

ECONOMIC REPORT

Year 13 | Volume nº 107 | 2025 Q3



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The content of this report is merely analytic and neither does constitute investment recommendations nor policy guidance.

Data as good as of 09/30/2025.



Index

1. Market scenario (p.5)

2. Regulated markets (p.6)

2.1 Number of participants (p.6)

2.2 Regulated markets (p.7)

2.3 Public companies (p.9)

2.4 Investment funds (p.10)

2.5 Derivatives (p.11)

3. Primary markets (p.12)

3.1 Annual totals by rule (p.12)

3.2 Accumulated totals by rule (p.18)

3.3 Annual totals by instrument (p.21)

4. Secondary markets (p.23)

4.1 Spot (p.23)

4.2 Derivatives (p.25)

5. Asset returns (p.27)

6. Risk map (p.29)

7. Macroeconomic risk (p.31)

8. Market risk (p.32)

8.1 MSCI equity risks (p.32)

8.2 Bond indexes (p.33)

8.3 National fixed income indexes (p.34)

8.4 National variable income indexes (p.35)

9. Risk appetite (p.36)

9.1 Adjusted forward PE ratio (p.36)

9.2 Spreads vs UST (p.37)

10. Liquidity risk (p.38)

10.1 Bid-ask spread index (p.38)

10.2 Net foreign investor inflows (p.39)

11. Credit risk (p.40)

Methodology (p.41)



MARKET SCENARIO



1. Market Scenario - Highlights

- Over the first three quarters of 2025, a total of R\$ 630.9 billion in securities were issued (3.1.4), an amount 8.3% lower (3.2.1) than that issued during the same period last year (R\$ 688.0 billion). When analyzing the specific securities that drove these values (3.3.2), it is observed that the fixed income category (corporate bonds and commercial papers) decreased compared to the same period of the previous year (R\$363.3 versus R\$340.2, corresponding to 6.4%). Still, some assets showed growth, such as REITs (R\$68.8 versus R\$60.4) and CDOs (R\$97.9 versus R\$90.1).
- The number of regulated participants (2.1) increased by 2.8% compared to the previous year, now totaling 92,322 participants. Within this universe, noteworthy highlights include the investment consultant's industry (25% compared to the same period of the previous year) and the authorization of two new central securities depositories and three new organized market administrators in 2025.
- The growth of offerings via electronic crowdfunding platforms, governed by CVM Resolution 88 (3.1.4), stands out once again. In the first three quarters of 2025, the number of issuances more than doubled compared to the same period of the previous year (from 253 to 629), while the financial volume quadrupled (R\$ 0.76 billion versus R\$ 3.1 billion).
- The estimate for the total value of the regulated market (2.2.1) is R\$ 46.32 trillion and, when excluding the notional value of derivative products, R\$17.28 trillion, an increase of 8.5% compared to the same period last year. This result largely reflects the performance of the investment fund industry, which reached R\$ 10.8 trillion, recording a 10.1% increase compared to the same period of the previous year.
- The financial volume in the secondary market for equities (standard lot) and REITs remains below last year's daily average (4.1.1 and 4.1.2). However, the opposite trend can be observed in the corporate bonds market (4.1.3). Finally, the year-to-date number of derivatives contracts settled on the stock exchange (4.2.2) was lower than in the previous year across all categories.



2. Regulated markets

| 2.1. Number of participants | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Registered Non-Resident Investors | 18.705 | 19.220 | 19.282 | 19.566 | 20.191 | 20.467 |
| Registered Investment Funds | 22.295 | 26.445 | 29.072 | 31.118 | 31.979 | 32.486 |
| Registered Asset Managers | 3.786 | 4.185 | 4.557 | 4.855 | 4.717 | 4.958 |
| Legal persons | 2.774 | 3.036 | 3.294 | 3.502 | 3.299 | 3.478 |
| Firms | 1.012 | 1.149 | 1.263 | 1.353 | 1.418 | 1.480 |
| Registered Research Analysts | 923 | 1.269 | 1.412 | 1.390 | 1.337 | 1.290 |
| Legal persons | 840 | 1.161 | 1.283 | 1.255 | 1.208 | 1.165 |
| Firms | 83 | 108 | 129 | 135 | 129 | 125 |
| Registered Investment Consultants | 790 | 1.018 | 1.329 | 1.638 | 2.069 | 2.492 |
| Legal persons | 632 | 815 | 1.076 | 1.337 | 1.692 | 2.027 |
| Firms | 158 | 203 | 253 | 301 | 377 | 465 |
| Registered Offerings Coordinators | - | - | - | 79 | 98 | 114 |
| Registered Trading Intermediaries | 255 | 259 | 260 | 266 | 260 | 263 |
| Registered Brokers (sum) | 13.431 | 18.141 | 23.294 | 26.166 | 27.663 | 28.753 |
| Legal persons | 12.275 | 16.969 | 22.033 | 24.912 | 26.276 | 27.313 |
| Firms | 1.156 | 1.172 | 1.261 | 1.254 | 1.387 | 1.440 |
| Registered Custodians | 146 | 156 | 155 | 158 | 160 | 163 |
| Registered Bookkeepers | 63 | 72 | 74 | 80 | 82 | 88 |
| Registered Organized Market Administrators | 3 | 3 | 4 | 4 | 4 | 7 |
| Registered CSDs | 1 | 2 | 2 | 2 | 2 | 4 |
| Registered Crowdfunding Platforms | 32 | 54 | 57 | 72 | 66 | 76 |
| Registered public, foreign and subsidized companies | 675 | 765 | 745 | 732 | 728 | 715 |
| Securitization companies | - | - | 79 | 87 | 87 | 89 |
| Registered Independent Auditors | 354 | 346 | 349 | 351 | 348 | 350 |
| Registered Rating Agencies | 6 | 6 | 7 | 7 | 7 | 7 |
| TOTAL | 61.465 | 71.941 | 80.678 | 86.571 | 89.798 | 92.322 |

Source: CVM, APIMEC. See methodological notes.



2. Regulated markets

* Consists in estimates and does not include all securities regulated by CVM. For prior years it represents end of year data.

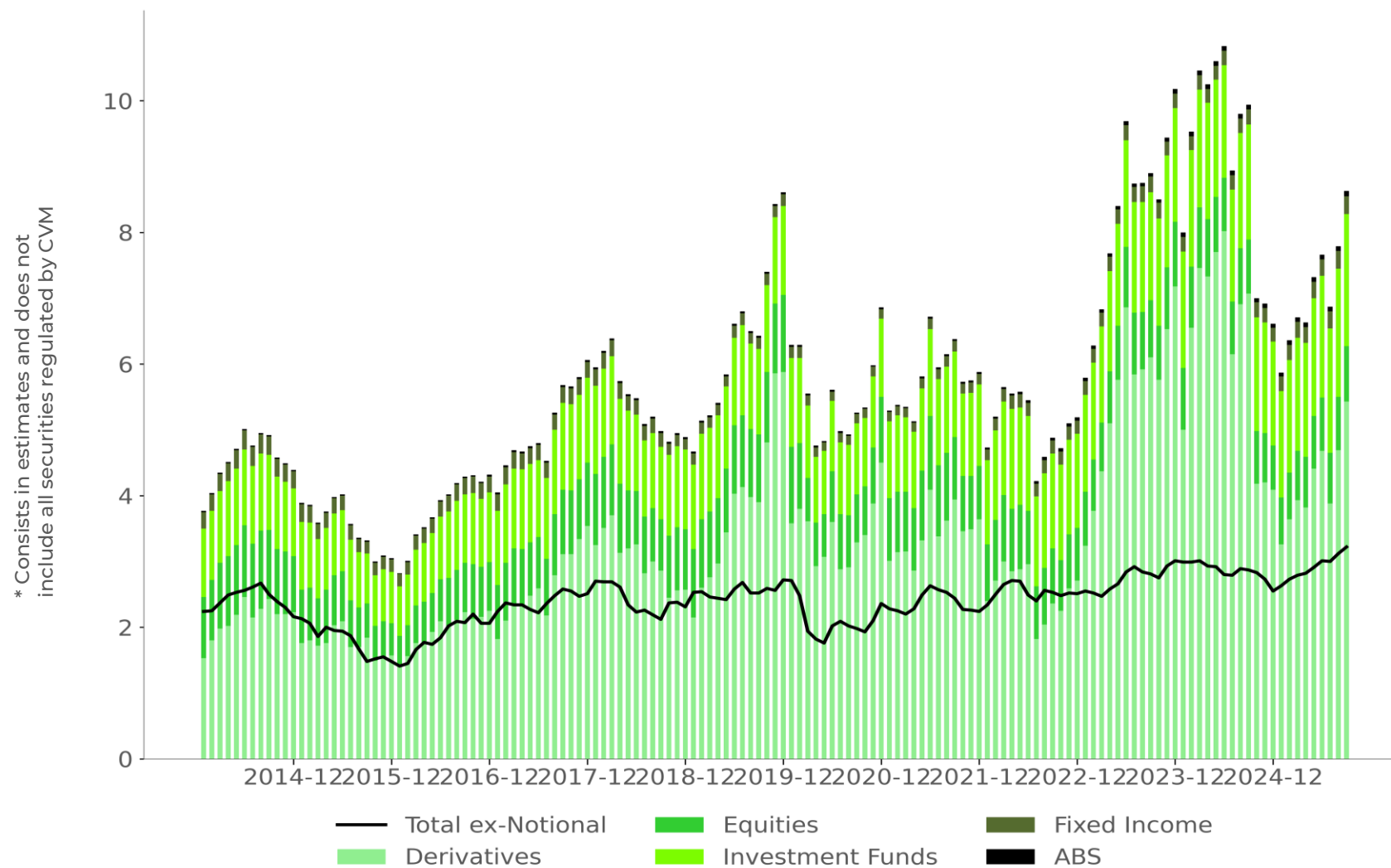
| 2.2.1. Total regulated markets (US\$ tri)* | | | | | | | |
|--|-----------------------|------|------|------|-------|------|------|
| CATEGORY | ASSET | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Fixed Income | Corporate Bonds | 0.13 | 0.15 | 0.19 | 0.20 | 0.20 | 0.25 |
| | Commercial Paper | 0.01 | 0.01 | 0.01 | 0.02 | 0.01 | 0.02 |
| Securitization | MBS | 0.02 | 0.02 | 0.03 | 0.04 | 0.04 | 0.05 |
| | Agrobusiness | 0.01 | 0.01 | 0.02 | 0.03 | 0.02 | 0.03 |
| Variable Income | Equities – Market Cap | 1.00 | 0.81 | 0.80 | 0.98 | 0.67 | 0.84 |
| Derivatives | Notional outstanding | 4.50 | 3.63 | 2.70 | 7.17 | 4.08 | 5.41 |
| | Structured Notes | 0.00 | 0.01 | 0.01 | 0.01 | 0.01 | 0.02 |
| Investment Funds | Non Structured | 1.03 | 1.04 | 1.19 | 1.42 | 1.23 | 1.54 |
| | Structured | 0.16 | 0.20 | 0.24 | 0.31 | 0.35 | 0.47 |
| TOTAL | | 6.86 | 5.88 | 5.19 | 10.18 | 6.61 | 8.63 |
| TOTAL EX-NOTIONAL | | 2.36 | 2.25 | 2.49 | 3.01 | 2.53 | 3.22 |

