

# BOLSA MEXICANA DE VALORES



9M 2023  
*Update*

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La Bolsa de *México*  
**bmv.com.mx**

This presentation contains forward-looking statements and information related to Bolsa that are based on the analysis and expectations of its management, as well as assumptions made and information currently available at Bolsa.

Such statements reflect the current views of Bolsa related to future events and are subject to risk, uncertainties and assumptions. Many factors could cause the current results, performance or achievements of Bolsa to be somewhat different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including among others, changes in the general economic, political, governmental and business conditions both in a global scale and in the individual countries in which Bolsa does business, such as changes in monetary policies, in inflation rates, in prices, in business strategy and various other factors. Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual results may vary considerably from those described herein as anticipated, believed, estimated, expected or targeted. Bolsa does not intend and does not assume any obligation to update these forward-looking statements.

Today's call is being recorded and a replay of this call will be available online on October 19th at Bolsa's corporate website, [www.bmv.com.mx](http://www.bmv.com.mx).

During this call, all figures are in Mexican pesos and compared to the third quarter of 2022 unless stated otherwise.

This call is intended for the financial community only, and the floor will be open at the end to address any questions you may have

# 3Q 2023 Key Financial Highlight

Resilient quarterly results given lower trading in transactional businesses, fewer cross-border transactions in the global market and an unfavorable foreign exchange effect on dollarized services.

## Revenue

-5%

**\$933 MM**



(3Q 2022: \$979 MM)



## Expenses

+3%

**\$475 MM**



(3Q 2022: \$462 MM)



## Net Income

-18%

**\$330 MM**



(3Q 2022: \$400 MM)



## EBITDA



-10%

**\$512 MM**

(3Q 2022: \$571 MM)



## EBITDA Margin

-353bp

**55%**



(3Q 2022: 58%)



## Earnings per Share

-17%

**\$0.57**

(3Q 2022: \$0.69)



# 9M 2023 Key Financial Highlight

Persistent financial results when excluding last year's non-recurring revenue of 134 million pesos in Indeval and SIF ICAP. Good performance in Capital Formation (short and long-term debt issuances) and in Information Services.

## Revenue

-7%

**\$2,913 MM**



(9M 2022: \$3,126 MM)

## Expenses

+5%

**\$1,430 MM**



(9M 2022: \$1,358 MM)

## Net Income

-14%

**\$1,100 MM**



(9M 2022: \$1,283 MM)

## EBITDA



-15%

**\$1,653 MM**



(9M 2022: \$1,935 MM)

## Adjusted EBITDA



-8%

**\$1,653**



(9M 2022: \$1,801 MM)

## Adj. EBITDA Margin



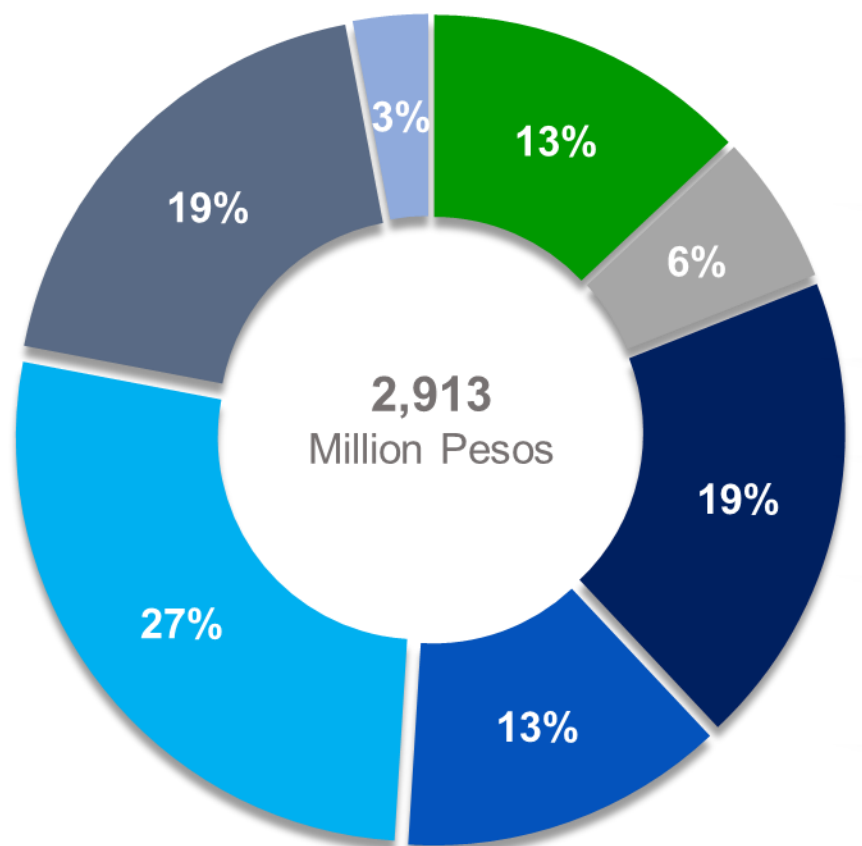
-345bp

**57%**



(9M 2022: 60%)

