

# LatAm Exchanges Tracker – April 2016

## Good start to the quarter at Bovespa; mixed at Bolsa and Cetip

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### Q. BM&F Bovespa: Is macro uncertainty helping volumes?

On the equities side ADTV was R\$8.3bn, -9.3% mom; QTD up 19.9% vs 1Q16. On the derivatives side, ADV was 3.1mn contracts, -5.4% mom; QTD up 2.3% vs. 1Q16, driven mostly by an increase in Interest rates in USD (+14.1% mom and +17.0% QTD). RPC increased 2.5% mom; QTD +1.5% vs. 1Q16. Equities and derivatives were lower versus an abnormally high March, but presented good volumes.

### Q. Bolsa Mexicana: Are there signs of a pickup in derivatives?

On the derivatives side, ADV was 36k contracts in April, down -23.2% mom driven by lower options volume, QTD down -32% vs. 1Q16. On the equities side, ADTV was Ps.13.8bn in April, down -13.2% mom and QTD down -7.8% vs. 1Q16. April data for derivatives and equities were lower on a qoq and mom basis.

### Q. Cetip: Is the financing unit stabilizing?

Cetip posted lower numbers in its auto financing unit, with 18.2k auto liens registered; -2.3% mom, and down -1.4% QTD vs. 1Q16. Securities: Registration volumes were up +5.3% mom (QTD down -2.1% vs. 1Q16) for fixed income and decreased for derivatives, (-25.7% mom and QTD down -20.3% vs. 1Q16). Custody was down 2.4% mom from a high level in March.

### Valuation: Sell Exchanges in LatAm, Prefer Banks in Mexico and Cielo/BBSE

We maintain a cautious view on LatAm Exchanges, with a Neutral on Bolsa, and a Sell on Cetip and BVMF. BVMF trades on 15.4x adj. EPS 2016E, CTIP on 18.4x adj. EPS 2016E and BMV on 18.3x EPS 2016E.

**Figure 1: LatAm Exchanges Valuation and Volumes**

	Rating	Price (local currency)	Price Target	P/E 2016e	Equities - ADTV (Local currency, in mn)				Derivatives - ADV (Thousands of contracts)			
					QTD	1Q16	2Q16e	2016e	QTD	1Q16	2Q16e	2016e
<b>BM&amp;F Bovespa</b>	Sell	18.10	13.00	15.4x	8,340	6,957	7,166	7,463	3,145	3,074	3,004	3,179
<b>BMV</b>	Neutral	27.69	28.60	18.3x	13,823	14,993	14,690	14,858	36	53	52	53
					Financing - GRV Units				Custody (R\$ bn)			
					QTD	1Q16	2Q16e	2016e	QTD	1Q16	2Q16e	2016e
<b>Cetip</b>	Sell	42.39	39.00	18.4x	18,227	18,489	17,567	18,318	5,836	5,979	6,301	6,889

Source: UBS estimates and companies. Note: price as of May 12<sup>th</sup> 2016

## Industry Name

UBS Research THESIS MAP MOST FAVORED

LEAST FAVORED

Bolsa

BVMF, Cetip

### PIVOTAL QUESTIONS

#### Q: BVMF: Is uncertainty enough to sustain volumes for FY2016?

Derivatives were down -5.4% mom and QTD up 2.3% vs 1Q16. The main drivers were commodities (-20.5%, flat QTD vs 1Q16) and interest rates in USD (+14.1% mom, +17.0% QTD vs 1Q16). On the equities side, ADTV was R\$8.3bn, -9.3% mom; QTD up 19.9% vs 1Q16.

#### Q: BMV: Are there signs of improvement for derivatives?

Equities fell -13.2% mom and -16.0% 1Q16 vs 4Q15. The main influence was the lower number of domestic equities trades, down -24.3% mom and -11.3% QTD vs 1Q16. For derivatives the main drivers were lower options volumes down -48.2% mom and weaker futures volumes down -31.7% QTD vs 1Q16.

#### Q: Cetip: Is financing stabilizing?

Auto financing decreased, down 2.3% mom and down -1.4% QTD vs 1Q16. Financing for new vehicles was down 4.0% mom and -1.3% QTD vs 1Q16. Securities were mixed with fixed income up 5.3% mom but down 2.1% QTD vs 1Q16 and weak derivatives down -25.7% mom and -20.3% QTD vs 1Q16. Interbank deposits were up 11.1% mom and agribusiness instruments up 24.0% QTD vs 1Q16.

### WHAT'S PRICED IN?

Brazilian exchanges price in the potential synergies from a [merger between Cetip and Bovespa](#), and potential structural changes in the country, more than fundamental growth in earnings. Bolsa de Mexico prices in [consolidation talks](#) and a potential rise in derivatives.

### UBS VIEW

**We have a cautious view on LatAm exchanges.** Bolsa (BMV, Neutral) has a strong cash flow stream and optionality on consolidation allied with deriving just half of its revenues from trading volumes and is therefore less cyclical than other exchanges. The stock performance of BVMF (Sell) and Cetip (Sell) assume a blue sky scenario in our view. Volumes have been healthy in March-April (though not stellar) and we wonder if they can be sustained. We also could see dilution in the expected merger.

### EVIDENCE

#### Exchanges Volume Summary

BM&F Bovespa	Apr-16	QTD	1Q16	1Q16e	2016e	MoM	1Q16 vs. 4Q15	1Q16 vs. 1Q16e	YTD vs. 2016e
Total Derivatives ('000 of contracts)	3,145	3,145	3,074	3,004	3,179	-5.4%	2.3%	4.7%	-2.7%
Total RPC (R\$)	1.5	1.5	1.5	1.6	1.6	2.5%	1.5%	-6.3%	-6.5%
Total Equities ADTV (R\$mn)	8,340	8,340	6,957	7,166	7,463	-9.3%	19.9%	16.4%	-30.1%
Bolsa	Apr-16	QTD	1Q16	1Q16e	2016e	MoM	1Q16 vs. 4Q15	1Q16 vs. 1Q16e	YTD vs. 2016e
Total Derivatives ADV (contracts)	35,960	35,960	52,544	51,736	52,668	-23.2%	-31.6%	-30.5%	-8.4%
Total Equities ADTV (Ps mn)	13,823	13,823	14,993	14,690	14,858	-13.2%	-7.8%	-5.9%	-1.1%
Cetip	Apr-16	QTD	1Q16	1Q16e	2016e	MoM	1Q16 vs. 4Q15	1Q16 vs. 1Q16e	YTD vs. 2016e
Registration - Fixed income	30.1	30.1	30.7	31.6	31.9	5.3%	-2.1%	-5.0%	-4.1%
Registration - Derivatives	36.3	36.3	45.5	46.0	45.9	-25.7%	-20.3%	-21.14%	-5.7%
Custody	5,836.2	5,836.2	5,978.6	6,301.0	6,888.9	-2.4%	-2.4%	-7.4%	-15.3%
Inclusion of Liens (Units)	18,227	18,227	18,489	17,567	18,318	-2.3%	-1.4%	3.8%	0.6%

Source: UBS estimates, Cetip, BVMF and Bolsa

# Volumes summary

Figure 2: BVMF Volume

	Apr-16	QTD	1Q16	2Q16e	2016e	MoM	QTD vs. 1Q16	QTD vs.2Q16e	YTD vs. 2016e
<b>BM&amp;F: ADV (thousands of contracts)</b>									
Interest Rates in BRL	1,455	1,455	1,456	1,484	1,607	-3.8%	0.0%	-1.9%	-9.4%
FX Rates	456	456	435	509	535	-5.4%	4.7%	-10.4%	-17.7%
Others	1,234	1,234	1,183	1,011	1,036	-7.2%	4.3%	22.1%	15.4%
<b>Total</b>	<b>3,145</b>	<b>3,145</b>	<b>3,074</b>	<b>3,004</b>	<b>3,179</b>	<b>-5.4%</b>	<b>2.3%</b>	<b>4.7%</b>	<b>-2.7%</b>
<b>BM&amp;F: RPC (R\$)</b>									
Interest Rates in BRL	1.25	1.25	1.14	1.20	1.20	4.8%	9.7%	4.6%	-3.8%
FX Rates	4.14	4.14	4.41	3.98	3.98	-3.5%	-6.3%	3.8%	-7.8%
Others	0.86	0.86	0.86	1.06	1.06	9.6%	1.0%	-18.6%	-26.1%
<b>Total</b>	<b>1.52</b>	<b>1.52</b>	<b>1.49</b>	<b>1.62</b>	<b>1.62</b>	<b>2.5%</b>	<b>1.5%</b>	<b>-6.3%</b>	<b>-6.5%</b>
<b>Bovespa: ADTV - R\$m</b>									
<b>Total Equities</b>	<b>8,340</b>	<b>8,340</b>	<b>6,957</b>	<b>7,166</b>	<b>7,463</b>	<b>-9.3%</b>	<b>19.9%</b>	<b>16.4%</b>	<b>-30.1%</b>

Source: UBS Estimates and BVMF

Figure 3: BMV Volume

	Apr-16	QTD	1Q16	2Q16e	2016e	MoM	QTD vs. 1Q16	QTD vs.2Q16e	YTD vs. 2016e
<b>Total Derivatives ADV (contracts)</b>	35,960	35,960	52,544	51,736	52,668	-23.2%	-31.6%	-30.5%	-8.4%
<b>Total Equities ADTV (Ps mn)</b>	13,823	13,823	14,993	14,690	14,858	-13.2%	-7.8%	-5.9%	-1.1%

Source: UBS estimates and BMV

Figure 4: Cetip Volume

	Apr-16	QTD	1Q16	2Q16e	2016e	MoM	QTD vs. 1Q16	QTD vs.2Q16e	YTD vs. 2016e
<b>Registration - Fixed income</b>	30.1	30.1	30.7	31.6	31.9	5.3%	-2.1%	-5.0%	-4.1%
<b>Registration - Derivatives</b>	36.3	36.3	45.5	46.0	45.9	-25.7%	-20.3%	-21.14%	-5.7%
<b>Custody</b>	5,836.2	5,836.2	5,978.6	6,301.0	6,888.9	-2.4%	-2.4%	-7.4%	-15.3%
<b>Inclusion of Liens (Units)</b>	18,227	18,227	18,489	17,567	18,318	-2.3%	-1.4%	3.8%	0.6%