Source: CVM, APIMEC



2. Regulated markets

2.2.2. Regulated market value (US\$ tri)*

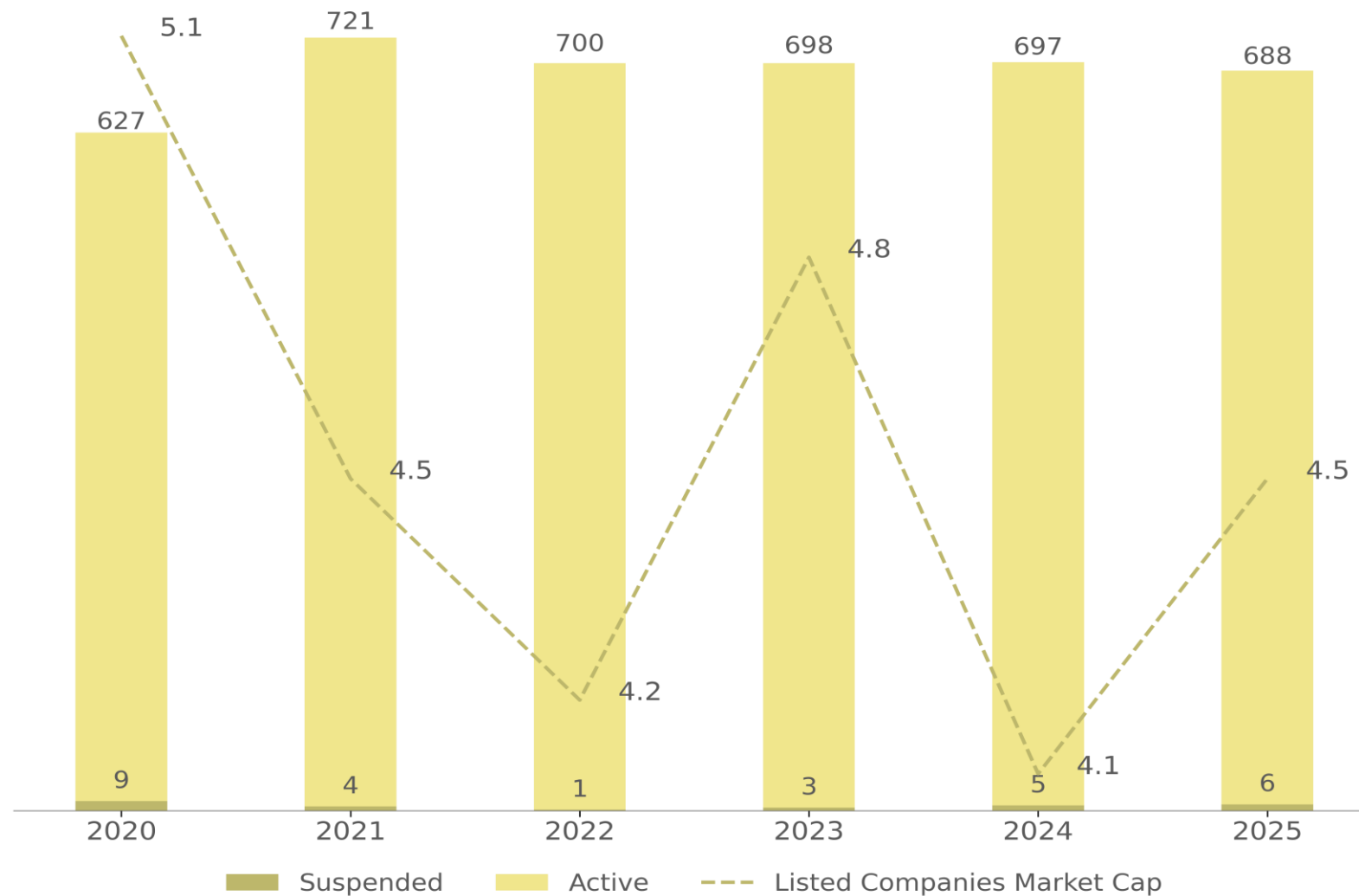


Source: CVM and Organized Market Administrators



2. Regulated markets

2.3. Registered companies and listed companies market cap (R\$ tri)

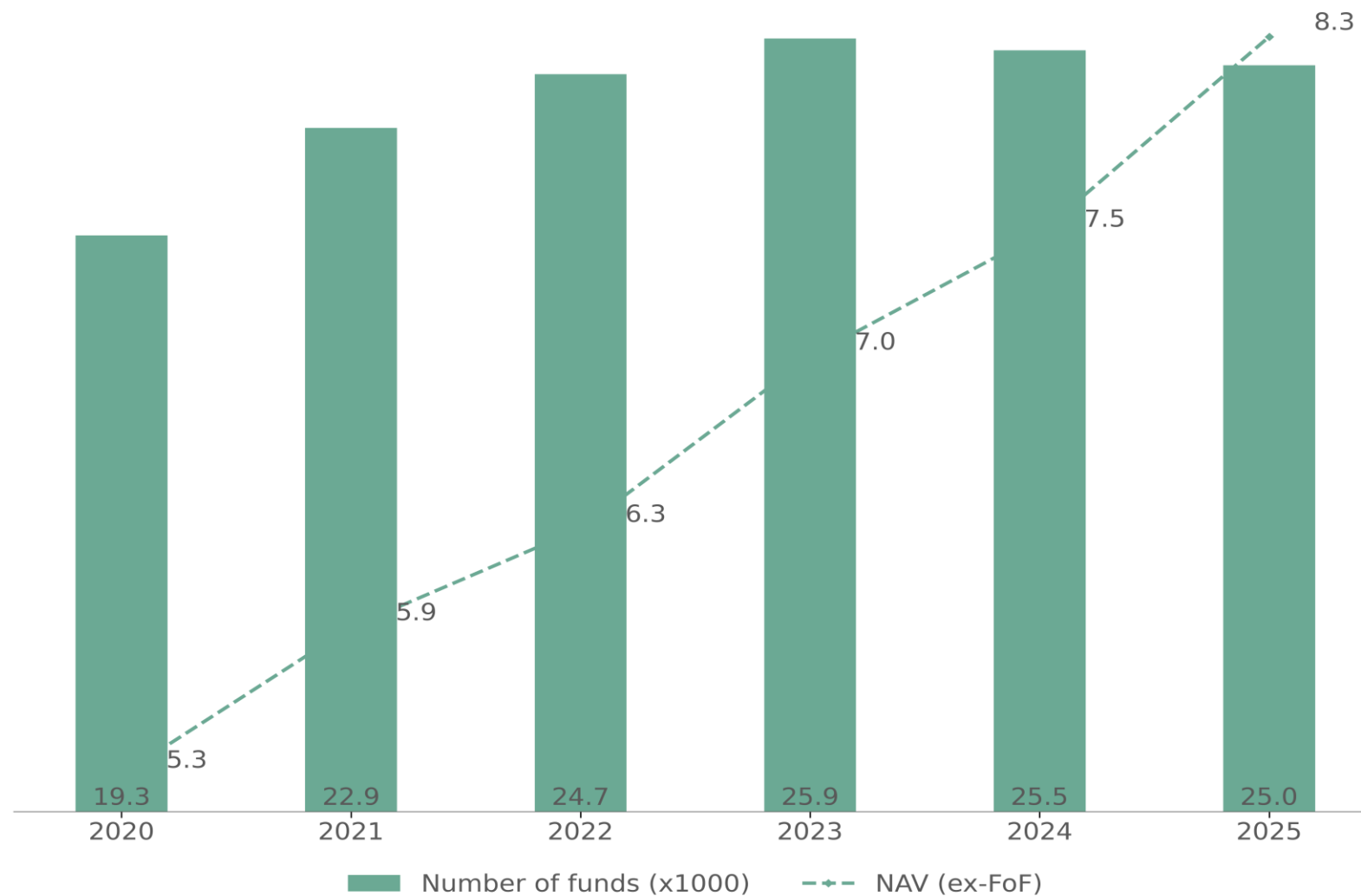


Source: CVM, B3



2. Regulated markets

2.4. Non Structured Funds (ex-FoF) – quantity and NAV (R\$ tri)

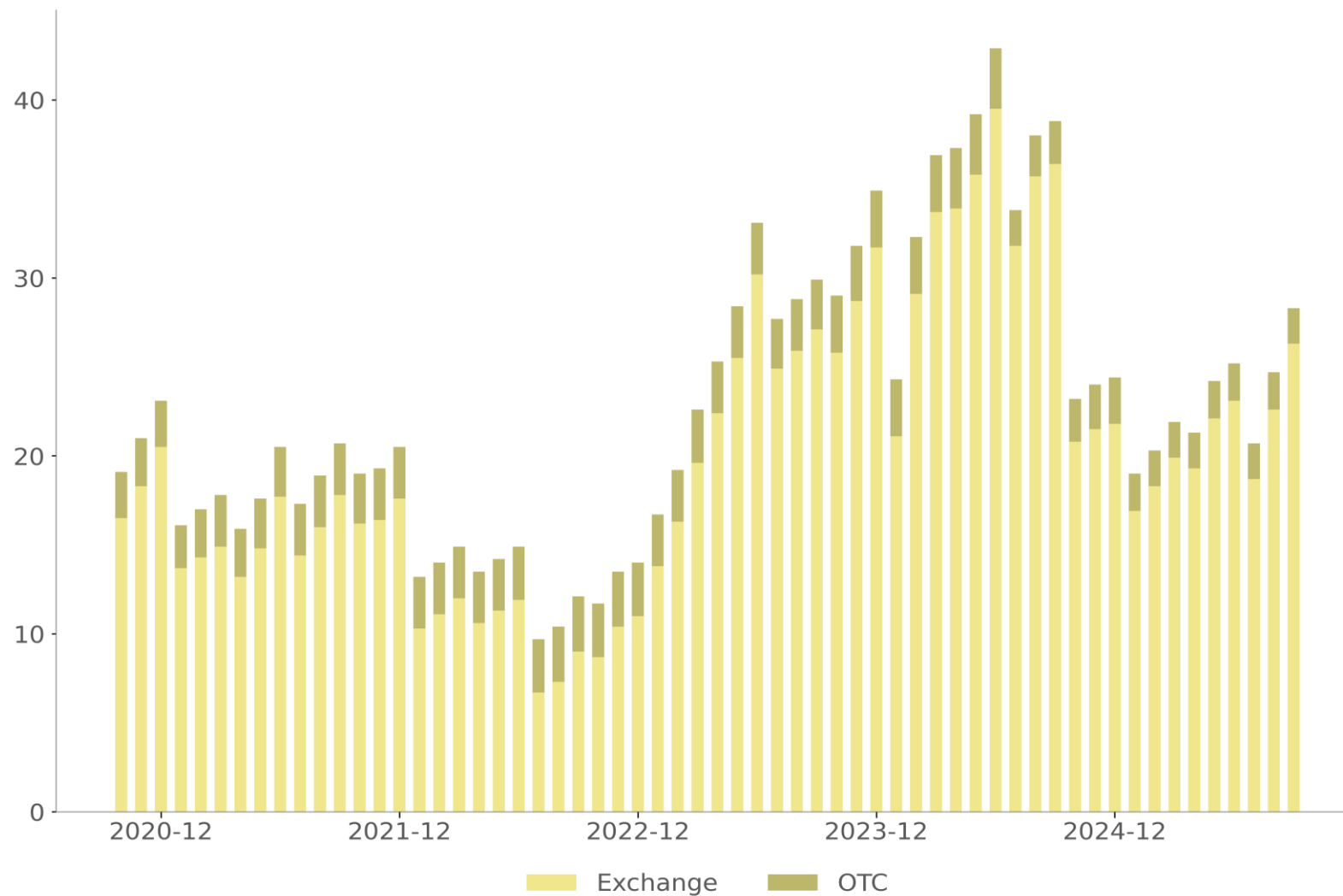


Source: CVM



2. Regulated markets

2.5. Derivatives – notional outstanding (R\$ tri)



Source: Organized Market Administrators



3. Primary markets

3.1. Annual totals by rule – before Rule CVM n° 160/22

* Consists in estimates and does not include all securities regulated by CVM. Includes stocks+DR, MBS, Agrobusiness ABS, CDOs, REITs, Private Equity, CP, bank bonds and corporate bonds (ex-leasing). ICVM 476 offers exclude ongoing efforts. ICVM 400 exclude single indivisible batch exemptions.

| 3.1.1. Annual totals (quantity and value)* | 2020 | | 2021 | | 2022 | | 2023 | | 2024 | | 2025 | |
|--|-------|-----------|-------|-----------|-------|-----------|------|-----------|------|-----------|------|-----------|
| RULE | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | Qty | R\$ bi |
| ICVM 400 | 134 | 120.1 | 164 | 129.0 | 146 | 107.7 | 10 | 6.8 | - | - | - | - |
| ICVM 400 (exemptions) | 2 | 5.0 | 1 | 0.1 | - | - | - | - | - | - | - | - |
| ICVM 476 | 1.395 | 318.4 | 2.712 | 608.2 | 2.074 | 467.4 | 887 | 103.8 | 922 | 86.8 | 40 | 4.5 |
| TOTAL | 1.531 | 443.5 | 2.877 | 737.3 | 2.220 | 575.1 | 897 | 110.6 | 922 | 86.8 | 40 | 4.5 |

Source: CVM

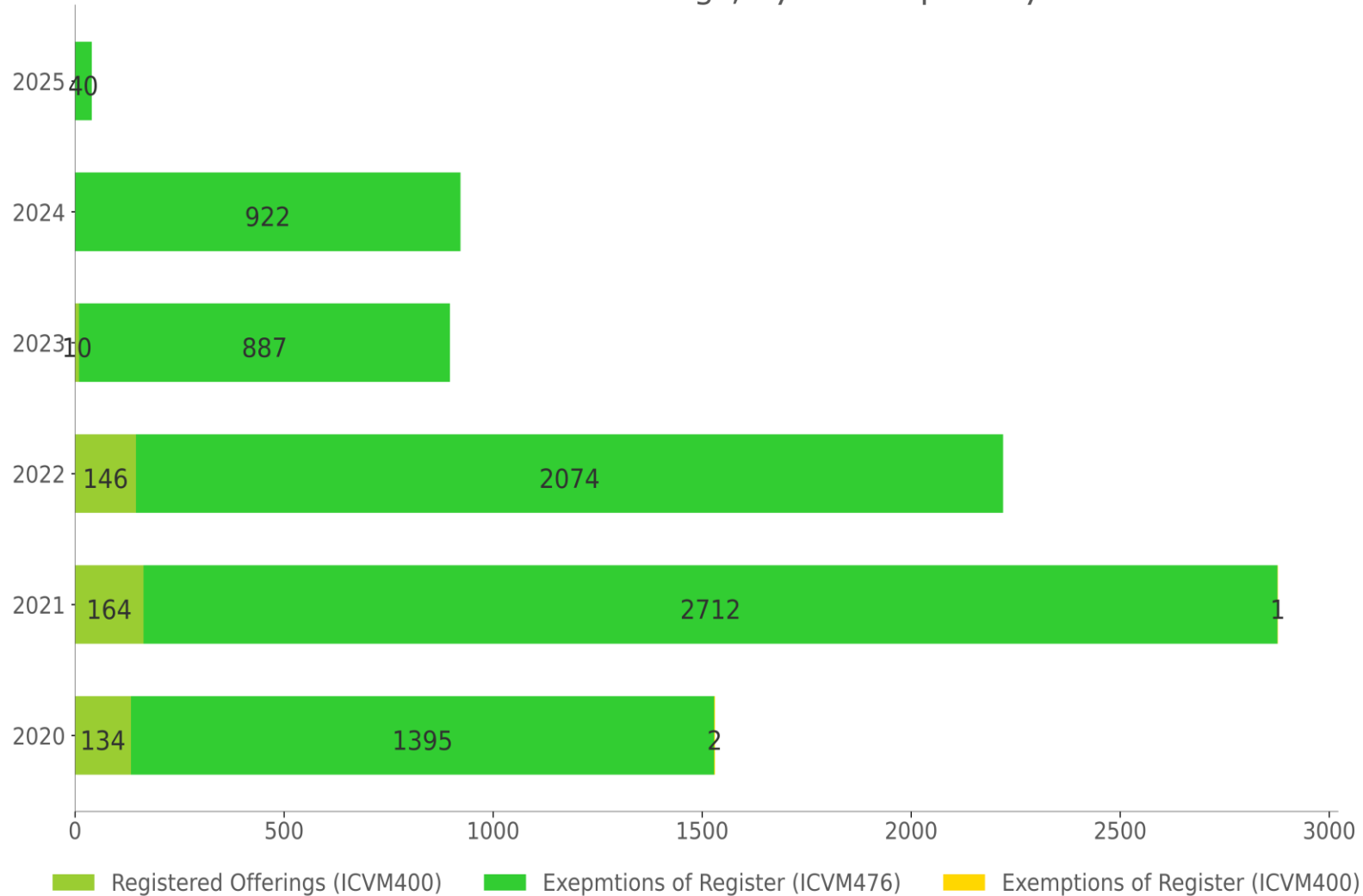


3. Primary markets

3.1. Annual totals by rule – before Rule CVM n° 160/22

3.1.2. Total YTD offerings, by rule – quantity*

* Consists in estimates and does not include all securities regulated by CVM. Includes stocks+DR, MBS, Agrobusiness ABS, CDOs, REITs, Private Equity, CP, bank bonds and corporate bonds (ex-leasing). ICVM 476 offers exclude ongoing efforts.



Source: CVM

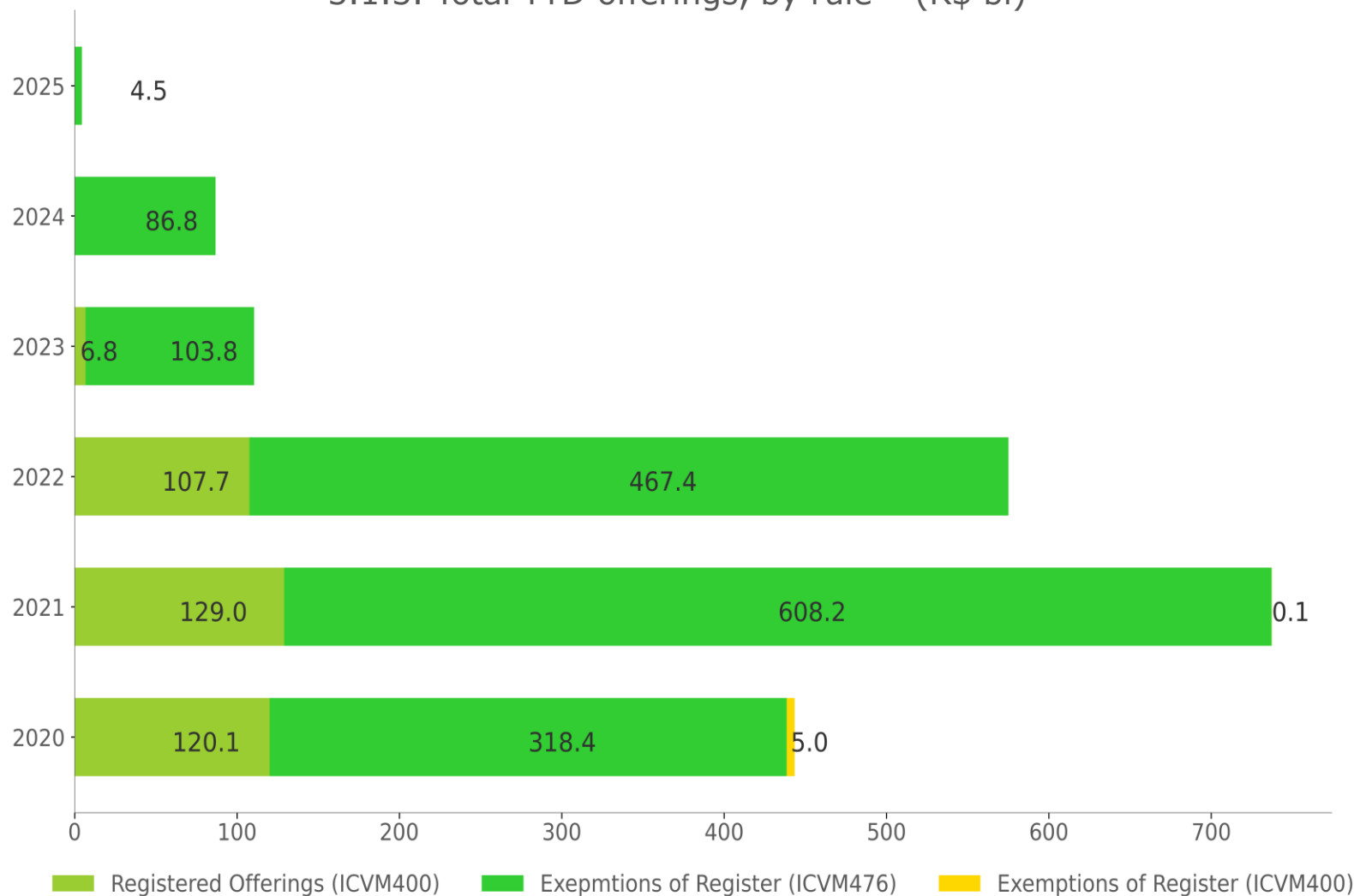


3. Primary markets

3.1. Annual totals by rule – before Rule CVM nº 160/22

3.1.3. Total YTD offerings, by rule – (R\$ bi)*

* Consists in estimates and does not include all securities regulated by CVM. Includes stocks+DR, MBS, Agrobusiness ABS, CDOs, REITs, Private Equity, CP, bank bonds and corporate bonds (ex-leasing). ICVM 476 offers exclude ongoing efforts.



