

ECONOMIC REPORT

Year 12 | Volume nº 101 | 2024 Q1



Graphs and analysis contained in this report are partially or fully based on non—proprietary data, including commercial providers and other public authorities.

CVM does utilize this data in good faith and does not hold itself responsible for its accuracy and completeness.

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

Data as good as of 03/31/2024.



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

- Throughout the first quarter of 2024, a total of R\$ 175.9 billion in securities were issued (3.1.4). Compared to the same period in 2023 (R\$ 118.3 billion), it is noted that the total issued amount is almost 50% higher (3.2.1), well above the accumulated inflation for the period. When analyzing the specific securities that drove these values (3.3.2), it is found that the strength occurred in practically all categories of securities, with a highlight on corporate bonds (R\$ 77.2 billion against R\$ 44.3 billion in the previous year). Finally, it is noted that issuances under the auspices of CVM Resolution 160 already accounted for 94% of the amount recorded in 2024, as the stock of offers related to the "old rule" are communicated as closed.
- The set of regulated participants (2.1) increased by 6% compared to the same period in 2023, totaling now 87.155 participants. Once again, the annual growth of the investment electronic platforms sector ("crowdfunding") stands out, with this group observing the highest annual growth rate when considering all others (27% - 75 versus 59). These numbers are in line with the growth in the value issued via offers governed by CVM Resolution 88 (3.1.4), which in one quarter already reached 70% of the total value issued in 2023.
- The estimate for the total value of the regulated market (2.2.1) is R\$ 51.67 trillion, a value 45% higher than the same period of the previous year. When excluding derivatives computed by notional value, this value increases by R\$ 1.89 trillion, or 14.6% - highlighting the growth in the Investment Funds industry (R\$ 1.1 trillion) and in the market capitalization of the stock market (R\$ 0.7 trillion).
- In the secondary market, the average daily financial volume in the stock market (standard lot) was below last year's average (4.1.1). However, the opposite can be observed for REITs and corporate bonds (4.1.2 and 4.1.3). Finally, the accumulated number of contracts of derivatives settled on exchanges in the year (4.2.2) ended the year above the previous year in DI futures contracts, although below in others.

2. Regulated markets

2.1. Number of participants	2019	2020	2021	2022	2023	2024
Registered Non-Resident Investors	18.244	18.705	19.220	19.282	19.566	19.780
Registered Investment Funds	19.427	22.295	26.445	29.072	31.118	31.141
Registered Asset Managers	3.558	3.788	4.184	4.552	4.855	4.941
Legal persons	2.601	2.775	3.035	3.291	3.502	3.564
Firms	957	1.013	1.149	1.261	1.353	1.377
Registered Research Analysts	695	923	1.269	1.412	1.390	1.305
Legal persons	547	840	1.161	1.283	1.255	1.173
Firms	148	83	108	129	135	132
Registered Investment Consultants	694	790	1.018	1.320	1.638	1.768
Legal persons	547	632	815	1.069	1.337	1.439
Firms	147	158	203	251	301	329
Registered Offerings Coordinators	-	-	-	-	79	85
Registered Trading Intermediaries	255	255	259	258	266	266
Registered Brokers (sum)	10.692	13.899	18.103	23.259	26.166	26.372
Legal persons	9.561	12.753	16.950	22.016	24.912	25.058
Firms	1.131	1.146	1.153	1.243	1.254	1.314
Registered Custodians	145	145	155	155	158	159
Registered Bookkeepers	60	63	72	74	80	82
Registered Organized Market Administrators	1	3	3	4	4	4
Registered CSDs	1	1	2	2	2	2
Registered Crowdfunding Platforms	26	32	55	58	72	75
Registered public, foreign and subsidized companies	655	673	762	739	732	731
Securitization companies	-	-	-	78	87	87
Registered Independent Auditors	359	352	346	348	351	350
Registered Rating Agencies	6	6	6	7	7	7
TOTAL	54.818	61.930	71.899	80.620	86.571	87.155

Source: CVM, APIMEC. See methodological notes.

2. Regulated markets

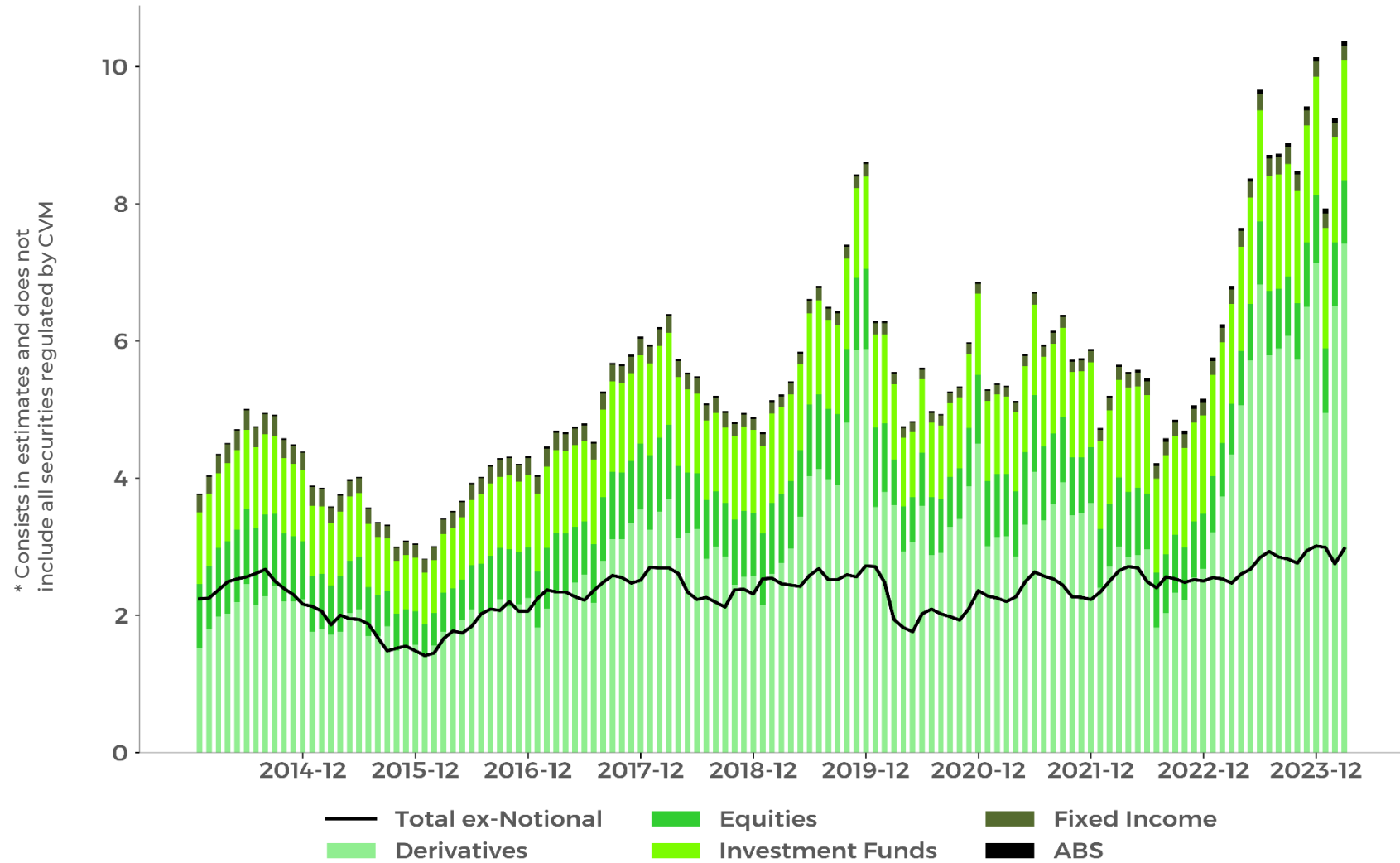
* Consists in estimates and does not include all securities regulated by CVM. For prior years it represents end of year data.

2.2.1. Total regulated markets (US\$ tri)*							
CATEGORY	ASSET	2019	2020	2021	2022	2023	2024
Fixed Income	Corporate Bonds	0.17	0.13	0.15	0.19	0.20	0.20
	Commercial Paper	0.01	0.01	0.01	0.01	0.02	0.01
Securitization	MBS	0.02	0.02	0.02	0.03	0.04	0.04
	Agrobusiness	0.01	0.01	0.01	0.02	0.03	0.03
Variable Income	Equities – Market Cap	1.17	1.00	0.81	0.80	0.98	0.92
Derivatives	Notional outstanding	5.88	4.50	3.63	2.67	7.13	7.41
	Structured Notes	0.00	0.00	0.01	0.01	0.01	0.01
Investment Funds	Rule-555	1.18	1.03	1.04	1.18	1.40	1.42
	Structured Funds	0.17	0.16	0.20	0.25	0.31	0.33
TOTAL		8.61	6.86	5.88	5.16	10.12	10.38

Source: CVM, APIMEC

2. Regulated markets

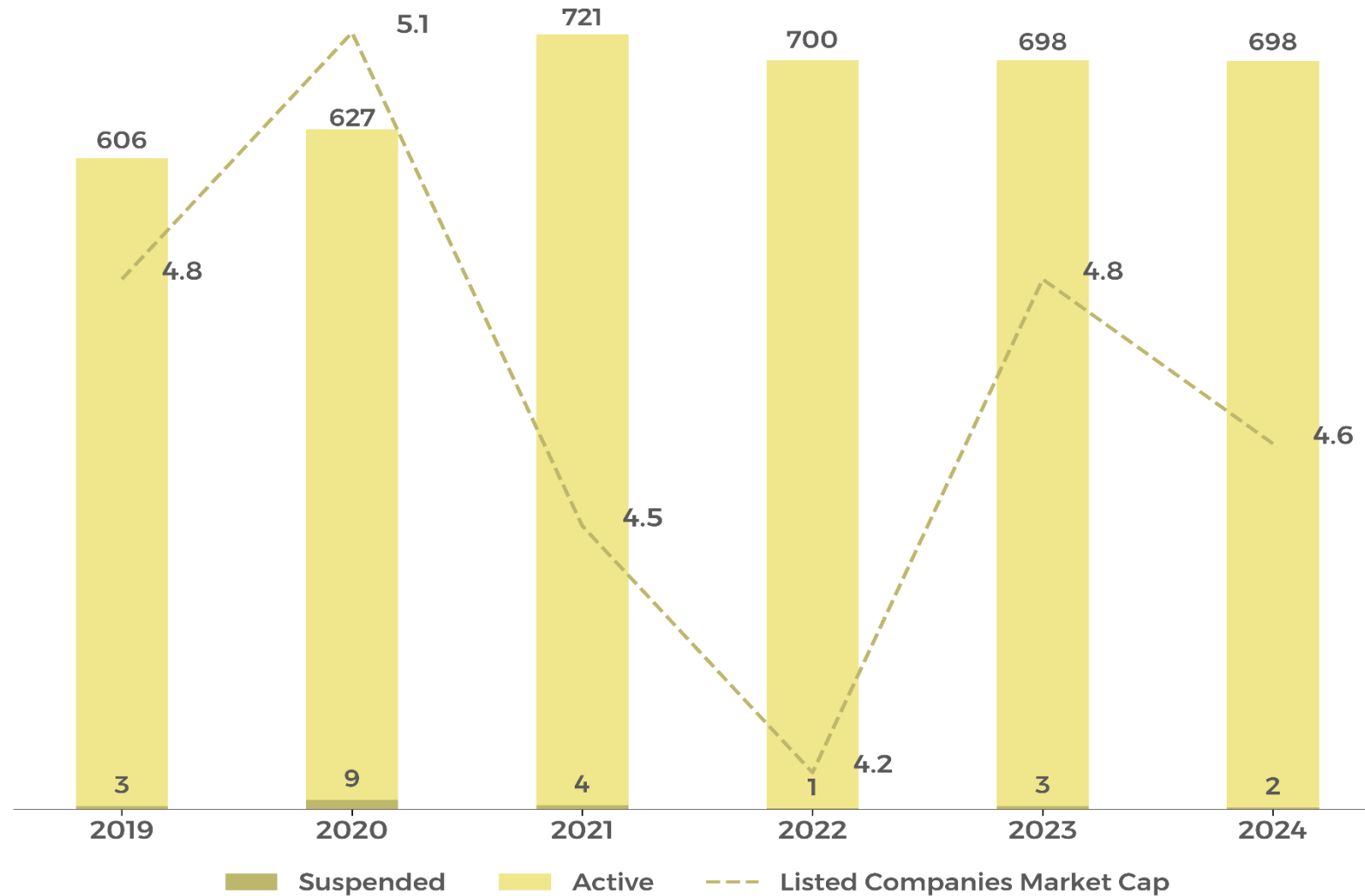
2.2.2. Regulated market value (US\$ tri)*



