

LatAm Exchanges Tracker – June 2016

Weak trends in June

Equities

Latin America
Financial Services

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

On the equities side, ADTV was R\$6.5bn in June (-1.8%mom), and R\$7.1bn in 2Q16 (up 2.7%qoq and 5.5% below our estimates). On the derivatives side, ADV was 3.2mn contracts in June (up +17.7%mom), and 3.0mn in 2Q16 (-2.2%qoq and 1.9% above our estimates), driven mostly by Interest rates in USD (+54.2%mom) and Stock indices (-7.6%qoq). RPC increased +1.2%mom; -5.0%qoq (2.9% below our estimates). Volumes were mixed in the quarter.

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

On the derivatives side, ADV was 47.6k contracts in June, down -31.6%mom, 2Q16 ADV 51.2k contracts, -2.5%qoq and 0.9% below our estimates, driven mostly by options volume (-28.9%qoq). On the equities side, ADTV reached Ps 13.2bn in June, up +1.5%mom, 2Q16 ADTV Ps 13.3bn, -11.0%qoq and 6.6% below our estimates. Margin deposits ADV (a leading indicator for ADV) were Ps1.6bn in June, up +41.5%mom and Ps 1.2bn in 2Q16 (+50.7%qoq). Equities continue to be weak, and derivatives were in line. Margin deposits were strong showing a greater interest in the derivatives market.

Q. Cetip: Is the financing unit stabilizing?

Cetip posted lower numbers in its auto financing unit, with 17.7k auto liens registered in June (-1.2%mom) and 17.9k in 2Q16 (down -2.9%qoq and 2.2% above our estimates). Securities: Registration volumes were down -4.5%mom (2Q16 up +0.4% vs. 1Q16) for fixed income and decreased for derivatives (-2.1%mom and 2Q16 down -20.7% vs. 1Q16). Custody was up +1.4%mom (-1.2% 2Q16 vs 1Q16).

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 15.6x adj. EPS 2016E, CTIP on 18.8x adj. EPS 2016E and BMV on 18.3x EPS 2016E.

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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)			
					2Q16	1Q16	2Q16e	2016e	2Q16	1Q16	2Q16e	2016e
BM&F Bovespa	Sell	18.15	15.00	15.6x	7,144	6,957	7,560	7,476	3,007	3,074	2,952	3,025
BMV	Neutral	28.08	29.00	18.3x	13,336	14,993	14,278	12,644	51	53	52	168
					Financing - GRV Units				Custody (R\$ bn)			
					2Q16	1Q16	2Q16e	2016e	2Q16	1Q16	2Q16e	2016e
Cetip	Sell	43.70	39.00	18.8x	17,950	18,489	17,567	18,318	5,906	5,979	6,301	6,889

Source: UBS estimates and companies. Note: price as of July 8th 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 up +17.7%mom and 2Q16 down -2.2% vs 1Q16. The main drivers were Interest rates in USD (+54.2%mom and -2.6% 2Q16 vs 1Q16) and stock indices (+36.3%mom, -7.6% 2Q16 vs 1Q16). On the equities side, ADTV was R\$6.53bn, -1.8%mom; 2Q16 up 2.7% vs 1Q16, led by lower volumes in equity income, down -1.8%mom and -2.7% 2Q16 vs 1Q16.

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

Equities grew 1.5%mom and -11.0% 2Q16 vs 1Q16. The main influence was the lower number of foreign equities trades, up 16.4%mom and -13.1% 2Q16 vs 1Q16. For derivatives the main drivers were lower futures volumes down 33.3%mom and options volumes down 28.9% 2Q16 vs 1Q16. Margin deposits (a leading indicator for ADV) grew 41.5%mom and +50.7% 2Q16 vs 1Q16 showing more interest in the derivatives market.

Q: Cetip: Is financing stabilizing?

Auto financing decreased, down -1.2%mom and down -2.9% 2Q16 vs 1Q16. Financing for new vehicles was down -2.1%mom and -4.0% 2Q16 vs 1Q16. Securities were weaker with fixed income down 4.5% mom and flat 2Q16 vs 1Q16 and decreased for derivatives -2.1%mom and down -20.7% 2Q16 vs 1Q16. Interbank deposit were down 9.7%mom and -1.9% 2Q16 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 potential](#) 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. Volumes have been healthy in Apr-June (though not stellar) and we wonder if they can be sustained. We also see dilution in the expected merger.

EVIDENCE

Exchanges Volume Summary

<i>BM&F Bovespa</i>	Jun-16	2Q16	1Q16	2Q16e	2016e	MoM	2Q16 vs. 1Q16	2Q16 vs. 2Q16e	YTD vs. 2016e
Total Derivatives ('000 of contracts)	3,176	3,007	3,074	2,952	3,025	17.7%	-2.2%	1.9%	0.5%
Total RPC (R\$)	1.4	1.4	1.5	1.5	1.5	1.2%	-5.0%	-2.9%	4.1%
Total Equities ADTV (R\$mn)	6,530	7,144	6,957	7,560	7,476	-1.8%	2.7%	-5.5%	-5.7%
<i>Bolsa</i>	Jun-16	2Q16	1Q16	2Q16e	2016e	MoM	2Q16 vs. 1Q16	2Q16 vs. 2Q16e	YTD vs. 2016e
Total Derivatives ADV (contracts)	47,571	51,246	52,544	51,736	168,082	-31.6%	-2.5%	-0.9%	-68.6%
Total Equities ADTV (Ps mn)	13,203	13,336	14,993	14,278	12,644	1.5%	-11.0%	-6.6%	11.8%
<i>Cetip</i>	Jun-16	2Q16	1Q16	2Q16e	2016e	MoM	2Q16 vs. 1Q16	2Q16 vs. 2Q16e	YTD vs. 2016e
Registration - Fixed income	30.5	30.8	30.7	31.6	31.9	-4.5%	0.4%	-2.6%	-3.4%
Registration - Derivatives	35.6	36.1	45.5	46.0	45.9	-2.1%	-20.7%	-21.57%	-11.2%
Custody	5,979.6	5,905.8	5,978.6	6,301.0	6,888.9	1.4%	-1.2%	-6.3%	-13.2%
Inclusion of Liens (Units)	17,717	17,950	18,489	17,567	18,318	-1.2%	-2.9%	2.2%	-0.6%

Source: UBS estimates, Cetip, BVMF and Bolsa

Volumes summary

Figure 2: BVMF Volume

	Jun-16	2Q16	1Q16	2Q16e	2016e	MoM	2Q16 vs. 1Q16	2Q16 vs.2Q16e	YTD vs. 2016e
BM&F: ADV (thousands of contracts)									
Interest Rates in BRL	1,457	1,397	1,456	1,289	1,345	13.9%	-4.0%	8.4%	6.0%
FX Rates	411	411	435	450	450	11.3%	-5.6%	-8.6%	-6.1%
Others	1,308	1,198	1,183	1,214	1,230	24.5%	1.3%	-1.2%	-3.2%
Total	3,176	3,007	3,074	2,952	3,025	17.7%	-2.2%	1.9%	0.5%
BM&F: RPC (R\$)									
Interest Rates in BRL	1.21	1.22	1.14	1.08	1.12	0.4%	7.3%	13.0%	3.0%
FX Rates	3.90	3.97	4.41	4.19	4.14	1.5%	-10.1%	-5.4%	-11.4%
Others	0.77	0.78	0.86	0.85	0.85	14.0%	-9.4%	-9.0%	-10.1%
Total	1.38	1.42	1.49	1.46	1.46	1.2%	-5.0%	-2.9%	4.1%
Bovespa: ADTV - R\$m									
Total Equities	6,530	7,144	6,957	7,560	7,476	-1.8%	2.7%	-5.5%	-5.7%

Source: UBS Estimates and BVMF

Figure 3: BMV Volume

	Jun-16	2Q16	1Q16	2Q16e	2016e	MoM	2Q16 vs. 1Q16	2Q16 vs.2Q16e	YTD vs. 2016e
Total Derivatives ADV (contracts)	47,571	51,246	52,544	51,736	168,082	-31.6%	-2.5%	-0.9%	-68.6%
Total Equities ADTV (Ps mn)	13,203	13,336	14,993	14,278	12,644	1.5%	-11.0%	-6.6%	11.8%

Source: UBS estimates and BMV

Figure 4: Cetip Volume

	Jun-16	2Q16	1Q16	2Q16e	2016e	MoM	2Q16 vs. 1Q16	2Q16 vs.2Q16e	YTD vs. 2016e
Registration - Fixed income	30.5	30.8	30.7	31.6	31.9	-4.5%	0.4%	-2.6%	-3.4%
Registration - Derivatives	35.6	36.1	45.5	46.0	45.9	-2.1%	-20.7%	-21.57%	-11.2%
Custody	5,979.6	5,905.8	5,978.6	6,301.0	6,888.9	1.4%	-1.2%	-6.3%	-13.2%
Inclusion of Liens (Units)	17,717	17,950	18,489	17,567	18,318	-1.2%	-2.9%	2.2%	-0.6%