Source: UBS estimates and Cetip

Figure 5: BVMF Volume Summary

	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	3Q15	4Q15	1Q16	2015 FY	2016 YTD
<b>BM&amp;F: ADV (thousands of contracts)</b>																	
Interest Rates in BRL	1,458.2	1,695.3	1,995.7	1,558.7	1,808.6	1,137.7	1,077.3	891.0	1,563.2	1,281.5	1,513.2	1,455.2	1,790.9	1,790.9	1,455.6	1,458.4	1,455.5
FX Rates	461.2	439.3	465.8	467.6	486.5	410.9	384.2	419.7	406.7	410.4	481.9	455.8	473.2	473.2	435.5	463.9	440.6
Stock Indices	69.8	108.3	69.3	143.2	92.3	130.6	73.1	119.2	74.6	134.4	107.6	110.1	101.1	101.1	105.6	100.9	106.7
Interest Rates in USD	267.4	223.8	286.5	306.0	373.6	264.4	302.9	291.9	270.7	264.3	278.7	317.9	321.5	321.5	271.6	289.2	283.2
Commodities	7.7	10.6	10.1	9.2	7.8	6.1	5.5	3.8	5.4	5.9	8.3	6.6	9.0	9.0	6.6	7.6	6.6
Mini Contracts	437.1	419.5	473.0	633.1	691.8	634.8	563.7	598.4	641.6	798.2	935.5	799.4	597.3	597.3	799.0	520.3	799.1
OTC	16.2	11.6	29.2	19.1	39.1	2.7	7.6	7.1	0.0	0.0	0.0	0.0	29.1	29.1	0.0	19.6	0.0
<b>Total Derivatives</b>	<b>2,718</b>	<b>2,908</b>	<b>3,330</b>	<b>3,137</b>	<b>3,500</b>	<b>2,587</b>	<b>2,414</b>	<b>2,331</b>	<b>2,962</b>	<b>2,895</b>	<b>3,325</b>	<b>3,145</b>	<b>3,322</b>	<b>3,322</b>	<b>3,074</b>	<b>2,860</b>	<b>3,092</b>
<b>BM&amp;F: RPC (R\$)</b>																	
Interest Rates in BRL	1.13	1.03	1.01	1.21	1.14	1.21	1.34	1.47	1.07	1.16	1.19	1.25	1.11	1.11	1.14	1.12	1.15
FX Rates	3.44	3.71	3.55	3.69	3.93	4.44	4.32	4.51	4.52	4.48	4.29	4.14	3.72	3.72	4.41	2.63	3.67
Stock Indices	1.92	2.42	1.82	2.21	1.83	2.21	1.76	2.26	1.67	2.21	1.56	2.14	2.01	2.01	1.85	1.97	2.13
Interest Rates in USD	1.75	1.77	1.63	1.77	2.15	2.27	1.84	1.89	2.13	2.10	2.23	1.88	1.87	1.87	2.16	1.33	1.84
Commodities	2.37	2.30	2.25	2.32	2.81	3.16	3.07	2.73	2.45	2.59	2.25	1.89	2.43	2.43	2.40	2.39	2.53
Mini Contracts	0.17	0.23	0.23	0.23	0.23	0.27	0.27	0.28	0.28	0.28	0.26	0.28	0.23	0.23	0.27	0.12	0.22
OTC	4.55	1.77	2.47	0.82	1.17	14.88	6.12	45.66	0.00	0.00	0.00	0.00	1.54	1.54	0.00	2.09	3.92
<b>Total RPC</b>	<b>1.47</b>	<b>1.44</b>	<b>1.34</b>	<b>1.48</b>	<b>1.48</b>	<b>1.67</b>	<b>1.66</b>	<b>1.94</b>	<b>1.48</b>	<b>1.53</b>	<b>1.48</b>	<b>1.52</b>	<b>1.43</b>	<b>1.43</b>	<b>1.49</b>	<b>1.35</b>	<b>1.52</b>
<b>Bovespa: ADTV (R\$ mn)</b>																	
Cash market	6,921	6,145	5,471	6,720	6,728	7,283	6,141	6,413	5,018	5,835	8,754	7,986	6,293	6,293	6,646	6,552	6,981
Forward market	69	73	84	67	67	54	91	48	48	62	60	53	73	73	57	67	56
Options market	210	125	171	169	180	202	128	168	176	177	381	299	173	173	251	170	263
Total Equity Income	7,200	6,343	5,726	6,956	6,975	7,539	6,361	6,629	5,242	6,074	9,194	8,338	6,540	6,540	6,954	6,789	7,300
Total Fixed Income	1	1	14	1	2	2	2	4	3	2	2	3	6	6	2	4	2
<b>Total Equities</b>	<b>7,201</b>	<b>6,344</b>	<b>5,740</b>	<b>6,957</b>	<b>6,977</b>	<b>7,541</b>	<b>6,362</b>	<b>6,632</b>	<b>5,245</b>	<b>6,076</b>	<b>9,196</b>	<b>8,340</b>	<b>6,545</b>	<b>6,545</b>	<b>6,957</b>	<b>6,793</b>	<b>7,303</b>
<b># Trading Sessions</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>19</b>	<b>20</b>	<b>19</b>	<b>19</b>	<b>22</b>	<b>20</b>	<b>64</b>	<b>64</b>	<b>60</b>	<b>246</b>	<b>80</b>

Source: UBS and BVMF

Figure 6: BMV Volume Summary

	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	3Q15	4Q15	1Q16	2015 FY	2016 YTD
<b>Derivatives: ADV</b>																	
<b>Futures</b>																	
Number of Trades	967	1,246	1,224	1,492	1,430	1,226	1,123	1,240	1,462	1,287	1,494	1,128	1,377	1,200	1,415	1,359	1,340
Volume (# of contracts)	110,996	60,079	34,778	49,355	81,561	48,977	43,745	85,623	43,091	65,158	44,495	34,765	54,602	60,196	50,915	65,931	46,728
Notional Value (Ps mn)	15,881	9,652	5,827	8,602	13,742	7,193	6,888	13,722	7,290	10,764	9,030	6,341	9,281	9,381	9,028	10,073	8,331
Open Interest (# of contract)	184,574	160,902	155,490	168,904	150,724	128,065	141,329	88,580	101,021	98,421	88,469	84,483	158,284	118,277	95,970	149,810	92,992
<b>Options</b>																	
Number of Trades	60	25	20	49	23	21	31	50	48	47	47	27	30	34	47	37	42
Volume (# of contracts)	1,835	2,879	974	1,060	2,865	1,374	2,554	2,062	839	1,743	2,306	1,194	1,613	1,970	1,629	1,749	1,517
Notional Value (Ps mn)	320	384	246	284	199	79	170	156	196	140	184	92	243	133	173	211	152
Open Interest (# of contract)	13,941	2,762	2,783	3,660	3,019	3,966	6,153	2,536	3,004	4,354	3,479	3,097	3,143	4,126	3,612	9,046	3,479
<b>Total - Derivatives</b>	<b>112,830</b>	<b>62,958</b>	<b>35,752</b>	<b>50,416</b>	<b>84,426</b>	<b>50,352</b>	<b>46,299</b>	<b>87,685</b>	<b>43,930</b>	<b>66,902</b>	<b>46,801</b>	<b>35,960</b>	<b>56,215</b>	<b>62,166</b>	<b>52,544</b>	<b>67,680</b>	<b>48,244</b>
<b>Equities: ADTV</b>																	
<b>Domestic Equities</b>																	
Number of Trades	188,018	182,885	175,792	217,160	200,871	227,439	220,735	204,949	228,181	246,350	317,331	256,297	197,259	217,563	263,954	195,009	261,744
Value Traded (Ps mn)	9,112	9,237	9,046	9,963	8,049	8,728	9,149	8,441	9,800	9,551	12,387	9,379	9,020	8,755	10,579	9,337	10,271
Trading Volume (Ps in thous)	278,574	282,101	294,026	314,017	267,061	286,072	305,075	286,082	334,058	344,656	379,050	287,064	291,773	291,807	352,588	295,458	335,470
<b>Foreign Equities</b>																	
Number of Trades	1,861	1,798	2,604	3,071	2,518	2,950	2,464	2,304	3,177	3,207	3,004	3,661	2,727	2,578	3,129	2,286	3,267
Value Traded (Ps mn)	3,596	3,085	3,901	3,384	2,983	3,159	3,419	3,120	4,992	4,700	3,534	4,440	3,437	3,224	4,409	3,579	4,420
Trading Volume (Ps in thous)	5,958	4,920	6,864	5,994	5,472	5,338	7,458	5,708	9,851	8,332	6,847	8,707	6,133	6,106	8,343	6,310	8,456
<b>Fixed Income</b>																	
Value Traded (Ps mn)	11	13	10	9	7	8	9	4	6	5	6	5	17	5	5	9	6
Trading Volume (Ps in thous)	79	80	60	65	32	44	59	27	28	28	30	31	53	42	29	66	29
<b>Total - Equities</b>	<b>12,719</b>	<b>12,335</b>	<b>12,957</b>	<b>13,356</b>	<b>11,039</b>	<b>11,895</b>	<b>12,577</b>	<b>11,565</b>	<b>14,798</b>	<b>14,256</b>	<b>15,928</b>	<b>13,824</b>	<b>12,475</b>	<b>11,983</b>	<b>14,993</b>	<b>12,924</b>	<b>14,697</b>
<b># Trading Sessions</b>	<b>20</b>	<b>22</b>	<b>23</b>	<b>21</b>	<b>21</b>	<b>22</b>	<b>19</b>	<b>22</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>21</b>	<b>65</b>	<b>63</b>	<b>60</b>	<b>251</b>	<b>81</b>