Source: CVM and Organized Market Administrators

2. Regulated markets

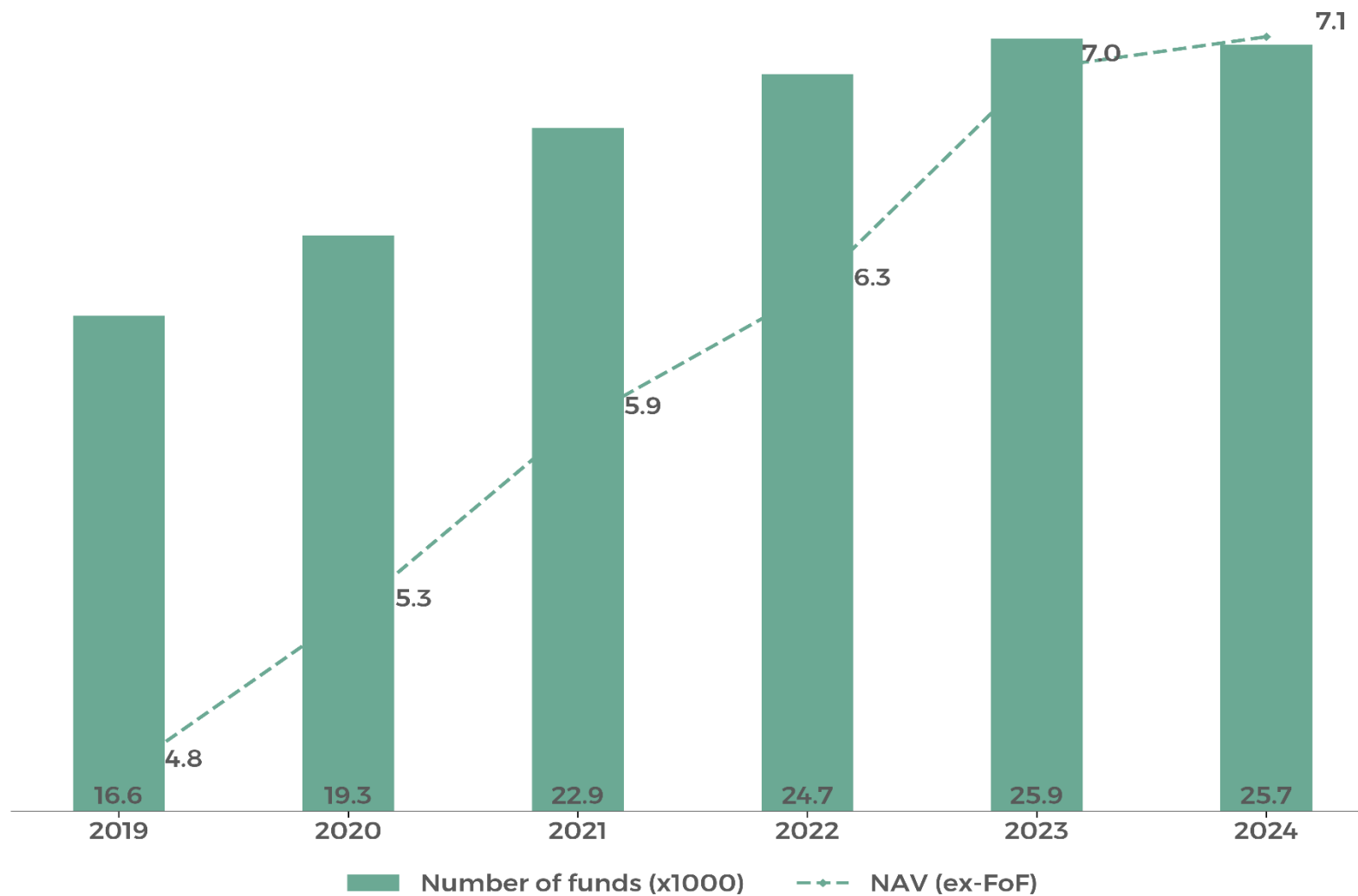
2.3. Registered companies and listed companies market cap (R\$ tri)



Source: CVM, B3

2. Regulated markets

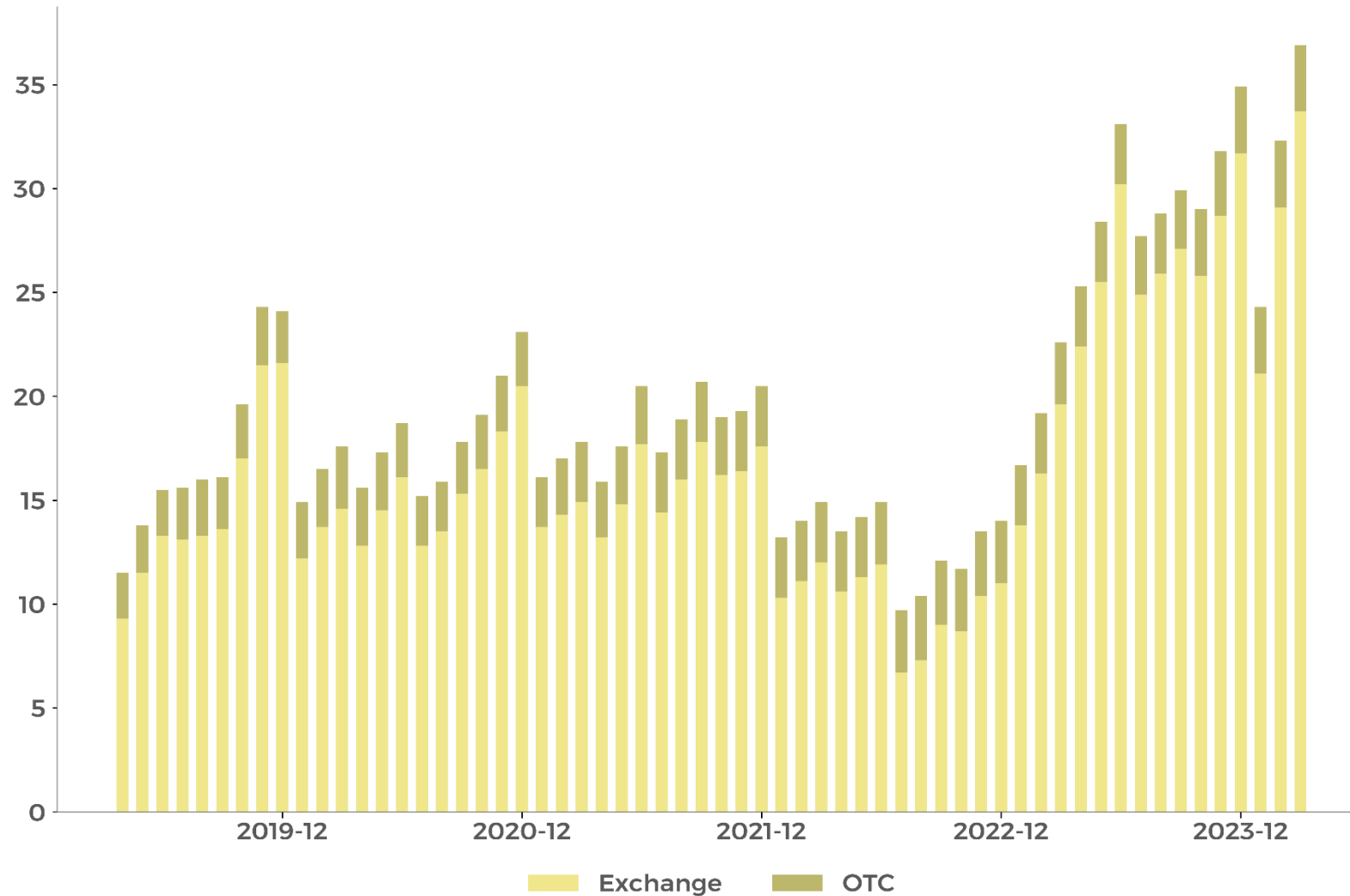
2.4. ICVM 555 Funds (ex-FoF) – quantity and NAV (R\$ tri)



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)*	2019		2020		2021		2022		2023		2024	
	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	Qty	R\$ bi
ICVM 400	125	89.5	134	120.1	164	129.0	146	107.7	10	6.8	-	-
ICVM 400 (exemptions)	-	-	2	5.0	1	0.1	-	-	-	-	-	-
ICVM 476	1.322	386.5	1.395	318.4	2.712	608.2	2.074	467.4	753	92.6	102	10.8
TOTAL	1.447	476.0	1.531	443.5	2.877	737.3	2.220	575.1	763	99.4	102	10.8

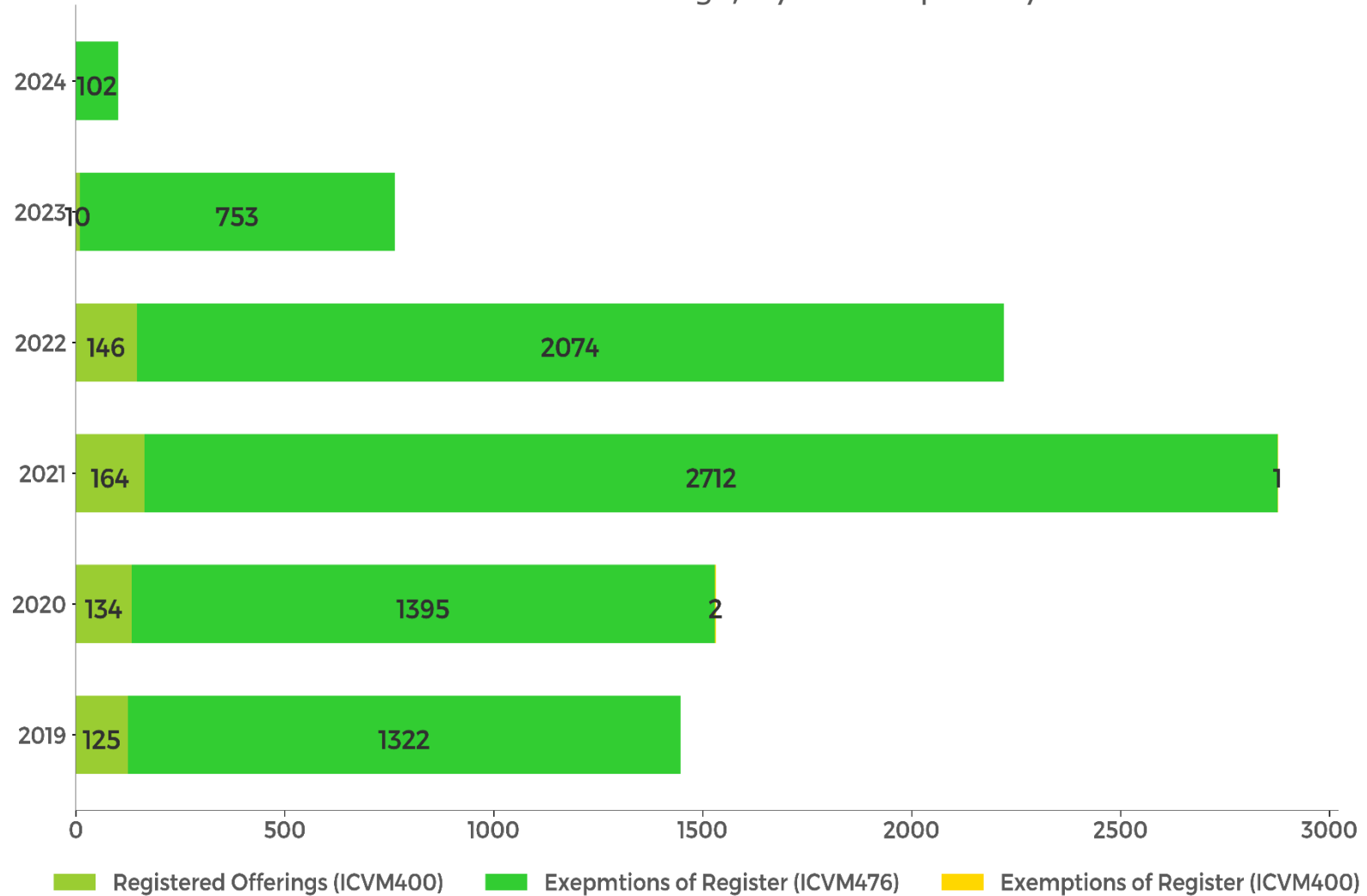
Source: CVM

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.