Source: UBS estimates and Cetip

Figure 5: BVMF Volume Summary

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	4Q15	1Q16	2Q16	2015 FY	2016 YTD
BM&F: ADV (thousands of contracts)																	
Interest Rates in BRL	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	1,278.8	1,456.8	1,036.3	1,455.6	1,397.0	1,458.4	1,425.6
FX Rates	465.8	467.6	486.5	410.9	384.2	419.7	406.7	410.4	481.9	455.8	369.2	411.0	405.4	435.5	411.3	463.9	423.1
Stock Indices	69.3	143.2	92.3	130.6	73.1	119.2	74.6	134.4	107.6	110.1	77.4	105.4	108.6	105.6	97.6	100.9	101.5
Interest Rates in USD	286.5	306.0	373.6	264.4	302.9	291.9	270.7	264.3	278.7	317.9	187.6	289.2	285.8	271.6	264.5	289.2	267.9
Commodities	10.1	9.2	7.8	6.1	5.5	3.8	5.4	5.9	8.3	6.6	7.3	8.6	5.2	6.6	7.6	7.6	7.1
Mini Contracts	473.0	633.1	691.8	634.8	563.7	598.4	641.6	798.2	935.5	799.4	777.8	904.5	600.1	799.0	828.9	520.3	814.3
OTC	29.2	19.1	39.1	2.7	7.6	7.1	0.0	0.0	0.0	0.0	0.0	0.0	5.7	0.0	0.0	19.6	0.0
Total Derivatives	3,330	3,137	3,500	2,587	2,414	2,331	2,962	2,895	3,325	3,145	2,698	3,176	2,447	3,074	3,007	2,860	3,040
BM&F: RPC (R\$)																	
Interest Rates in BRL	1.01	1.21	1.14	1.21	1.34	1.47	1.07	1.16	1.19	1.25	1.21	1.21	1.33	1.14	1.22	1.12	1.15
FX Rates	3.55	3.69	3.93	4.44	4.32	4.51	4.52	4.48	4.29	4.14	3.85	3.90	4.43	4.41	3.97	2.63	3.67
Stock Indices	1.82	2.21	1.83	2.21	1.76	2.26	1.67	2.21	1.56	2.14	1.55	2.02	2.14	1.85	1.94	1.97	2.13
Interest Rates in USD	1.63	1.77	2.15	2.27	1.84	1.89	2.13	2.10	2.23	1.88	1.96	1.88	2.00	2.16	1.90	1.33	1.84
Commodities	2.25	2.32	2.81	3.16	3.07	2.73	2.45	2.59	2.25	1.89	2.30	2.02	3.02	2.40	2.07	2.39	2.53
Mini Contracts	0.23	0.23	0.23	0.27	0.27	0.28	0.28	0.28	0.26	0.28	0.27	0.26	0.27	0.27	0.27	0.12	0.22
OTC	2.47	0.82	1.17	14.88	6.12	45.66	0.00	0.00	0.00	0.00	0.00	0.00	23.84	0.00	0.00	2.09	3.92
Total RPC	1.34	1.48	1.48	1.67	1.66	1.94	1.48	1.53	1.48	1.52	1.36	1.38	1.75	1.49	1.42	1.35	1.52
Bovespa: ADTV (R\$ mn)																	
Cash market	5,471	6,720	6,728	7,283	6,141	6,413	5,018	5,835	8,754	7,986	6,390	6,320	6,631	6,646	4,666	6,552	6,762
Forward market	84	67	67	54	91	48	48	62	60	53	64	64	64	57	38	67	59
Options market	171	169	180	202	128	168	176	177	381	299	192	144	167	251	159	170	230
Total Equity Income	5,726	6,956	6,975	7,539	6,361	6,629	5,242	6,074	9,194	8,338	6,646	6,528	6,862	6,954	4,862	6,789	7,050
Total Fixed Income	14	1	2	2	2	4	3	2	2	3	1	2	3	2	1	4	2
Total Equities	5,740	6,957	6,977	7,541	6,362	6,632	5,245	6,076	9,196	8,340	6,647	6,530	6,865	6,957	4,863	6,793	7,052
# Trading Sessions	22	21	21	21	19	20	19	19	22	20	21	22	60	60	63	246	123

Source: UBS and BVMF

Figure 6: BMV Volume Summary

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	4Q15	1Q16	2Q16	2015 FY	2016 YTD
Derivatives: ADV																	
Futures																	
Number of Trades	1,224	1,492	1,430	1,226	1,123	1,240	1,462	1,287	1,494	1,128	1,191	1,832	1,200	1,415	1,388	1,359	1,401
Volume (# of contracts)	34,778	49,355	81,561	48,977	43,745	85,623	43,091	65,158	44,495	34,765	68,849	45,950	60,196	50,915	50,087	65,931	51,403
Notional Value (Ps mn)	5,827	8,602	13,742	7,193	6,888	13,722	7,290	10,764	9,030	6,341	12,472	9,111	9,381	9,028	9,354	10,073	9,197
Open Interest (# of contract)	155,490	168,904	150,724	128,065	141,329	88,580	101,021	98,421	88,469	84,483	103,520	97,276	118,277	95,970	95,256	149,810	95,599
Options																	
Number of Trades	20	49	23	21	31	50	48	47	47	27	39	42	34	47	36	37	41
Volume (# of contracts)	974	1,060	2,865	1,374	2,554	2,062	839	1,743	2,306	1,194	664	1,621	1,970	1,629	1,159	1,749	1,385
Notional Value (Ps mn)	246	284	199	79	170	156	196	140	184	92	143	227	133	173	155	211	164
Open Interest (# of contract)	2,783	3,660	3,019	3,966	6,153	2,536	3,004	4,354	3,479	3,097	4,149	2,110	4,126	3,612	3,119	9,046	3,356
Margin Deposits	753	835	775	702	808	740	775	795	795	868	1,110	1,571	747	788	1,188	834	996
Total - Derivatives	35,752	50,416	84,426	50,352	46,299	87,685	43,930	66,902	46,801	35,960	69,513	47,571	62,166	52,544	51,246	67,680	52,788
Equities: ADTV																	
Domestic Equities																	
Number of Trades	175,792	217,160	200,871	227,439	220,735	204,949	228,181	246,350	317,331	256,297	279,430	255,296	217,563	263,954	263,788	195,009	263,722
Value Traded (Ps mn)	9,046	9,963	8,049	8,728	9,149	8,441	9,800	9,551	12,387	9,379	9,572	9,287	8,755	10,579	9,414	9,337	9,975
Trading Volume (Ps in thous)	294,026	314,017	267,061	286,072	305,075	286,082	334,058	344,656	379,050	287,064	316,559	318,039	291,807	352,588	307,531	295,458	329,074
Foreign Equities																	
Number of Trades	2,604	3,071	2,518	2,950	2,464	2,304	3,177	3,207	3,004	3,661	3,470	3,470	2,578	3,129	3,532	2,286	3,338
Value Traded (Ps mn)	3,901	3,384	2,983	3,159	3,419	3,120	4,992	4,700	3,534	4,440	3,435	3,909	3,224	4,409	3,920	3,579	4,157
Trading Volume (Ps in thous)	6,864	5,994	5,472	5,338	7,458	5,708	9,851	8,332	6,847	8,707	6,056	7,048	6,106	8,343	7,249	6,310	7,786
Fixed Income																	
Value Traded (Ps mn)	10	9	7	8	9	4	6	5	6	5	4	6	5	5	3	9	6
Trading Volume (Ps in thous)	60	65	32	44	59	27	28	28	30	31	18	29	42	29	26	66	27
Total - Equities	12,957	13,356	11,039	11,895	12,577	11,565	14,798	14,256	15,928	13,824	13,012	13,203	11,983	14,993	13,336	12,924	14,138
# Trading Sessions	60	65	32	44	59	27	28	28	30	31	18	29	42	29	26	66	27