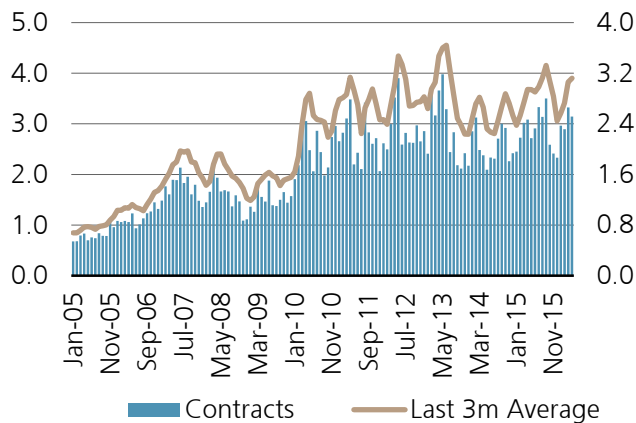
Source: UBS and BMV

Figure 7: Cetip Volume Summary

	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	3Q15	4Q15	1Q16	2015 FY	2016 YTD
<b>Registration - R\$b</b>																	
<b>Fixed Income</b>	<b>34.9</b>	<b>34.2</b>	<b>31.9</b>	<b>30.8</b>	<b>33.2</b>	<b>32.6</b>	<b>35.2</b>	<b>35.9</b>	<b>31.5</b>	<b>32.4</b>	<b>28.6</b>	<b>30.1</b>	<b>32.0</b>	<b>34.6</b>	<b>30.7</b>	<b>32.8</b>	<b>30.6</b>
Interbank deposit (DI)	19.6	19.5	17.5	17.1	19.7	17.9	20.3	18.4	17.4	18.2	13.8	15.3	18.1	18.9	16.4	17.9	16.1
Bank deposit certificate (CDI)	8.3	8.6	7.9	8.5	8.3	8.1	8.5	10.2	8.3	8.3	8.3	8.2	8.2	8.9	8.3	8.5	8.3
Other capital raising instrum	0.0	0.0	0.1	0.0	0.2	0.1	0.4	0.4	0.1	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1
Real estate market instrumer	0.9	0.7	0.5	0.6	0.6	0.6	0.7	1.0	0.8	0.7	0.6	0.6	0.6	0.8	0.7	0.8	0.7
Agribusiness instruments	0.7	0.8	0.6	0.7	0.6	0.6	0.8	0.7	0.7	0.6	0.8	0.9	0.6	0.7	0.7	0.7	0.8
Credit capital raising instrun	0.2	0.2	0.1	0.2	0.1	0.1	0.2	0.4	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.2	0.1
Letra Financeira	0.9	0.4	0.3	0.5	0.5	0.9	0.4	0.5	0.3	0.2	0.2	0.8	0.5	0.6	0.2	0.5	0.4
Fund-tranches	4.2	3.9	5.0	3.2	3.2	4.3	4.0	4.3	3.7	4.2	4.6	4.0	3.9	4.2	4.2	4.0	4.2
Others	6.9	6.1	6.6	5.2	5.2	6.6	6.4	7.3	5.8	5.9	6.5	6.5	5.7	6.8	6.1	6.4	6.2
<b>Derivatives</b>	<b>38.7</b>	<b>34.6</b>	<b>42.0</b>	<b>61.2</b>	<b>50.1</b>	<b>41.4</b>	<b>33.4</b>	<b>38.7</b>	<b>46.8</b>	<b>40.4</b>	<b>48.8</b>	<b>36.3</b>	<b>50.8</b>	<b>37.9</b>	<b>45.5</b>	<b>39.3</b>	<b>43.2</b>
Swaps	15.1	13.6	14.3	21.8	19.5	14.5	11.6	14.6	18.3	11.5	15.2	16.2	18.4	13.6	15.1	14.9	15.4
Others	23.6	20.9	27.7	39.4	30.7	26.9	21.8	24.0	28.4	28.9	33.6	20.1	32.4	24.3	30.4	24.5	27.9
<b>Custody - R\$b</b>																	
Debentures	644.8	645.8	664.3	653.6	651.5	655.1	664.2	673.4	692.9	700.0	707.8	727.1	651.5	673.4	707.8	673.4	727.1
Fund tranches	1,463.3	1,490.3	1,520.8	1,528.4	1,541.1	1,571.9	1,581.5	1,597.4	1,608.1	1,622.9	1,663.1	1,704.1	1,541.1	1,597.4	1,663.1	1,597.4	1,704.1
Others	2,871.9	2,907.9	3,093.6	3,465.9	3,685.7	3,736.3	3,711.1	3,812.7	3,745.0	3,723.2	3,616.0	3,413.5	3,678.6	3,805.1	3,607.7	3,812.7	3,413.5
<b>GRV Volume - Units</b>																	
<b>Sales</b>	<b>71,842</b>	<b>69,828</b>	<b>68,961</b>	<b>70,827</b>	<b>70,614</b>	<b>64,473</b>	<b>68,063</b>	<b>74,098</b>	<b>60,247</b>	<b>62,275</b>	<b>62,647</b>	<b>64,820</b>	<b>70,098</b>	<b>68,974</b>	<b>61,744</b>	<b>69,463</b>	<b>62,504</b>
New	16,690	15,698	15,323	15,202	14,952	13,943	15,574	16,863	13,046	12,793	13,357	13,326	15,164	15,481	13,079	16,056	13,140
Used	55,152	54,130	53,638	55,624	55,662	50,530	52,489	57,235	47,201	49,482	49,290	51,493	54,934	53,493	48,665	53,407	49,364
<b>Financing</b>	<b>21,788</b>	<b>21,161</b>	<b>20,300</b>	<b>20,657</b>	<b>20,092</b>	<b>19,362</b>	<b>20,253</b>	<b>21,160</b>	<b>18,375</b>	<b>18,423</b>	<b>18,649</b>	<b>18,227</b>	<b>20,348</b>	<b>20,273</b>	<b>18,489</b>	<b>21,247</b>	<b>18,424</b>
New	9,786	9,370	8,972	9,052	8,646	8,449	8,414	9,019	7,153	7,092	7,442	7,142	8,893	8,637	7,238	9,354	7,214
Used	12,002	11,791	11,328	11,605	11,447	10,913	11,840	12,141	11,223	11,332	11,207	11,084	11,456	11,636	11,251	11,893	11,210
<b># Trading Sessions</b>	<b>20</b>	<b>21</b>	<b>23</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>20</b>	<b>22</b>	<b>20</b>	<b>19</b>	<b>22</b>	<b>20</b>	<b>65</b>	<b>63</b>	<b>61</b>	<b>250</b>	<b>81</b>

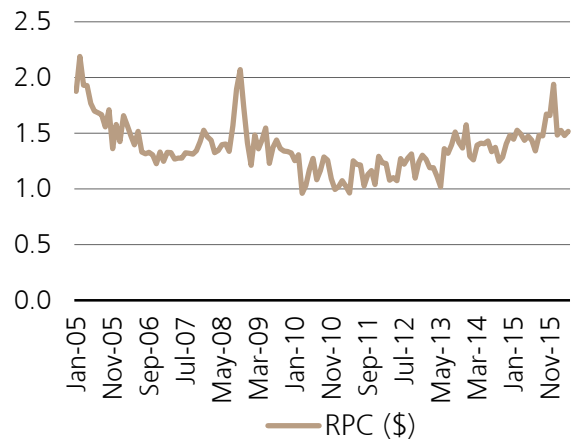
Source: UBS and Cetip

**Figure 8: BVMF – BM&F Segment ADV (mn of contracts)**



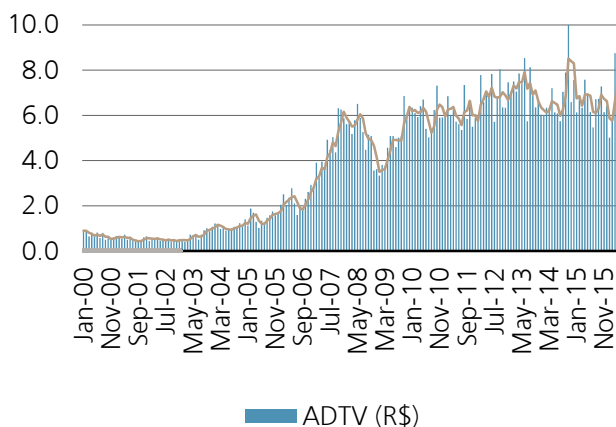
Source: UBS and BVMF

**Figure 9: BVMF – BM&F Segment: RPC (R\$)**



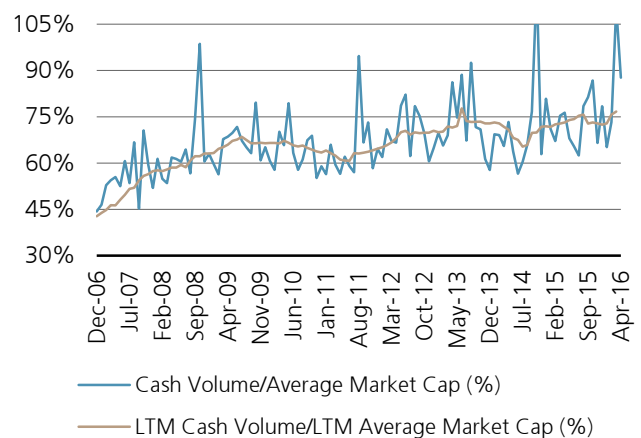
Source: UBS and BVMF

**Figure 10: BVMF – Bovespa Segment: ADTV (R\$ bn)**



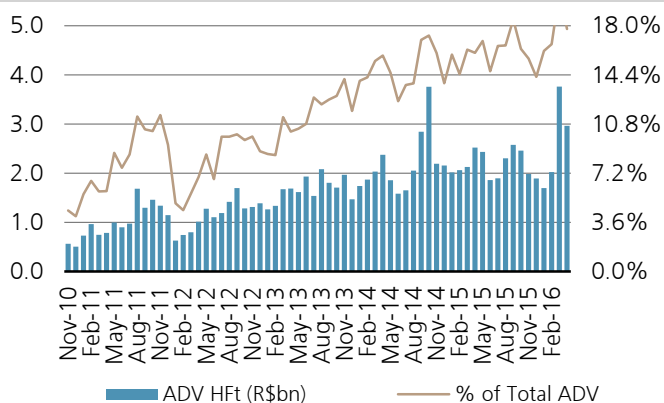
Source: UBS and BVMF

**Figure 11: BVMF – Cash Equities: Velocity (%)**



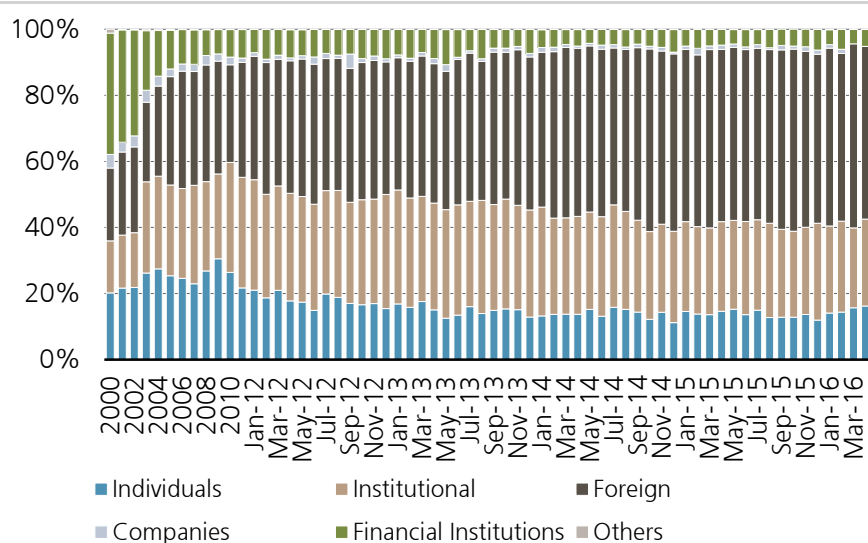
Source: UBS and BVMF

**Figure 12: Bovespa: Share of HFT(%)**



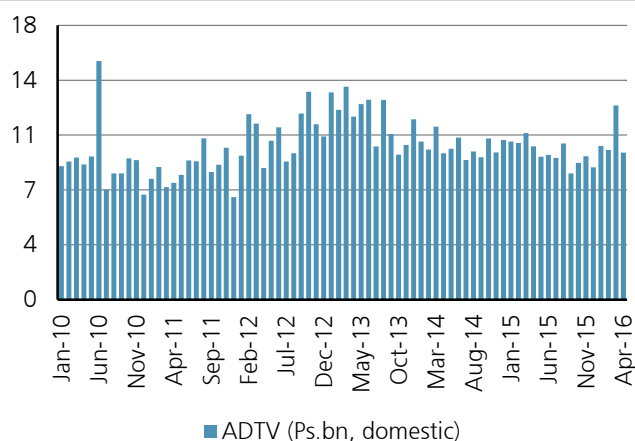
Source: UBS and BVMF

**Figure 13: Investor's Participation in Bovespa's Total Value (%)**



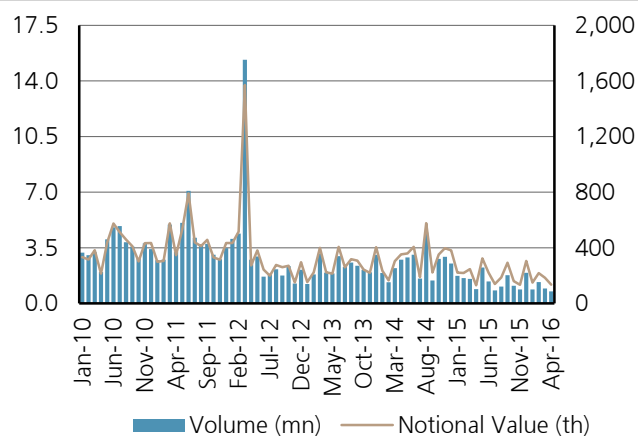
Source: UBS and BVMF

**Figure 14: BMV Equities Segment: ADTV (PS. Bn)**



Source: UBS and BMV

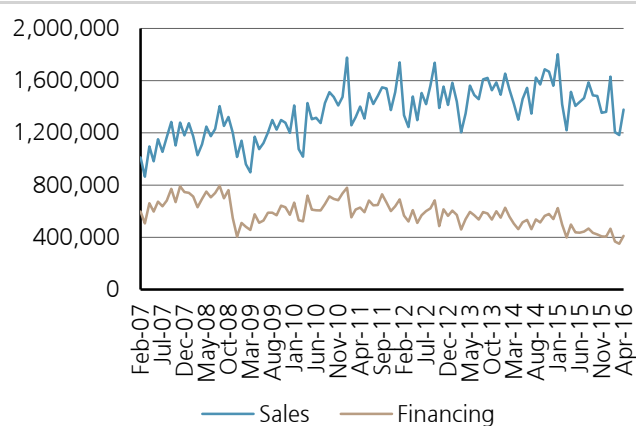
**Figure 15: Derivatives Segment: ADV (mn of contracts)**