Source: CVM



3. Primary markets

3.1. Annual totals by rule – with Rule CVM n° 160/22

* Consists in estimates and does not include all securities regulated by CVM. Includes stocks+DR, MBS, Agrobusiness ABS, CDOs, REITs, Private Equity, CP, bank bonds and corporate bonds (ex-lease). ICVM 476 offers exclude ongoing efforts. Does not include "unique lot" exemptions.

| 3.1.4. Annual totals (quantity and value)* | 2020 | | 2021 | | 2022 | | 2023 | | 2024 | | 2025 | |
|--|-------|--------|-------|--------|-------|--------|-------|--------|-------|--------|-------|--------|
| RULE | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | Qty | R\$ bi |
| "Old" (ICVM 400 + ICVM 476 + Exemptions) | 1.531 | 443.5 | 2.877 | 737.3 | 2.220 | 575.1 | 897 | 110.6 | 922 | 86.8 | 40 | 4.5 |
| RCVM 160 (automatic) | - | - | - | - | - | - | 2.362 | 539.5 | 3.572 | 908.2 | 2.746 | 625.4 |
| RCVM 160 (ordinary) | - | - | - | - | - | - | 29 | 8.7 | 30 | 8.9 | 6 | 1.0 |
| RCVM 88 ("crowdfunding") | 96 | 0.14 | 76 | 0.13 | 119 | 0.24 | 109 | 0.22 | 405 | 1.3 | 629 | 3.1 |
| TOTAL | 1.627 | 443.6 | 2.953 | 737.4 | 2.339 | 575.3 | 3.397 | 659.0 | 4.929 | 1005.2 | 3.421 | 634.0 |

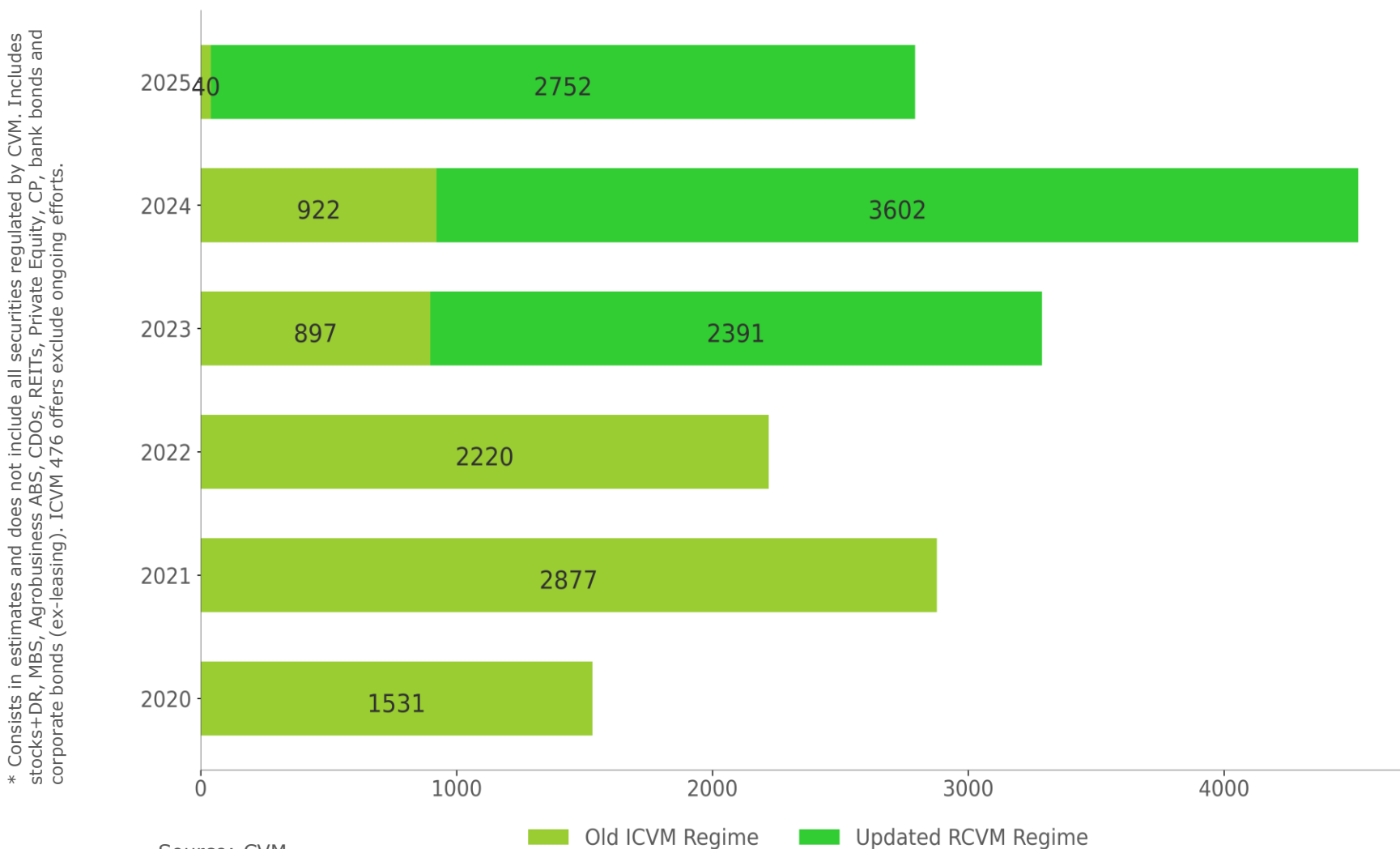
Source: CVM



3. Primary markets

3.1. Annual totals by rule – with Rule CVM n° 160/22

3.1.5. Total YTD offerings, by rule – quantity*

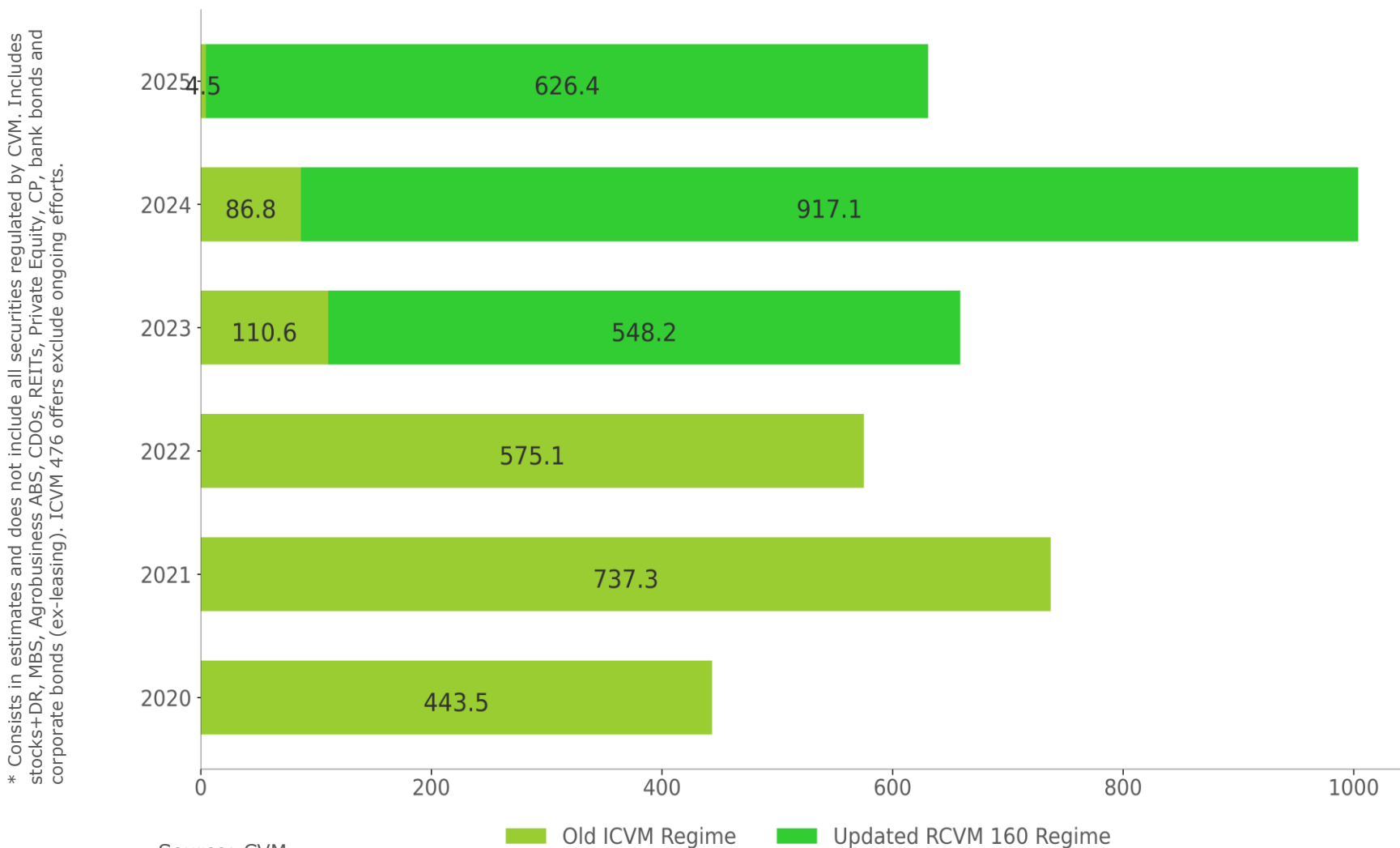




3. Primary markets

3.1. Annual totals by rule – with Rule CVM n° 160/22

3.1.6. Total YTD offerings, by rule – (R\$ bi)*





3. Primary markets

3.2. Accumulated totals by rule – with Rule CVM n° 160/22

* Consists in estimates and does not include all securities regulated by CVM. Includes stocks+DR, MBS, Agrobusiness ABS, CDOs, REITs, Private Equity, CP, bank bonds and corporate bonds (ex-lease). ICVM 476 offers exclude ongoing efforts. Does not include "unique lot" exemptions.

| 3.2.1. Quarterly cumulative totals (quantity and value)* | 2020 | | 2021 | | 2022 | | 2023 | | 2024 | | 2025 | |
|--|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|
| RULE | Qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | Qty | R\$ bi |
| "Old" (ICVM 400 + ICVM 476 + Exemptions) | 1.031 | 306.3 | 1.616 | 472.7 | 1.565 | 427.1 | 735 | 93.2 | 556 | 48.4 | 40 | 4.5 |
| RCVM 160 (automatic) | - | - | - | - | - | - | 1.579 | 335.5 | 2.493 | 633.6 | 2.746 | 625.4 |
| RCVM 160 (ordinary) | - | - | - | - | - | - | 19 | 5.9 | 22 | 6.0 | 6 | 1.0 |
| RCVM 88 ("crowdfunding") | 80 | 0.1 | 45 | 0.06 | 85 | 0.17 | 77 | 0.15 | 253 | 0.76 | 629 | 3.1 |
| TOTAL | 1.111 | 306.4 | 1.661 | 472.8 | 1.650 | 427.3 | 2.410 | 434.8 | 3.324 | 688.8 | 3.421 | 634.0 |