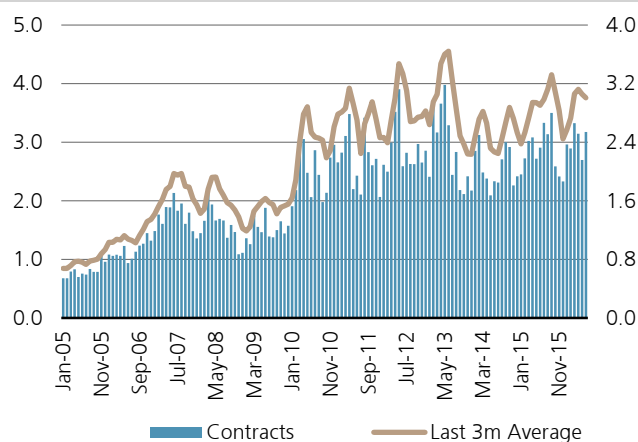
Source: UBS and BMV

Figure 7: Cetip Volume Summary

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	4Q 15	1Q16	2Q16	2015 FY	2016 YTD
Registration - R\$bn																	
Fixed Income	31.9	30.8	33.2	32.6	35.2	35.9	31.5	32.4	28.6	30.1	31.9	30.5	34.6	30.7	30.8	32.8	30.8
Interbank deposit (DI)	17.5	17.1	19.7	17.9	20.3	18.4	17.4	18.2	13.8	15.3	17.2	15.6	18.9	16.4	16.1	17.9	16.2
Bank deposit certificate (CDI)	7.9	8.5	8.3	8.1	8.5	10.2	8.3	8.3	8.3	8.2	9.4	9.3	8.9	8.3	9.0	8.5	8.7
Other capital raising instrum	0.1	0.0	0.2	0.1	0.4	0.4	0.1	0.1	0.1	0.1	0.0	0.0	0.3	0.1	0.1	0.1	0.1
Real estate market instrumer	0.5	0.6	0.6	0.6	0.7	1.0	0.8	0.7	0.6	0.6	0.8	0.7	0.8	0.7	0.7	0.8	0.7
Agribusiness instruments	0.6	0.7	0.6	0.6	0.8	0.7	0.7	0.6	0.8	0.9	0.8	1.2	0.7	0.7	1.0	0.7	0.8
Credit capital raising instrun	0.1	0.2	0.1	0.1	0.2	0.4	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.2	0.1
Letra Financeira	0.3	0.5	0.5	0.9	0.4	0.5	0.3	0.2	0.2	0.8	0.2	0.3	0.6	0.2	0.4	0.5	0.3
Fund-tranches	5.0	3.2	3.2	4.3	4.0	4.3	3.7	4.2	4.6	4.0	3.4	3.2	4.2	4.2	3.5	4.0	3.8
Others	6.6	5.2	5.2	6.6	6.4	7.3	5.8	5.9	6.5	6.5	5.2	5.6	6.8	6.1	5.8	6.4	5.9
Derivatives	42.0	61.2	50.1	41.4	33.4	38.7	46.8	40.4	48.8	36.3	36.4	35.6	37.9	45.5	36.1	39.3	40.7
Swaps	14.3	21.8	19.5	14.5	11.6	14.6	18.3	11.5	15.2	16.2	13.6	16.2	13.6	15.1	15.3	14.9	15.2
Others	27.7	39.4	30.7	26.9	21.8	24.0	28.4	28.9	33.6	20.1	22.8	19.4	24.3	30.4	20.8	24.5	25.5
Custody - R\$bn																	
Debentures	664.3	653.6	651.5	655.1	664.2	673.4	692.9	700.0	707.8	727.1	728.7	775.2	673.4	707.8	775.2	673.4	775.2
Fund tranches	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	1,732.3	1,755.5	1,597.4	1,663.1	1,755.5	1,597.4	1,755.5
Others	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	3,442.2	3,457.5	3,805.1	3,607.7	3,448.9	3,812.7	3,457.5
GRV Volume - Units																	
Sales	68,961	70,827	70,614	64,473	68,063	74,098	60,247	62,275	62,647	64,820	64,677	62,134	68,974	61,744	63,834	69,463	62,806
New	15,323	15,202	14,952	13,943	15,574	16,863	13,046	12,793	13,357	13,326	12,603	11,980	15,481	13,079	12,615	16,056	12,843
Used	53,638	55,624	55,662	50,530	52,489	57,235	47,201	49,482	49,290	51,493	52,074	50,153	53,493	48,665	51,219	53,407	49,963
Financing	20,300	20,657	20,092	19,362	20,253	21,160	18,375	18,423	18,649	18,227	17,930	17,717	20,273	18,489	17,950	21,247	18,215
New	8,972	9,052	8,646	8,449	8,414	9,019	7,153	7,092	7,442	7,142	6,928	6,785	8,637	7,238	6,946	9,354	7,090
Used	11,328	11,605	11,447	10,913	11,840	12,141	11,223	11,332	11,207	11,084	11,002	10,932	11,636	11,251	11,004	11,893	11,125
# Trading Sessions	23	21	21	21	20	22	20	19	22	20	21	22	63	61	63	250	124