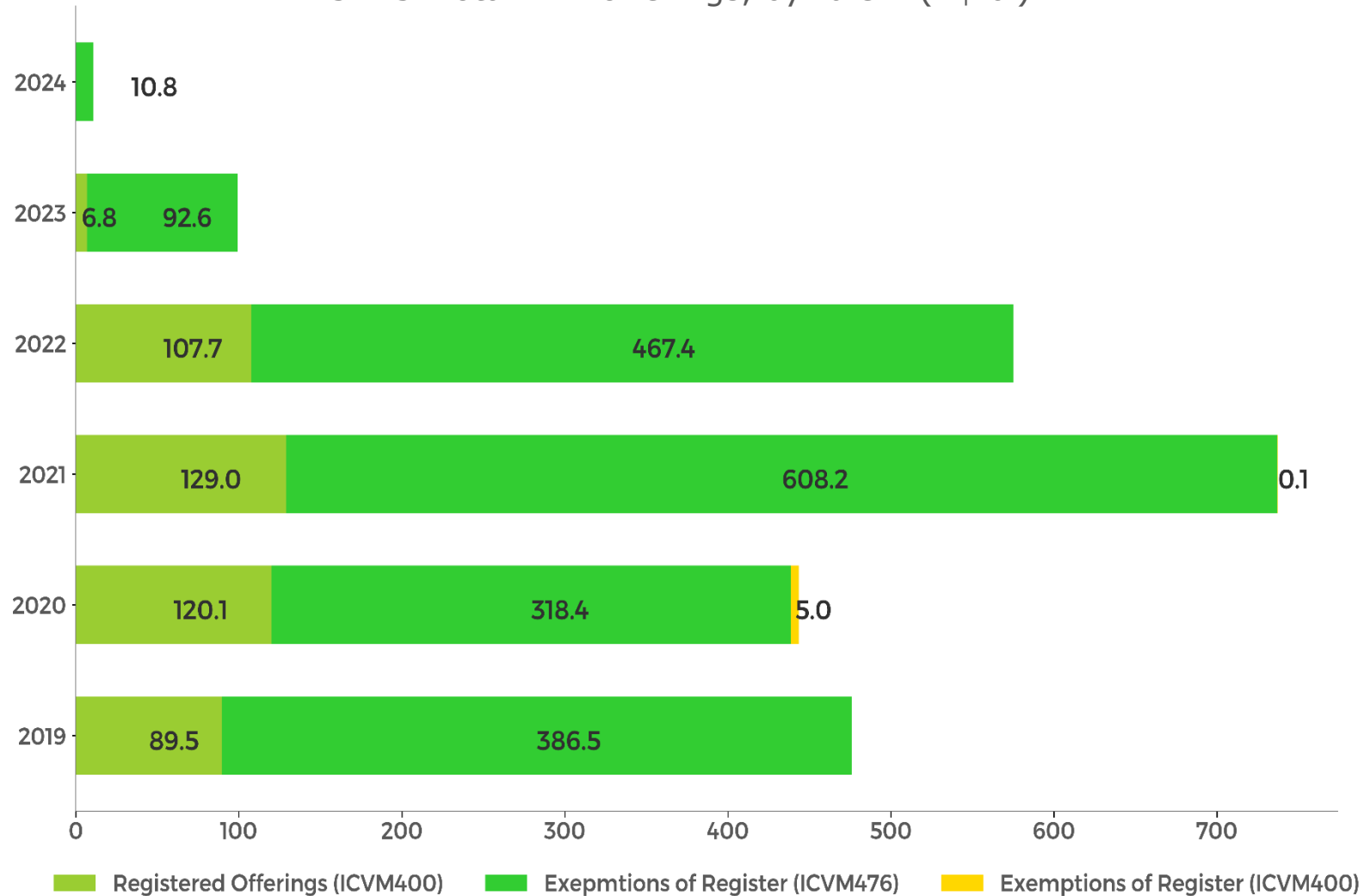
Source: CVM

3. Primary markets

3.1. Annual totals by rule – before Rule CVM n° 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-leasing). ICVM 476 offers exclude ongoing efforts. Does not include "unique lot" exemptions.

3.1.4. Annual totals (quantity and value)*	2019		2020		2021		2022		2023		2024	
	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	Qty	R\$ bi
"Old" (ICVM 400 + ICVM 476 + Exemptions)	1.447	476.0	1.531	443.5	2.877	737.3	2.220	575.1	763	99.4	102	10.8
RCVM 160 (automatic)	-	-	-	-	-	-	-	-	2.256	516.4	722	162.3
RCVM 160 (ordinary)	-	-	-	-	-	-	-	-	29	8.7	9	2.6
RCVM 88 ("crowdfunding")	86	0.10	96	0.14	76	0.13	120	0.24	153	0.36	87	0.25
TOTAL	1.533	476.1	1.627	443.6	2.953	737.4	2.340	575.3	3.201	625.0	920	175.9

Source: CVM

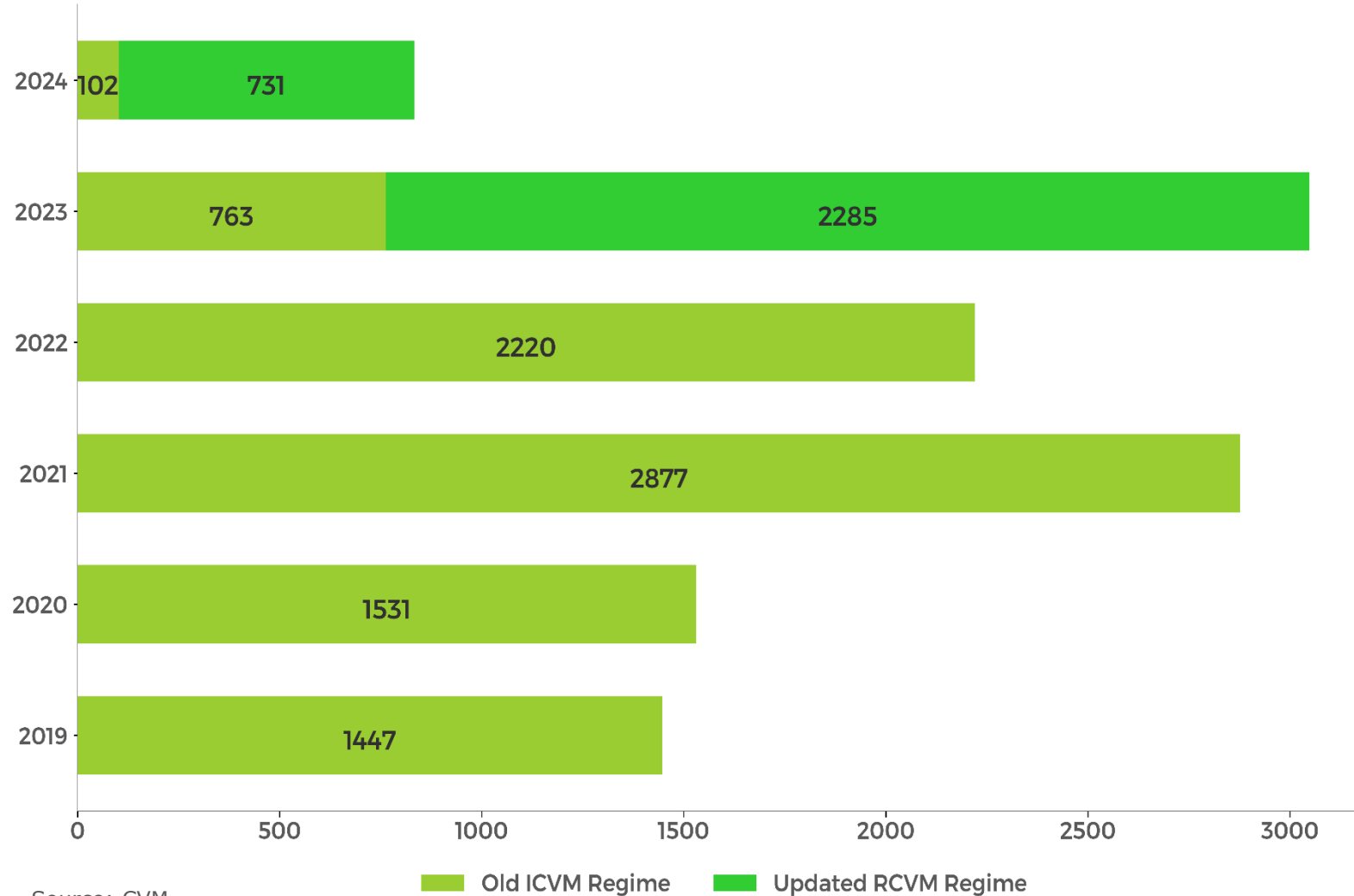


3. Primary markets

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

3.1.5. Total YTD offerings, by rule – quantity*

* 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.



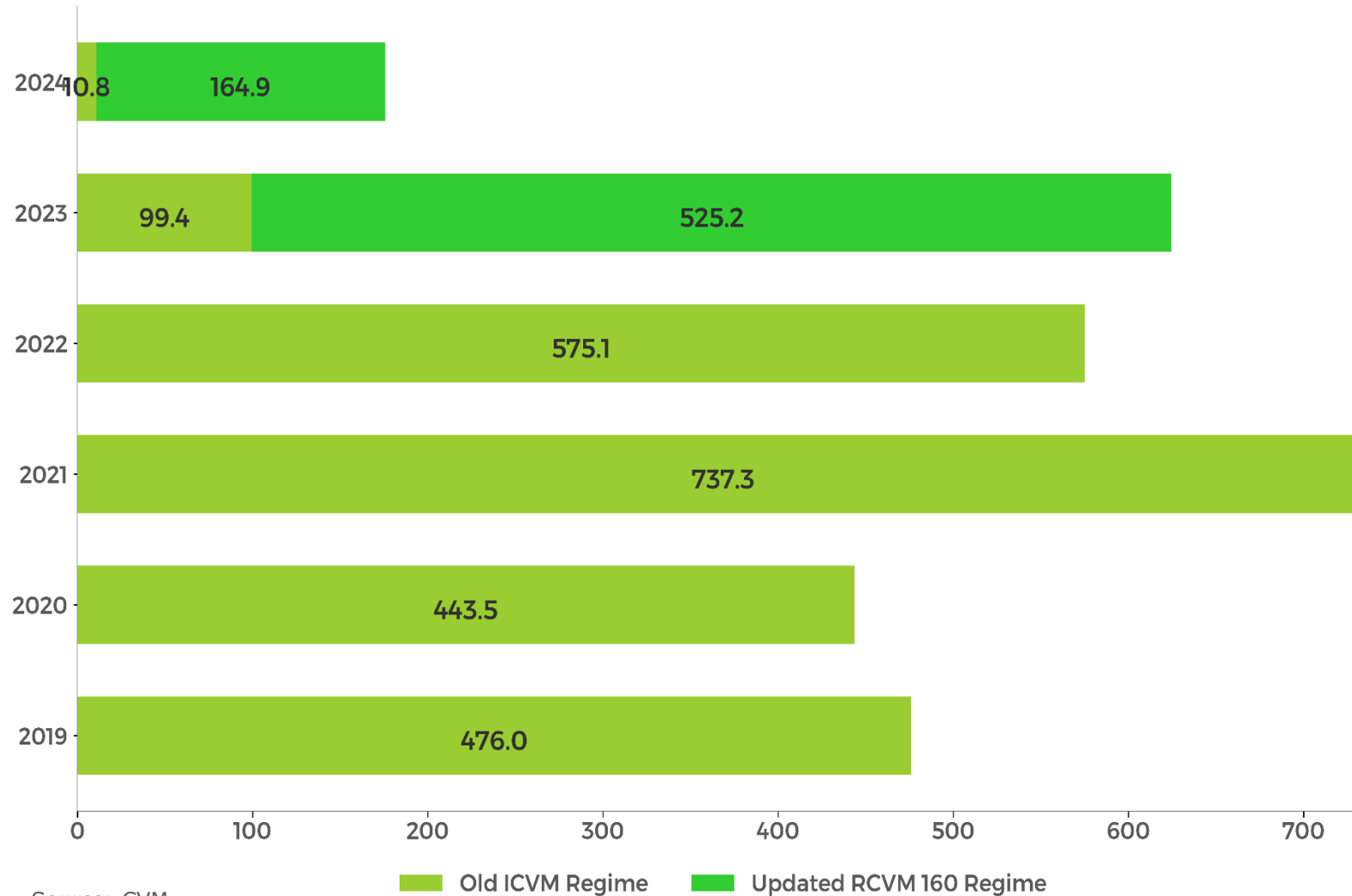
Source: CVM

3. Primary markets

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

3.1.6. 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

3.2. 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-leasing). ICVM 476 offers exclude ongoing efforts. Does not include "unique lot" exemptions.