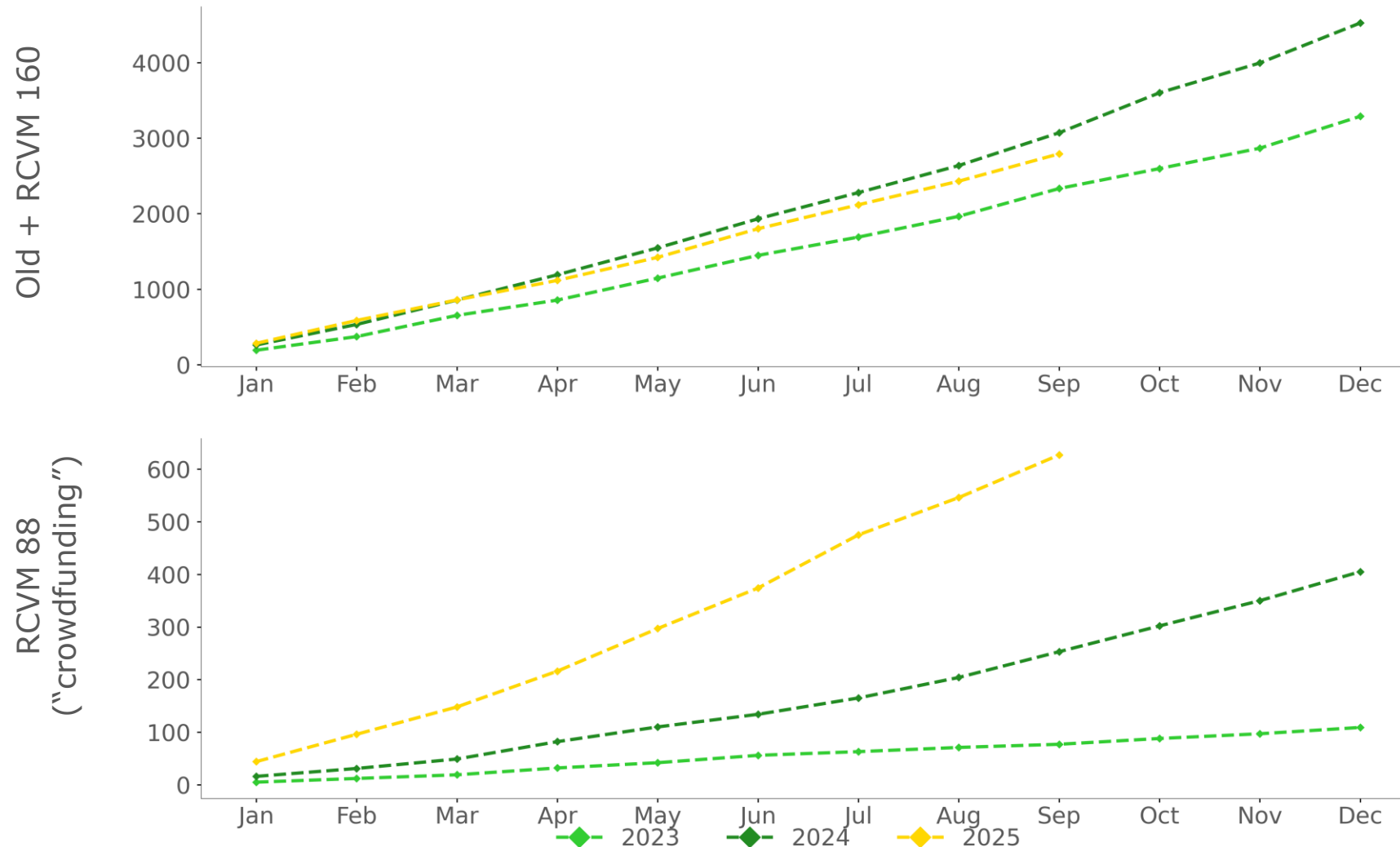
Source: CVM



3. Primary markets

3.2. Accumulated totals by rule

3.2.2. Accumulated totals for the current month, by rule (quantity)



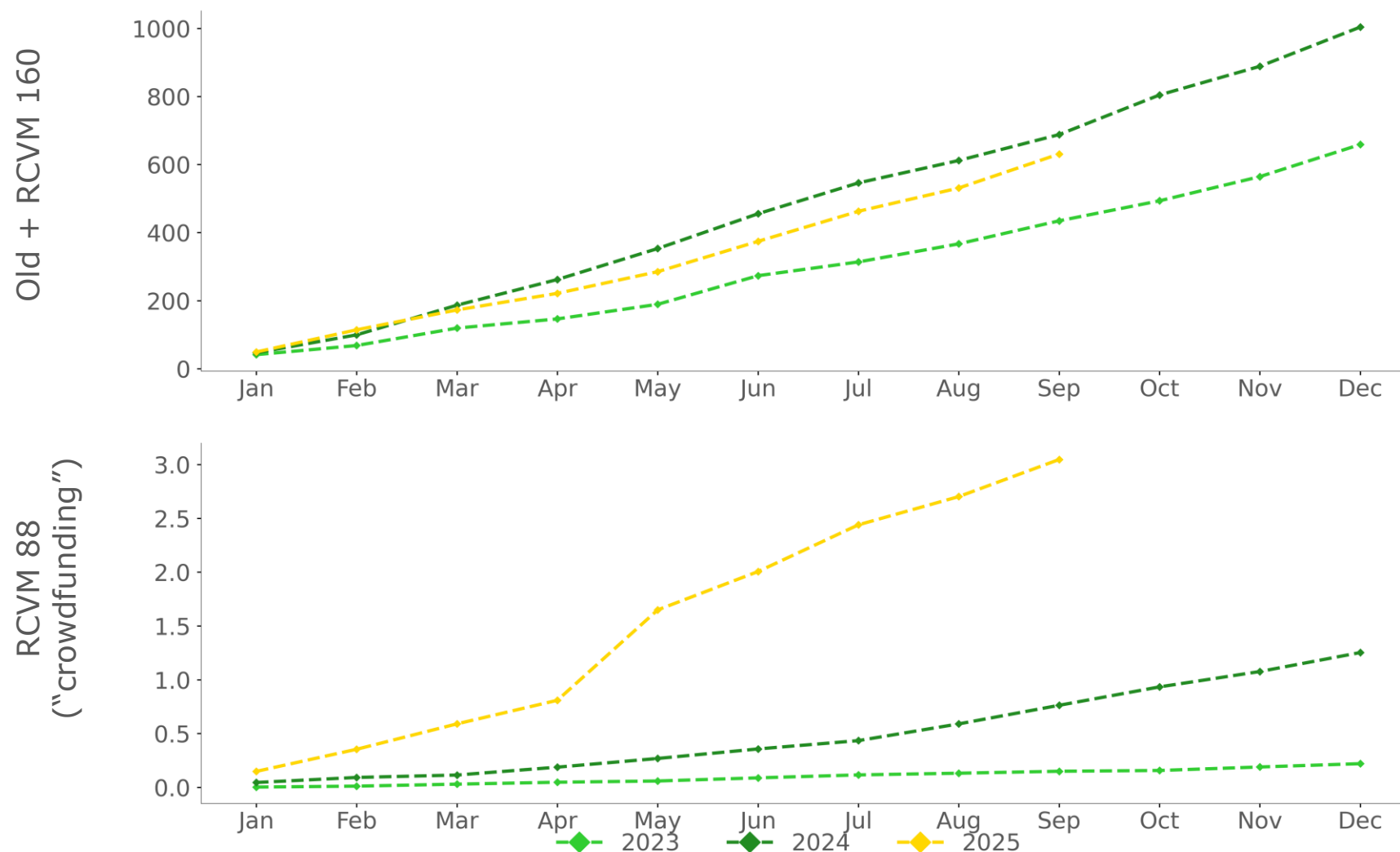
Source: CVM



3. Primary markets

3.2. Accumulated totals by rule

3.2.3. Accumulated totals for the current month, by rule (R\$ bi)



Source: CVM



3. Primary markets

3.3. Annual totals by instrument

* Consists in estimates and does not include all securities or offers regulated by CVM. ICVM 476 offers exclude ongoing efforts. **Does not include crowdfunding.**
 ** Includes "other securitized instruments", as in Law 14.430/22.

| 3.3.1. Annual totals* | 2020 | | 2021 | | 2022 | | 2023 | | 2024 | | 2025 | |
|-----------------------|-------|--------|-------|--------|-------|--------|-------|--------|-------|--------|-------|--------|
| INSTRUMENT | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi |
| Equities | 51 | 117.6 | 70 | 130.4 | 18 | 57.4 | 21 | 31.3 | 9 | 25.0 | 7 | 4.5 |
| Corporate Bonds | 276 | 121.2 | 502 | 251.0 | 477 | 269.7 | 402 | 246.7 | 658 | 482.5 | 418 | 301.6 |
| Commercial Paper | 71 | 21.9 | 82 | 27.0 | 144 | 48.4 | 150 | 29.2 | 216 | 47.6 | 138 | 38.6 |
| MBS | 230 | 14.3 | 430 | 33.9 | 425 | 48.5 | 551 | 58.4 | 779 | 71.2 | 350 | 31.7 |
| Agribusiness ABS | 56 | 13.3 | 125 | 25.0 | 214 | 43.8 | 209 | 46.9 | 176 | 42.0 | 97 | 27.1 |
| Generic ABS** | - | - | - | - | - | - | 5 | 0.1 | 16 | 12.6 | 48 | 28.3 |
| CDOs | 305 | 48.6 | 693 | 89.0 | 463 | 40.5 | 1.096 | 80.3 | 1.708 | 149.3 | 1.219 | 97.9 |
| Infrastructure Funds | 2 | 1.0 | - | - | - | - | 12 | 3.7 | 16 | 6.0 | 8 | 2.5 |
| Agribusiness REITs | - | - | - | - | - | - | - | - | - | - | 36 | 3.8 |
| REITs | 264 | 49.3 | 389 | 62.6 | 255 | 36.5 | 393 | 69.4 | 438 | 85.3 | 274 | 68.8 |
| Private Equity | 276 | 56.3 | 586 | 118.4 | 224 | 30.3 | 449 | 92.8 | 508 | 82.4 | 197 | 26.1 |
| TOTAL | 1.531 | 443.5 | 2.877 | 737.3 | 2.220 | 575.1 | 3.288 | 658.8 | 4.524 | 1003.9 | 2.792 | 630.9 |

Source: CVM



3. Primary markets

3.3. Annual totals by instrument

* Consists in estimates and does not include all securities or offers regulated by CVM. ICVM 476 offers exclude ongoing efforts. **Does not include crowdfunding.**
 ** Includes "other securitized instruments", as in Law 14.430/22.

| 3.3.1. YTD totals* | 2020 | | 2021 | | 2022 | | 2023 | | 2024 | | 2025 | |
|----------------------|-------|--------|-------|--------|-------|--------|-------|--------|-------|--------|-------|--------|
| INSTRUMENT | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi | qty | R\$ bi |
| Equities | 35 | 78.3 | 67 | 126.1 | 17 | 54.7 | 18 | 29.8 | 8 | 21.8 | 7 | 4.5 |
| Corporate Bonds | 187 | 76.2 | 339 | 166.0 | 359 | 202.2 | 266 | 150.2 | 458 | 325.8 | 418 | 301.6 |
| Commercial Paper | 64 | 19.0 | 44 | 14.7 | 104 | 29.7 | 114 | 21.6 | 148 | 37.5 | 138 | 38.6 |
| MBS | 135 | 9.6 | 308 | 21.0 | 276 | 31.9 | 381 | 38.2 | 468 | 49.5 | 350 | 31.7 |
| Agribusiness ABS | 28 | 7.1 | 76 | 16.0 | 152 | 36.3 | 127 | 26.1 | 113 | 28.3 | 97 | 27.1 |
| Generic ABS** | - | - | - | - | - | - | 4 | 0.15 | 7 | 9.9 | 48 | 28.3 |
| CDOs | 227 | 40.5 | 330 | 44.1 | 327 | 26.6 | 796 | 44.4 | 1.188 | 90.1 | 1.219 | 97.9 |
| Infrastructure Funds | - | - | - | - | - | - | 9 | 2.3 | 11 | 5.3 | 8 | 2.5 |
| Agribusiness REITs | - | - | - | - | - | - | - | - | - | - | 36 | 3.8 |
| REITs | 171 | 33.8 | 232 | 42.4 | 172 | 23.8 | 287 | 48.4 | 313 | 60.4 | 274 | 68.8 |
| Private Equity | 184 | 41.8 | 220 | 42.4 | 158 | 21.9 | 331 | 73.4 | 357 | 59.4 | 197 | 26.1 |
| TOTAL | 1.031 | 306.3 | 1.616 | 472.7 | 1.565 | 427.1 | 2.333 | 434.6 | 3.071 | 688.0 | 2.792 | 630.9 |