Source: UBS and BMV

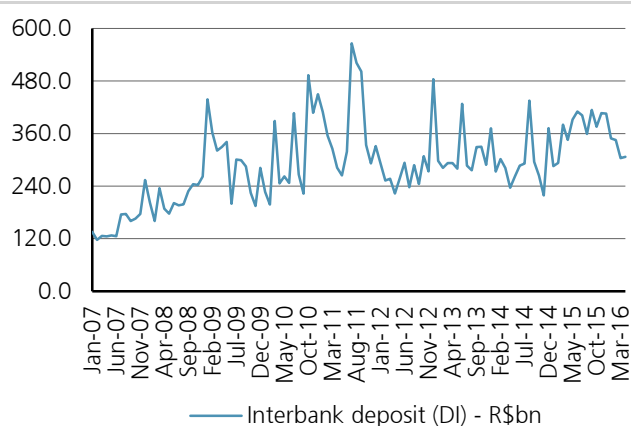


**Figure 16: Cetip – GRV: Auto (thousands of units)**



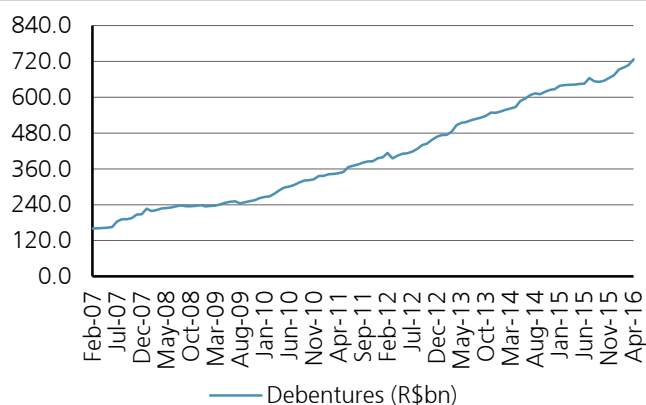
Source: UBS and Cetip

**Figure 17: Cetip – Securities: Custody volumes (R\$bn)**



Source: UBS and Cetip

**Figure 18: Cetip – Securities: Custody Volumes (R\$bn)**



Source: UBS and Cetip

## Cetip (CTIP3.SA)

	12/13	12/14	12/15	12/16E	% ch	12/17E	% ch	12/18E	12/19E	12/20E
<b>Income statement (R\$m)</b>										
<b>Revenues</b>	<b>908</b>	<b>1,013</b>	<b>1,139</b>	<b>1,248</b>	<b>9.6</b>	<b>1,419</b>	<b>13.7</b>	<b>1,596</b>	<b>1,763</b>	<b>1,984</b>
Gross profit	908	1,013	1,139	1,248	9.6	1,419	13.7	1,596	1,763	1,984
<b>EBITDA (UBS)</b>	<b>629</b>	<b>697</b>	<b>772</b>	<b>856</b>	<b>10.9</b>	<b>983</b>	<b>14.9</b>	<b>1,121</b>	<b>1,244</b>	<b>1,417</b>
Depreciation & amortisation	(76)	(83)	(93)	(91)	-1.7	(87)	-4.7	(87)	(88)	(88)
<b>EBIT (UBS)</b>	<b>553</b>	<b>614</b>	<b>679</b>	<b>765</b>	<b>12.6</b>	<b>896</b>	<b>17.2</b>	<b>1,034</b>	<b>1,156</b>	<b>1,329</b>
Associates & investment income	0	0	0	0	-	0	-	0	0	0
Other non-operating income	0	0	0	0	-	0	-	0	0	0
Net interest	(44)	(59)	(111)	99	-	(2)	-	2	6	8
Exceptionals (incl goodwill)	0	0	0	0	-	0	-	0	0	0
<b>Profit before tax</b>	<b>510</b>	<b>555</b>	<b>567</b>	<b>864</b>	<b>52.2</b>	<b>894</b>	<b>3.5</b>	<b>1,036</b>	<b>1,163</b>	<b>1,337</b>
Tax	(149)	(130)	(70)	(311)	-346.1	(304)	2.2	(352)	(395)	(455)
<b>Profit after tax</b>	<b>361</b>	<b>425</b>	<b>498</b>	<b>553</b>	<b>11.1</b>	<b>590</b>	<b>6.7</b>	<b>684</b>	<b>767</b>	<b>882</b>
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	0	0	0	0	-	0	-	0	0	0
Extraordinary items	0	0	0	0	-	0	-	0	0	0
<b>Net earnings (local GAAP)</b>	<b>361</b>	<b>425</b>	<b>498</b>	<b>553</b>	<b>11.1</b>	<b>590</b>	<b>6.7</b>	<b>684</b>	<b>767</b>	<b>882</b>
<b>Net earnings (UBS)</b>	<b>483</b>	<b>544</b>	<b>605</b>	<b>605</b>	<b>-0.1</b>	<b>642</b>	<b>6.2</b>	<b>736</b>	<b>819</b>	<b>934</b>
Tax rate (%)	29.2	23.4	12.3	36.0	193.1	34.0	-5.5	34.0	34.0	34.0
<b>Per share (R\$)</b>										
EPS (UBS, diluted)	1.86	2.08	2.32	2.32	-0.1	2.46	6.2	2.82	3.08	3.51
EPS (local GAAP, diluted)	1.39	1.63	1.91	2.12	11.1	2.26	6.7	2.62	2.88	3.31
EPS (UBS, basic)	1.86	2.08	2.32	2.32	-0.1	2.46	6.2	2.82	3.08	3.51
Net DPS (R\$)	0.47	1.15	1.52	1.72	13.1	2.03	18.2	2.36	2.64	3.04
Cash EPS (UBS, diluted) <sup>1</sup>	2.15	2.40	2.67	2.66	-0.3	2.79	4.7	3.15	3.40	3.84
Book value per share	6.60	6.80	6.61	7.36	11.4	7.79	5.8	8.25	8.74	9.28
Average shares (diluted)	259.88	261.17	261.25	261.25	0.0	261.25	0.0	261.25	266.39	266.39
<b>Balance sheet (R\$m)</b>										
Cash and equivalents	382	591	804	625	-22.3	730	16.8	568	578	601
Other current assets	121	150	203	252	24.0	253	0.3	254	255	256
<b>Total current assets</b>	<b>503</b>	<b>741</b>	<b>1,008</b>	<b>877</b>	<b>-12.9</b>	<b>983</b>	<b>12.0</b>	<b>822</b>	<b>832</b>	<b>857</b>
Net tangible fixed assets	41	50	48	46	-2.6	46	0.0	46	46	46
Net intangible fixed assets	2,049	2,066	2,061	2,044	-0.8	2,049	0.2	2,060	2,070	2,084
Investments / other assets	89	142	381	145	-62.0	145	0.0	145	145	145
<b>Total assets</b>	<b>2,683</b>	<b>2,999</b>	<b>3,497</b>	<b>3,113</b>	<b>-11.0</b>	<b>3,223</b>	<b>3.5</b>	<b>3,073</b>	<b>3,093</b>	<b>3,132</b>
Trade payables & other ST liabilities	289	220	312	217	-30.4	210	-3.0	204	198	193
Short term debt	4	20	29	350	1,125.1	350	0.00	0	0	1
<b>Total current liabilities</b>	<b>292</b>	<b>240</b>	<b>340</b>	<b>566</b>	<b>66.5</b>	<b>560</b>	<b>-1.2</b>	<b>204</b>	<b>198</b>	<b>194</b>
Long term debt	484	769	1,274	439	-65.5	351	-20.0	281	225	180
Other long term liabilities	211	243	187	184	-1.5	278	50.7	433	387	335
Preferred shares	0	0	0	0	-	0	-	0	0	0
<b>Total liabilities (incl pref shares)</b>	<b>987</b>	<b>1,253</b>	<b>1,801</b>	<b>1,190</b>	<b>-33.9</b>	<b>1,189</b>	<b>-0.1</b>	<b>918</b>	<b>810</b>	<b>708</b>
Common s/h equity	1,695	1,746	1,696	1,923	13.4	2,034	5.8	2,154	2,283	2,423
Minority interests	0	0	0	0	-	0	-	0	0	0
<b>Total liabilities &amp; equity</b>	<b>2,682</b>	<b>2,999</b>	<b>3,497</b>	<b>3,113</b>	<b>-11.0</b>	<b>3,223</b>	<b>3.5</b>	<b>3,073</b>	<b>3,093</b>	<b>3,132</b>
<b>Cash flow (R\$m)</b>										
Net income (before pref divs)	361	425	498	553	11.1	590	6.7	684	767	882
Depreciation & amortisation	76	83	93	91	-1.7	87	-4.7	87	88	88
Net change in working capital	115	(98)	38	(144)	-	(7)	94.9	(7)	(7)	(7)
Other operating	0	0	0	0	-	0	-	0	0	0
<b>Operating cash flow</b>	<b>552</b>	<b>411</b>	<b>629</b>	<b>500</b>	<b>-20.4</b>	<b>670</b>	<b>33.8</b>	<b>764</b>	<b>848</b>	<b>964</b>
Tangible capital expenditure	(40)	(60)	(65)	(86)	-31.5	(91)	-5.5	(102)	(113)	(127)
Intangible capital expenditure	0	0	0	0	-	0	-	0	0	0
Net (acquisitions) / disposals	0	0	0	0	-	0	-	0	0	0
Other investing	55	(69)	(234)	253	-	(4)	-	(11)	(10)	(14)
<b>Investing cash flow</b>	<b>15</b>	<b>(129)</b>	<b>(299)</b>	<b>167</b>	<b>-</b>	<b>(95)</b>	<b>-</b>	<b>(113)</b>	<b>(123)</b>	<b>(140)</b>
Equity dividends paid	(121)	(300)	(397)	(449)	-13.1	(531)	-18.2	(615)	(691)	(794)
Share issues / (buybacks)	0	0	0	0	-	0	-	0	0	0
Other financing	0	0	0	0	-	0	-	0	0	0
Change in debt & pref shares	(373)	302	513	(1)	-	(601)	106,936.77	281	225	181
<b>Financing cash flow</b>	<b>(494)</b>	<b>2</b>	<b>116</b>	<b>(450)</b>	<b>-</b>	<b>(1,132)</b>	<b>-151.8</b>	<b>(334)</b>	<b>(466)</b>	<b>(613)</b>
<b>Cash flow inc/(dec) in cash</b>	<b>72</b>	<b>283</b>	<b>445</b>	<b>217</b>	<b>-51.2</b>	<b>(558)</b>	<b>-</b>	<b>316</b>	<b>260</b>	<b>210</b>
FX / non cash items	15	(75)	(232)	(396)	-71.1	663	-	(478)	(250)	(187)
<b>Balance sheet inc/(dec) in cash</b>	<b>87</b>	<b>209</b>	<b>213</b>	<b>(179)</b>	<b>-</b>	<b>105</b>	<b>-</b>	<b>(162)</b>	<b>9</b>	<b>23</b>

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.<sup>1</sup>Cash EPS (UBS, diluted) is calculated using UBS net income adding back depreciation and amortization.