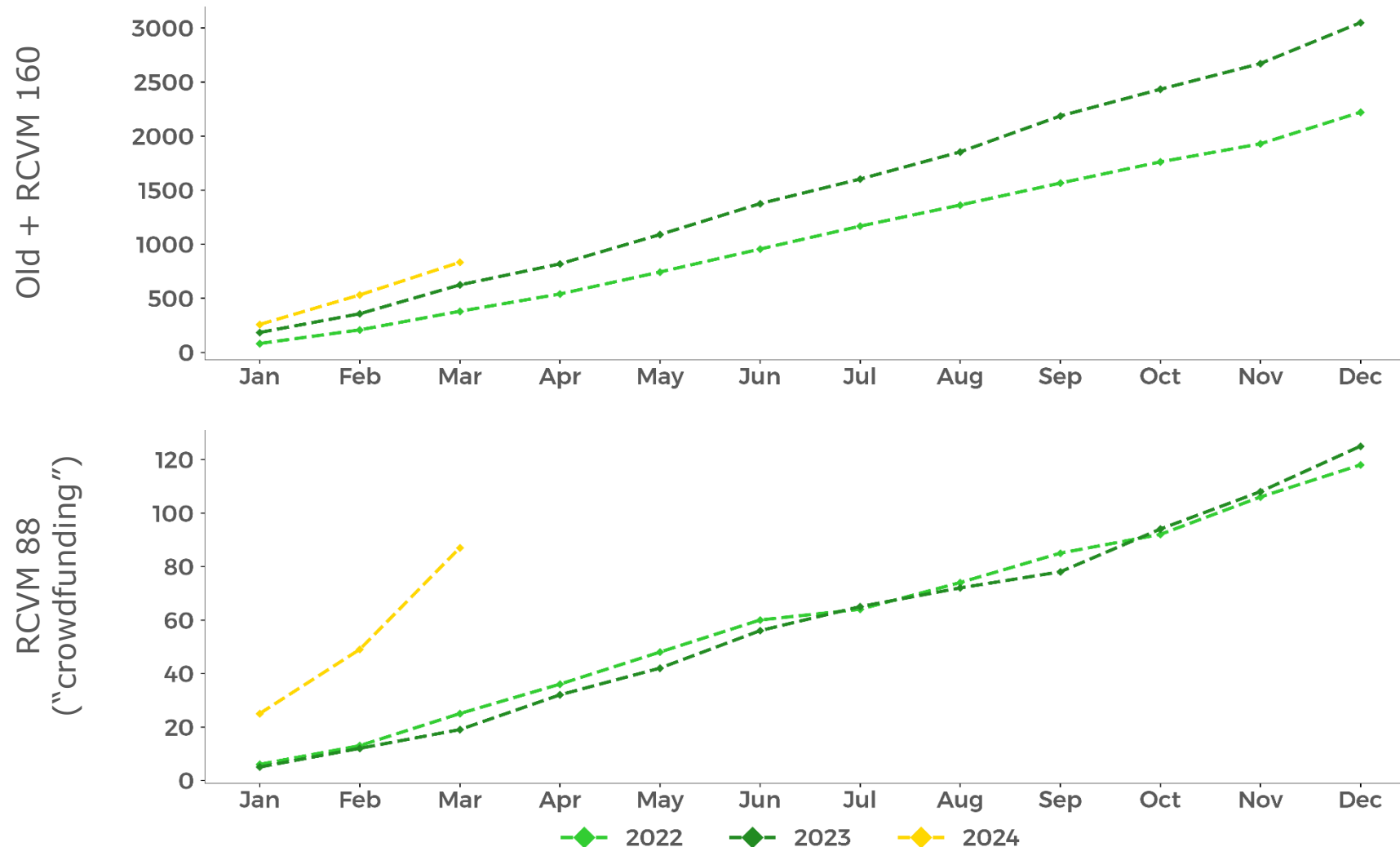
3.2.1. Quarterly cummulative totals (quantity and value)*	2019		2020		2021		2022		2023		2024	
RULE	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	Qty	R\$ bi
"Old" (ICVM 400 + ICVM 476 + Exemptions)	249	71.3	345	99.9	446	113.8	380	104.5	289	43.1	102	10.8
RCVM 160 (automatic)	-	-	-	-	-	-	-	-	335	75.2	722	162.3
RCVM 160 (ordinary)	-	-	-	-	-	-	-	-	-	-	9	2.6
RCVM 88 ("crowdfunding")	11	0.01	32	0.03	8	0.01	25	0.06	19	0.03	87	0.25
TOTAL	260	71.3	377	99.9	453	113.8	405	104.6	643	118.3	920	175.9

Source: CVM

3. Primary markets

3.2. Accumulated totals by rule

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

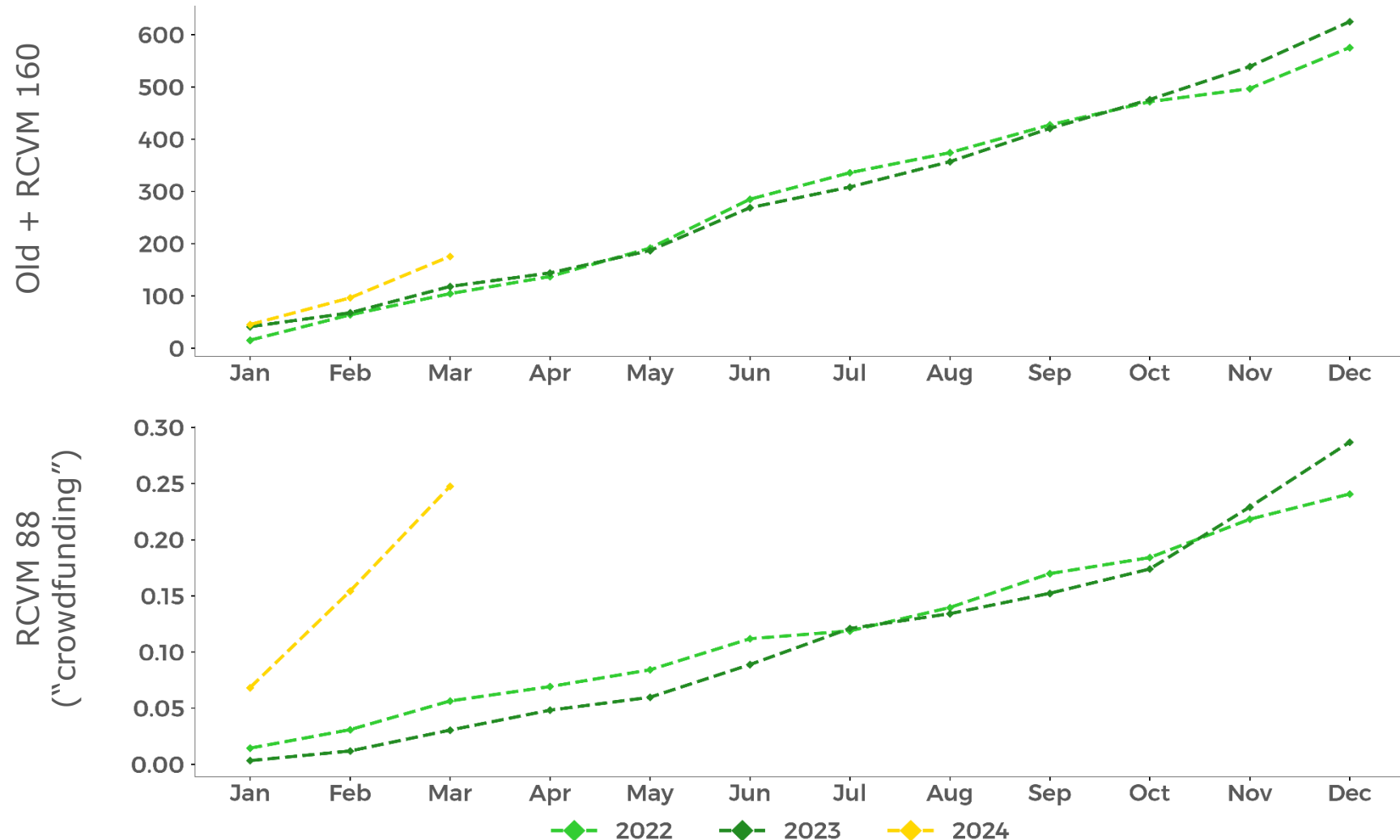


Source: CVM

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 regulated by CVM. Includes stocks+DR, MBS, Agribusiness ABS, CDOs, REITs, Private Equity, CP, bank bonds and corporate bonds (ex-leasing). ICVM 476 offers exclude ongoing efforts. Does not include crowdfunding.

3.3.1. Annual totals (quantity and values)*	2019		2020		2021		2022		2023		2024	
INSTRUMENT	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	Qty	R\$ bi	Qty	R\$ bi
Equities	42	90.2	51	117.6	70	130.4	18	57.4	21	31.3	6	4.6
Corporate Bonds	379	185.7	276	121.2	502	251.0	477	269.7	401	245.4	112	77.2
Bank Bonds	21	10.0	2	1.0	-	-	-	-	-	-	-	-
Commercial Paper	94	36.6	71	21.9	82	27.0	144	48.4	90	16.0	-	-
MBS	188	17.6	230	14.3	430	33.8	425	48.5	494	56.8	136	16.4
Agribusiness ABS	69	14.3	56	13.3	125	25.0	214	43.8	201	46.6	39	11.8
CDOs	269	37.9	305	48.6	693	89.0	463	40.5	1.041	73.5	345	23.3
REITs	198	42.4	264	49.2	389	62.6	255	36.5	379	69.4	108	27.6
Private Equity	187	41.4	276	56.3	586	118.4	224	30.3	421	85.5	87	14.9
TOTAL	1.447	476.0	1.531	443.5	2.877	737.3	2.220	575.1	3.048	624.5	833	175.8

Source: CVM

3. Primary markets

3.3. Annual totals by instrument

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

3.3.2. Accumulated totals for the current month (quantity and value)*	2019		2020		2021		2022		2023		2024	
	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi	qty	R\$ bi
INSTRUMENT												
Equities	3	5.1	9	31.2	21	32.9	8	11.3	1	4.1	6	4.6
Corporate Bonds	58	28.1	67	16.1	75	28.8	88	53.6	88	44.3	112	77.2
Bank Bonds	7	4.6	-	-	-	-	-	-	-	-	-	-
Commercial Paper	16	5.3	16	3.3	6	1.2	39	12.2	25	3.3	-	-
MBS	29	2.5	52	4.8	82	4.9	64	5.2	91	7.9	136	16.4
Agribusiness ABS	11	2.2	8	0.8	16	3.0	32	6.9	42	6.6	39	11.8
CDOs	51	6.9	70	17.1	88	15.9	77	7.8	214	13.2	345	23.3
REITs	31	7.4	61	13.2	74	14.4	38	4.6	84	15.2	108	27.6
Private Equity	43	9.3	62	13.4	84	12.8	34	2.7	79	23.7	87	14.9
TOTAL	249	71.3	345	99.9	446	113.9	380	104.5	624	118.3	833	175.8