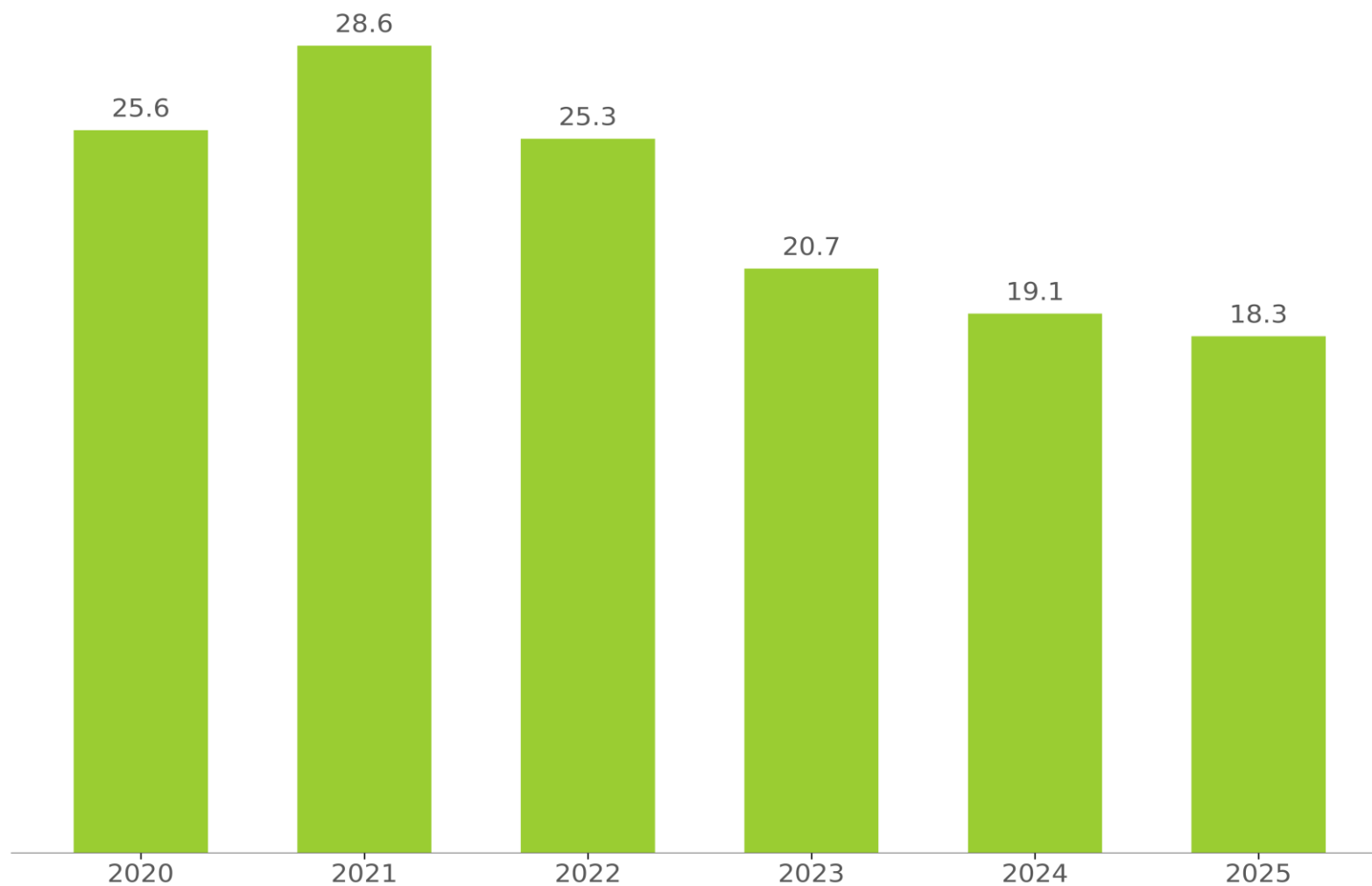
Source: CVM



4. Secondary markets

4.1. Spot

4.1.1. Average daily volume (R\$ bi) – equities (round lot)



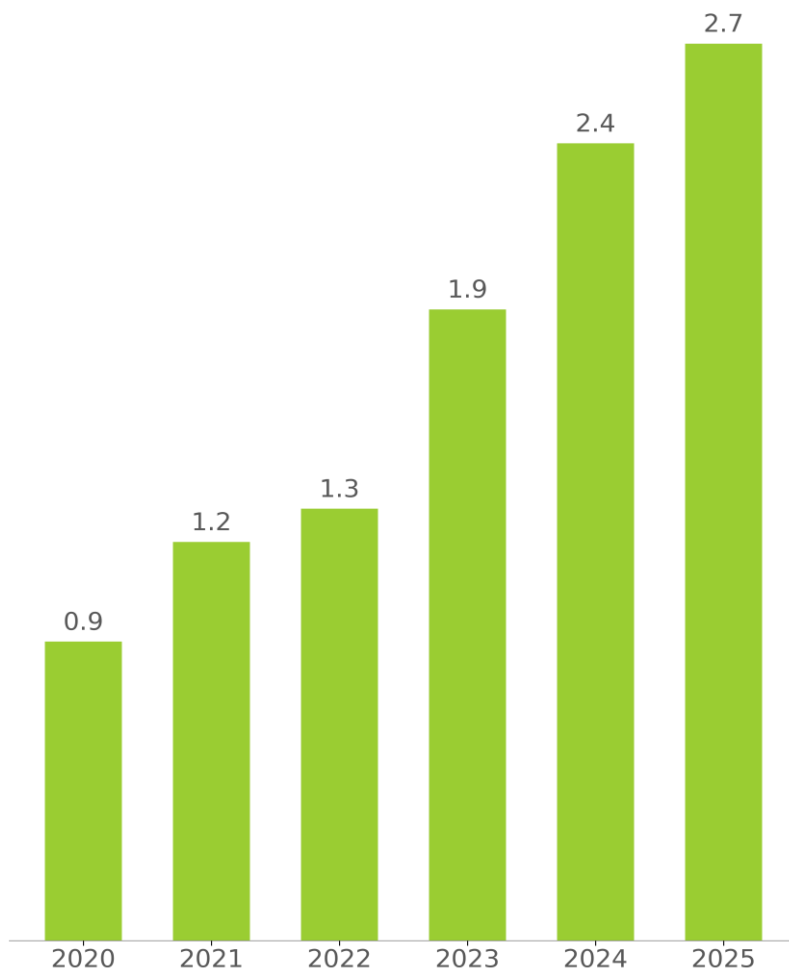
Source: B3



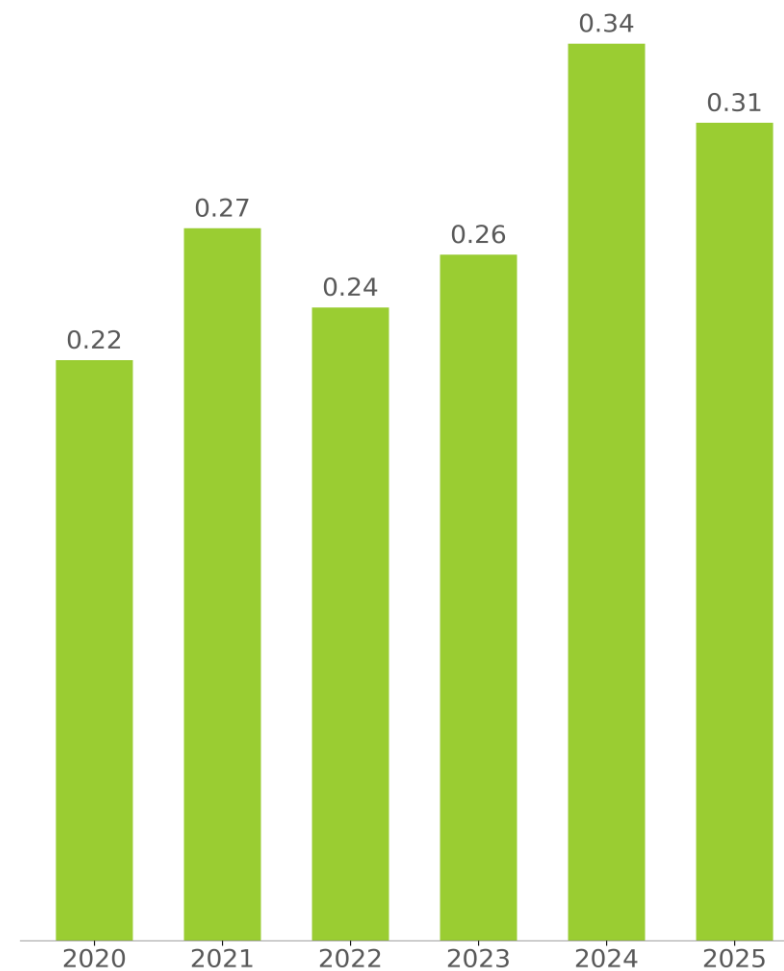
4. Secondary markets

4.1. Spot

4.1.2. Average daily volume (R\$ bi) – corporate bonds



4.1.3. Average daily volume (R\$ bi) - REITs



Source: ANBIMA and Economatica



4. Secondary markets

4.2. Derivatives

| 4.2.1. Derivatives – millions of contracts settled on exchanges (annual total) | | | | | | |
|---|-------|-------|-------|-------|--------|-------|
| INSTRUMENT | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| CDI Futures | 516.7 | 653.9 | 661.7 | 868.4 | 990.0 | 624.5 |
| USD Futures | 80.2 | 70.9 | 68.2 | 64.9 | 71.2 | 44.0 |
| Ibovespa Futures | 41.9 | 49.1 | 41.9 | 32.6 | 22.6 | 12.6 |
| TOTAL | 638.8 | 773.9 | 771.8 | 965.9 | 1083.8 | 681.1 |