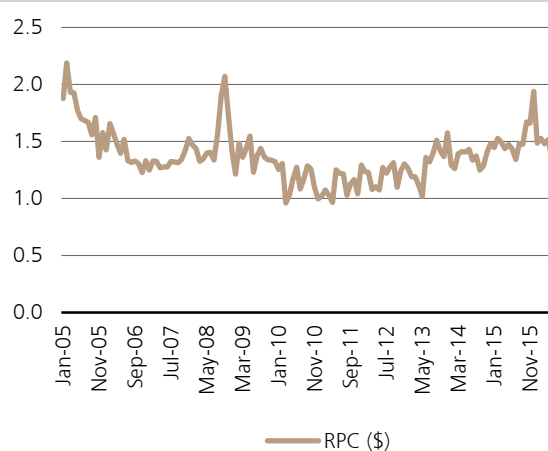
Source: UBS and Cetip

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



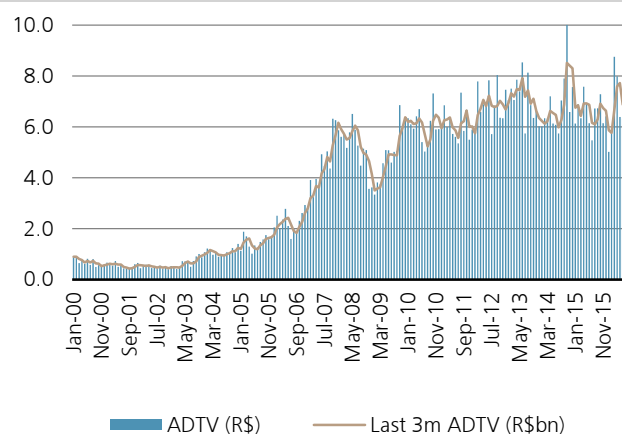
Source: UBS and BVMF

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



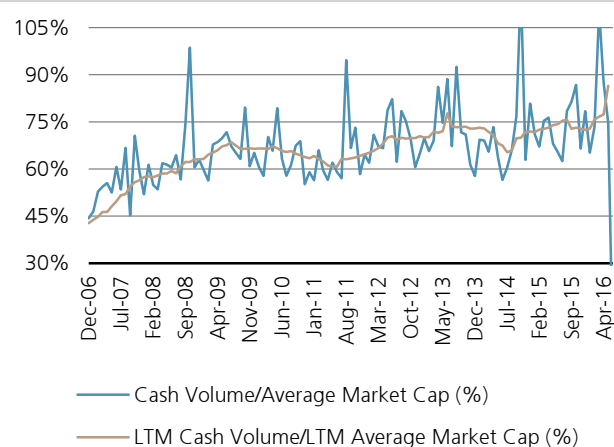
Source: UBS and BVMF

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



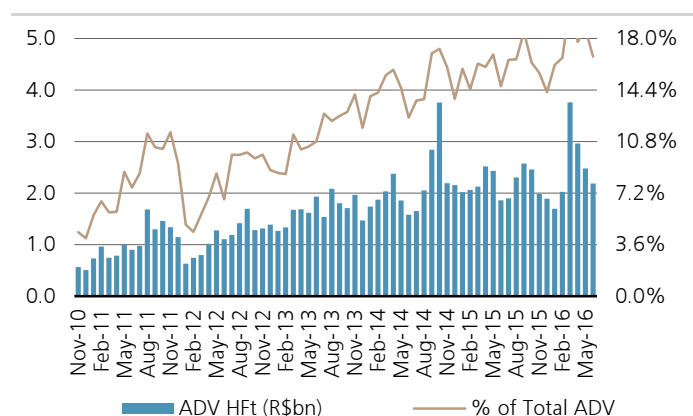
Source: UBS and BVMF

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



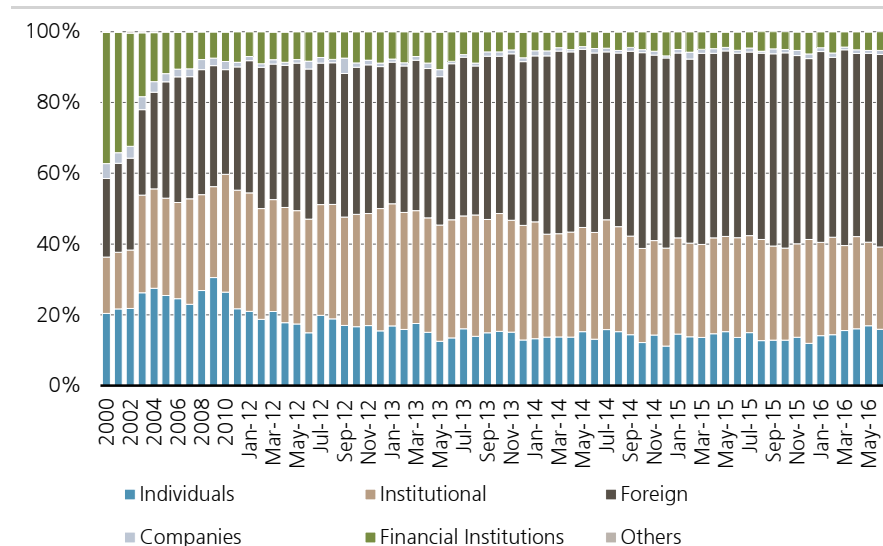
Source: UBS and BVMF

Figure 12: Bovespa: Share of HFT(%)



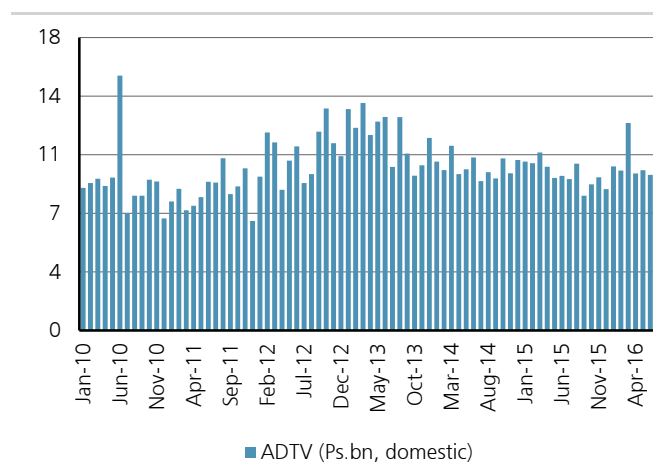
Source: UBS and BVMF

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



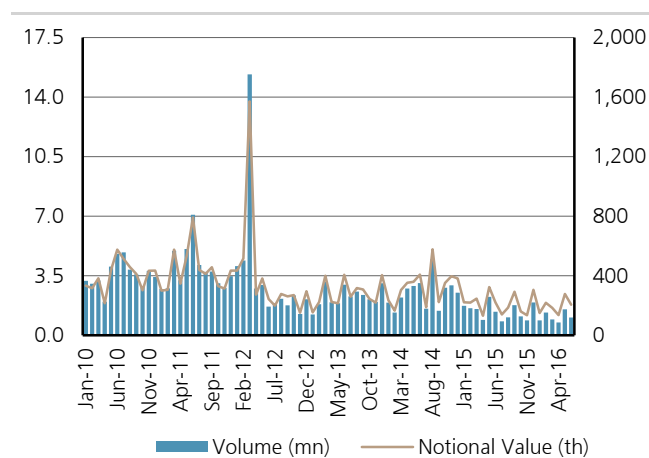
Source: UBS and BVMF

Figure 14: BMV Equities Segment: ADTV (Ps. Bn)



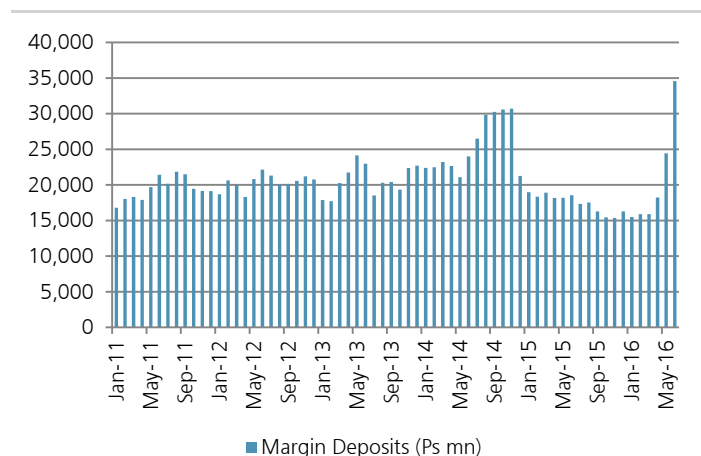
Source: UBS and BMV

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



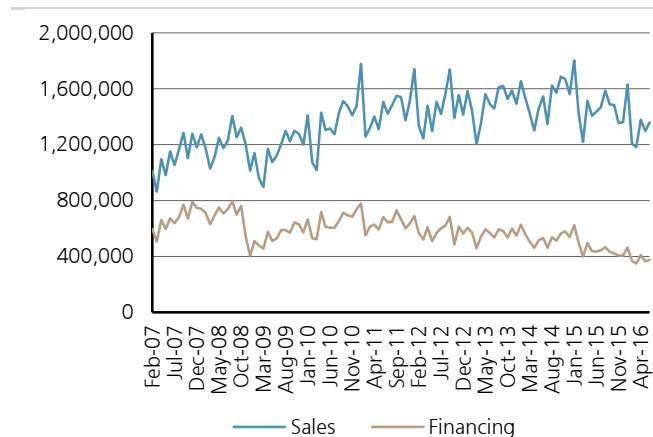
Source: UBS and BMV

Figure 16: BMV Margin Deposits (PS. Bn)



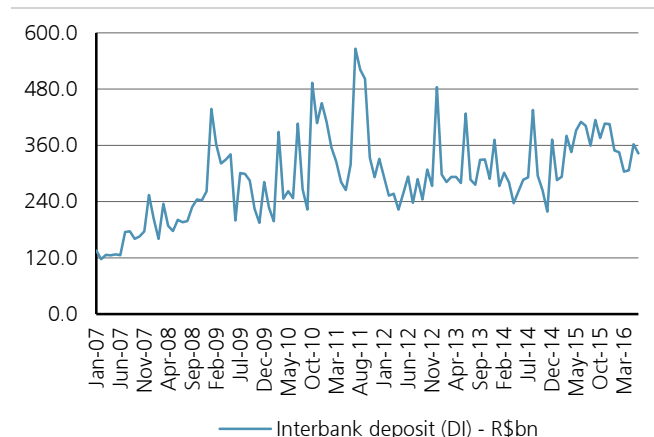
Source: UBS and BMV

Figure 17: Cetip – GRV: Auto (thousands of units)



