

**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 2016 market performance****BOVESPA SEGMENT**

Trading value in BM&FBOVESPA's equity market (BOVESPA segment) in 2016 totaled BRL 1.84 trillion, compared with BRL 1.67 trillion in 2015. Average daily trading value was BRL 7.41 billion, from BRL 7.33 billion in 2015.

Total volume reached 244,218,648 trades, from 230,189,152 in 2015; and average daily volume was 980,798, compared with 1,009,867.

In December, trading value in the BOVESPA segment totaled BRL 166.96 billion, compared with BRL 185.48 billion the previous month. Average daily trading value was BRL 7.95 billion, from BRL 9.27 the previous month. Total volume reached 19,184,427 trades, from 23,867,645 the previous month. Average daily volume was 913,544 (1,193,382 in November).

**Indexes and Equities**

Index	Closing	Month%	Year %
IBOV	60,227.28	-2.71%	38.93%
IBRA	2,298.62	-2.49%	36.85%
IBXL	10,066.38	-2.80%	36.82%
IBXX	24,78803	-2.55%	36.70%
ICO2	1,430.02	-1.52%	30.29%
ICON	2,824.88	-1.63%	13.23%
IDIV	3,250.54	-0.89%	60.49%
IEEX	36,108.16	3.78%	45.58%
IFIX	1,864.61	1.49%	32.33%
IFNC	6,367.49	-1.52%	47.22%
IGCT	2,496.83	-1.85%	35.73%
IGCX	9,042.27	-1.38%	28.90%
IGNM	1,958.45	-0.87%	18.34%
IMAT	1,805.22	-3.47%	33.55%
IMOB	576.88	1.51%	32.72%
INDX	12,559.25	-1.71%	-0.25%
ISEE	2,410.05	-1.45%	13.79%
ITAG	12,912.81	-0.94%	30.24%
IVBX	8,654.69	-0.73%	21.06%
MLCX	1,152.90	-2.68%	37.32%
SMLL	1,112.05	-0.56%	31.75%
UTIL	3,772.08	-0.14%	54.00%
BDRX	3,963.45	-1.53%	-9.71%

### Market value

Market capitalization of the 349 stocks listed on BM&FBOVESPA reached BRL 2.47 trillion at the end of 2016, compared with BRL 1.91 trillion for 359 stocks at the end of 2015.

### Market Participation

In 2016, the cash market (round lots) accounted for 96.1% of total trading value in December, followed by the options market with 3.0% and the forward market with 0.9%. The After Market traded BRL 4.49 billion, with 337,400 trades.

In December the cash market (round lots) accounted for 96.7% of total trading value, followed by the options market with 2.3% and the forward market with 1%.

### Investor Participation

	Individuals	Institutions	Foreign	Companies	Financial. Instit.
<b>2016</b>	17.0%	24.9%	52.3%	1.0%	5.2%
<b>2015</b>	13.7%	27.2%	52.8%	1.2%	5.1%
<b>Dec</b>	14.5%	27.5%	50.9%	1.4%	5.6%
<b>Nov</b>	18.9%	24.0%	51.9%	0.9%	4.3%

### Foreign Investment

In 2016, the net flow of foreign investment into the Brazilian stock market was a positive BRL 14.32 billion with stock purchases of BRL 953.29 billion and stock sales amounting to BRL 967.61 billion.

In December, the financial volume traded by foreign investors in the stock market was a negative BRL 668.1 million, with stock sales of BRL 85.33 billion and stock purchases amounting to BRL 84.66 billion.

### Un-sponsored Brazilian Depositary Receipts (BDRs)

In 2016 there were 20,309 trades with the Un-sponsored BDRs available for trading on BM&FBOVESPA. In 2015 the number of trades was 18,233. Trading value amounted to BRL 3.36 billion, compared with BRL 3.61 billion the previous year.

In December there were 1,371 trades with the Un-sponsored BDRs available for trading on BM&FBOVESPA. In November the number was 1,618. Trading value amounted to BRL 194.69 million, compared with BRL 238.25 million the previous month.

### Sponsored Brazilian Depositary Receipts (BDRs)

In 2016 there were 309,587 trades with the Sponsored BDRs available for trading on BM&FBOVESPA. In 2015 the number of trades was 499,775. Trading value amounted to BRL 2.44 billion, compared with BRL 3.91 billion the previous year.

In December there were 21,806 trades with the Sponsored BDRs available for trading on BM&FBOVESPA. In November the number was 22,544. Trading value amounted to BRL 167.66 million, compared with BRL 198.65 million the previous month.

### Exchange-traded funds (ETFs)

In 2016, the ETFs available for trading at BM&FBOVESPA reached a financial volume of BRL 46.45 billion and 2,864,856 transactions. In 2015, the total financial volume was BRL 35.41 billion, with 2,363,773 transactions.

In December, 271,557 transactions were carried out with the ETFs available for trading at the Exchange. In November, that number was 354,219. The total financial volume in December was BRL 4.06 billion, compared to BRL 4.83 billion in November.

### Securities Lending

In 2016, securities lending transactions at BM&FBOVESPA had a financial volume of BRL 692.74 billion with 1,384,209 trades, compared with the 2015 financial volume of BRL 665.73 billion and 1,519,445 trades.

In December, the financial volume for securities lending transactions was BRL 60.41 billion, compared with BRL 54.39 billion in November 2016. The number of transactions in December was 110,145, compared to 105,783 during the previous month.