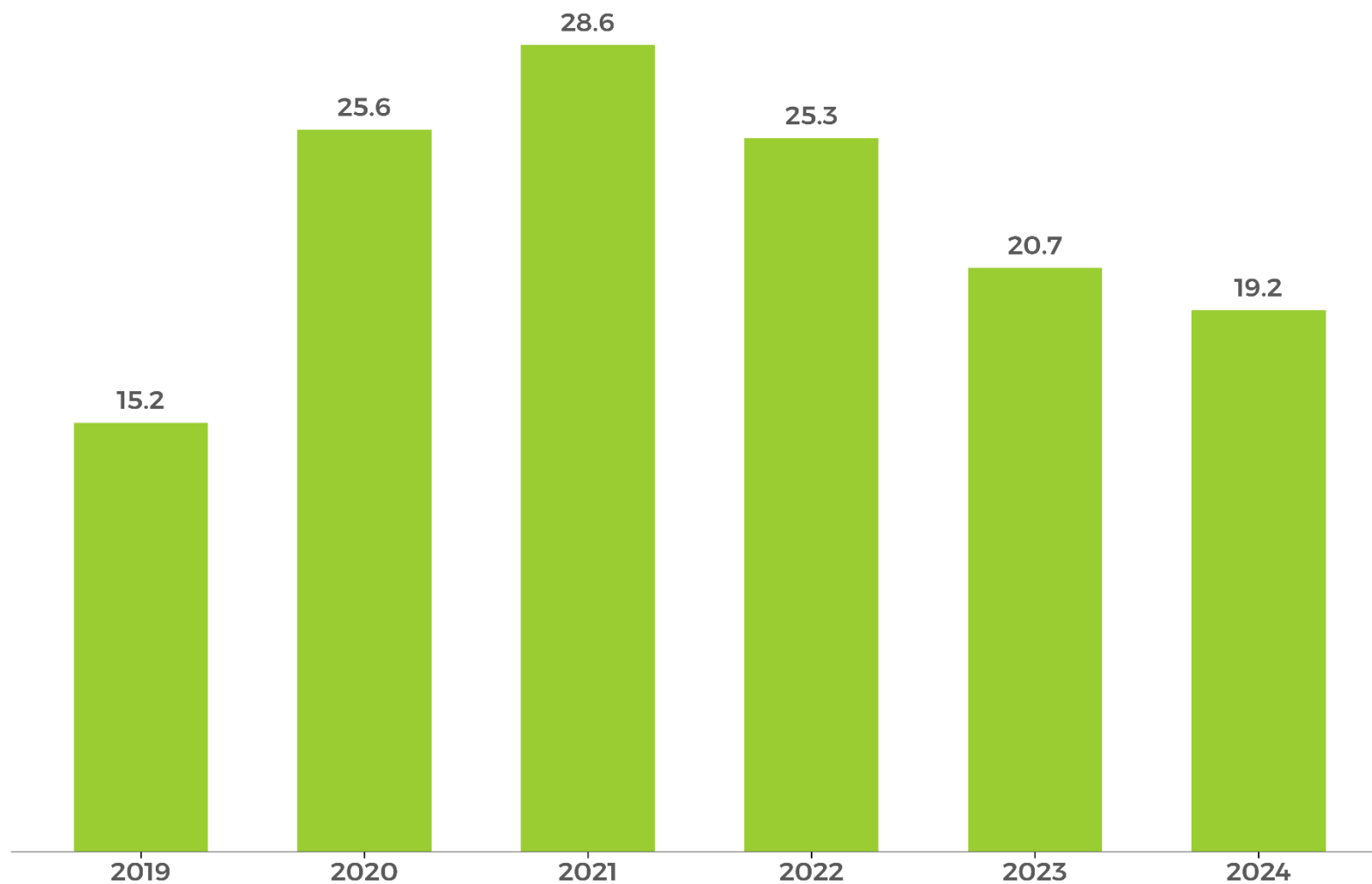
Source: CVM



4. Secondary markets

4.1. Spot

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

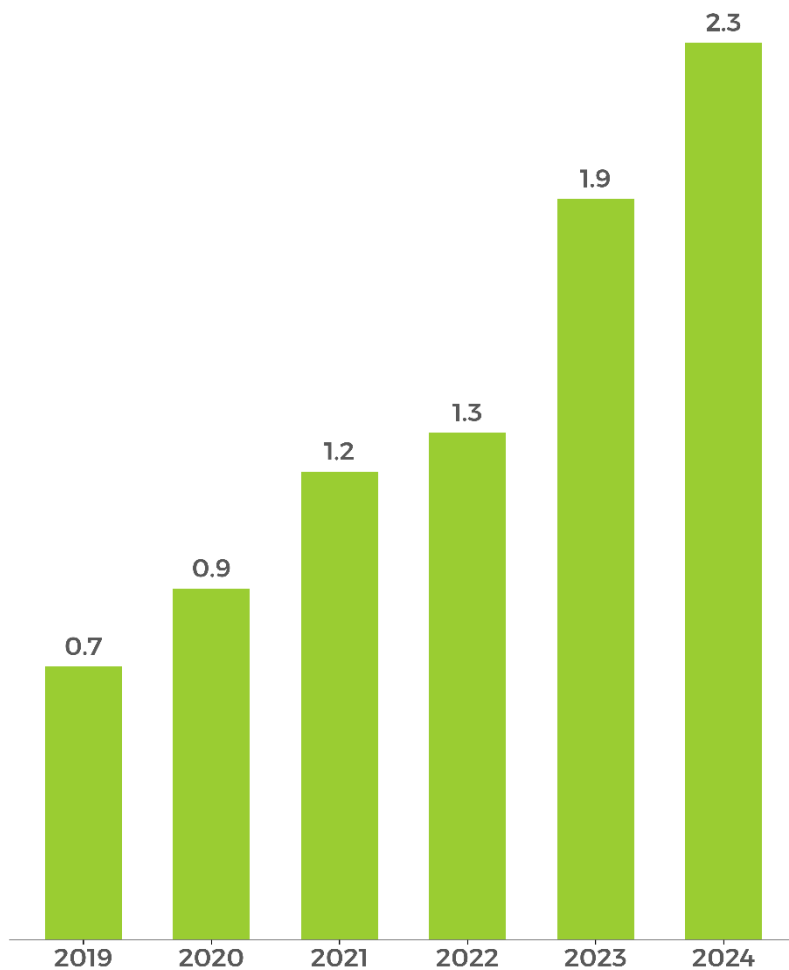


Source: B3

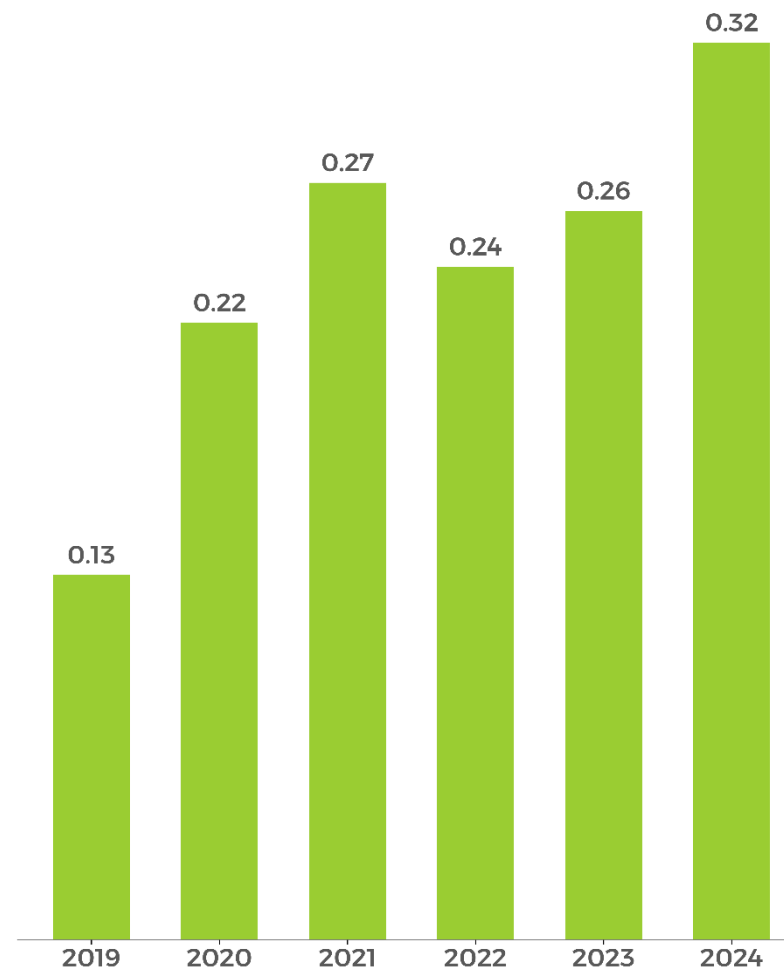
4. Secondary markets

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 Economática



4. Secondary markets

4.2. Derivatives

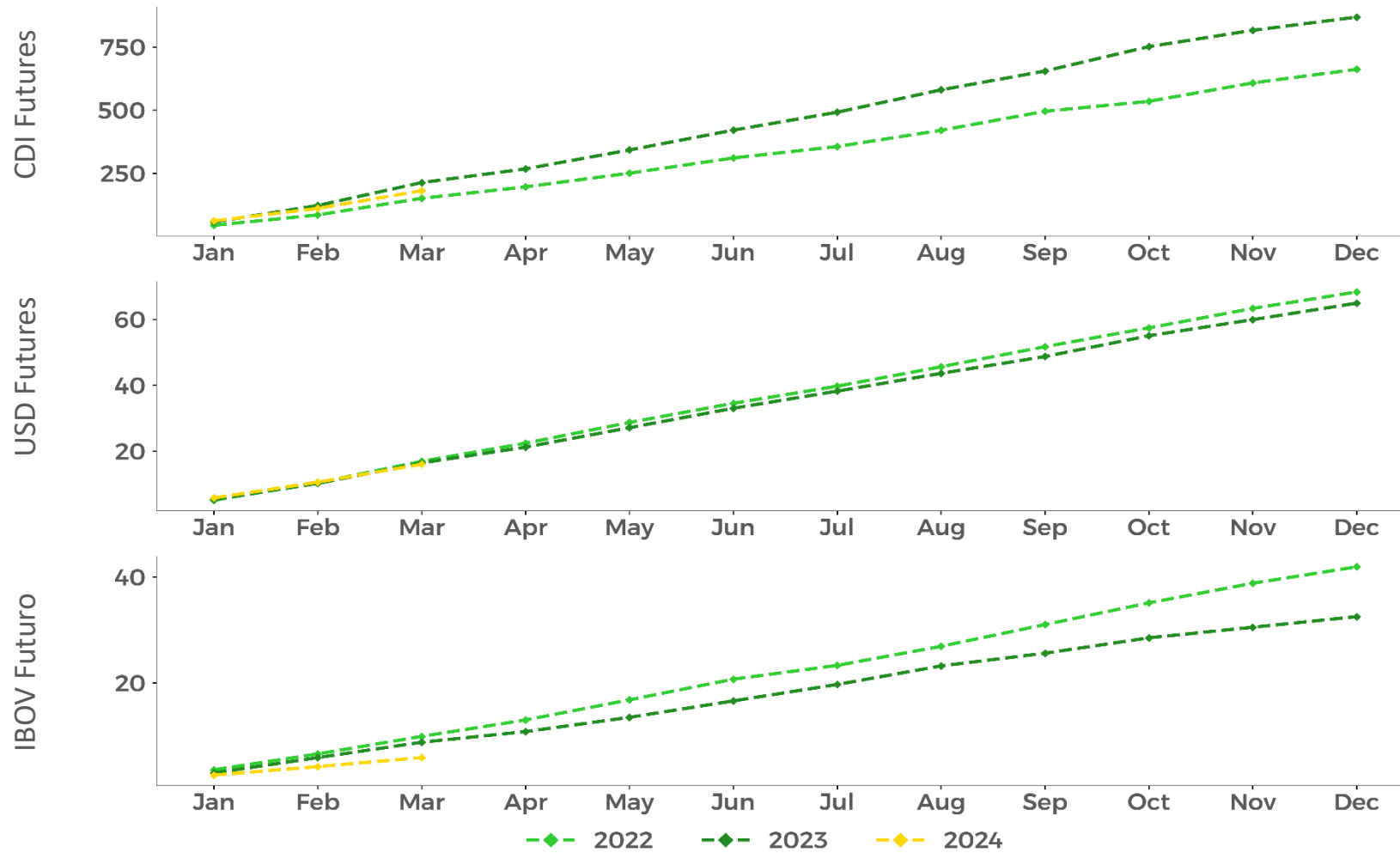
4.2.1. Derivatives – millions of contracts settled on exchanges (annual total)						
INSTRUMENT	2019	2020	2021	2022	2023	2024
CDI Futures	475.9	516.7	653.9	661.5	868.3	181.7
USD Futures	94.6	80.2	70.9	68.3	64.9	16.0
Ibovespa Futures	36.1	41.9	49.4	41.9	32.5	6.0
TOTAL	606.6	638.8	774.2	771.7	965.7	203.7

Source: Organized Market Administrators

4. Secondary markets

4.2. Derivatives

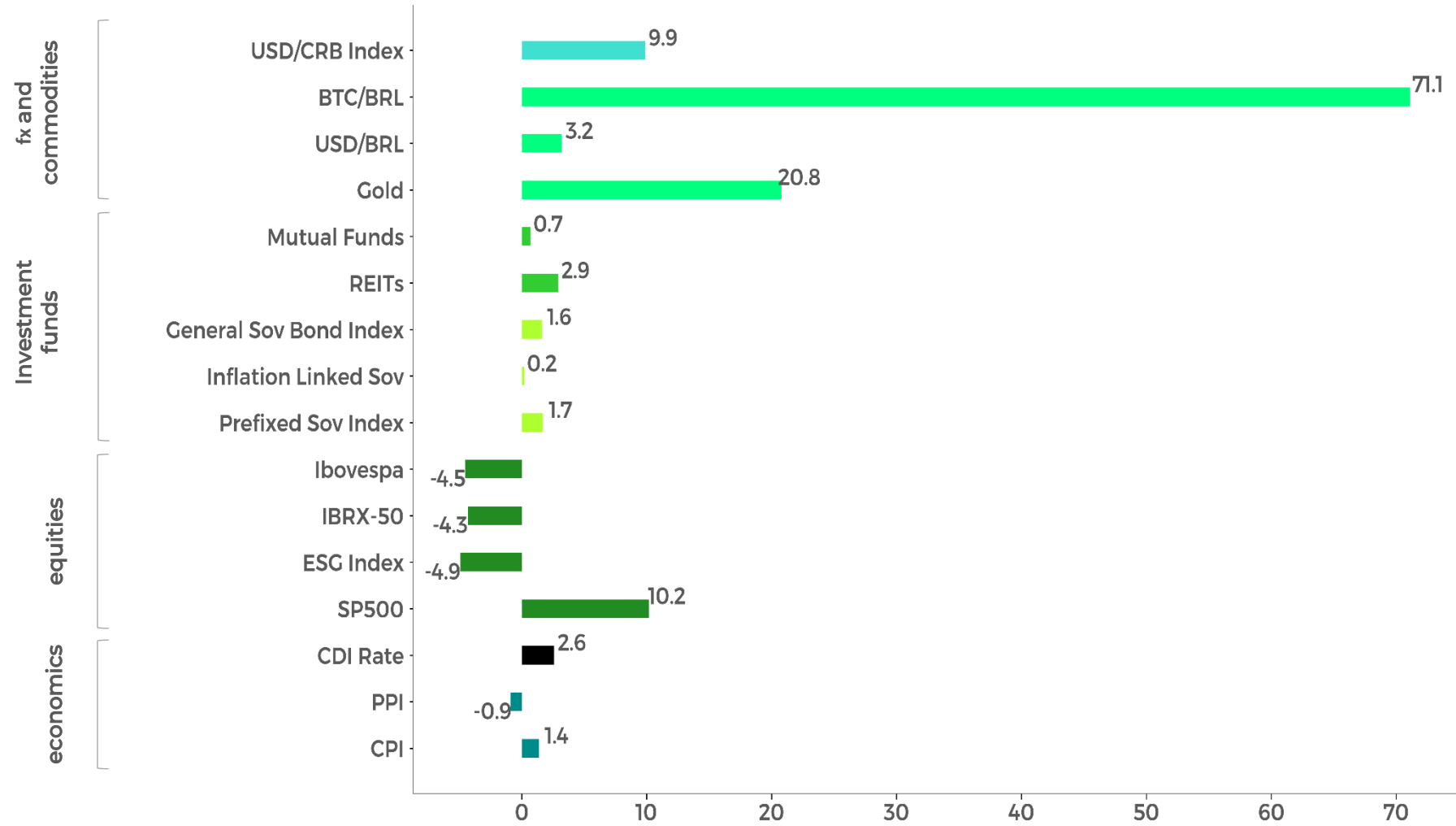
4.2.2. Derivatives – millions of contracts settled on exchanges (accumulated)