## Cetip (CTIP3.SA)

Valuation (x)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
P/E (local GAAP, diluted)	17.3	18.0	18.0	20.0	18.7	16.2	14.7	12.8
P/E (UBS, diluted)	12.9	14.0	14.8	18.3	17.2	15.0	13.8	12.1
P/CEPS	11.2	12.2	12.9	15.9	15.2	13.4	12.4	11.0
Equity FCF (UBS) yield %	8.3	4.7	6.4	3.8	5.3	6.1	6.8	7.7
Net dividend yield (%)	2.0	3.9	4.4	4.1	4.8	5.6	6.2	7.2
P/BV x	3.6	4.3	5.2	5.7	5.4	5.1	4.8	4.6
EV/revenues (core)	6.9	7.8	8.2	8.8	7.7	6.8	6.0	5.3
EV/EBITDA (core)	9.9	11.3	12.1	12.9	11.1	9.7	8.5	7.4
EV/EBIT (core)	11.3	12.8	13.7	14.4	12.2	10.6	9.1	7.9
EV/OpFCF (core)	10.3	11.8	12.6	13.6	11.6	10.2	8.9	7.7
EV/op. invested capital	3.3	4.2	4.5	5.2	5.4	5.7	5.6	5.3
<b>Enterprise value (R\$m)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Market cap.	6,155	7,507	8,821	10,858	10,858	10,858	10,858	10,858
Net debt (cash)	105	362	498	163	67	67	(320)	(387)
Buy out of minorities	0	0	0	0	0	0	0	0
Pension provisions/other	0	0	0	0	0	0	0	0
<b>Total enterprise value</b>	<b>6,261</b>	<b>7,869</b>	<b>9,319</b>	<b>11,022</b>	<b>10,925</b>	<b>10,925</b>	<b>10,538</b>	<b>10,472</b>
Non core assets	(5)	(6)	(7)	(7)	(7)	(7)	(7)	(7)
<b>Core enterprise value</b>	<b>6,255</b>	<b>7,863</b>	<b>9,312</b>	<b>11,015</b>	<b>10,918</b>	<b>10,918</b>	<b>10,531</b>	<b>10,465</b>
<b>Growth (%)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Revenue	14.8	11.5	12.4	9.6	13.7	12.5	10.4	12.5
EBITDA (UBS)	14.3	10.8	10.7	10.9	14.9	14.0	11.0	13.9
EBIT (UBS)	14.4	11.0	10.6	12.6	17.2	15.4	11.9	15.0
EPS (UBS, diluted)	20.4	12.1	11.2	-0.1	6.2	14.6	9.2	14.0
Net DPS	67.6	145.0	32.1	13.1	18.2	15.9	12.2	15.0
<b>Margins &amp; Profitability (%)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Gross profit margin	NM	NM	NM	NM	NM	NM	NM	NM
EBITDA margin	69.2	68.8	67.8	68.6	69.3	70.2	70.6	71.4
EBIT margin	60.9	60.6	59.6	61.3	63.2	64.8	65.6	67.0
Net earnings (UBS) margin	53.2	53.7	53.2	48.5	45.2	46.1	46.5	47.1
ROIC (EBIT)	29.2	32.9	32.9	35.8	44.0	53.6	61.1	67.8
ROIC post tax	20.7	25.2	28.9	22.9	29.0	35.4	40.3	44.8
ROE (UBS)	30.9	31.6	35.2	33.4	32.5	35.1	36.9	39.7
<b>Capital structure &amp; Coverage (x)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Net debt / EBITDA	0.2	0.3	0.6	0.2	(.0)	(0.3)	(0.3)	(0.3)
Net debt / total equity %	6.2	11.4	29.4	8.5	(1.4)	(13.3)	(15.5)	(17.3)
Net debt / (net debt + total equity) %	5.9	10.2	22.7	7.8	(1.5)	(15.4)	(18.3)	(21.0)
Net debt/EV %	1.7	2.5	5.3	1.5	(0.3)	(2.6)	(3.4)	(4.0)
Capex / depreciation %	52.9	72.2	70.4	94.2	104.3	117.1	128.6	144.0
Capex / revenue %	4.4	5.9	5.7	6.9	6.4	6.4	6.4	6.4
EBIT / net interest	12.7	10.5	6.1	NM	NM	NM	NM	NM
Dividend cover (UBS)	4.0	1.8	1.5	1.3	1.2	1.2	1.2	1.2
Div. payout ratio (UBS) %	25.3	55.3	65.6	74.3	82.7	83.6	85.9	86.7
<b>Revenues by division (R\$m)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Others	908	1,013	1,139	1,248	1,419	1,596	1,763	1,984
<b>Total</b>	<b>908</b>	<b>1,013</b>	<b>1,139</b>	<b>1,248</b>	<b>1,419</b>	<b>1,596</b>	<b>1,763</b>	<b>1,984</b>
<b>EBIT (UBS) by division (R\$m)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Others	553	614	679	765	896	1,034	1,156	1,329
<b>Total</b>	<b>553</b>	<b>614</b>	<b>679</b>	<b>765</b>	<b>896</b>	<b>1,034</b>	<b>1,156</b>	<b>1,329</b>

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.

## BM&F Bovespa (BVMF3.SA)

	12/13	12/14	12/15	12/16E	% ch	12/17E	% ch	12/18E	12/19E	12/20E
<b>Income statement (R\$m)</b>										
<b>Revenues</b>	<b>2,131</b>	<b>2,034</b>	<b>2,217</b>	<b>2,406</b>	<b>8.6</b>	<b>2,752</b>	<b>14.3</b>	<b>3,125</b>	<b>3,480</b>	<b>3,876</b>
Gross profit	-	-	-	-	-	-	-	-	-	-
<b>EBITDA (UBS)</b>	<b>1,454</b>	<b>1,344</b>	<b>1,477</b>	<b>1,596</b>	<b>8.1</b>	<b>1,921</b>	<b>20.4</b>	<b>2,259</b>	<b>2,580</b>	<b>2,940</b>
Depreciation & amortisation	(120)	(119)	(111)	(147)	32.7	(177)	20.6	(182)	(174)	(168)
<b>EBIT (UBS)</b>	<b>1,334</b>	<b>1,225</b>	<b>1,366</b>	<b>1,449</b>	<b>6.0</b>	<b>1,744</b>	<b>20.4</b>	<b>2,077</b>	<b>2,406</b>	<b>2,772</b>
Associates & investment income	171	212	136	0	-	0	-	0	0	0
Other non-operating income	0	(7)	796	0	-	0	-	0	0	0
Net interest	182	209	509	854	67.9	640	-25.1	674	729	790
Exceptionals (incl goodwill)	0	0	0	0	-	0	-	0	0	0
<b>Profit before tax</b>	<b>1,687</b>	<b>1,639</b>	<b>2,807</b>	<b>2,303</b>	<b>-18.0</b>	<b>2,384</b>	<b>3.5</b>	<b>2,750</b>	<b>3,135</b>	<b>3,561</b>
Tax	(607)	(661)	(604)	(806)	-33.5	(834)	-3.5	(825)	(941)	(1,068)
<b>Profit after tax</b>	<b>1,080</b>	<b>978</b>	<b>2,203</b>	<b>1,497</b>	<b>-32.1</b>	<b>1,549</b>	<b>3.5</b>	<b>1,925</b>	<b>2,195</b>	<b>2,493</b>
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	1	(1)	(1)	(1)	14.4	0	-	0	0	0
Extraordinary items	0	0	0	0	-	0	-	0	0	0
<b>Net earnings (local GAAP)</b>	<b>1,081</b>	<b>977</b>	<b>2,202</b>	<b>1,496</b>	<b>-32.1</b>	<b>1,549</b>	<b>3.6</b>	<b>1,925</b>	<b>2,195</b>	<b>2,493</b>
<b>Net earnings (UBS)</b>	<b>1,581</b>	<b>1,416</b>	<b>2,058</b>	<b>2,068</b>	<b>0.5</b>	<b>2,121</b>	<b>2.6</b>	<b>1,925</b>	<b>2,195</b>	<b>2,493</b>
Tax rate (%)	36.0	40.3	21.5	35.0	62.7	35.0	0.0	30.0	30.0	30.0
<b>Per share (R\$)</b>										
EPS (UBS, diluted)	0.80	0.73	1.08	1.14	5.2	1.17	2.6	1.06	1.21	1.37
EPS (local GAAP, diluted)	0.55	0.50	1.16	0.82	-28.9	0.85	3.6	1.06	1.21	1.37
EPS (UBS, basic)	0.80	0.75	1.08	1.14	5.2	1.17	2.6	1.06	1.21	1.37
Net DPS (R\$)	0.44	0.30	0.51	0.66	28.2	0.73	10.0	0.90	1.03	1.17
Cash EPS (UBS, diluted) <sup>1</sup>	0.86	0.79	1.14	1.22	6.9	1.27	3.8	1.16	1.31	1.47
Book value per share	9.74	9.99	9.65	10.27	6.4	10.40	1.2	10.56	10.74	10.95
Average shares (diluted)	1,980.00	1,940.00	1,900.00	1,815.00	-4.5	1,815.00	0.0	1,815.00	1,815.00	1,815.00
<b>Balance sheet (R\$m)</b>										
Cash and equivalents	4,050	2,463	8,239	7,494	-9.1	8,262	10.3	8,556	8,879	9,242
Other current assets	270	322	434	461	6.1	489	6.0	518	549	582
<b>Total current assets</b>	<b>4,319</b>	<b>2,785</b>	<b>8,674</b>	<b>7,955</b>	<b>-8.3</b>	<b>8,751</b>	<b>10.0</b>	<b>9,074</b>	<b>9,428</b>	<b>9,824</b>
Net tangible fixed assets	423	421	453	547	20.6	562	2.8	536	518	505
Net intangible fixed assets	16,672	16,773	15,190	16,699	9.9	16,699	0.0	16,699	16,699	16,699
Investments / other assets	4,482	5,559	1,992	2,154	8.1	2,260	4.9	2,371	2,488	2,611
<b>Total assets</b>	<b>25,897</b>	<b>25,538</b>	<b>26,309</b>	<b>27,354</b>	<b>4.0</b>	<b>28,272</b>	<b>3.4</b>	<b>28,680</b>	<b>29,134</b>	<b>29,639</b>
Trade payables & other ST liabilities	2,711	1,892	2,097	2,270	8.2	2,383	5.0	2,502	2,627	2,759
Short term debt	0	0	0	0	-	0	-	0	0	0
<b>Total current liabilities</b>	<b>2,711</b>	<b>1,892</b>	<b>2,097</b>	<b>2,270</b>	<b>8.2</b>	<b>2,383</b>	<b>5.0</b>	<b>2,502</b>	<b>2,627</b>	<b>2,759</b>
Long term debt	1,426	1,619	2,384	2,384	0.0	2,384	0.0	2,384	2,384	2,384
Other long term liabilities	2,461	3,039	3,476	4,049	16.5	4,621	14.1	4,621	4,621	4,621
Preferred shares	0	0	0	0	-	0	-	0	0	0
<b>Total liabilities (incl pref shares)</b>	<b>6,598</b>	<b>6,550</b>	<b>7,957</b>	<b>8,703</b>	<b>9.4</b>	<b>9,388</b>	<b>7.9</b>	<b>9,507</b>	<b>9,632</b>	<b>9,764</b>
Common s/h equity	19,284	18,980	18,342	18,641	1.6	18,874	1.2	19,162	19,492	19,866
Minority interests	15	9	10	10	0.0	10	0.0	10	10	10
<b>Total liabilities &amp; equity</b>	<b>25,897</b>	<b>25,538</b>	<b>26,309</b>	<b>27,354</b>	<b>4.0</b>	<b>28,272</b>	<b>3.4</b>	<b>28,680</b>	<b>29,134</b>	<b>29,639</b>
<b>Cash flow (R\$m)</b>										
Net income (before pref divs)	1,081	977	2,202	1,496	-32.1	1,549	3.6	1,925	2,195	2,493
Depreciation & amortisation	120	119	111	147	32.7	177	20.6	182	174	168
Net change in working capital	1,040	(872)	93	146	57.2	86	-41.3	90	94	98
Other operating	546	557	558	572	2.5	572	0.0	0	0	0
<b>Operating cash flow</b>	<b>2,787</b>	<b>781</b>	<b>2,964</b>	<b>2,361</b>	<b>-20.3</b>	<b>2,385</b>	<b>1.0</b>	<b>2,197</b>	<b>2,463</b>	<b>2,760</b>
Tangible capital expenditure	(289)	(240)	(227)	(241)	-6.0	(193)	19.9	(156)	(157)	(155)
Intangible capital expenditure	0	0	0	0	-	0	-	0	0	0
Net (acquisitions) / disposals	0	0	0	0	-	0	-	0	0	0
Other investing	(904)	(1,178)	5,150	(1,671)	-	(106)	-	(111)	(117)	(123)
<b>Investing cash flow</b>	<b>(1,194)</b>	<b>(1,418)</b>	<b>4,923</b>	<b>(1,911)</b>	<b>-</b>	<b>(299)</b>	<b>84.4</b>	<b>(268)</b>	<b>(274)</b>	<b>(278)</b>
Equity dividends paid	(865)	(577)	(933)	(1,197)	-28.2	(1,317)	-10.0	(1,636)	(1,866)	(2,119)
Share issues / (buybacks)	0	0	0	0	-	0	-	0	0	0
Other financing	0	0	0	0	-	0	-	0	0	0
Change in debt & pref shares	184	193	765	0	-	0	-	0	0	0
<b>Financing cash flow</b>	<b>(681)</b>	<b>(384)</b>	<b>(168)</b>	<b>(1,197)</b>	<b>NM</b>	<b>(1,317)</b>	<b>-10.0</b>	<b>(1,636)</b>	<b>(1,866)</b>	<b>(2,119)</b>
<b>Cash flow inc/(dec) in cash</b>	<b>912</b>	<b>(1,021)</b>	<b>7,719</b>	<b>(747)</b>	<b>-</b>	<b>769</b>	<b>-</b>	<b>293</b>	<b>323</b>	<b>363</b>
FX / non cash items	(139)	(567)	(1,942)	1	-	0	-	0	0	0
<b>Balance sheet inc/(dec) in cash</b>	<b>773</b>	<b>(1,587)</b>	<b>5,777</b>	<b>(746)</b>	<b>-</b>	<b>769</b>	<b>-</b>	<b>293</b>	<b>323</b>	<b>363</b>