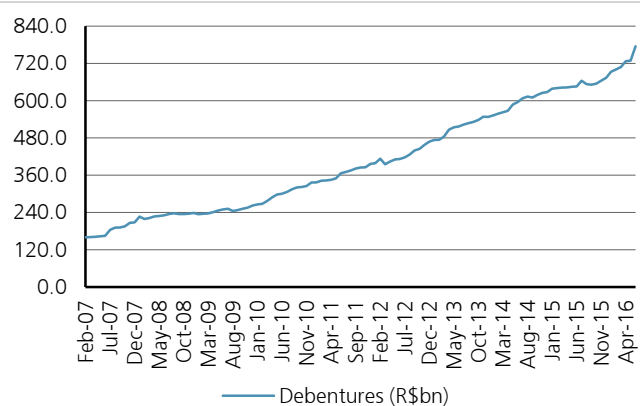
Source: UBS and Cetip

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



Source: UBS and Cetip

Figure 19: 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
Income statement (R\$m)										
Revenues	908	1,013	1,139	1,248	9.6	1,419	13.7	1,596	1,763	1,984
Gross profit	908	1,013	1,139	1,248	9.6	1,419	13.7	1,596	1,763	1,984
EBITDA (UBS)	629	697	772	856	10.9	983	14.9	1,121	1,244	1,417
Depreciation & amortisation	(76)	(83)	(93)	(91)	-1.7	(87)	-4.7	(87)	(88)	(88)
EBIT (UBS)	553	614	679	765	12.6	896	17.2	1,034	1,156	1,329
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
Profit before tax	510	555	567	864	52.2	894	3.5	1,036	1,163	1,337
Tax	(149)	(130)	(70)	(311)	-346.1	(304)	2.2	(352)	(395)	(455)
Profit after tax	361	425	498	553	11.1	590	6.7	684	767	882
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
Net earnings (local GAAP)	361	425	498	553	11.1	590	6.7	684	767	882
Net earnings (UBS)	483	544	605	605	-0.1	642	6.2	736	819	934
Tax rate (%)	29.2	23.4	12.3	36.0	193.1	34.0	-5.5	34.0	34.0	34.0
Per share (R\$)										
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) ¹	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
Balance sheet (R\$m)										
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
Total current assets	503	741	1,008	877	-12.9	983	12.0	822	832	857
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
Total assets	2,683	2,999	3,497	3,113	-11.0	3,223	3.5	3,073	3,093	3,132
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
Total current liabilities	292	240	340	566	66.5	560	-1.2	204	198	194
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
Total liabilities (incl pref shares)	987	1,253	1,801	1,190	-33.9	1,189	-0.1	918	810	708
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
Total liabilities & equity	2,682	2,999	3,497	3,113	-11.0	3,223	3.5	3,073	3,093	3,132
Cash flow (R\$m)										
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
Operating cash flow	552	411	629	500	-20.4	670	33.8	764	848	964
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)
Investing cash flow	15	(129)	(299)	167	-	(95)	-	(113)	(123)	(140)
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
Financing cash flow	(494)	2	116	(450)	-	(1,132)	-151.8	(334)	(466)	(613)
Cash flow inc/(dec) in cash	72	283	445	217	-51.2	(558)	-	316	260	210
FX / non cash items	15	(75)	(232)	(396)	-71.1	663	-	(478)	(250)	(187)
Balance sheet inc/(dec) in cash	87	209	213	(179)	-	105	-	(162)	9	23

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.¹Cash 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	20.7	19.3	16.7	15.2	13.2
P/E (UBS, diluted)	12.9	14.0	14.8	18.9	17.8	15.5	14.2	12.5
P/CEPS	11.2	12.2	12.9	16.4	15.7	13.9	12.8	11.4
Equity FCF (UBS) yield %	8.3	4.7	6.4	3.7	5.2	5.9	6.6	7.5
Net dividend yield (%)	2.0	3.9	4.4	3.9	4.7	5.4	6.0	7.0
P/BV x	3.6	4.3	5.2	5.9	5.6	5.3	5.0	4.7
EV/revenues (core)	6.9	7.8	8.2	9.1	7.9	7.1	6.2	5.5
EV/EBITDA (core)	9.9	11.3	12.1	13.3	11.5	10.1	8.8	7.6
EV/EBIT (core)	11.3	12.8	13.7	14.9	12.6	10.9	9.4	8.1
EV/OpFCF (core)	10.3	11.8	12.6	14.0	12.0	10.5	9.2	8.0
EV/op. invested capital	3.3	4.2	4.5	5.3	5.5	5.8	5.8	5.5
Enterprise value (R\$m)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Market cap.	6,155	7,507	8,821	11,218	11,218	11,218	11,218	11,218
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
Total enterprise value	6,261	7,869	9,319	11,381	11,285	11,285	10,898	10,831
Non core assets	(5)	(6)	(7)	(7)	(7)	(7)	(7)	(7)
Core enterprise value	6,255	7,863	9,312	11,374	11,278	11,278	10,891	10,824
Growth (%)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
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
Margins & Profitability (%)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
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
Capital structure & Coverage (x)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
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	1.4	(0.3)	(2.5)	(3.2)	(3.9)
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
Revenues by division (R\$m)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Others	908	1,013	1,139	1,248	1,419	1,596	1,763	1,984
Total	908	1,013	1,139	1,248	1,419	1,596	1,763	1,984
EBIT (UBS) by division (R\$m)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Others	553	614	679	765	896	1,034	1,156	1,329
Total	553	614	679	765	896	1,034	1,156	1,329

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
Income statement (R\$m)										
Revenues	2,131	2,034	2,217	2,309	4.2	2,603	12.7	2,910	3,175	3,463
Gross profit	-	-	-	-	-	-	-	-	-	-
EBITDA (UBS)	1,454	1,344	1,477	1,564	5.9	1,818	16.2	2,103	2,329	2,577
Depreciation & amortisation	(120)	(119)	(111)	(106)	-3.9	(133)	24.9	(151)	(150)	(148)
EBIT (UBS)	1,334	1,225	1,366	1,458	6.7	1,685	15.6	1,952	2,180	2,429
Associates & investment income	171	212	136	0	-	0	-	0	0	0
Other non-operating income	0	(7)	796	(120)	-	0	-	0	0	0
Net interest	182	209	509	860	69.0	917	6.6	935	966	1,001
Exceptionals (incl goodwill)	0	0	0	0	-	0	-	0	0	0
Profit before tax	1,687	1,639	2,807	2,197	-21.7	2,602	18.4	2,887	3,146	3,429
Tax	(607)	(661)	(604)	(810)	-34.2	(910)	-12.3	(866)	(944)	(1,029)
Profit after tax	1,080	978	2,203	1,387	-37.1	1,692	22.0	2,021	2,202	2,400
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	1	(1)	(1)	(1)	49.8	0	-	0	0	0
Extraordinary items	0	0	0	0	-	0	-	0	0	0
Net earnings (local GAAP)	1,081	977	2,202	1,386	-37.0	1,692	22.0	2,021	2,202	2,400
Net earnings (UBS)	1,581	1,416	2,058	2,051	-0.3	2,263	10.4	2,021	2,202	2,400
Tax rate (%)	36.0	40.3	21.5	36.9	71.5	35.0	-5.2	30.0	30.0	30.0
Per share (R\$)										
EPS (UBS, diluted)	0.80	0.73	1.11	1.13	2.0	1.25	10.4	1.11	1.21	1.32
EPS (local GAAP, diluted)	0.55	0.50	1.19	0.76	-35.6	0.93	22.0	1.11	1.21	1.32
EPS (UBS, basic)	0.80	0.75	1.11	1.13	2.0	1.25	10.4	1.11	1.21	1.32
Net DPS (R\$)	0.44	0.30	0.51	0.09	-81.8	0.77	NM	0.92	1.01	1.10
Cash EPS (UBS, diluted) ¹	0.86	0.79	1.17	1.19	1.8	1.32	11.1	1.20	1.30	1.40
Book value per share	9.74	9.99	9.65	10.78	11.7	10.94	1.5	11.13	11.34	11.57
Average shares (diluted)	1,980.00	1,940.00	1,857.50	1,815.00	-2.3	1,815.00	0.0	1,815.00	1,815.00	1,815.00
Balance sheet (R\$m)										
Cash and equivalents	4,050	2,463	8,239	13,603	65.1	14,429	6.1	14,821	15,248	15,714
Other current assets	270	322	434	373	-14.1	396	6.0	419	445	471
Total current assets	4,319	2,785	8,674	13,977	61.1	14,824	6.1	15,241	15,693	16,185
Net tangible fixed assets	423	421	453	565	24.6	640	13.4	635	628	619
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	2,083	4.6	2,185	4.9	2,293	2,406	2,525
Total assets	25,897	25,538	26,309	33,323	26.7	34,349	3.1	34,868	35,426	36,028
Trade payables & other ST liabilities	2,711	1,892	2,097	3,298	57.3	3,463	5.0	3,636	3,818	4,009
Short term debt	0	0	0	0	-	0	-	0	0	0
Total current liabilities	2,711	1,892	2,097	3,298	57.3	3,463	5.0	3,636	3,818	4,009
Long term debt	1,426	1,619	2,384	2,193	-8.0	2,193	0.0	2,193	2,193	2,193
Other long term liabilities	2,461	3,039	3,476	8,254	137.5	8,825	6.9	8,825	8,825	8,825
Preferred shares	0	0	0	0	-	0	-	0	0	0
Total liabilities (incl pref shares)	6,598	6,550	7,957	13,745	72.7	14,481	5.4	14,654	14,836	15,027
Common s/h equity	19,284	18,980	18,342	19,568	6.7	19,858	1.5	20,203	20,580	20,991
Minority interests	15	9	10	10	1.5	10	0.0	10	10	10
Total liabilities & equity	25,897	25,538	26,309	33,323	26.7	34,349	3.1	34,868	35,426	36,028
Cash flow (R\$m)										
Net income (before pref divs)	1,081	977	2,202	1,386	-37.0	1,692	22.0	2,021	2,202	2,400
Depreciation & amortisation	120	119	111	106	-3.9	133	24.9	151	150	148
Net change in working capital	1,040	(872)	93	1,262	NM	143	-88.7	149	157	164
Other operating	546	557	558	598	7.1	571	-4.4	0	0	0
Operating cash flow	2,787	781	2,964	3,353	13.1	2,539	-24.3	2,321	2,508	2,713
Tangible capital expenditure	(289)	(240)	(227)	(248)	-9.3	(209)	16.0	(145)	(143)	(139)
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	(1,600)	-	(103)	-	(108)	(113)	(119)
Investing cash flow	(1,194)	(1,418)	4,923	(1,848)	-	(311)	83.2	(253)	(256)	(257)
Equity dividends paid	(865)	(577)	(933)	(170)	81.8	(1,402)	NM	(1,675)	(1,825)	(1,990)
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	(191)	-	0	-	0	0	0
Financing cash flow	(681)	(384)	(168)	(361)	-114.5	(1,402)	-288.7	(1,675)	(1,825)	(1,990)
Cash flow inc/(dec) in cash	912	(1,021)	7,719	1,144	-85.2	825	-27.9	393	427	465
FX / non cash items	(139)	(567)	(1,942)	4,220	-	0	-	0	0	0
Balance sheet inc/(dec) in cash	773	(1,587)	5,777	5,364	-7.1	825	-84.6	393	427	465