Source: Organized Market Administrators

5. Asset returns

5.1. YTD % asset returns



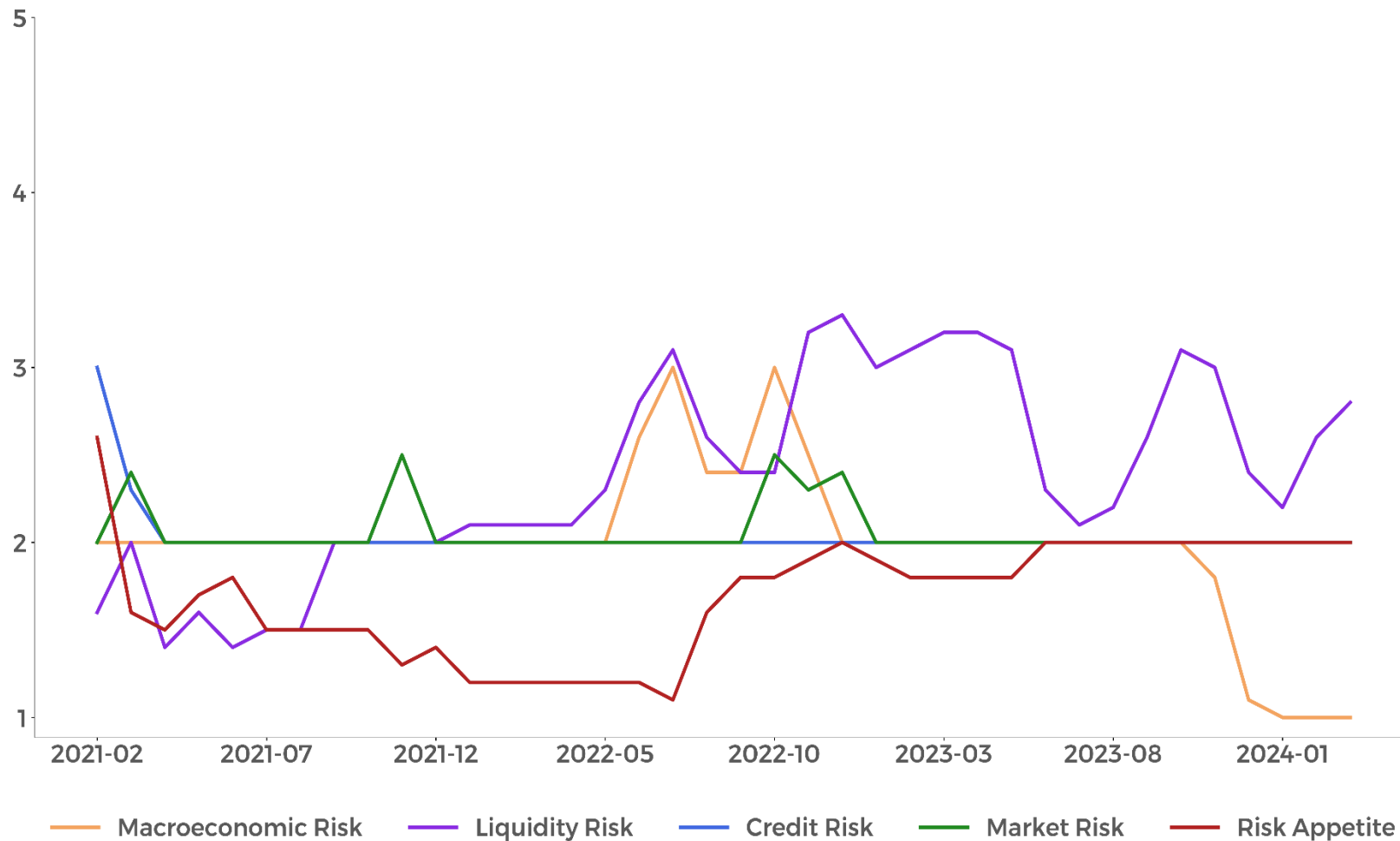
Source: Economatca, Bloomberg



MARKET SCENARIO

6. Risk map

6.1. Risk map – last 36 months



Calculated by CVM according to Methodology

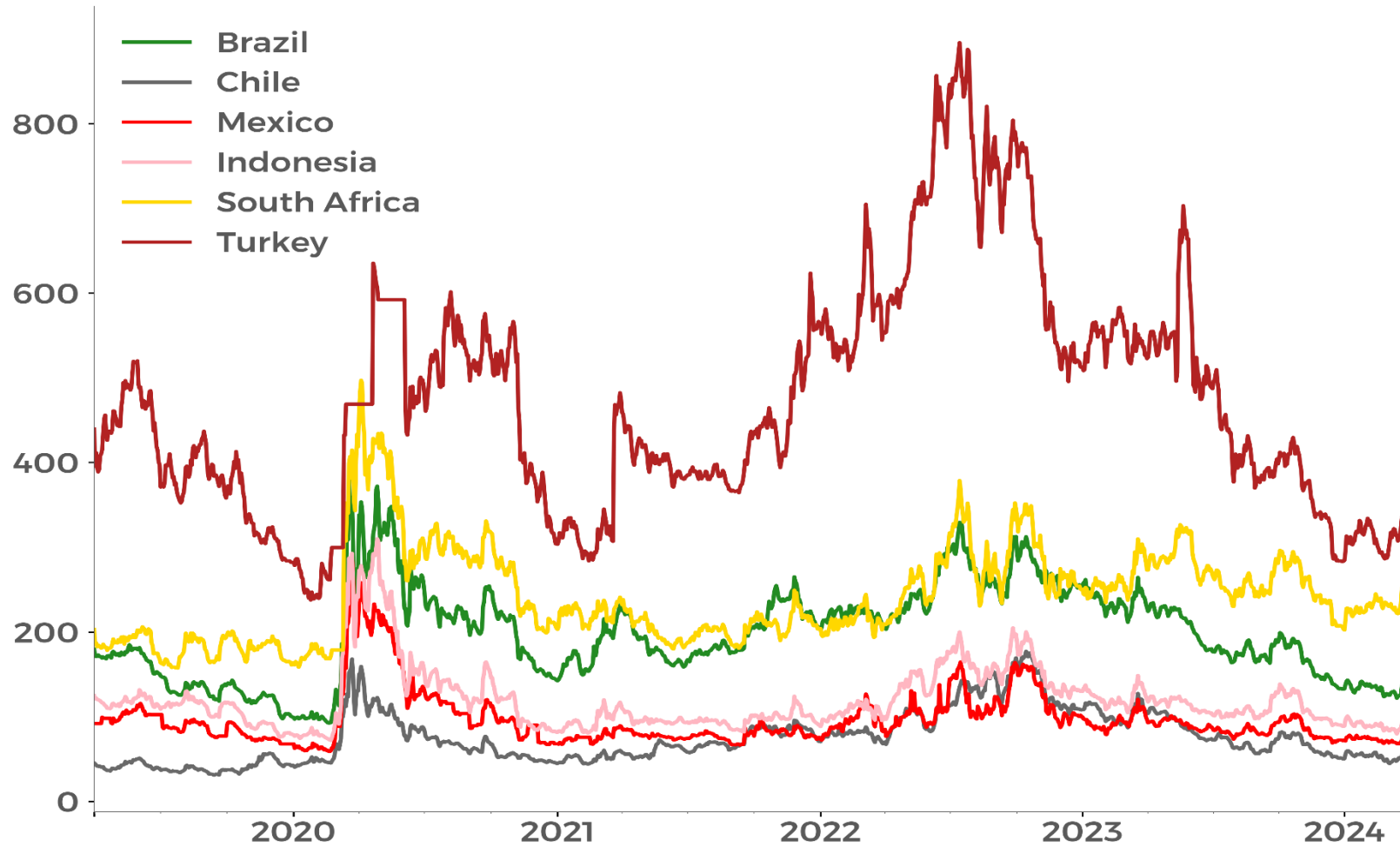
6. Risk map - Highlights

	MACRO	MARKET	LIQUIDITY	RISK APPETITE	CREDIT
2024-Q1	1.0	2.0	↑ 2.8	2.0	2.0
2023-Q4	1.1	2.0	2.4	2.0	2.0

- In the first quarter of 2024, there was a notable divergence in performance of the Brazilian equity indicator compared to other emerging and developed markets (8.1), correlated with a decrease in foreign investors' monetary flows in the secondary market (10.2). The deterioration movement in the liquidity risk indicator (10.1) can be associated with this same context.
- Similar to the global corporate bond markets (8.3), domestic fixed-income markets also showed a decrease in volatility during the quarter (8.6), in line with the decline in the sovereign dollar spread (9.2).

7. Macroeconomic risk

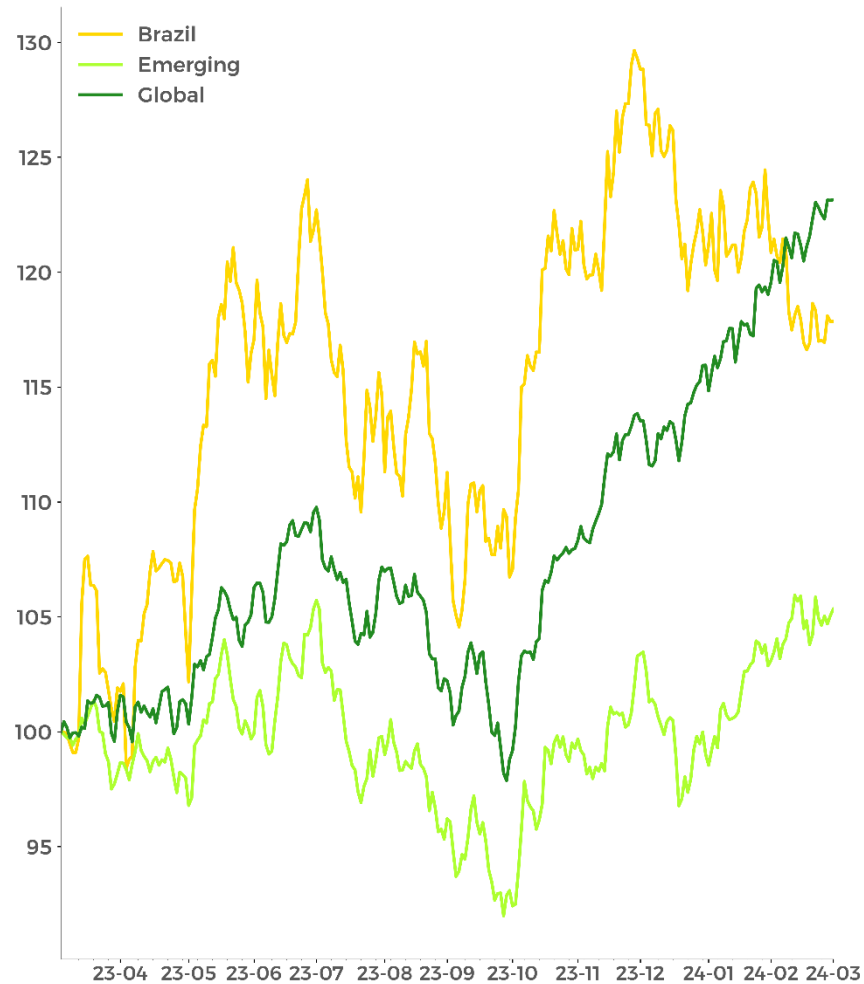
7.1. Sovereign CDS – emerging economies (basis points)