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.<sup>1</sup>Cash EPS (UBS, diluted) is calculated using UBS net income adding back depreciation and amortization.

## BM&F Bovespa (BVMF3.SA)

Valuation (x)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
P/E (local GAAP, diluted)	23.5	22.2	9.6	21.3	20.6	16.6	14.5	12.8
P/E (UBS, diluted)	16.1	15.3	10.3	15.4	15.0	16.6	14.5	12.8
P/CEPS	14.9	13.8	9.7	14.4	13.9	15.1	13.5	12.0
Equity FCF (UBS) yield %	9.8	2.5	13.0	6.3	6.6	6.1	6.9	7.8
Net dividend yield (%)	3.4	2.7	4.6	3.8	4.1	5.1	5.8	6.6
P/BV x	1.3	1.1	1.2	1.7	1.7	1.7	1.6	1.6
EV/revenues (core)	9.1	8.3	6.9	NM	10.0	8.7	7.7	6.8
EV/EBITDA (core)	13.4	12.6	10.3	17.7	14.3	12.0	10.4	9.0
EV/EBIT (core)	14.6	13.8	11.1	19.5	15.8	13.1	11.2	9.6
EV/OpFCF (core)	16.3	15.0	12.0	20.5	15.7	12.8	11.0	9.5
EV/op. invested capital	1.4	1.2	1.1	2.2	2.1	2.1	2.1	2.0
<b>Enterprise value (R\$m)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Market cap.	25,380	21,519	21,101	33,402	33,402	33,402	33,402	33,402
Net debt (cash)	(2,624)	(844)	(5,855)	(5,109)	(5,878)	(6,172)	(6,495)	(6,858)
Buy out of minorities	15	9	10	10	10	10	10	10
Pension provisions/other	0	0	0	0	0	0	0	0
<b>Total enterprise value</b>	<b>22,771</b>	<b>20,684</b>	<b>15,256</b>	<b>28,303</b>	<b>27,534</b>	<b>27,240</b>	<b>26,917</b>	<b>26,554</b>
Non core assets	(3,346)	(3,761)	(31)	(31)	(31)	(31)	(31)	(31)
<b>Core enterprise value</b>	<b>19,424</b>	<b>16,923</b>	<b>15,225</b>	<b>28,272</b>	<b>27,503</b>	<b>27,210</b>	<b>26,886</b>	<b>26,524</b>
<b>Growth (%)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Revenue	3.2	-4.6	9.0	8.6	14.3	13.5	11.4	11.4
EBITDA (UBS)	4.2	-7.5	9.8	8.1	20.4	17.6	14.2	13.9
EBIT (UBS)	2.5	-8.2	11.5	6.0	20.4	19.1	15.9	15.2
EPS (UBS, diluted)	0.1	-8.6	48.4	5.2	2.6	-9.3	14.0	13.6
Net DPS	-6.1	-32.0	73.0	28.2	10.0	24.3	14.0	13.6
<b>Margins &amp; Profitability (%)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Gross profit margin	-	-	-	-	-	-	-	-
EBITDA margin	68.2	66.1	66.6	66.3	69.8	72.3	74.1	NM
EBIT margin	62.6	60.2	61.6	60.2	63.4	66.5	69.1	71.5
Net earnings (UBS) margin	74.2	69.6	NM	NM	NM	61.6	63.1	64.3
ROIC (EBIT)	9.6	8.8	10.2	11.2	13.2	16.0	18.5	21.3
ROIC post tax	6.2	5.3	8.0	7.2	8.6	11.2	13.0	14.9
ROE (UBS)	8.2	7.4	11.0	11.2	11.3	10.1	11.4	12.7
<b>Capital structure &amp; Coverage (x)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Net debt / EBITDA	(1.8)	(0.6)	(4.0)	(3.2)	(3.1)	(2.7)	(2.5)	(2.3)
Net debt / total equity %	(13.6)	(4.4)	(31.9)	(27.4)	(31.1)	(32.2)	(33.3)	(34.5)
Net debt / (net debt + total equity) %	(15.7)	(4.6)	(46.9)	(37.7)	(45.2)	(47.5)	(49.9)	(52.7)
Net debt/EV %	(13.5)	(5.0)	(38.5)	(18.1)	(21.4)	(22.7)	(24.2)	(25.9)
Capex / depreciation %	NM	NM	NM	163.5	108.5	85.6	90.1	92.1
Capex / revenue %	13.6	11.8	10.2	10.0	7.0	5.0	4.5	4.0
EBIT / net interest	NM	NM	NM	NM	NM	NM	NM	NM
Dividend cover (UBS)	1.8	2.5	2.1	1.7	1.6	1.2	1.2	1.2
Div. payout ratio (UBS) %	54.7	39.9	47.5	57.9	62.1	85.0	85.0	85.0
<b>Revenues by division (R\$m)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Others	2,131	2,034	2,217	2,406	2,752	3,125	3,480	3,876
<b>Total</b>	<b>2,131</b>	<b>2,034</b>	<b>2,217</b>	<b>2,406</b>	<b>2,752</b>	<b>3,125</b>	<b>3,480</b>	<b>3,876</b>
<b>EBIT (UBS) by division (R\$m)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Others	1,334	1,225	1,366	1,449	1,744	2,077	2,406	2,772
<b>Total</b>	<b>1,334</b>	<b>1,225</b>	<b>1,366</b>	<b>1,449</b>	<b>1,744</b>	<b>2,077</b>	<b>2,406</b>	<b>2,772</b>

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.