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts. ¹Cash 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	9.4	23.8	19.5	16.3	15.0	13.7
P/E (UBS, diluted)	16.1	15.3	10.0	16.1	14.6	16.3	15.0	13.7
P/CEPS	14.9	13.8	9.5	15.3	13.7	15.2	14.0	12.9
Equity FCF (UBS) yield %	9.8	2.5	13.0	9.0	6.8	6.3	6.9	7.5
Net dividend yield (%)	3.4	2.7	4.6	0.5	4.3	5.1	5.5	6.0
P/BV x	1.3	1.1	1.2	1.7	1.7	1.6	1.6	1.6
EV/revenues (core)	9.1	8.3	6.9	10.0	8.5	7.5	6.7	6.0
EV/EBITDA (core)	13.4	12.6	10.3	14.7	12.2	10.4	9.2	8.1
EV/EBIT (core)	14.6	13.8	11.1	15.8	13.2	11.2	9.8	8.6
EV/OpFCF (core)	16.3	15.0	12.0	17.2	13.6	11.1	9.7	8.5
EV/op. invested capital	1.4	1.2	1.1	2.2	2.8	2.9	2.8	2.8
Enterprise value (R\$m)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Market cap.	25,380	21,519	21,101	34,485	34,485	34,485	34,485	34,485
Net debt (cash)	(2,624)	(844)	(5,855)	(11,411)	(12,236)	(12,628)	(13,055)	(13,521)
Buy out of minorities	15	9	10	10	10	10	10	10
Pension provisions/other	0	0	0	0	0	0	0	0
Total enterprise value	22,771	20,684	15,256	23,085	22,260	21,867	21,440	20,975
Non core assets	(3,346)	(3,761)	(31)	(30)	(30)	(30)	(30)	(30)
Core enterprise value	19,424	16,923	15,225	23,054	22,229	21,837	21,410	20,944
Growth (%)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Revenue	3.2	-4.6	9.0	4.2	12.7	11.8	9.1	9.1
EBITDA (UBS)	4.2	-7.5	9.8	5.9	16.2	15.7	10.7	10.6
EBIT (UBS)	2.5	-8.2	11.5	6.7	15.6	15.9	11.6	11.4
EPS (UBS, diluted)	0.1	-8.6	51.8	2.0	10.4	-10.7	9.0	9.0
Net DPS	-6.1	-32.0	73.0	-81.8	NM	19.5	9.0	9.0
Margins & Profitability (%)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Gross profit margin	-	-	-	-	-	-	-	-
EBITDA margin	68.2	66.1	66.6	67.7	69.8	72.3	73.4	74.4
EBIT margin	62.6	60.2	61.6	63.1	64.7	67.1	68.7	70.1
Net earnings (UBS) margin	74.2	69.6	NM	NM	NM	69.5	69.4	69.3
ROIC (EBIT)	9.6	8.8	10.2	14.1	21.4	25.8	28.9	32.5
ROIC post tax	6.2	5.3	8.0	8.9	13.9	18.0	20.3	22.7
ROE (UBS)	8.2	7.4	11.0	10.8	11.5	10.1	10.8	11.5
Capital structure & Coverage (x)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Net debt / EBITDA	(1.8)	(0.6)	(4.0)	(7.3)	(6.7)	(6.0)	(5.6)	(5.2)
Net debt / total equity %	(13.6)	(4.4)	(31.9)	(58.3)	(61.6)	(62.5)	(63.4)	(64.4)
Net debt / (net debt + total equity) %	(15.7)	(4.6)	(46.9)	NM	NM	NM	NM	NM
Net debt/EV %	(13.5)	(5.0)	(38.5)	(49.5)	(55.0)	(57.8)	(61.0)	(64.6)
Capex / depreciation %	NM	NM	NM	NM	156.8	96.5	95.5	93.6
Capex / revenue %	13.6	11.8	10.2	10.7	8.0	5.0	4.5	4.0
EBIT / net interest	NM	NM	NM	NM	NM	NM	NM	NM
Dividend cover (UBS)	1.8	2.5	2.2	12.1	1.6	1.2	1.2	1.2
Div. payout ratio (UBS) %	54.7	39.9	46.4	8.3	62.0	82.9	82.9	82.9
Revenues by division (R\$m)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Others	2,131	2,034	2,217	2,309	2,603	2,910	3,175	3,463
Total	2,131	2,034	2,217	2,309	2,603	2,910	3,175	3,463
EBIT (UBS) by division (R\$m)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Others	1,334	1,225	1,366	1,458	1,685	1,952	2,180	2,429
Total	1,334	1,225	1,366	1,458	1,685	1,952	2,180	2,429

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
Income statement (Pm)										
Revenues	2,275	2,434	2,613	2,786	6.6	3,019	8.4	3,253	3,507	3,787
Gross profit	-	-	-	-	-	-	-	-	-	-
EBITDA (UBS)	1,065	1,046	1,312	1,436	9.4	1,587	10.6	1,721	1,866	2,030
Depreciation & amortisation	(56)	(57)	(64)	(66)	4.1	(48)	-27.1	(54)	(60)	(66)
EBIT (UBS)	1,008	988	1,248	1,369	9.7	1,539	12.4	1,667	1,806	1,963
Associates & investment income	0	0	0	0	-	0	-	0	0	0
Other non-operating income	11	(187)	(115)	0	-	0	-	0	0	0
Net interest	80	57	24	38	54.6	38	-0.5	38	40	42
Exceptionals (incl goodwill)	0	0	0	0	-	0	-	0	0	0
Profit before tax	1,100	858	1,158	1,408	21.6	1,577	12.0	1,704	1,846	2,005
Tax	(286)	(309)	(394)	(404)	-2.7	(452)	-11.9	(489)	(530)	(575)
Profit after tax	814	549	764	1,003	31.3	1,124	12.0	1,215	1,316	1,430
Preference dividends	0	0	0	0	-	0	-	0	0	0
Minorities	(46)	(49)	(83)	(103)	-24.5	(107)	-4.1	(112)	(116)	(121)
Extraordinary items	0	0	0	0	-	0	-	0	0	0
Net earnings (local GAAP)	768	500	681	900	32.1	1,017	12.9	1,103	1,200	1,309
Net earnings (UBS)	768	500	681	900	32.1	1,017	12.9	1,103	1,200	1,309
Tax rate (%)	26.0	36.0	34.0	28.7	-15.5	28.7	-0.1	28.7	28.7	28.7
Per share (P)										
EPS (UBS, diluted)	1.30	0.84	1.15	1.52	32.1	1.71	12.9	1.86	2.02	2.21
EPS (local GAAP, diluted)	1.30	0.84	1.15	1.52	32.1	1.71	12.9	1.86	2.02	2.21
EPS (UBS, basic)	1.30	0.84	1.15	1.52	32.1	1.71	12.9	1.86	2.02	2.21
Net DPS (P)	1.08	1.09	1.01	1.09	8.4	1.36	24.8	1.67	1.82	1.99
Cash EPS (UBS, diluted) ¹	1.39	0.94	1.26	1.63	29.7	1.80	10.2	1.95	2.12	2.32
Book value per share	9.37	9.13	9.13	9.56	4.7	9.91	3.7	10.10	10.30	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
Balance sheet (Pm)										
Cash and equivalents	2,092	2,282	2,603	3,293	26.5	3,579	8.7	3,773	3,975	4,189
Other current assets	531	444	352	308	-12.5	310	0.8	313	315	318
Total current assets	2,623	2,726	2,954	3,601	21.9	3,890	8.0	4,086	4,290	4,507
Net tangible fixed assets	439	491	493	483	-2.0	541	11.9	601	663	730
Net intangible fixed assets	0	0	0	0	-	0	-	0	0	0
Investments / other assets	3,010	3,737	3,689	3,727	1.0	3,642	-2.3	3,571	3,544	3,522
Total assets	6,072	6,954	7,136	7,811	9.5	8,073	3.3	8,258	8,498	8,758
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
Total current liabilities	321	733	621	1,001	61.1	1,024	2.2	1,051	1,074	1,098
Long term debt	20	625	816	866	6.1	892	3.0	936	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
Total liabilities (incl pref shares)	341	1,358	1,438	1,867	29.9	1,915	2.6	1,987	2,105	2,232
Common s/h equity	5,555	5,414	5,416	5,669	4.7	5,879	3.7	5,990	6,110	6,241
Minority interests	176	182	283	275	-2.8	278	1.0	281	283	286
Total liabilities & equity	6,072	6,954	7,136	7,811	9.5	8,073	3.3	8,258	8,498	8,758
Cash flow (Pm)										
Net income (before pref divs)	768	500	681	900	32.1	1,017	12.9	1,103	1,200	1,309
Depreciation & amortisation	56	57	64	66	4.1	48	-27.1	54	60	66
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
Operating cash flow	845	1,061	701	1,346	92.1	1,083	-19.6	1,181	1,279	1,395
Tangible capital expenditure	(46)	(109)	(66)	(57)	14.0	(106)	-86.6	(114)	(123)	(133)
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
Investing cash flow	(46)	(109)	(66)	(57)	14.0	(106)	-86.6	(114)	(123)	(133)
Equity dividends paid	(640)	(646)	(596)	(646)	-8.4	(806)	-24.8	(993)	(1,080)	(1,178)
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	-70.45	46	95	105
Financing cash flow	(660)	(46)	(380)	(553)	-45.6	(779)	-40.9	(947)	(985)	(1,073)
Cash flow inc/(dec) in cash	138	905	255	737	188.6	199	-73.0	120	172	189
FX / non cash items	(69)	(715)	65	(47)	-	88	-	74	29	25
Balance sheet inc/(dec) in cash	69	190	321	690	115.3	287	-58.5	194	201	214