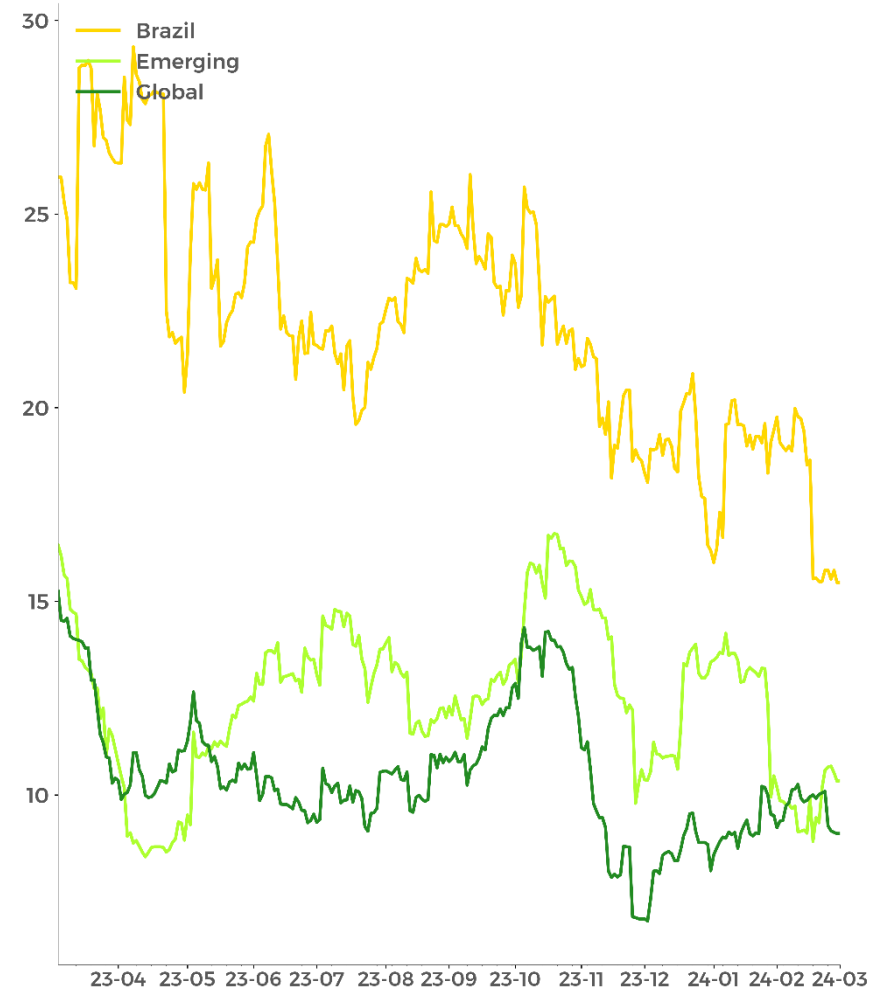
Source: Bloomberg

8. Market risk

8.1. MSCI equity indexes – last 12 months return



8.2. MSCI equity indexes – volatility



Source: Bloomberg

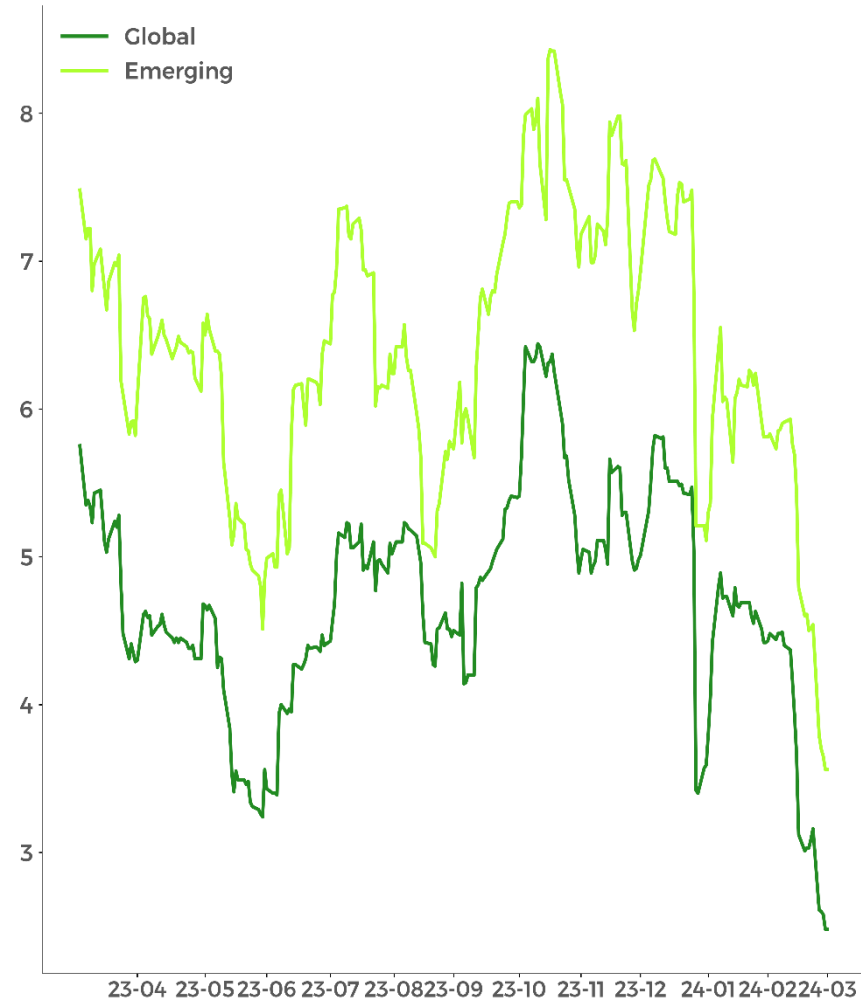
8. Market risk

8.3. Corporate bond indexes – last 12 months return



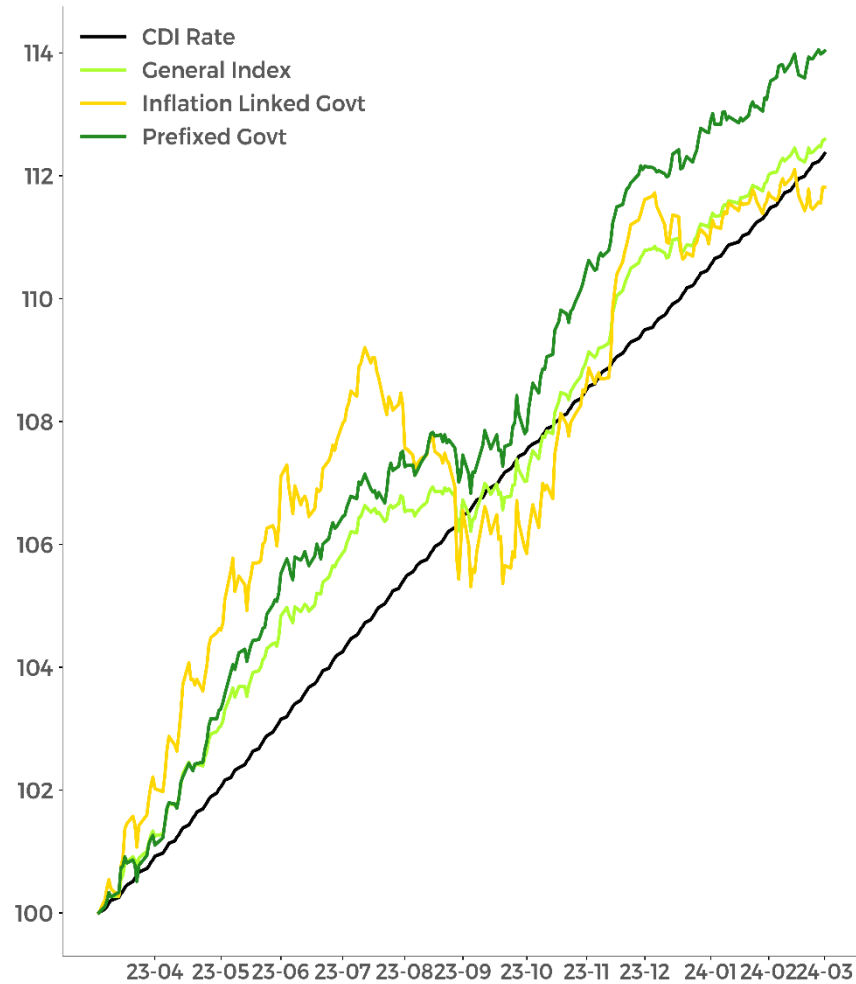
Source: Bloomberg

8.4. Corporate bond indexes – volatility



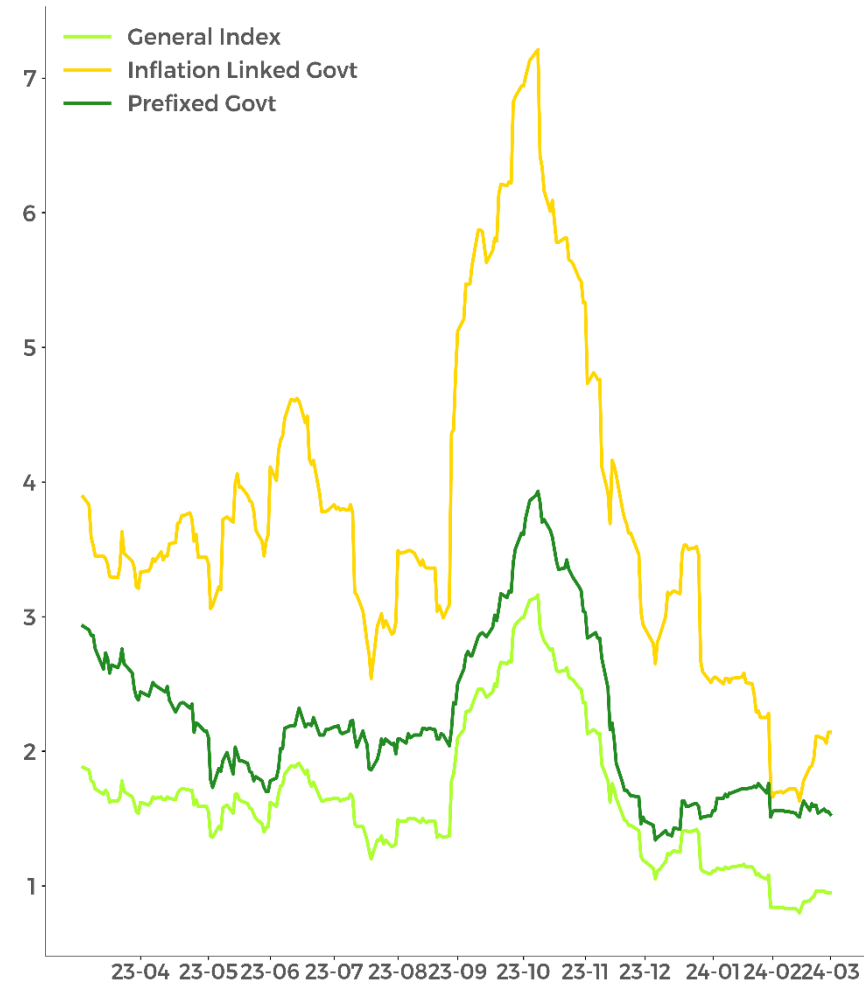
8. Market risk

8.5. National fixed income indexes
– last 12 months return



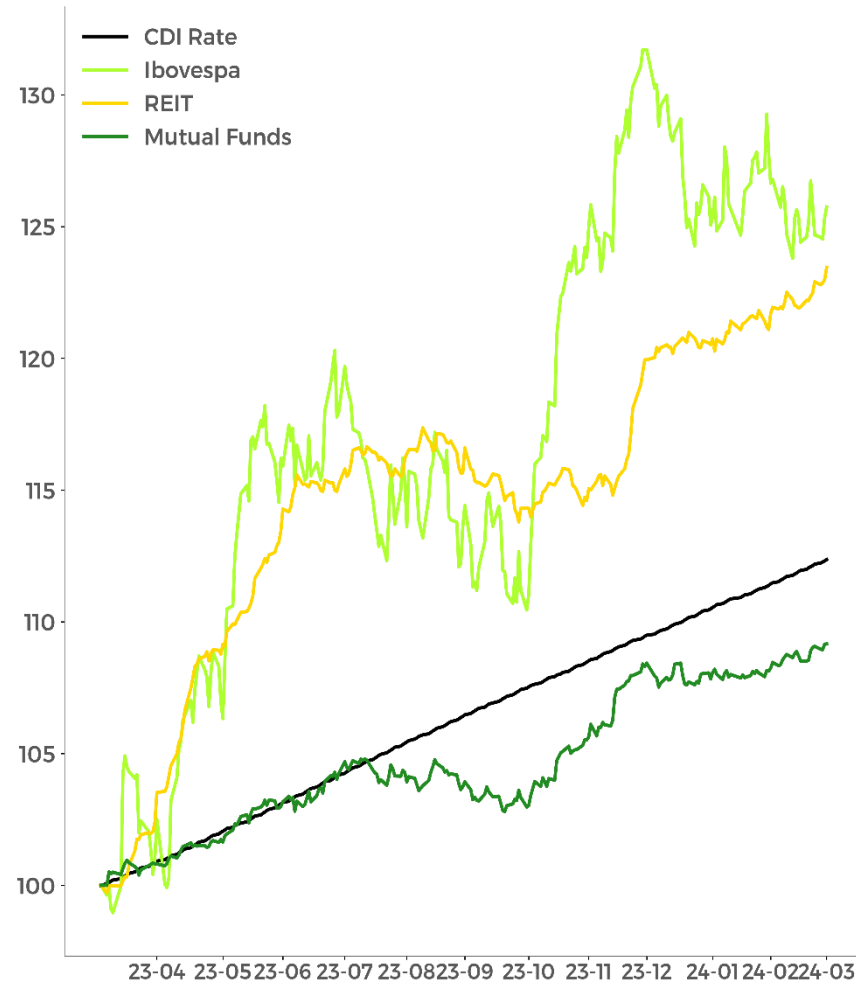
Source: Bloomberg

8.6. National fixed income indexes
– volatility



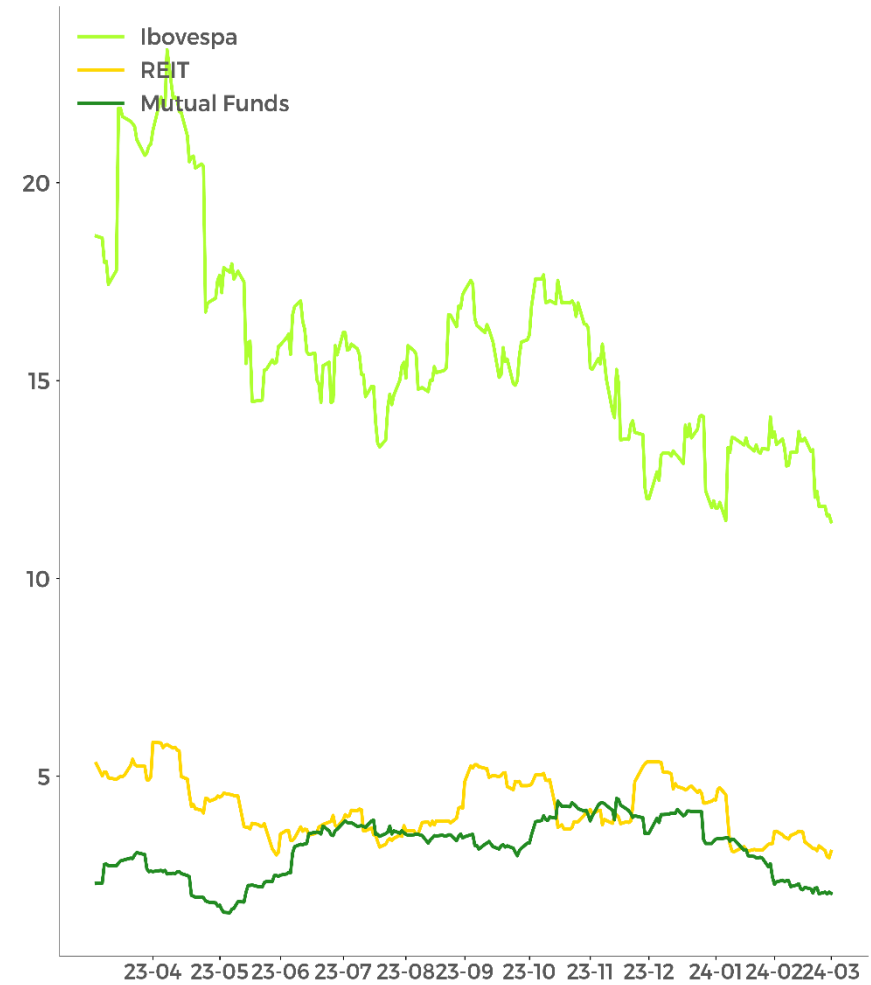