## Bolsa Mexicana (BOLSAA.MX)

	12/13	12/14	12/15	12/16E	% ch	12/17E	% ch	12/18E	12/19E	12/20E
<b>Income statement (Pm)</b>										
<b>Revenues</b>	<b>2,275</b>	<b>2,434</b>	<b>2,613</b>	<b>2,797</b>	<b>7.1</b>	<b>3,054</b>	<b>9.2</b>	<b>3,306</b>	<b>3,582</b>	<b>3,887</b>
Gross profit	-	-	-	-	-	-	-	-	-	-
<b>EBITDA (UBS)</b>	<b>1,065</b>	<b>1,046</b>	<b>1,312</b>	<b>1,434</b>	<b>9.3</b>	<b>1,573</b>	<b>9.7</b>	<b>1,720</b>	<b>1,881</b>	<b>2,063</b>
Depreciation & amortisation	(56)	(57)	(64)	(66)	4.1	(48)	-27.1	(54)	(60)	(67)
<b>EBIT (UBS)</b>	<b>1,008</b>	<b>988</b>	<b>1,248</b>	<b>1,368</b>	<b>9.6</b>	<b>1,525</b>	<b>11.5</b>	<b>1,666</b>	<b>1,821</b>	<b>1,996</b>
Associates & investment income	0	0	0	0	-	0	-	0	0	0
Other non-operating income	11	(187)	(115)	2	-	2	0.0	2	2	2
Net interest	80	57	24	38	54.7	38	0.0	41	43	45
Exceptionals (incl goodwill)	0	0	0	0	-	0	-	0	0	0
<b>Profit before tax</b>	<b>1,100</b>	<b>858</b>	<b>1,158</b>	<b>1,408</b>	<b>21.6</b>	<b>1,565</b>	<b>11.1</b>	<b>1,708</b>	<b>1,866</b>	<b>2,043</b>
Tax	(286)	(309)	(394)	(404)	-2.7	(449)	-11.1	(491)	(536)	(587)
<b>Profit after tax</b>	<b>814</b>	<b>549</b>	<b>764</b>	<b>1,003</b>	<b>31.3</b>	<b>1,115</b>	<b>11.1</b>	<b>1,218</b>	<b>1,330</b>	<b>1,457</b>
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	(46)	(49)	(83)	(103)	-24.5	(107)	-4.0	(112)	(116)	(121)
Extraordinary items	0	0	0	0	-	0	-	0	0	0
<b>Net earnings (local GAAP)</b>	<b>768</b>	<b>500</b>	<b>681</b>	<b>900</b>	<b>32.1</b>	<b>1,008</b>	<b>12.0</b>	<b>1,106</b>	<b>1,214</b>	<b>1,336</b>
<b>Net earnings (UBS)</b>	<b>768</b>	<b>500</b>	<b>681</b>	<b>900</b>	<b>32.1</b>	<b>1,008</b>	<b>12.0</b>	<b>1,106</b>	<b>1,214</b>	<b>1,336</b>
Tax rate (%)	26.0	36.0	34.0	28.7	-15.5	28.7	0.0	28.7	28.7	28.7
<b>Per share (P)</b>										
EPS (UBS, diluted)	1.30	0.84	1.15	1.52	32.1	1.70	12.0	1.87	2.05	2.25
EPS (local GAAP, diluted)	1.30	0.84	1.15	1.52	32.1	1.70	12.0	1.87	2.05	2.25
EPS (UBS, basic)	1.30	0.84	1.15	1.52	32.1	1.70	12.0	1.87	2.05	2.25
Net DPS (P)	1.08	1.09	1.01	1.09	8.4	1.36	24.8	1.68	1.84	2.03
Cash EPS (UBS, diluted) <sup>1</sup>	1.39	0.94	1.26	1.63	29.7	1.78	9.3	1.96	2.15	2.37
Book value per share	9.37	9.13	9.13	9.56	4.7	9.90	3.6	10.09	10.29	10.52
Average shares (diluted)	592.99	592.99	592.99	592.99	0.0	592.99	0.0	592.99	592.99	592.99
<b>Balance sheet (Pm)</b>										
Cash and equivalents	2,092	2,282	2,603	3,291	26.5	3,566	8.4	3,757	3,955	4,168
Other current assets	531	444	352	308	-12.5	310	0.8	313	315	318
<b>Total current assets</b>	<b>2,623</b>	<b>2,726</b>	<b>2,954</b>	<b>3,599</b>	<b>21.8</b>	<b>3,877</b>	<b>7.7</b>	<b>4,070</b>	<b>4,271</b>	<b>4,486</b>
Net tangible fixed assets	439	491	493	484	-1.9	542	12.1	604	669	738
Net intangible fixed assets	0	0	0	0	-	0	-	0	0	0
Investments / other assets	3,010	3,737	3,689	3,729	1.1	3,645	-2.2	3,576	3,551	3,531
<b>Total assets</b>	<b>6,072</b>	<b>6,954</b>	<b>7,136</b>	<b>7,811</b>	<b>9.5</b>	<b>8,064</b>	<b>3.2</b>	<b>8,249</b>	<b>8,491</b>	<b>8,754</b>
Trade payables & other ST liabilities	300	717	580	916	57.9	937	2.2	963	984	1,007
Short term debt	21	16	41	85	106.82	87	2.00	88	90	92
<b>Total current liabilities</b>	<b>321</b>	<b>733</b>	<b>621</b>	<b>1,001</b>	<b>61.1</b>	<b>1,024</b>	<b>2.2</b>	<b>1,051</b>	<b>1,074</b>	<b>1,098</b>
Long term debt	20	625	816	866	6.1	892	3.0	937	1,030	1,133
Other long term liabilities	0	0	0	0	-	0	-	0	0	0
Preferred shares	0	0	0	0	-	0	-	0	0	0
<b>Total liabilities (incl pref shares)</b>	<b>341</b>	<b>1,358</b>	<b>1,438</b>	<b>1,867</b>	<b>29.9</b>	<b>1,915</b>	<b>2.6</b>	<b>1,987</b>	<b>2,105</b>	<b>2,232</b>
Common s/h equity	5,555	5,414	5,416	5,669	4.7	5,871	3.6	5,981	6,103	6,236
Minority interests	176	182	283	275	-2.8	278	1.0	281	283	286
<b>Total liabilities &amp; equity</b>	<b>6,072</b>	<b>6,954</b>	<b>7,136</b>	<b>7,811</b>	<b>9.5</b>	<b>8,064</b>	<b>3.2</b>	<b>8,249</b>	<b>8,491</b>	<b>8,754</b>
<b>Cash flow (Pm)</b>										
Net income (before pref divs)	768	500	681	900	32.1	1,008	12.0	1,106	1,214	1,336
Depreciation & amortisation	56	57	64	66	4.1	48	-27.1	54	60	67
Net change in working capital	20	504	(44)	380	-	18	-95.2	23	19	20
Other operating	0	0	0	0	-	0	-	0	0	0
<b>Operating cash flow</b>	<b>845</b>	<b>1,061</b>	<b>701</b>	<b>1,346</b>	<b>92.1</b>	<b>1,074</b>	<b>-20.2</b>	<b>1,184</b>	<b>1,293</b>	<b>1,422</b>
Tangible capital expenditure	(46)	(109)	(66)	(57)	13.7	(107)	-88.0	(116)	(125)	(136)
Intangible capital expenditure	0	0	0	0	-	0	-	0	0	0
Net (acquisitions) / disposals	0	0	0	0	-	0	-	0	0	0
Other investing	0	0	0	0	-	0	-	0	0	0
<b>Investing cash flow</b>	<b>(46)</b>	<b>(109)</b>	<b>(66)</b>	<b>(57)</b>	<b>13.7</b>	<b>(107)</b>	<b>-88.0</b>	<b>(116)</b>	<b>(125)</b>	<b>(136)</b>
Equity dividends paid	(640)	(646)	(596)	(646)	-8.4	(806)	-24.8	(996)	(1,092)	(1,202)
Share issues / (buybacks)	0	0	0	0	-	0	-	0	0	0
Other financing	0	0	0	0	-	0	-	0	0	0
Change in debt & pref shares	(20)	600	216	93	-56.81	28	-70.39	46	95	105
<b>Financing cash flow</b>	<b>(660)</b>	<b>(46)</b>	<b>(380)</b>	<b>(553)</b>	<b>-45.6</b>	<b>(779)</b>	<b>-40.9</b>	<b>(949)</b>	<b>(997)</b>	<b>(1,097)</b>
<b>Cash flow inc/(dec) in cash</b>	<b>138</b>	<b>905</b>	<b>255</b>	<b>737</b>	<b>188.5</b>	<b>189</b>	<b>-74.4</b>	<b>119</b>	<b>171</b>	<b>189</b>
FX / non cash items	(69)	(715)	65	(48)	-	86	-	72	28	23
<b>Balance sheet inc/(dec) in cash</b>	<b>69</b>	<b>190</b>	<b>321</b>	<b>689</b>	<b>114.9</b>	<b>275</b>	<b>-60.1</b>	<b>191</b>	<b>199</b>	<b>212</b>

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.<sup>1</sup>Cash EPS (UBS, diluted) is calculated using UBS net income adding back depreciation and amortization.

## Bolsa Mexicana (BOLSAA.MX)

Valuation (x)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
P/E (local GAAP, diluted)	25.0	32.3	23.2	18.3	16.3	14.9	13.6	12.3
P/E (UBS, diluted)	25.0	32.3	23.2	18.3	16.3	14.9	13.6	12.3
P/CEPS	23.3	28.9	21.2	17.0	15.6	14.2	12.9	11.7
Equity FCF (UBS) yield %	4.2	5.9	4.0	7.8	5.9	6.5	7.1	7.8
Net dividend yield (%)	3.3	4.0	3.8	3.9	4.9	6.1	6.6	7.3
P/BV x	3.5	3.0	2.9	2.9	2.8	2.8	2.7	2.6
EV/revenues (core)	7.6	5.9	5.5	5.2	4.7	4.3	3.9	3.6
EV/EBITDA (core)	16.3	13.8	11.0	10.2	9.1	8.2	7.4	6.7
EV/EBIT (core)	17.2	14.6	11.5	10.7	9.4	8.4	7.7	6.9
EV/OpFCF (core)	16.5	14.2	11.1	10.3	9.2	8.3	7.5	6.8
EV/op. invested capital	7.9	NM	NM	NM	NM	NM	NM	NM
<b>Enterprise value (Pm)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Market cap.	19,179	16,126	15,800	16,450	16,450	16,450	16,450	16,450
Net debt (cash)	(2,006)	(1,846)	(1,693)	(2,043)	(2,464)	(2,660)	(2,784)	(2,889)
Buy out of minorities	176	182	283	275	278	281	283	286
Pension provisions/other	0	0	0	0	0	0	0	0
<b>Total enterprise value</b>	<b>17,348</b>	<b>14,462</b>	<b>14,390</b>	<b>14,682</b>	<b>14,263</b>	<b>14,070</b>	<b>13,949</b>	<b>13,847</b>
Non core assets	0	0	0	0	0	0	0	0
<b>Core enterprise value</b>	<b>17,348</b>	<b>14,462</b>	<b>14,390</b>	<b>14,682</b>	<b>14,263</b>	<b>14,070</b>	<b>13,949</b>	<b>13,847</b>
<b>Growth (%)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Revenue	8.4	7.0	7.3	7.1	9.2	8.3	8.3	8.5
EBITDA (UBS)	13.9	-1.8	25.4	9.3	9.7	9.3	9.4	9.7
EBIT (UBS)	13.4	-2.0	26.3	9.6	11.5	9.2	9.3	9.6
EPS (UBS, diluted)	12.5	-34.9	36.3	32.1	12.0	9.7	9.7	10.1
Net DPS	-10.0	0.9	-7.8	8.4	24.8	23.5	9.7	10.1
<b>Margins &amp; Profitability (%)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Gross profit margin	-	-	-	-	-	-	-	-
EBITDA margin	46.8	43.0	50.2	51.3	51.5	52.0	52.5	53.1
EBIT margin	44.3	40.6	47.8	48.9	49.9	50.4	50.8	51.4
Net earnings (UBS) margin	33.8	20.5	26.1	32.2	33.0	33.5	33.9	34.4
ROIC (EBIT)	45.7	71.8	231.6	274.8	354.0	427.1	472.8	486.7
ROIC post tax	33.8	45.9	NM	NM	NM	NM	NM	NM
ROE (UBS)	14.0	9.1	12.6	16.2	17.5	18.7	20.1	21.7
<b>Capital structure &amp; Coverage (x)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Net debt / EBITDA	(1.9)	(1.6)	(1.3)	(1.6)	(1.6)	(1.6)	(1.5)	(1.4)
Net debt / total equity %	(35.8)	(29.3)	(30.6)	(39.4)	(42.1)	(43.6)	(44.4)	(45.1)
Net debt / (net debt + total equity) %	(55.7)	(41.5)	(44.1)	(64.9)	(72.7)	(77.4)	(79.8)	(82.2)
Net debt/EV %	(11.8)	(11.3)	(12.1)	(15.9)	(18.1)	(19.4)	(20.3)	(21.3)
Capex / depreciation %	82.3	190.5	103.4	85.7	NM	NM	NM	NM
Capex / revenue %	2.0	4.5	2.5	2.0	3.5	3.5	3.5	3.5
EBIT / net interest	NM	NM	NM	NM	NM	NM	NM	NM
Dividend cover (UBS)	1.2	0.8	1.1	1.4	1.3	1.1	1.1	1.1
Div. payout ratio (UBS) %	83.4	129.3	87.5	71.8	80.0	90.0	90.0	90.0
<b>Revenues by division (Pm)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Others	2,275	2,434	2,613	2,797	3,054	3,306	3,582	3,887
<b>Total</b>	<b>2,275</b>	<b>2,434</b>	<b>2,613</b>	<b>2,797</b>	<b>3,054</b>	<b>3,306</b>	<b>3,582</b>	<b>3,887</b>
<b>EBIT (UBS) by division (Pm)</b>	<b>12/13</b>	<b>12/14</b>	<b>12/15</b>	<b>12/16E</b>	<b>12/17E</b>	<b>12/18E</b>	<b>12/19E</b>	<b>12/20E</b>
Others	1,008	988	1,248	1,368	1,525	1,666	1,821	1,996
<b>Total</b>	<b>1,008</b>	<b>988</b>	<b>1,248</b>	<b>1,368</b>	<b>1,525</b>	<b>1,666</b>	<b>1,821</b>	<b>1,996</b>

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.

### **Valuation Method and Risk Statement**

Our valuations are DCF Model derived.