### **Corporate Bonds**

In 2016, the financial volume for the corporate bonds secondary market totaled BRL 530.79 million, compared to BRL 437.27 million in 2015.

In December, the financial volume for the corporate bonds market totaled BRL 18.11 million, compared to BRL 48.52 million in November.

### **Real estate funds (FIIs)**

In 2016, Real Estate Investment Funds had a financial volume of BRL 5.61 billion and 1,311,549 transactions. During the previous year, the funds accounted for a financial volume of BRL 5.33 billion and 1,247,627 transactions. At the end of 2016, there were 127 Real Estate Investment Funds registered, the same as in 2015.

In December, the Real Estate Investment Funds market accounted for a financial volume of BRL 453.06 million and 114,662 transactions. During the previous month, they accounted for a financial volume of BRL 536.95 million and 96,718 transactions.

### **BM&F SEGMENT**

In 2016, the BM&F segment had a total of 797,537,539 contracts traded, against the 703,561,982 of 2015. Financial volume in 2016 totaled BRL 59.60 trillion, compared to a total of BRL 50.70 trillion in 2015. Open interest ended the last trading day of December with 44,948,825 positions, compared to 32,371,143 in 2015.

In December, markets in the BM&F segment accounted for a total of 75,859,384 contracts traded and a financial volume of BRL 5.33 trillion, compared to 81,822,252 contracts and BRL 5.71 trillion in November.

### **Financial Derivatives**

In 2016, interest rate futures (DI) traded a record 302,518,177 contracts, compared to 309,308,981 in 2015. US Dollar futures ended the year with 71,281,293 contracts traded, compared to 77,490,315 in 2015. Ibovespa futures traded 19,212,830 contracts compared to 16,924,855 during the previous year.

In December, interest rate futures (DI) accounted for 29,675,155 contracts, compared to 32,957,477 in November. US Dollar futures ended December with 5,502,307 contracts traded, compared to 6,559,860 in November. Ibovespa futures traded 1,502,985 contracts compared to 1,860,400 during the previous month.

### **Commodities derivatives**

In 2016, a total of 1,860,877 commodity futures and options were traded, from 1,867,542 in 2015. When trading closed in 2016, there were 85,057 contracts outstanding, compared to 68,083 at the end of the previous year.

In 2016, live cattle futures and option contracts totaled 604,637, compared to 775,881 in 2015. A total of 984,637 corn futures and options contracts were traded in 2016, from 855,118 in 2015. Type 4/5 Arabica coffee ended 2016 with 136,854 contracts traded compared to 138,764 in 2015. Soybean futures contracts (CME) traded 84,272 contracts compared to 43,789 the previous year, and the hydrous ethanol futures market traded 25,524 contracts in 2016, compared with 36,424 in 2015.

In December, a total of 96,556 commodity futures and options were traded, from 136,908 in November. In December, live cattle futures and options contracts totaled 26,566, compared to 41,174 in November. The corn market ended the period with a total of 54,921 futures and options contracts traded, from 72,301 in November. Type 4/5 Arabica coffee ended December with 7,803 contracts traded, from 14,409 contracts traded in November. Soybean futures contracts (CME) totaled 4,679 contracts in December compared to 6,032 during the previous month, and the hydrous ethanol futures market accounted for 900 contracts traded, compared to the 1,513 contracts traded in November.

### **Spot gold**

In 2016, the spot gold market (250 grams) traded 7,253 contracts, compared to 9,873 in 2015. Financial volume for the spot gold market totaled BRL 252.94 million, compared to BRL 300.38 million the year before.

In December, the spot gold market (250 grams) traded 584 contracts, from 754 in November. The total financial volume in December was BRL 18.09 million, compared to BRL 24.88 million during the previous month.

**Agribusiness securities**

In 2016, agribusiness securities registered at BM&FBOVESPA totaled BRL 133.67 billion compared to BRL 147.55 billion in 2015. Agribusiness Credit Bill (LCA) positions totaled BRL 126.95 billion in 2016, compared to BRL 138.40 billion in 2015.

In December, agribusiness securities registered at BM&FBOVESPA totaled BRL 133.67 billion, compared to BRL 136.53 billion in November. The stock of Agribusiness Credit Bills (LCAs) totaled BRL 126.95 billion in December, compared to BRL 130.29 billion in November.

**Spot Dollar**

In 2016, the financial volume of U.S. dollars traded on the Brazilian interbank settlement market and registered in the BM&FBOVESPA FX Clearinghouse was USD 302.90 billion, with 21,617 trades, compared to USD 325.91 billion and 31,783 trades in 2015.

In December, the financial volume of U.S. dollars traded on the Brazilian interbank settlement market and registered in the BM&FBOVESPA Foreign Exchange Clearinghouse in December, was USD 30.60 billion with 1,717 transactions, compared to USD 20.12 billion and 1,659 transactions in November.

**Investor Participation**

	Individuals	Institutions	Foreign	Companies	Financial. Instit.
<b>2016</b>	12.65%	29.35%	39.76%,	0.91%	17.16%
<b>2015</b>	7.69%	29.34%	39.91%,	0.95%	21.92%
<b>Dec</b>	13.79%	30.43%	37.67%	0.80%	17.21%
<b>Nov</b>	14.19%	27.47%	44.20%	0.66%	13.44%

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