 109.68 billion at end-September.

Spot Dollar

The number of spot transactions in United States Dollars (USD) transactions performed in the Brazilian interbank market and registered for settlement with BM&FBOVESPA's Foreign Exchange Clearinghouse totaled 2,914 in October, for an aggregate value of USD35.92 billion, compared with 2,939 and USD29.64 billion in September.

Investor Participation

Foreign investors led derivatives trading in the BM&F Segment in October, accounting for 42.53% of the total, compared with 38.86% in the previous month.

Institutional investors came next, accounting for 25.97%, compared with 25.40% in the previous month. Financial institutions came next, accounting for 21.40% of the total, compared with 28.64% in the previous month, followed by individual investors, who accounted for 7.01%, compared with 6.20% a month earlier, and corporates, which accounted for 2.90%, compared with 0.76% in September.

DMA - BM&F SEGMENT

Transactions in the BM&F Segment* through order routing via Direct Market Access (DMA) involved 61,453,654 contracts and 9,074,968 trades in October, compared with 63,093,761 contracts and 11,477,605 trades in the previous month.

Trading volumes per type of DMA were as follows in the BM&F Segment:

Traditional DMA – 17,397,513 contracts traded in 2,781,711 transactions, compared with 17,979,479 contracts and 2,257,450 transactions in the previous month.

DMA via a provider (including orders routed via Globex) – 20,207,875 contracts traded in 1,213,232 transactions, compared with 22,299,818 contracts and 1,142,422 transactions in the previous month.

DMA via direct connection – 346,305 contracts traded in 99,752 transactions, compared with 241,889 contracts and 68,885 transactions in the previous month.

DMA via co-location – 25,142,068 contracts traded in 7,382,910 transactions, compared with 20,932,468 contracts and 5,606,211 transactions in the previous month.



Foreign investors introduced to BM&FBOVESPA by CME (and who use Globex-BM&FBOVESPA PUMA Trading System order routing or access BM&FBOVESPA's markets via co-location) traded 11,296,646 contracts in 3,130,469 trades in October, compared with 9,461,692 contracts and 2,214,759 transactions in the previous month.

DMA - BOVESPA SEGMENT

The number of DMA transactions in the BOVESPA Segment* totaled 34,246,211 in October, for an aggregate value of BRL 218.05 billion, compared with 26,086,905 transactions worth BRL 168.98 billion in the previous month.

Trading values and volumes per type of DMA were as follows in the BOVESPA Segment:

Traditional DMA – BRL 108.27 billion in 16,945,660 transactions, compared with BRL 87.52 billion in 13,158,344 transactions in the previous month

DMA via a provider BRL 21.48 billion in 3,662,554 transactions, compared with BRL 17.67 billion in 2,583,153 transactions in the previous month

DMA via direct connection – BRL 1.81 billion in 187,031 transactions, compared with BRL 1.24 billion in 102,850 transactions in the previous month

DMA via co-location – BRL 86.45 billion in 13,450,966 transactions, compared with BRL 62.53 billion in 10,224,558 transactions in the previous month

* BM&FBOVESPA's trading systems can be accessed using four types of DMA: 1, 2, 3 and 4. In Model 1, or traditional DMA, customers access the trading system via the technological structure of a brokerage house. In Model 2, or DMA via a provider, customers do not use a brokerage house but connect via an authorized access provider. DMA with order routing via Globex in the BM&F Segment is a form of Model 2 access. In Model 3, or DMA via direct connection, customers connect directly to the Exchange's trading platforms. In Model 4, DMA via co-location, customers install their computers inside the Exchange.

Note: The above trading values and volumes by access type include both sides of each trade (buy and sell). DMA trading statistics for the BM&F and BOVESPA Segments have been consolidated in BM&FBOVESPA's monthly reports since September 2009.

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