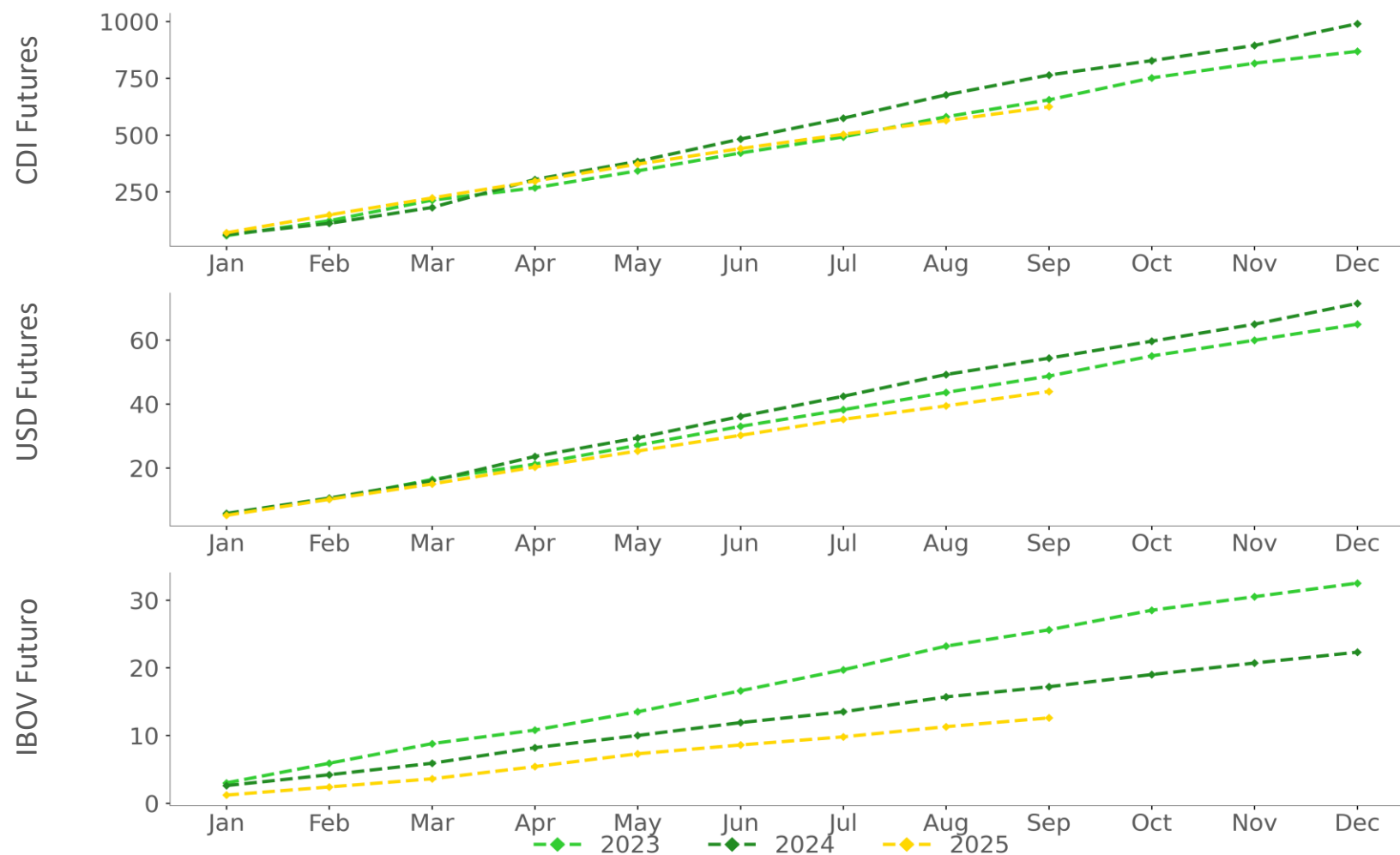
Source: Organized Market Administrators



4. Secondary markets

4.2. Derivatives

4.2.2. Derivatives – millions of contracts settled on exchanges (accumulated)

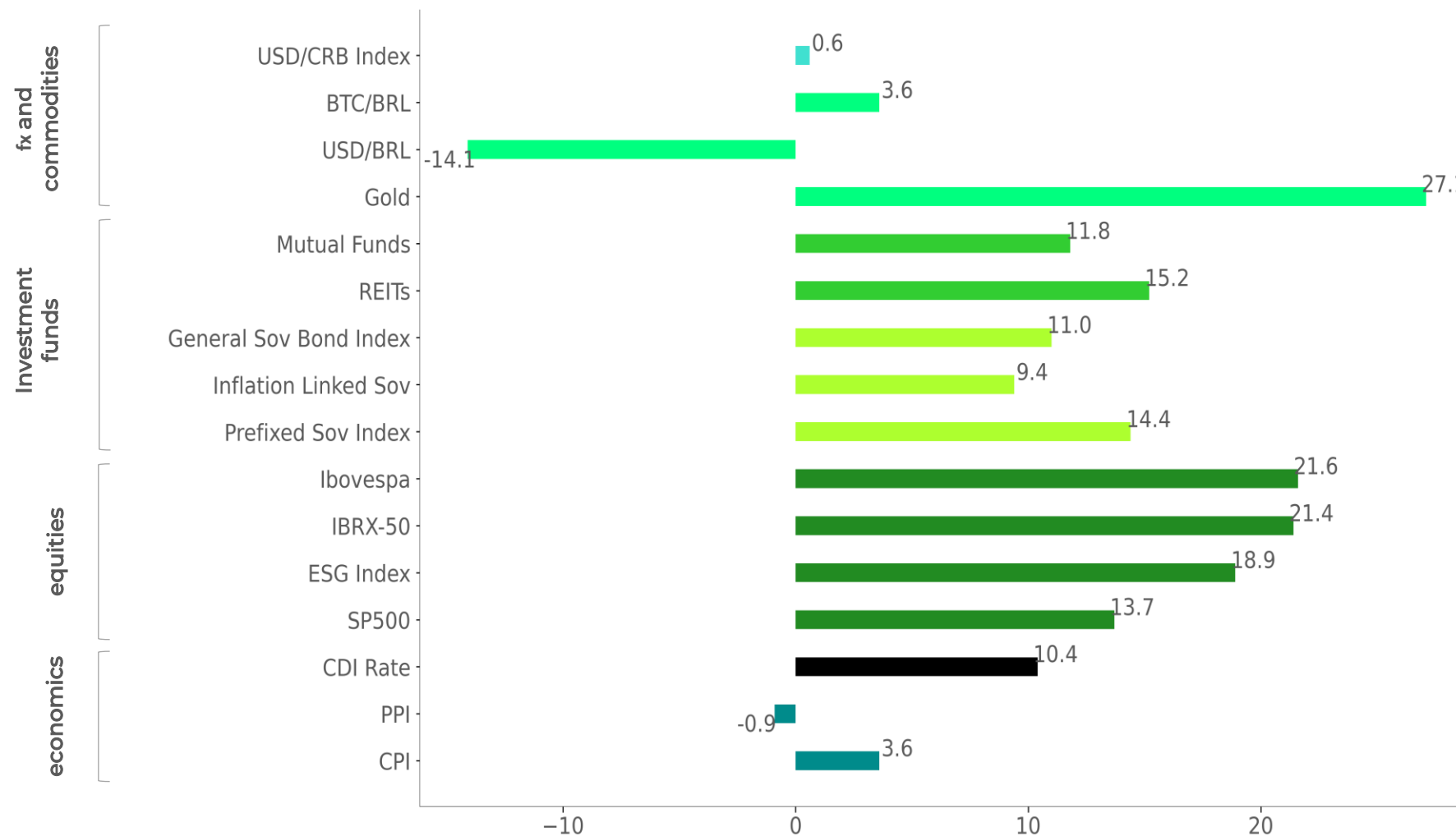


Source: Organized Market Administrators



5. Asset returns

5.1. YTD % asset returns



Source: Economatica, Bloomberg

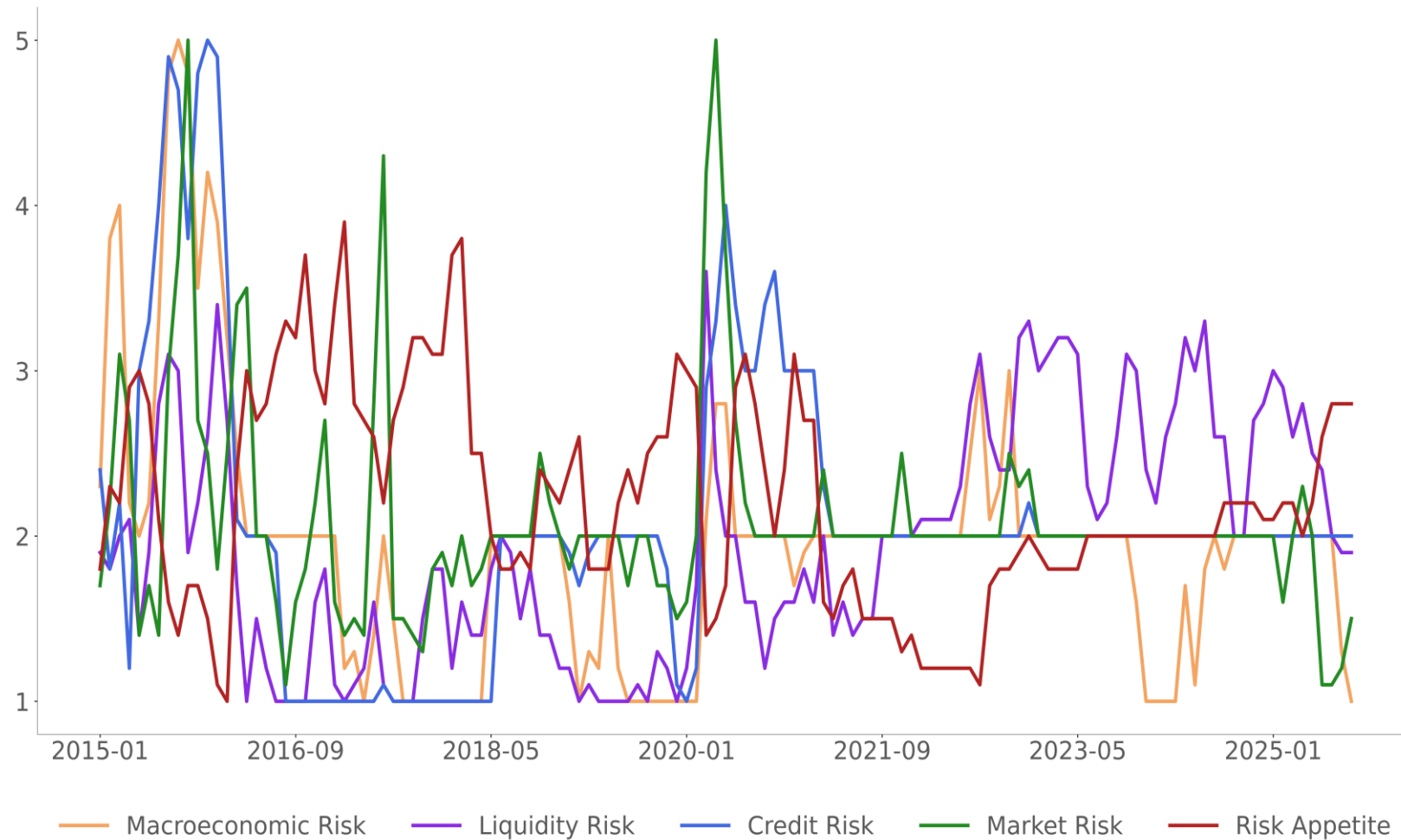


MARKET SCENARIO



6. Risk map

6.1. Risk map – last 120 months



Calculated by CVM according to Methodology



6. Risk map - Highlights

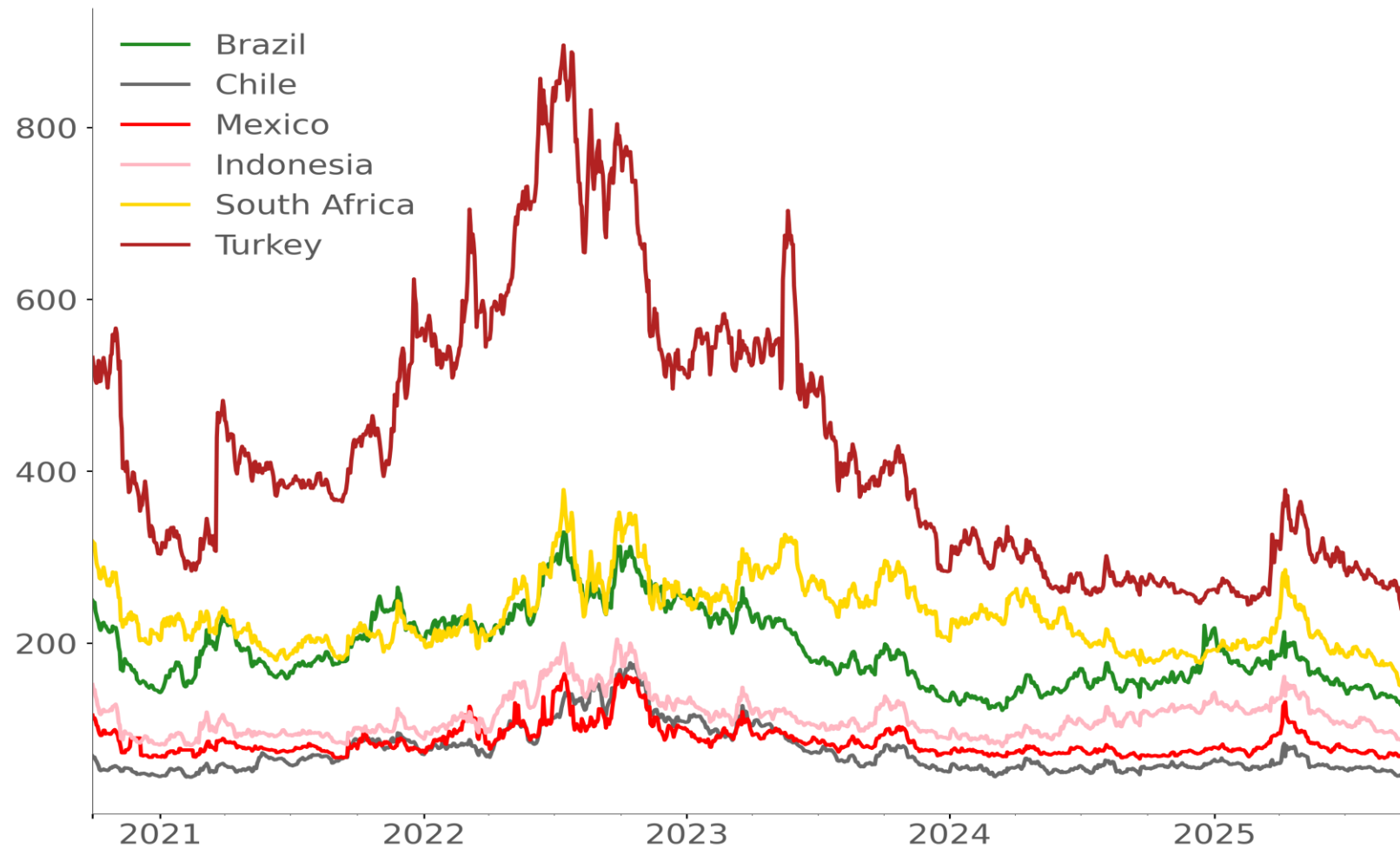
| | MACRO | MARKET | LIQUIDITY | RISK APPETITE | CREDIT |
|---------|-------|--------|-----------|---------------|--------|
| 2025-Q3 | ↓ 1.0 | ↑ 1.5 | ↓ 1.9 | ↑ 2.8 | 2.0 |
| 2025-Q2 | 2.0 | 1.1 | 2.4 | 2.6 | 2.0 |

- In the context of the third quarter of 2025, it is worth highlighting the decline in macro and liquidity risk indicators, as well as the increase in market risk and risk appetite indicators. Regarding the credit risk indicator, its movements were not sufficient to generate a change in its score, according to the Methodology.
- The global trend of interest rate cuts in developed economies indicates a more dovish stance, contributing to the reduction of Brazilian sovereign risk and that of other emerging peers (7.1). This more favorable external environment boosted risk appetite, especially in the subcomponents of equities and sovereign spreads (9.1 and 9.2), although global spreads remained stable, providing a more limited contribution (9.2).
- Conversely, greater uncertainty surrounding announced tariff measures increased overall asset volatility throughout the quarter, driving up market risk through higher volatility in fixed income and equity components (8.2 and 8.6). This movement was consistent with the trend observed in emerging peers and in the global market (8.2).
- Finally, it is worth noting the decline in liquidity risk during the quarter, reflecting the gradual decrease in the median bid-ask spread (10.1) and the resumption of positive net foreign investment flows (10.2), although still at lower levels than in previous years.