Source: Company accounts, UBS estimates. (UBS) metrics use reported figures which have been adjusted by UBS analysts.¹Cash 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	18.5	16.4	15.1	13.9	12.7
P/E (UBS, diluted)	25.0	32.3	23.2	18.5	16.4	15.1	13.9	12.7
P/CEPS	23.3	28.9	21.2	17.2	15.6	14.4	13.2	12.1
Equity FCF (UBS) yield %	4.2	5.9	4.0	7.7	5.9	6.4	6.9	7.6
Net dividend yield (%)	3.3	4.0	3.8	3.9	4.8	6.0	6.5	7.1
P/BV x	3.5	3.0	2.9	2.9	2.8	2.8	2.7	2.7
EV/revenues (core)	7.6	5.9	5.5	5.3	4.8	4.4	4.0	3.7
EV/EBITDA (core)	16.3	13.8	11.0	10.4	9.1	8.3	7.6	6.9
EV/EBIT (core)	17.2	14.6	11.5	10.9	9.4	8.6	7.8	7.1
EV/OpFCF (core)	16.5	14.2	11.1	10.5	9.3	8.4	7.7	7.0
EV/op. invested capital	7.9	NM	NM	NM	NM	NM	NM	NM
Enterprise value (Pm)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Market cap.	19,179	16,126	15,800	16,651	16,651	16,651	16,651	16,651
Net debt (cash)	(2,006)	(1,846)	(1,693)	(2,044)	(2,471)	(2,675)	(2,801)	(2,909)
Buy out of minorities	176	182	283	275	278	281	283	286
Pension provisions/other	0	0	0	0	0	0	0	0
Total enterprise value	17,348	14,462	14,390	14,883	14,458	14,257	14,133	14,028
Non core assets	0	0	0	0	0	0	0	0
Core enterprise value	17,348	14,462	14,390	14,883	14,458	14,257	14,133	14,028
Growth (%)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Revenue	8.4	7.0	7.3	6.6	8.4	7.8	7.8	8.0
EBITDA (UBS)	13.9	-1.8	25.4	9.4	10.6	8.4	8.5	8.7
EBIT (UBS)	13.4	-2.0	26.3	9.7	12.4	8.3	8.4	8.7
EPS (UBS, diluted)	12.5	-34.9	36.3	32.1	12.9	8.5	8.7	9.1
Net DPS	-10.0	0.9	-7.8	8.4	24.8	23.2	8.7	9.1
Margins & Profitability (%)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Gross profit margin	-	-	-	-	-	-	-	-
EBITDA margin	46.8	43.0	50.2	51.5	52.6	52.9	53.2	53.6
EBIT margin	44.3	40.6	47.8	49.2	51.0	51.2	51.5	51.8
Net earnings (UBS) margin	33.8	20.5	26.1	32.3	33.7	33.9	34.2	34.6
ROIC (EBIT)	45.7	71.8	231.6	275.4	359.7	434.2	481.6	496.1
ROIC post tax	33.8	45.9	NM	NM	NM	NM	NM	NM
ROE (UBS)	14.0	9.1	12.6	16.2	17.6	18.6	19.8	21.2
Capital structure & Coverage (x)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Net debt / EBITDA	(1.9)	(1.6)	(1.3)	(1.6)	(1.6)	(1.6)	(1.5)	(1.5)
Net debt / total equity %	(35.8)	(29.3)	(30.6)	(39.4)	(42.2)	(43.8)	(44.6)	(45.4)
Net debt / (net debt + total equity) %	(55.7)	(41.5)	(44.1)	(65.0)	(73.1)	(78.0)	(80.7)	(83.2)
Net debt/EV %	(11.8)	(11.3)	(12.1)	(15.7)	(18.0)	(19.3)	(20.2)	(21.1)
Capex / depreciation %	82.3	190.5	103.4	85.4	NM	NM	NM	199.8
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	79.3	90.0	90.0	90.0
Revenues by division (Pm)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Others	2,275	2,434	2,613	2,786	3,019	3,253	3,507	3,787
Total	2,275	2,434	2,613	2,786	3,019	3,253	3,507	3,787
EBIT (UBS) by division (Pm)	12/13	12/14	12/15	12/16E	12/17E	12/18E	12/19E	12/20E
Others	1,008	988	1,248	1,369	1,539	1,667	1,806	1,963
Total	1,008	988	1,248	1,369	1,539	1,667	1,806	1,963

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

Valuation Method and Risk Statement

BM&F Bovespa PT is DCF Model derived, with a CoE of 15.3% and growth of 6.0%.

Cetip PT is DCF Model derived, with a CoE of 14.5% and growth of 6.5%.

BMV PT is DCF Model derived, with a CoE of 11.3% and growth of 4.5%.

Cielo PT is DCF Model derived.

BB Seguridade PT is derived from a residual income model.

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.

Required Disclosures

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UBS Investment Research: Global Equity Rating Definitions

12-Month Rating	Definition	Coverage ¹	IB Services ²
Buy	FSR is > 6% above the MRA.	47%	32%
Neutral	FSR is between -6% and 6% of the MRA.	38%	25%
Sell	FSR is > 6% below the MRA.	15%	21%
Short-Term Rating	Definition	Coverage ³	IB Services ⁴
Buy	Stock price expected to rise within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%
Sell	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 30 June 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.

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

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UBS Brasil CCTVM S.A.: Frederic De Mariz; Mariana Taddeo. **UBS Limited:** Philip Finch.

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Company Name	Reuters	12-month rating	Short-term rating	Price	Price date
BB Seguridade	BBSE3.SA	Neutral	N/A	R\$27.75	08 Jul 2016
BM&F Bovespa ^{5, 18}	BVMF3.SA	Sell	N/A	R\$18.15	08 Jul 2016
Bolsa Mexicana ¹⁶	BOLSAA.MX	Neutral	N/A	P28.08	08 Jul 2016
Cetip ¹⁸	CTIP3.SA	Sell	N/A	R\$43.70	08 Jul 2016
Cielo	CIEL3.SA	Neutral	N/A	R\$35.00	08 Jul 2016