# 2023 Revenue by Business Line



- Equity Trading & Clearing
- OTC Trading
- Central Securities Depository
- Other
- Derivatives Trading & Clearing
- Capital Formation
- Information Services

Revenue 9M				
Business Line	2022	2023	Var.	Var. %
Equity Trading & Clearing	412.1	363.3	-48.8	-11.8%
Derivatives Trading & Clearing	161.5	163.1	1.6	1.0%
OTC Trading	558.4	553.4	-5.0	-0.9%
Capital Formation	365.8	372.1	6.2	1.7%
Central Securities Depository	991.7	797.5	-194.2	-19.6%
Information Services	521.6	558.4	36.8	7.1%
Other	115.1	105.3	-9.9	-8.6%
<b>Total Revenue</b>	<b>3,126</b>	<b>2,913</b>	<b>-213.3</b>	<b>-6.8%</b>

Million Pesos

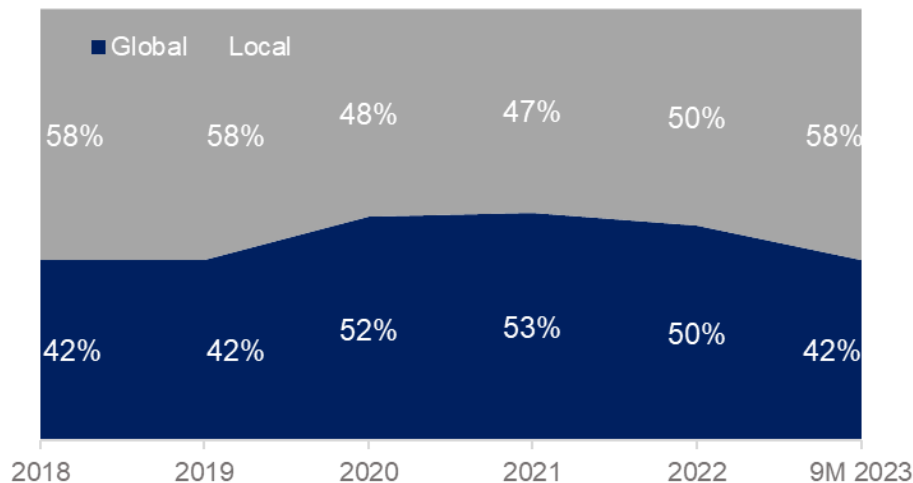
As of September 30th, 2023

# 1. Equity Trading & Clearing (BMV & CCV)

## Quarterly Key Highlights

- ADTV for 3Q23 was \$13.6B pesos, down 14%.
- Local market up 21%, which weights 66% of BMV's ADTV
- Global market down 45%, responsible for 34% of BMV's ADTV.
- Best execution modifications came into effect in August 2022. BMV's market share is 84% YTD.
- CCV** (clearing) revenue was in line with 3Q22. Total Mexican equities ADTV was down 11% explained by a lower number of cross trades.