7. Macroeconomic risk

7.1. Sovereign CDS – emerging economies (basis points)

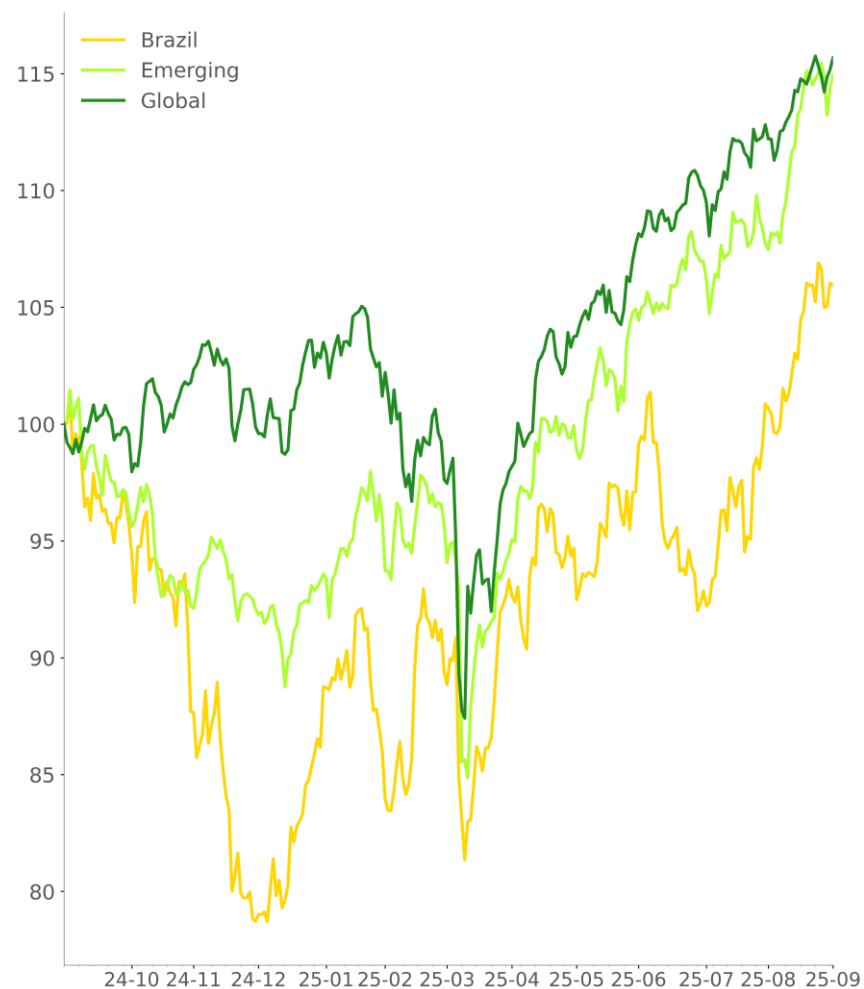


Source: Bloomberg



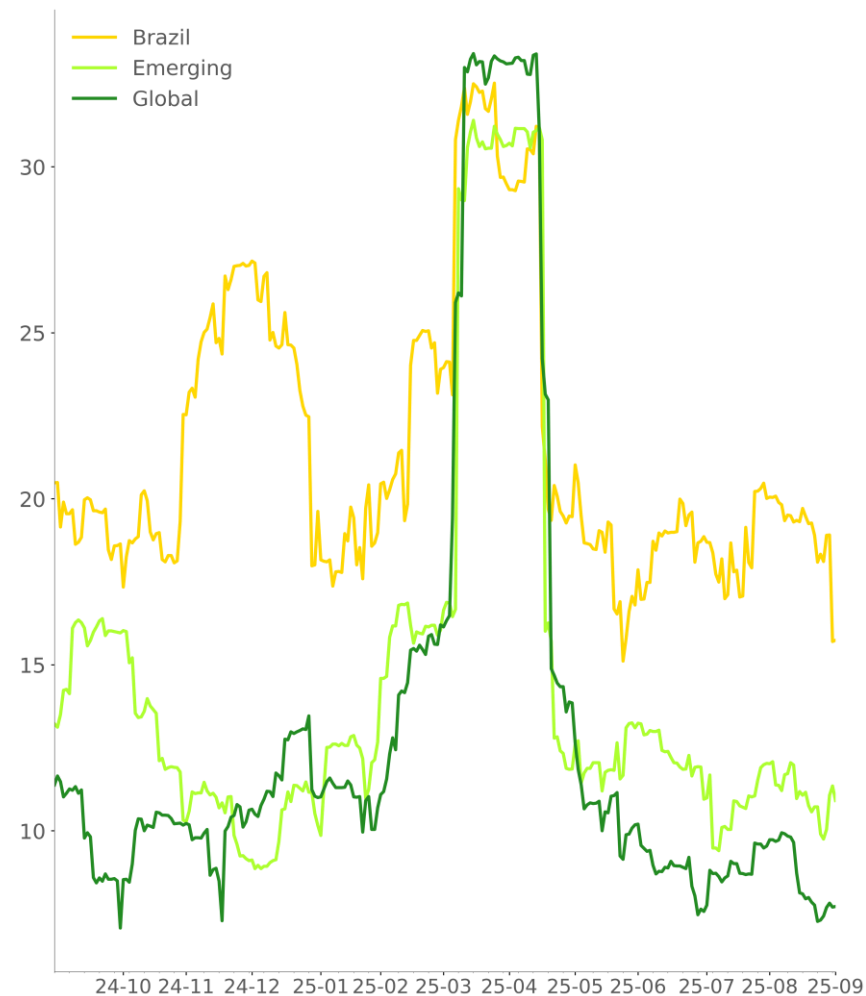
8. Market risk

8.1. MSCI equity indexes – last 12 months return



Source: Bloomberg

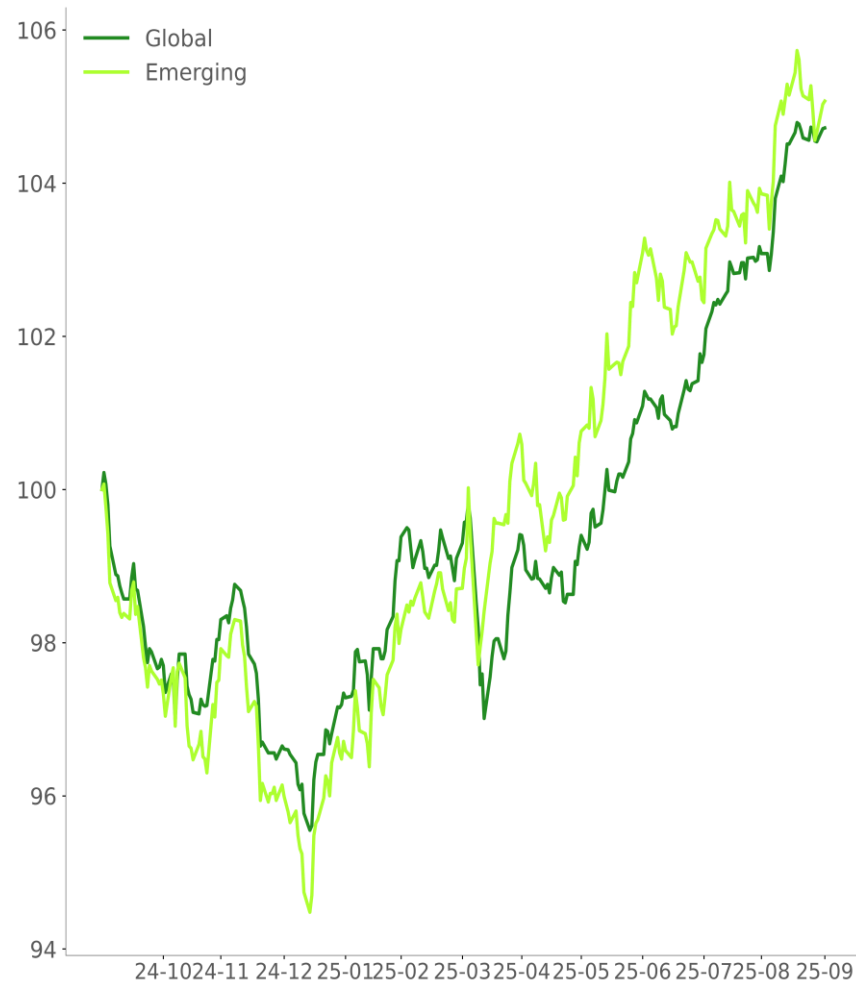
8.2. MSCI equity indexes – volatility





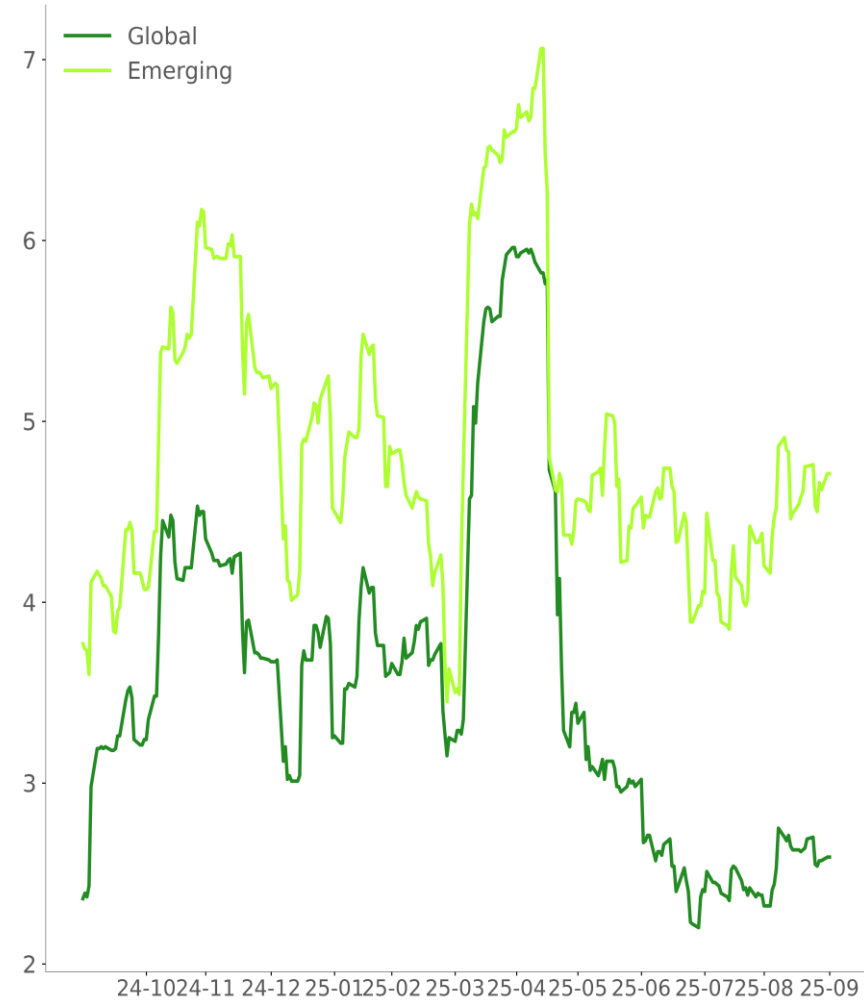
8. Market risk

8.3. Corporate bond indexes – last 12 months return



Source: Bloomberg

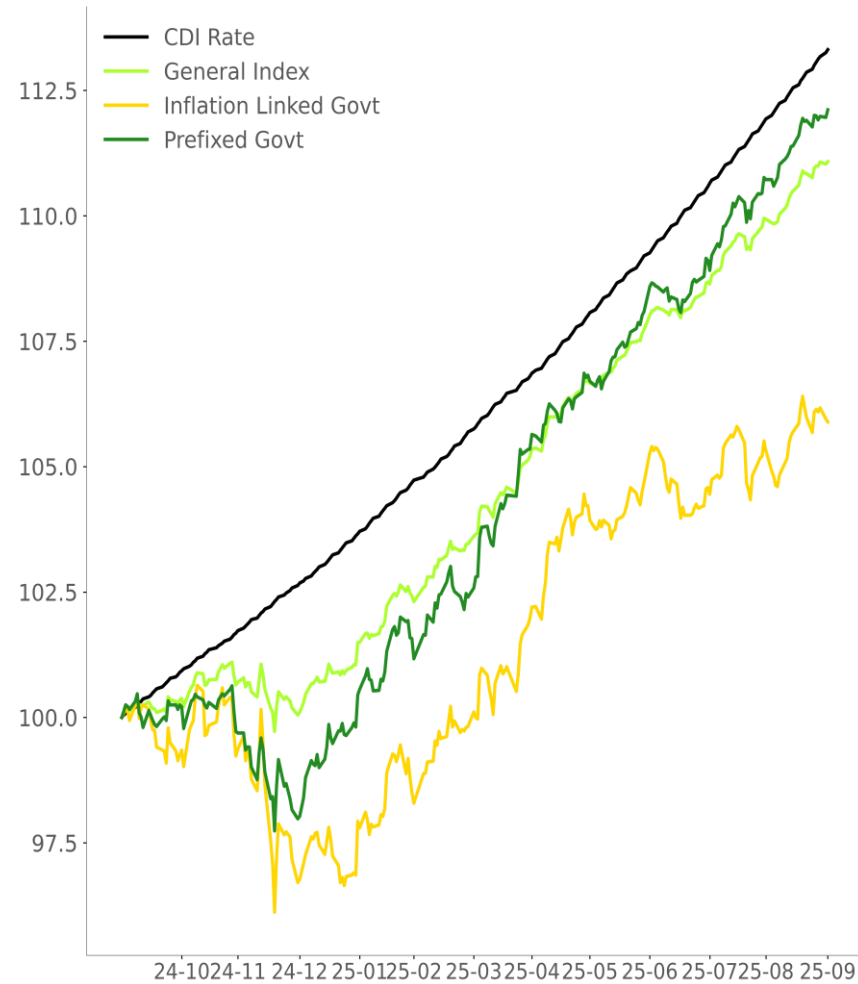
8.4. Corporate bond indexes – volatility





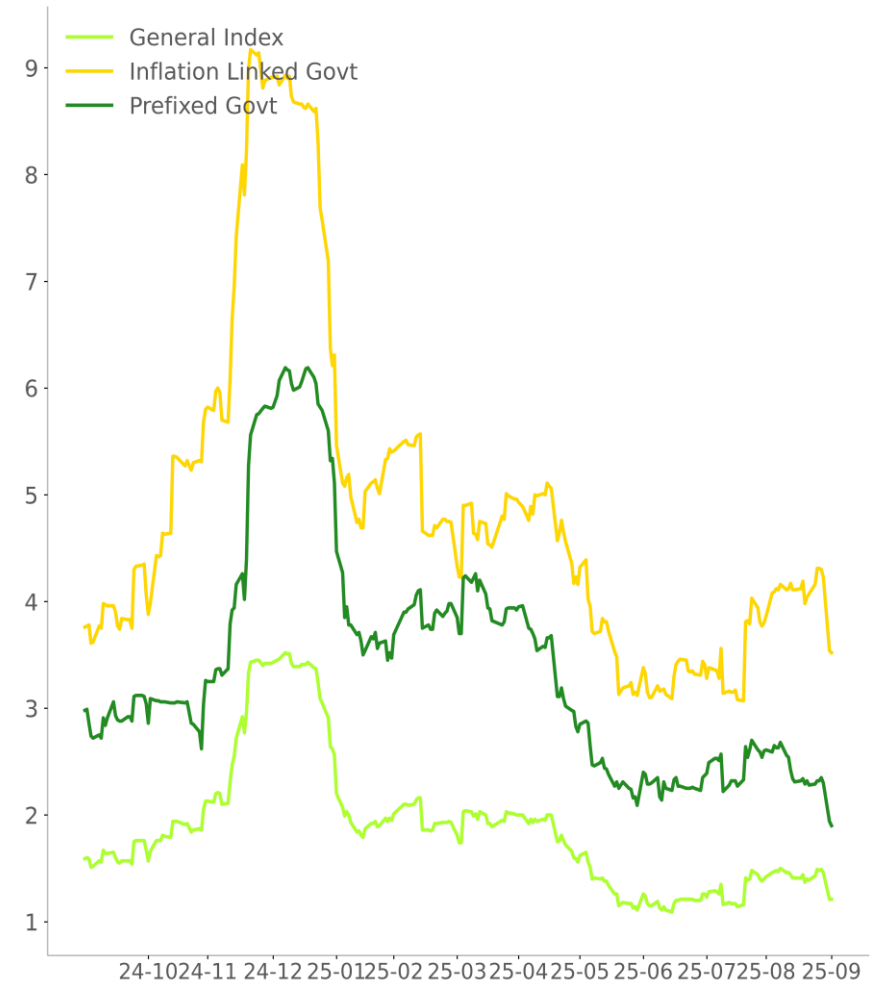
8. Market risk

8.5. National fixed income indexes
– last 12 months return



Source: Bloomberg

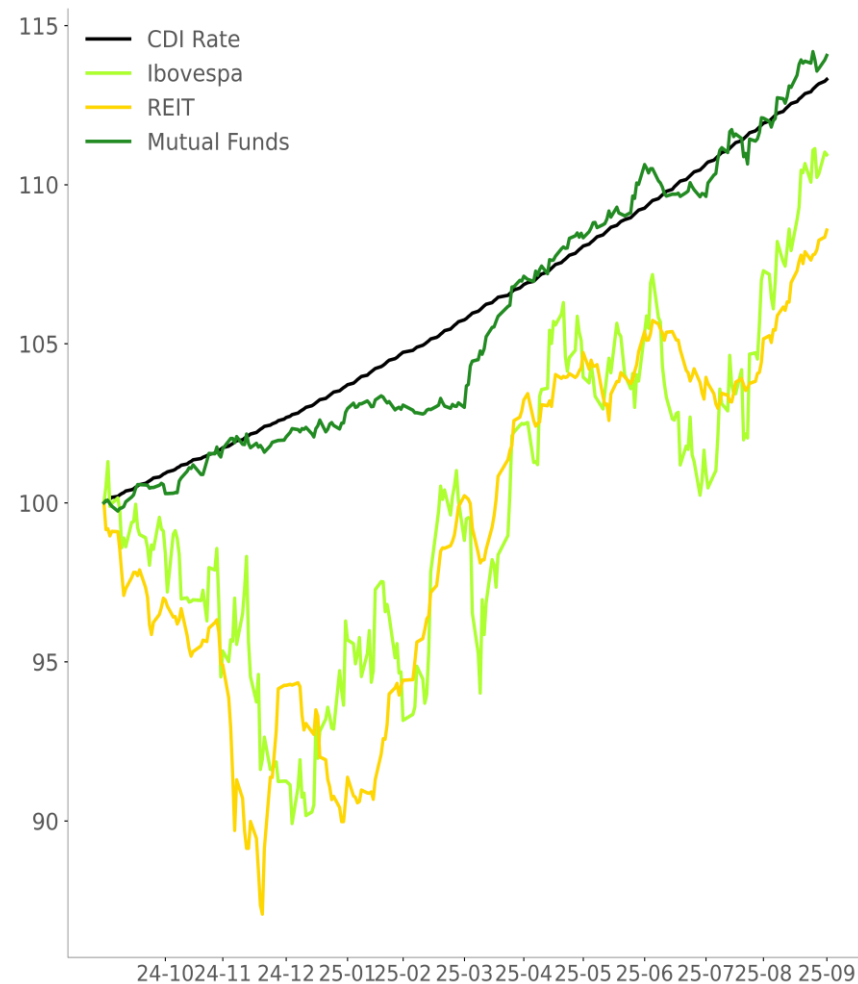
8.6. National fixed income indexes
– volatility