LatAm financials' performance is closed linked to the local economic conditions and changes in interest rate and foreign exchange. Also, Latin American financials may be affected by changes in regulatory framework and the overall local competition and foreign competition.



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12-Month Rating	Definition	Coverage <sup>1</sup>	IB Services <sup>2</sup>
<b>Buy</b>	FSR is > 6% above the MRA.	49%	32%
<b>Neutral</b>	FSR is between -6% and 6% of the MRA.	38%	26%
<b>Sell</b>	FSR is > 6% below the MRA.	14%	19%
Short-Term Rating	Definition	Coverage <sup>3</sup>	IB Services <sup>4</sup>
<b>Buy</b>	Stock price expected to rise within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%
<b>Sell</b>	Stock price expected to fall within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%

Source: UBS. Rating allocations are as of 31 March 2016.

1:Percentage of companies under coverage globally within the 12-month rating category.

2:Percentage of companies within the 12-month rating category for which investment banking (IB) services were provided within the past 12 months.

3:Percentage of companies under coverage globally within the Short-Term rating category.

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## Company Disclosures

Company Name	Reuters	12-month rating	Short-term rating	Price	Price date
<b>BB Seguridade</b>	BBSE3.SA	Neutral	N/A	R\$28.18	11 May 2016
<b>BM&amp;F Bovespa</b> <sup>5, 18</sup>	BVMF3.SA	Sell	N/A	R\$17.58	11 May 2016
<b>Bolsa Mexicana</b> <sup>16</sup>	BOLSAA.MX	Neutral	N/A	P27.74	11 May 2016
<b>Cetip</b> <sup>18</sup>	CTIP3.SA	Sell	N/A	R\$42.30	11 May 2016
<b>Cielo</b>	CIEL3.SA	Neutral	N/A	R\$34.61	11 May 2016

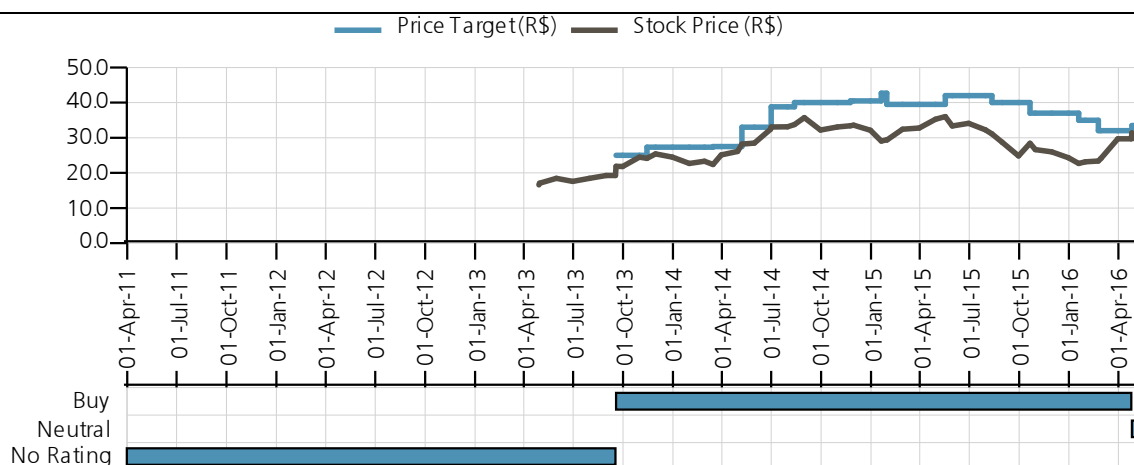
Source: UBS. All prices as of local market close.

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5. UBS AG, its affiliates or subsidiaries expect to receive or intend to seek compensation for investment banking services from this company/entity within the next three months.
16. UBS Casa de Bolsa S.A. makes a market in the securities of this company.
18. UBS Brasil CCTVM S.A. has provided a valuation report to the Board of Directors of BM&FBovespa for its announced merger with CETIP SA-Mercados Organizados

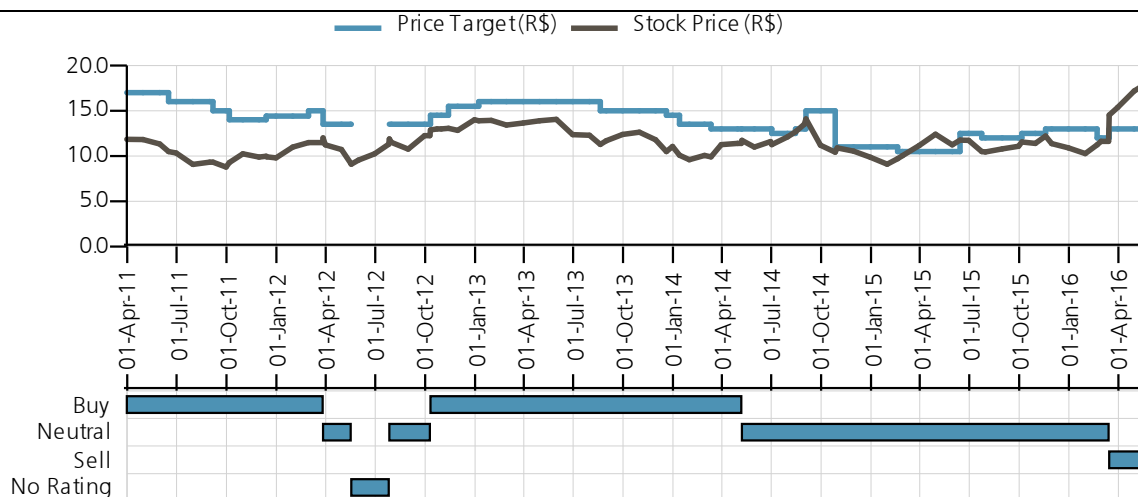
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### BB Seguridade (R\$)



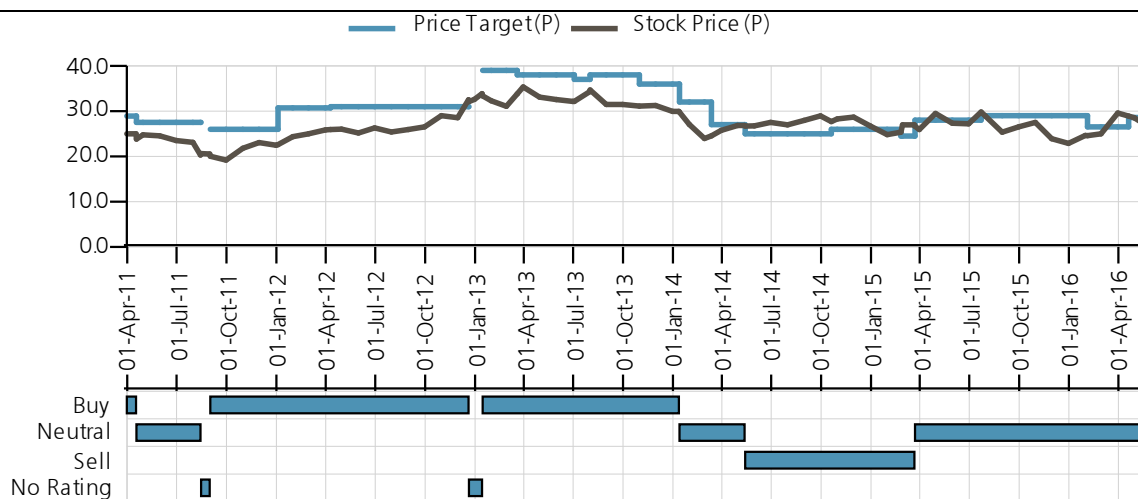
Source: UBS; as of 11 May 2016

## BM&F Bovespa (R\$)



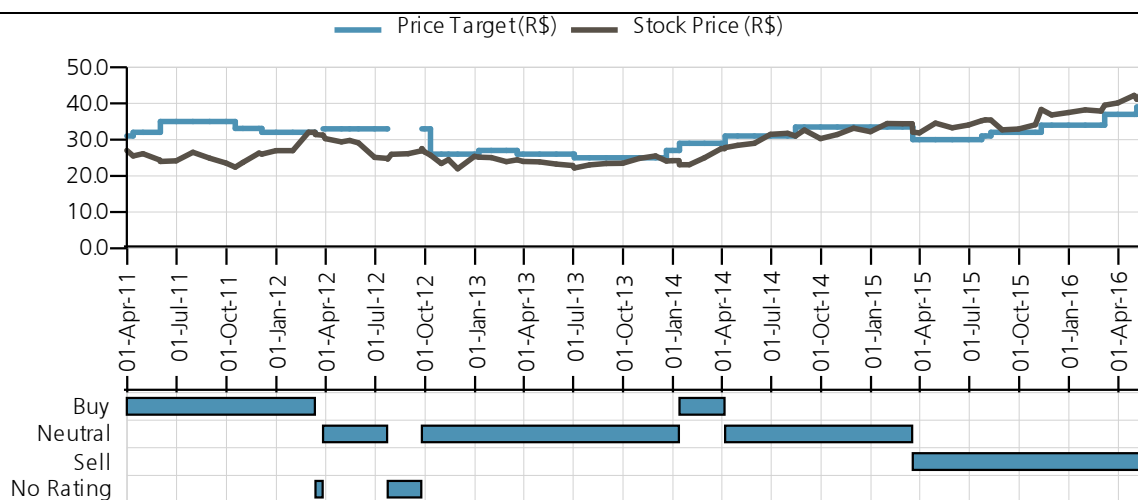
Source: UBS; as of 11 May 2016

## Bolsa Mexicana (P)



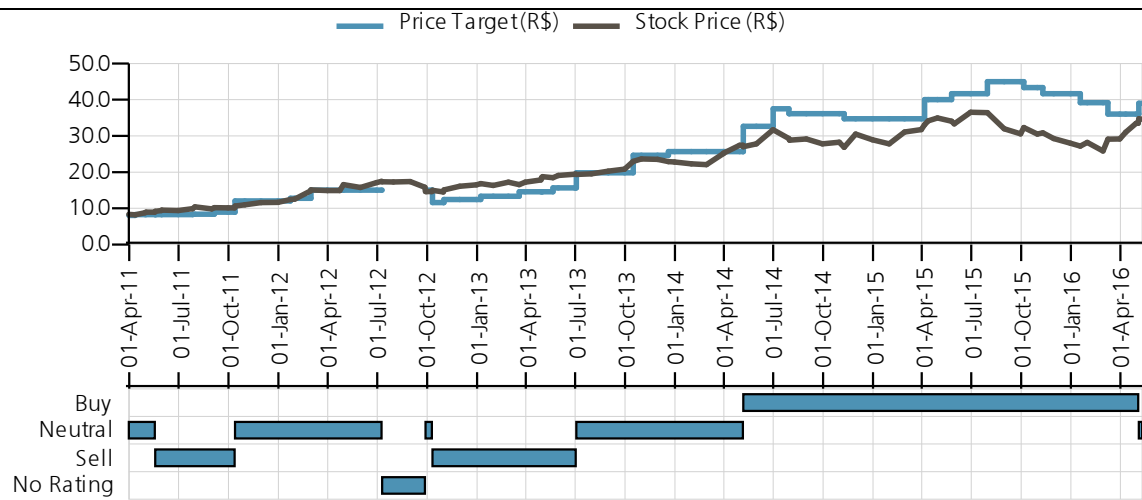
Source: UBS; as of 11 May 2016

## Cetip (R\$)



Source: UBS; as of 11 May 2016

Cielo (R\$)



Source: UBS; as of 11 May 2016

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