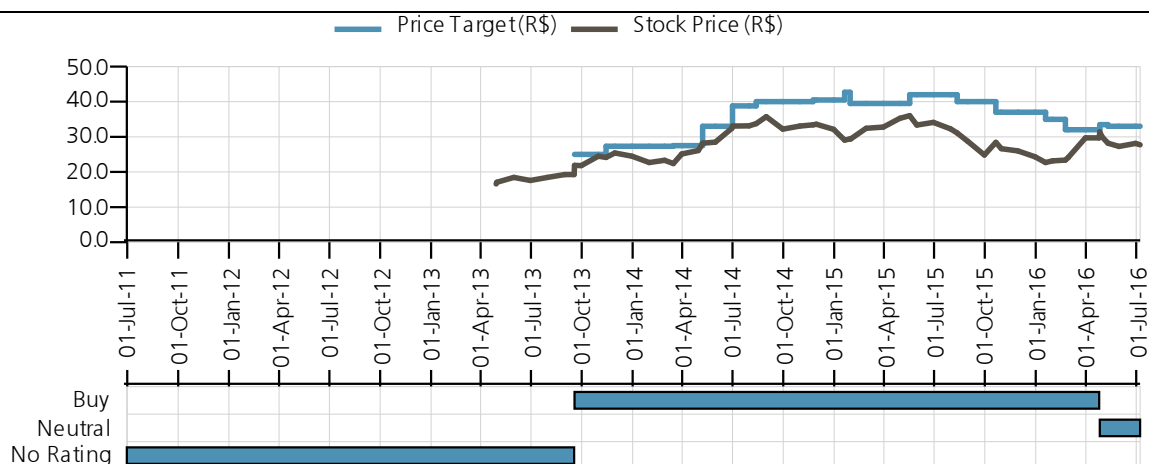
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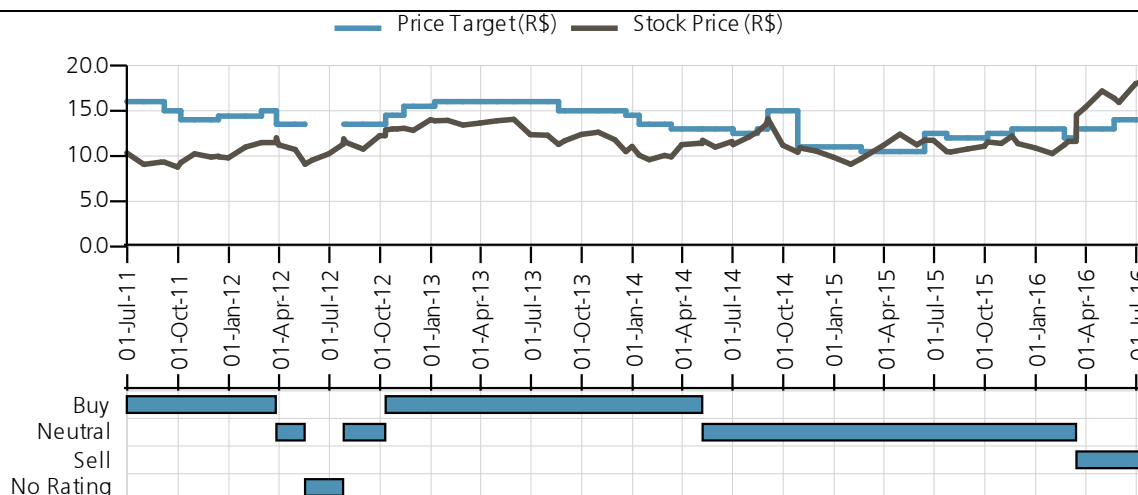
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BB Seguridade (R\$)



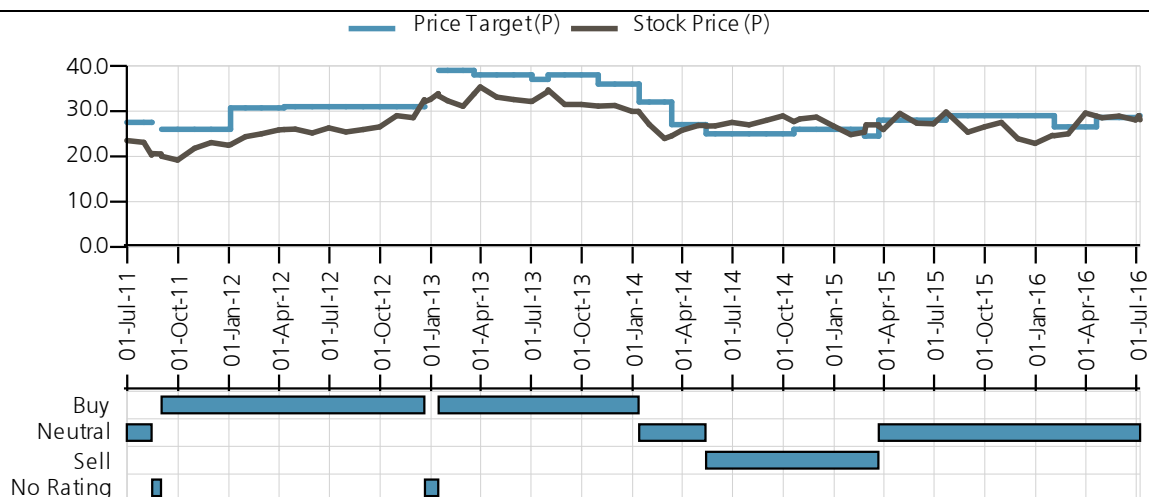
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BM&F Bovespa (R\$)



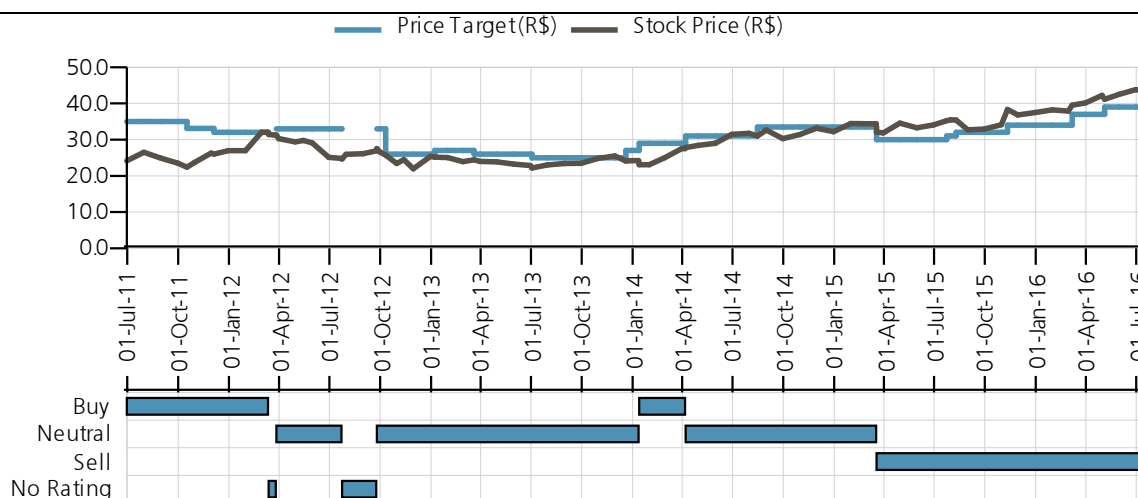
Source: UBS; as of 08 Jul 2016

Bolsa Mexicana (P)



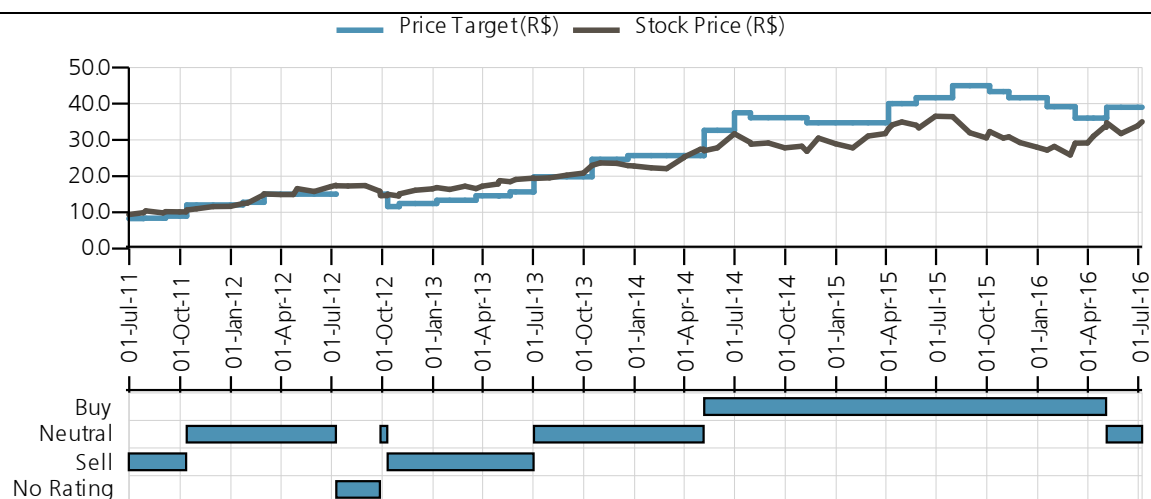
Source: UBS; as of 08 Jul 2016

Cetip (R\$)



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Cielo (R\$)



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