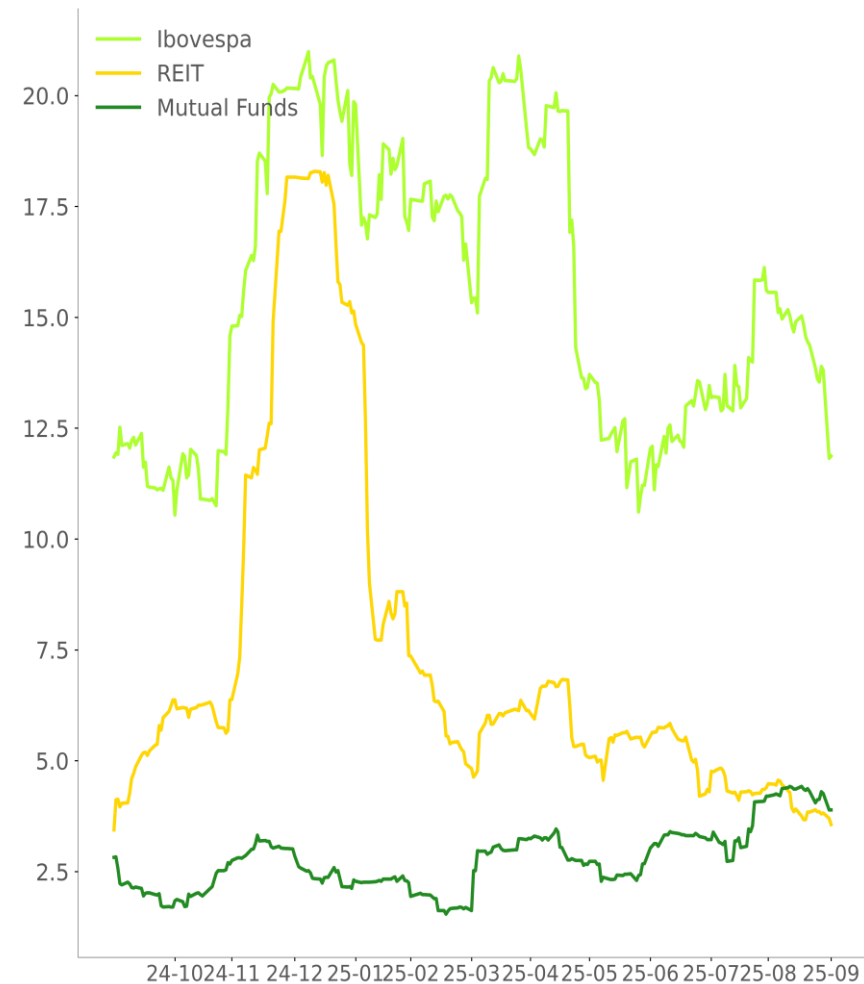
8. Market risk

8.7. National variable income indexes
– last 12 months return



Source: Bloomberg

8.8. National variable income indexes
– volatility





9. Risk appetite

9.1. Adjusted estimated forward PE ratio (Z-Score) – MSCI equity indexes



Source: Bloomberg



9. Risk appetite

9.2. Spreads vs US treasuries (basis points)

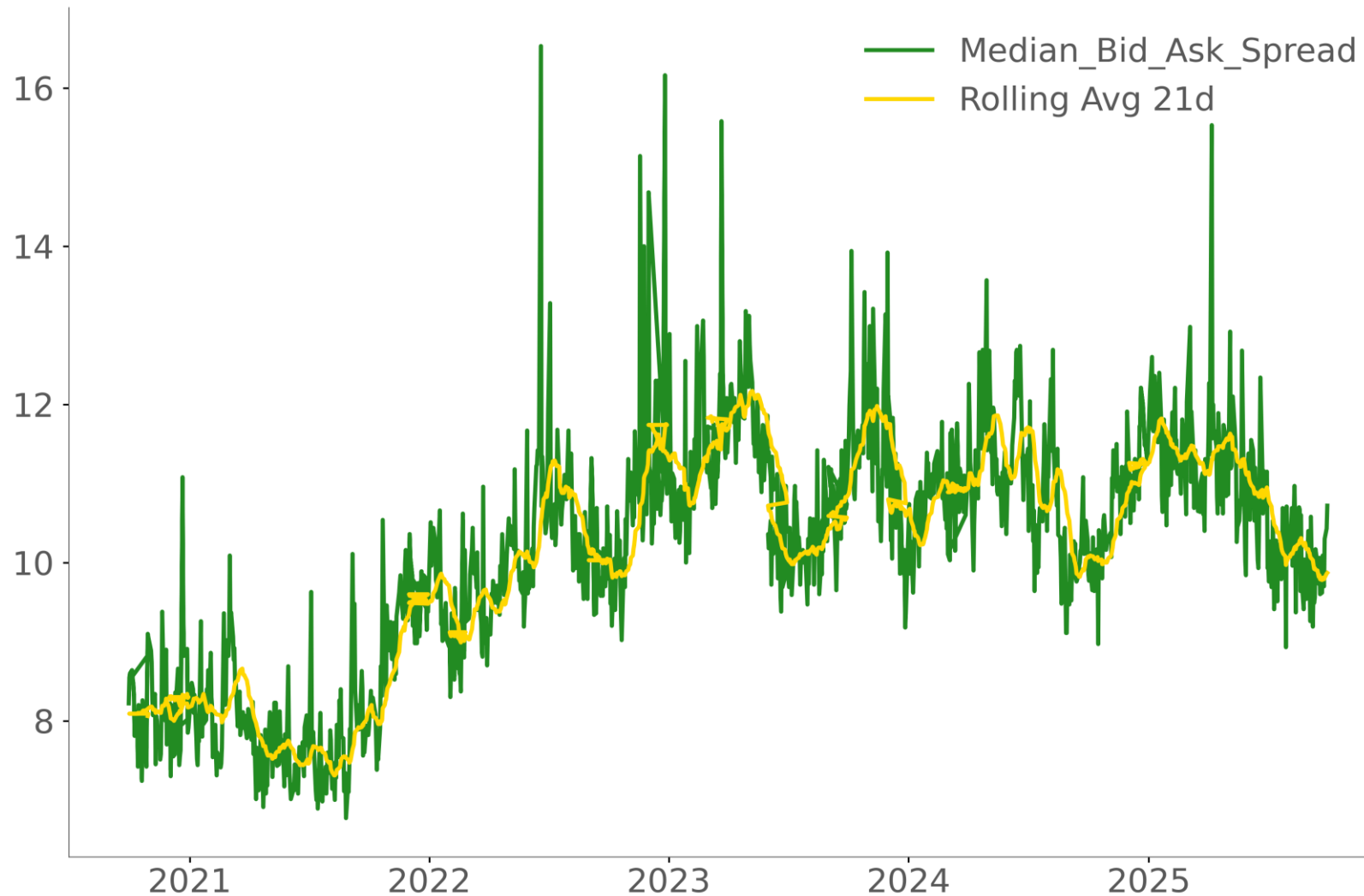


Source: Bloomberg



10. Liquidity risk

10.1. Bid-Ask spread index – equities (basis points)

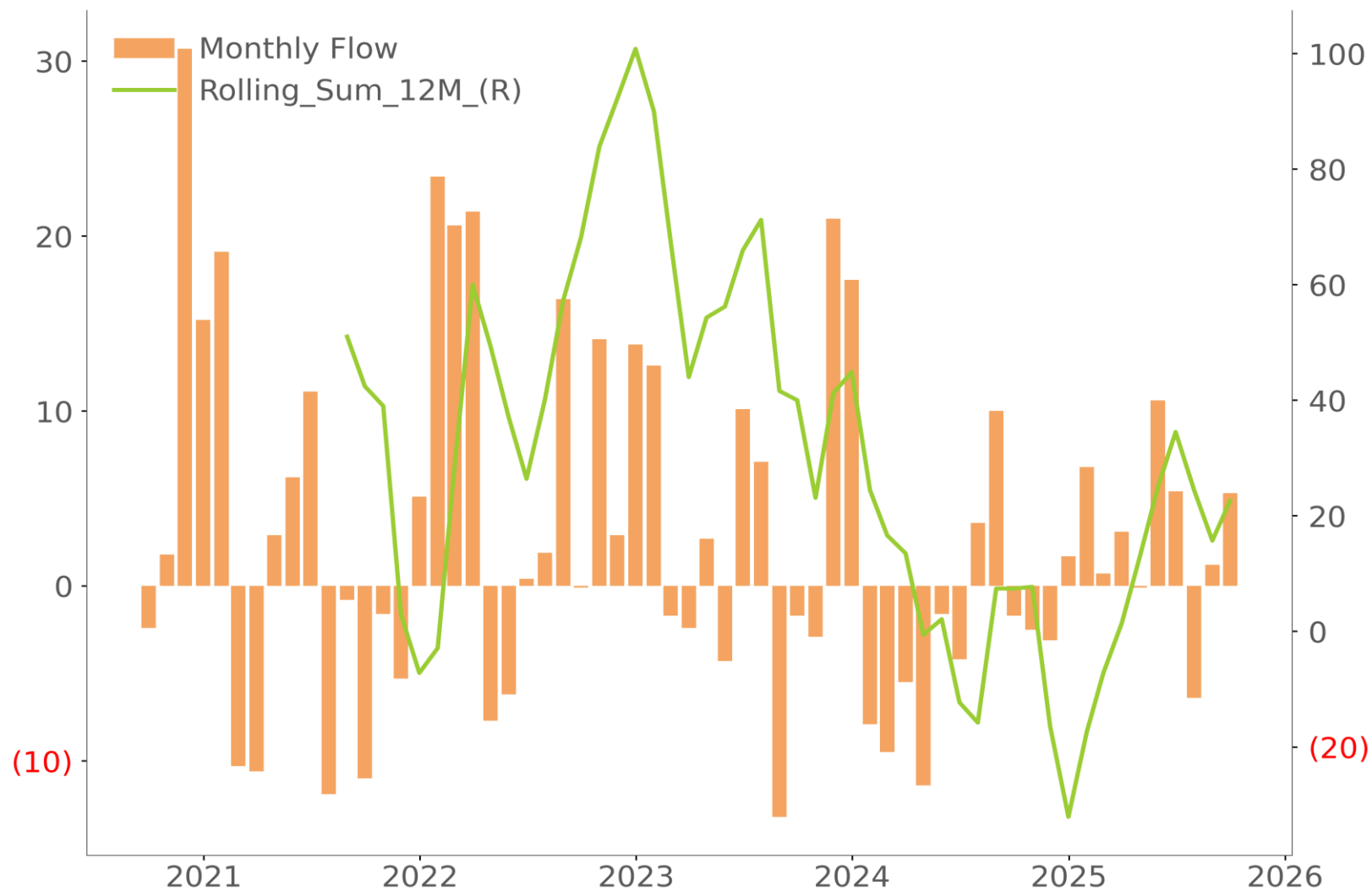


Source: Bloomberg



10. Liquidity risk

10.2. Net foreign investor inflows on secondary equity markets (US\$ bi)

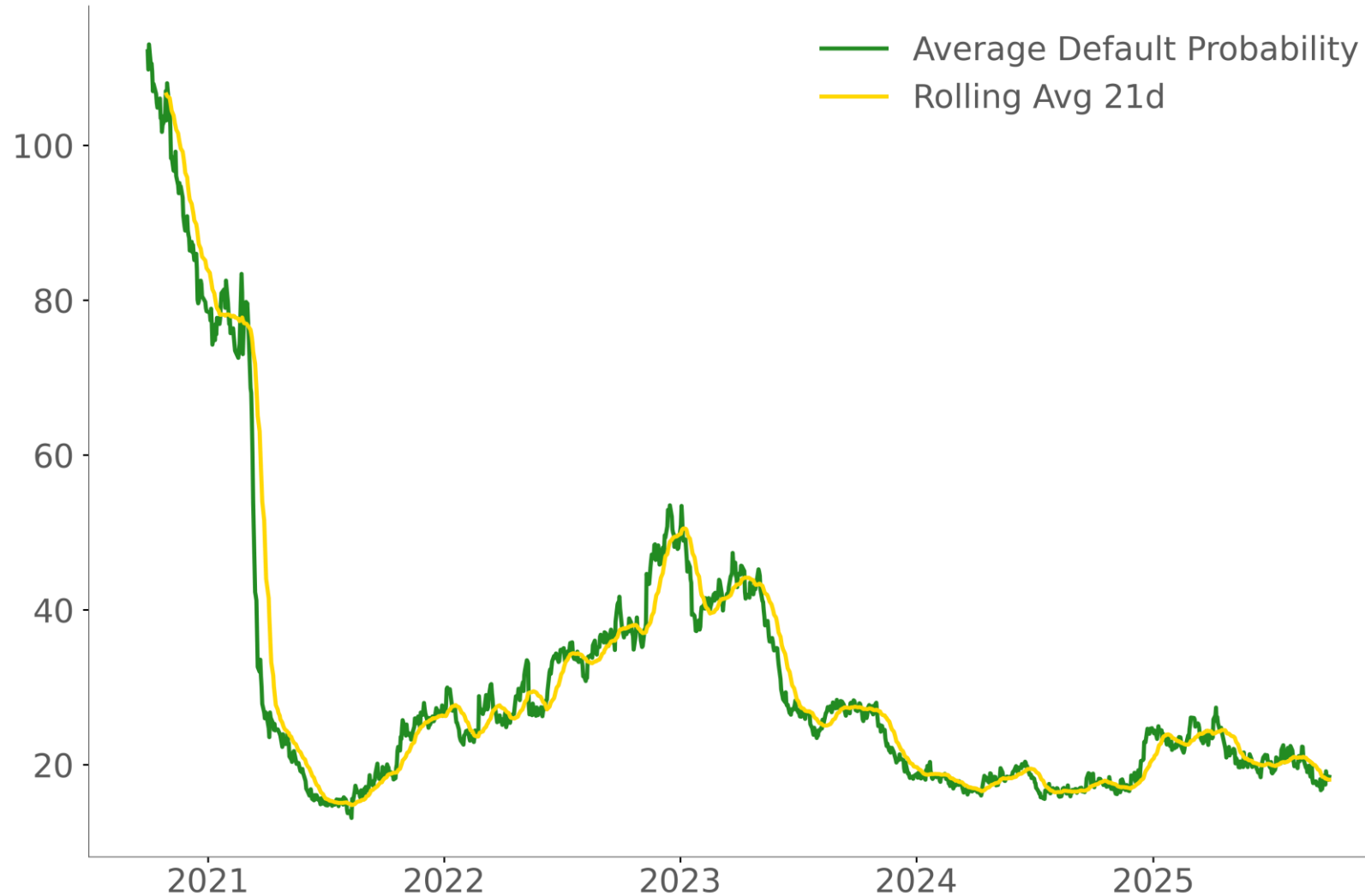


Source: Bloomberg



11. Credit risk

11.1. Default probability index – equities (basis points)



Source: Bloomberg



Methodology

Risk map

Macro risk: simple monthly average of the daily Z-score (2500 day rolling window) of the 5YR Brazilian sovereign CDS (graph 1.3). Z-score Intervals and corresponding Risk Scale: above 2sd => 5; between 1,5 e 2sd => 4; between 0,5 e 1,5sd => 3; between -1 e 0,5sd=> 2; below -1sd => 1.

Market risk: arithmetic average of two composites, respectively the arithmetic monthly average of the daily Z-score (1250 day rolling window) of the 30 day realized annualized volatility of the MSCI Brasil Index (equities, see below) and the Anbima IMA-G Index (fixed income, see below). Z-score Intervals and corresponding Risk Scale: above 2sd => 5; between 1,5 e 2sd => 4; between 0,5 e 1,5sd => 3; between -1 e 0,5sd=> 2; below -1sd => 1.

Liquidity risk: simple monthly average of the daily Z-score (1250 day rolling window) of the Bid-Ask Spread Index (see below) . Z-score Intervals and corresponding Risk Scale: above 2sd => 5; between 1,5 e 2sd => 4; between 0,5 e 1,5sd => 3; between -1 e 0,5sd=> 2; below -1sd => 1.

Risk appetite: weighted average of three composites: first, the arithmetic average of the Adjusted Estimated PE Ratio, with a 0.5 weight; second, the arithmetic monthly average of the daily Z-score (1250 day rolling window) of the other two series that compose the Risk Appetite section (see below), each series with a weight equal to 0.25. Z-score Intervals and corresponding Risk Scale for the Adjusted Estimated PE Ratio: above 2sd => 5 between 1,5 e 2sd => 4; Between 0,5 and 1,5sd => 3; Between -1 and 0,5sd => 2; Below -1sd => 1. Z-score Intervals and corresponding Risk Scale for remaining series: below -2sd => 5; between -1,5 e -0,5sd => 4; between -0,5 e 1sd => 3; between 1 e 2sd => 2; above 2sd => 1.

Credit risk: simple monthly average of the daily Z-score (1250 day rolling window) of the Weighted Average Default Probability Index (see below). Z-score Intervals and corresponding Risk Scale: above 2sd => 5; between 1,5 and 2sd => 4; between 0,5 and 1,5sd => 3; between -1 e 0,5sd=> 2; below -1sd => 1.

Macro risk

Sovereign CDS Spreads: The graphs depict the daily trend of the closing price (in b.p.) of the 5YR sovereign CDS spreads of some emerging markets usually considered peers to Brazil.



Methodology

Market indexes

MSCI equity indexes: the MSCI World Index (denominated in this report as "Global") reflects the performance of the equity markets of several global markets. The MSCI Emerging Markets Index (denominated in this report as "Emerging") reflects the performance of the equity markets of several emerging markets. The MSCI Indexes also reflect single markets, such as the case of the MSCI Brazil Index.

Corporate bond indexes: indexes developed by Barclays/Bloomberg to measure the performance of investment grade bonds, converted to USD when appropriate. The BEHGTRUU Index (denominated in this report as "Emerging") refers to bonds in emerging markets, while the LGCPTRUU Index (denominated in this report as "Global") does the same for the global markets. In Bloomberg methodology, the bonds are weighted by market value, unhedged.

Índices de Referência: IRF-M = index composed by a basket of sovereign fixed-rate bonds (LTN and NTN-F). IMA-B = fixed income index that depicts the trend, at market prices, of a basket of retail price inflation-linked sovereign bonds (called NTN-B). IHFA = index for the mutual fund industry in Brazil, whose value reflects, in local currency, the performance of a hypothetical portfolio of mutual funds selected according to a methodology developed by ANBIMA. IFIX = main index for the Brazilian REIT industry. IMA-G = weighted average of the daily returns of IMA-B, IMA-C (wholesale price inflation linked sovereign bond index), IMA-S (floating rate sovereign bonds index) e IRF-M indexes. CDI = index for the main bank overnight rate in Brazil, widely used as benchmark.

Volatility: dispersion measure for the realized returns of an index or of a security. The 30 day realized volatility refers to the annualized standard deviation of the closing price returns in the last 30 trading days, expressed in percentage terms.

Liquidity indexes

Bid-Ask Spread: difference of bid and ask prices of a security divided by its midprice, frequently used as a gauge for market liquidity. The lower this ratio, the more liquid the security tends to be. The graph refers to the daily trend of the median spread calculated based on a sample comprised by half of the Ibovespa Index members with the lowest turnover volume for a given month.

Net foreign inflows on equities: Monthly foreign investor net inflows in the B3 secondary market for equities and equities derivatives.



Methodology

Risk appetite

Adjusted estimated forward PE ratio: ratio between the current price of an index or security and its estimated positive earnings for the following accumulated 12 months, according to the consensus of market analysts, excluding companies with negative EPS projections. The PE ratio can be understood as the payback time estimated to recover through its profits the capital investment in a given company. A high PE ratio indicates that the security might be overvalued relative to its recent profit potential. Inversely, a low PE ratio points that the security might be undervalued relative to its profit potential. In this report, the country/region analysis is done using the daily ratio for the corresponding MSCI Indexes as a reference. The calculated indicators refer to the Z-score (1250 trading day rolling window) of such ratios.

EM_IG vs US Treasuries: spread between a USD investment grade mixed corporate/sovereign bond index for emerging markets and the a US treasuries index, expressed as an annual percentage yield. Calculations use the BEHGTRUU Index and the BUSY Index, both available through Bloomberg.

USD Sovereign Brazil vs US Treasuries: difference between the yields of a generic 10YR USD-denominated sovereign Brazilian bond and an analogous treasury, both calculated by Bloomberg.

Credit risk

Default probability index: grasps the average default probability of non-holding non-financial corporates traded in the B3 exchange. Its calculation proceeds as follows: for each trading day and for the whole available sample of eligible companies in that day, the weighted average (by market cap) of the 1YR default probabilities is calculated ("BB_1YR_DEFAULT_PROB"), as made available by Bloomberg.



Methodology

Primary Markets

“Old” Regulatory Framework: includes offerings made under the old CVM rules, filed before 02/01/2023, established by ICVM nº 400/03 (and its exemptions) and 476/09, updated by subsequent rules. Here, the accounting occurs based on the date of register granting (or exemption), in the case of “rule 400”, or in the ending date, in the case of the “rule 476”, always using **the total amount raised**, as announced by the issuer in filings sent to CVM. Such accounting practice implies in retroactive changes related to “Rule 476”, due to the delayed flow of filings sent by the issuers reporting the end of fundraising efforts. The data does not include all types of registration exemptions, neither all securities offered, only those considered most representative.

“New” Regulatory Framework: corresponds to offerings under the Rule CVM nº160/22 rule, in force as of 02/01/2023. Those offers are divided in ordinary (with previous analysis by the CVM) and automatic (without previous analysis by the CVM). Unlike the older framework, the accounting of the values occurs here based on the date of the register granting, using **the pretended value of issuance**, as announced by the issuer in the filings sent to CVM. The offer might not reach the total pretended amount, but such information will be sent by issuer to CVM later only. The data does not include all securities offered, only those considered most representative.

“Crowdfunding” Framework: corresponds to offerings regulated by the Rule CVM nº88/22, former ICVM 588/17. There were no changes in this framework despite the rule update. Data comes from Annex G.



Methodology

Number of participants

Criteria for counting and scope: The numbers provided consist of estimates for the number of active records per participant category, as of the reference date. This means that the same CPF or CNPJ may be present in more than one category if authorized for more than one type of activity. The selected participants are considered representative of the universe of entities regulated by CVM, with not all categories authorized by CVM being covered in this document. Complete and detailed data can be found on the Open Data Porta (<https://dados.cvm.gov.br/>).

Securitization Companies: Securitization companies had their registration separated from publicly traded companies only in 2022, previously being included in the first item.

Registered Intermediaries: Corresponds to the sum of the following registration categories: "Multiple Banks with Investment Portfolio," "Investment Banks," "Brokerage Firms," and "Distributors." All of them are under the jurisdiction of CVM Resolution 35.