8. Market risk

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

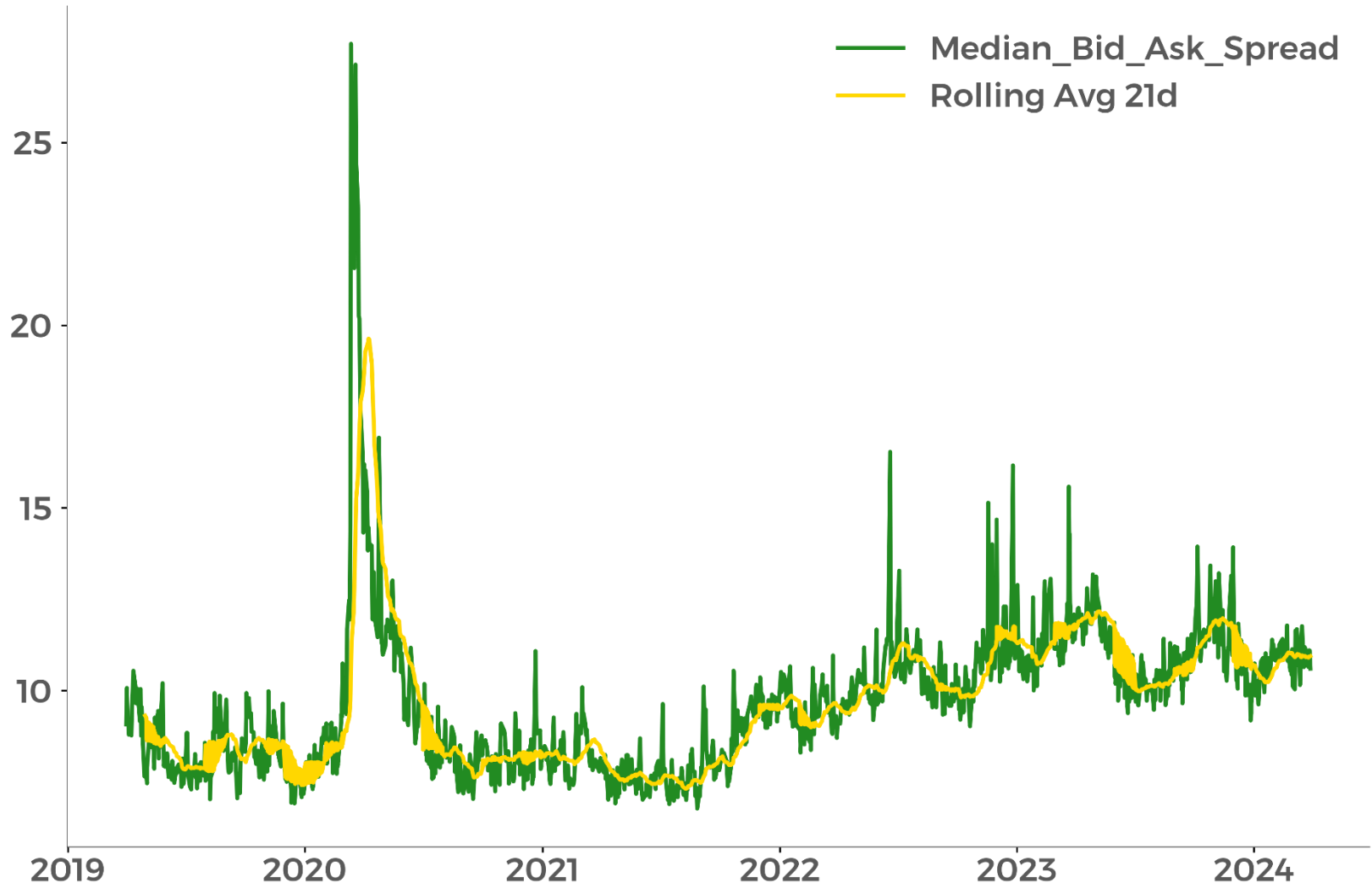
9.2. Spreads vs US treasuries (basis points)



Source: Bloomberg

10. Liquidity risk

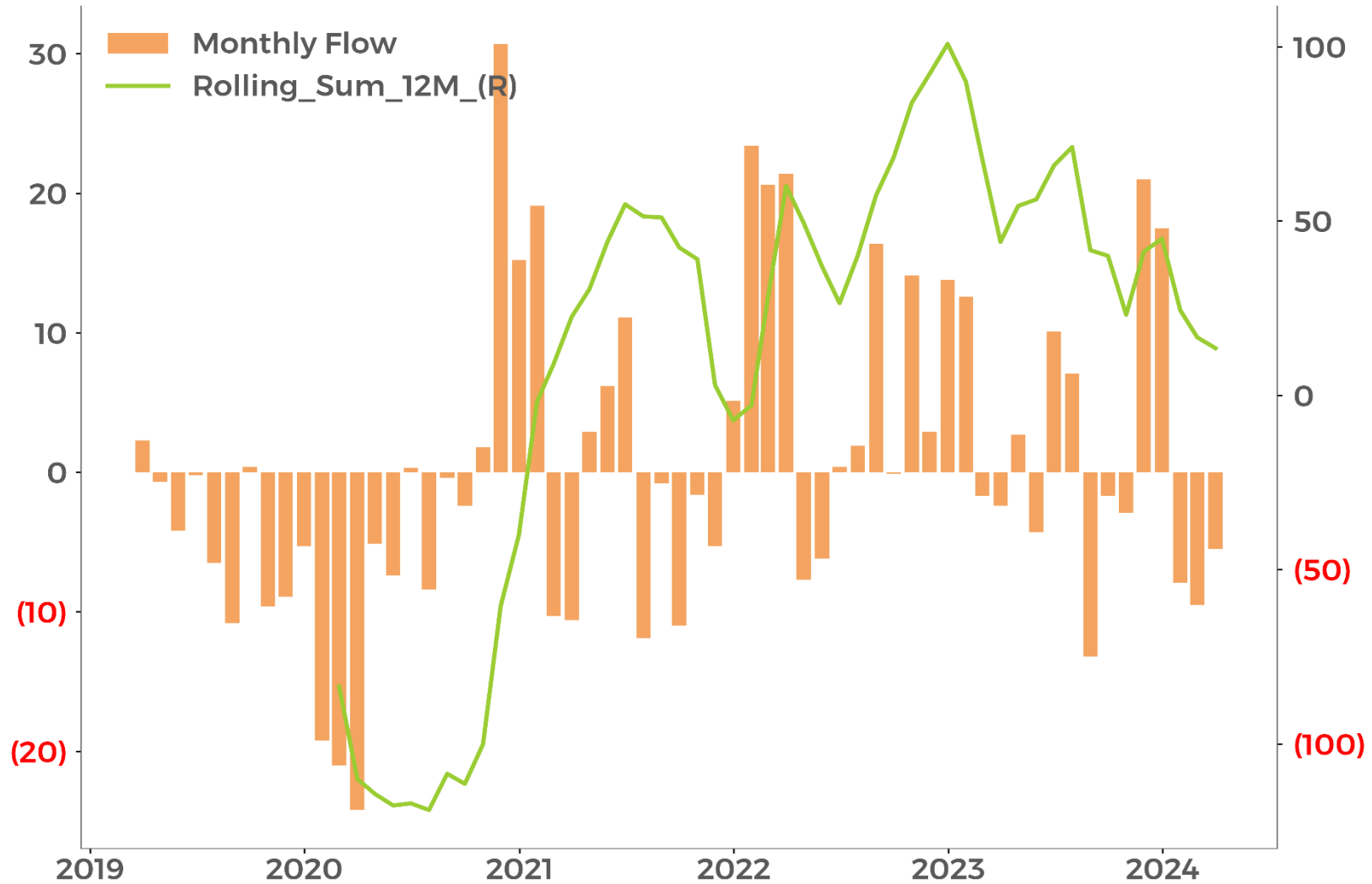
10.1. Bid-Ask spread index – equities (basis points)



Source: Bloomberg

10. Liquidity risk

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

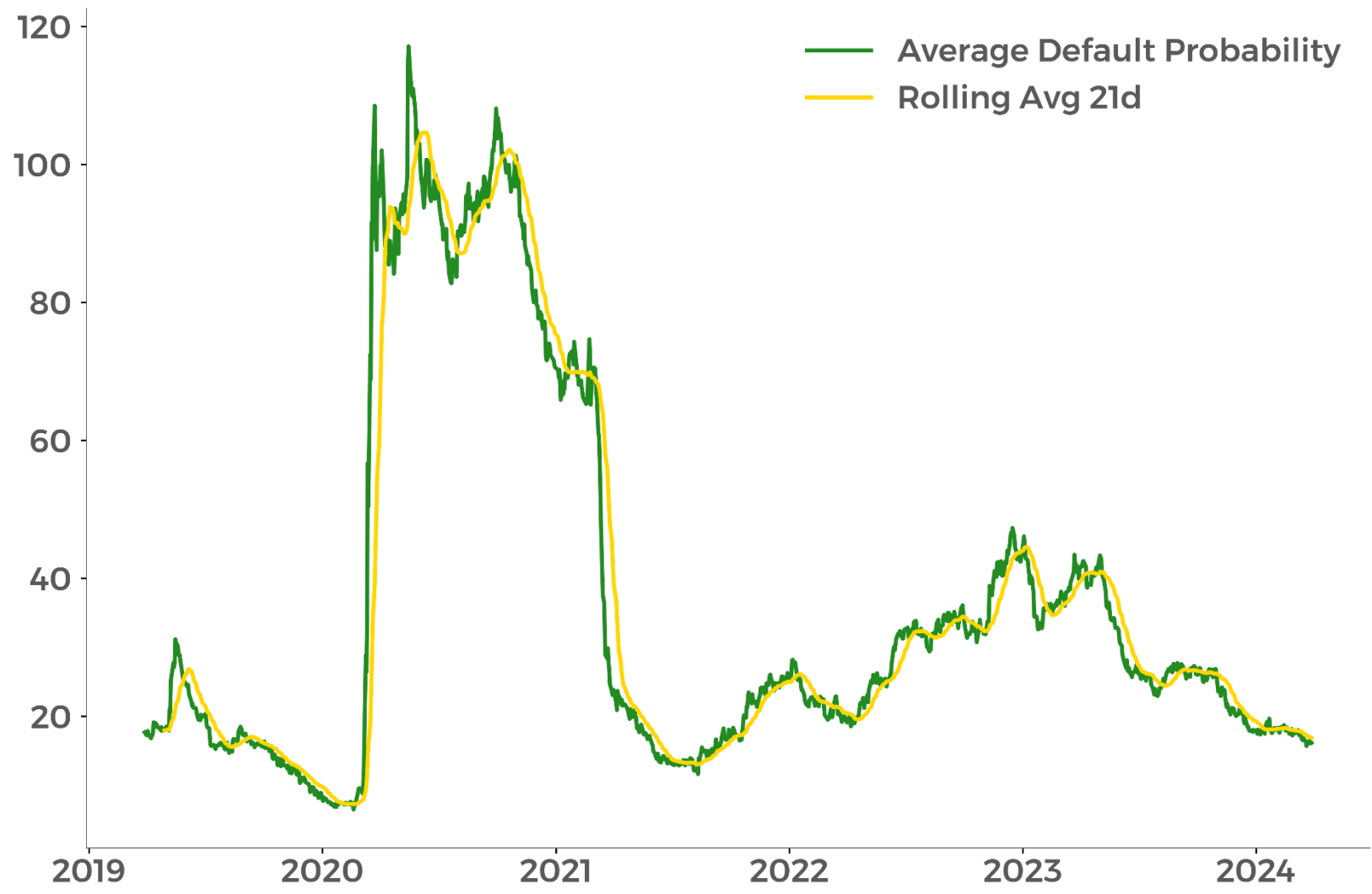


Source: Bloomberg



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 n° 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 n°160/22 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 n°88/22, 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.