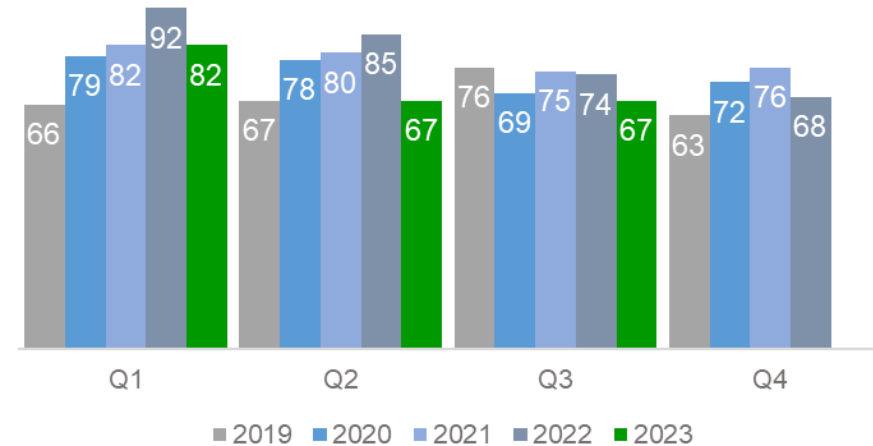
## Market Mix by Trading Value



As of September 30th, 2023

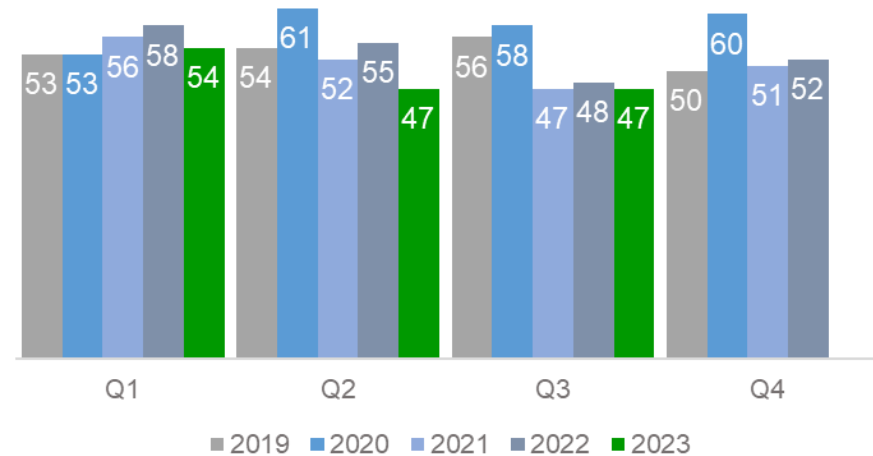
## Equity Trading Revenue

(Million pesos)



## Clearing Revenue

(Million pesos)



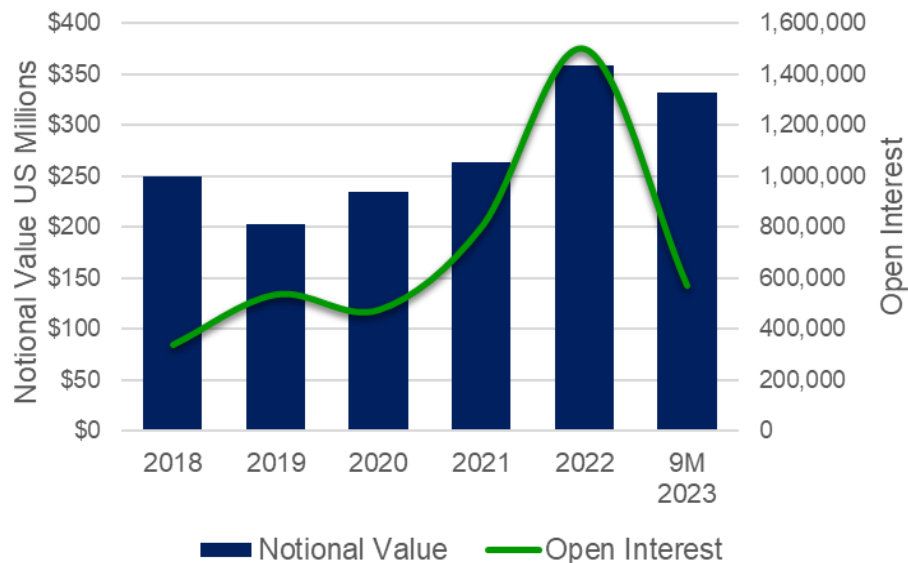


## 2. Derivatives Trading & Clearing (MexDer & Asigna)

### Quarterly Key Highlights

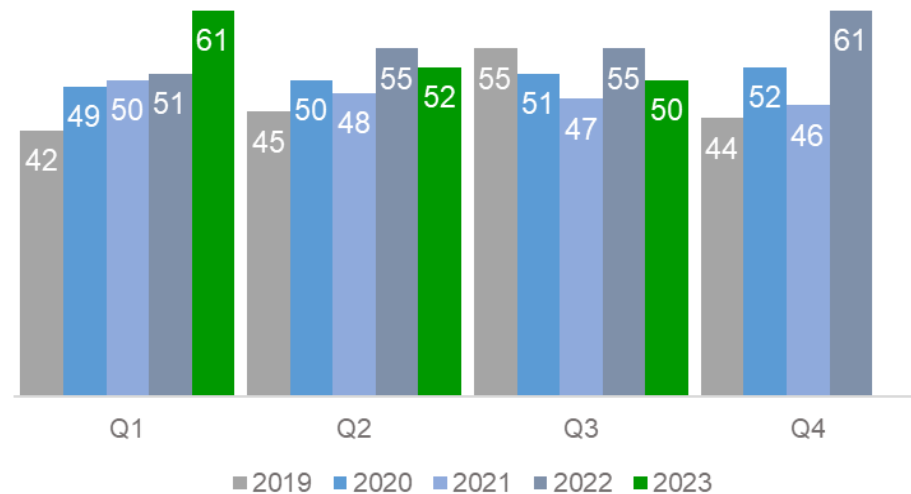
- MexDer** revenue down 7% compared to 3Q22 mainly due to fewer trades of dollar futures.
- The notional value of dollar futures amounted to 332 million USD. Open interest was 44% less than in 3Q22 since institutional clients closed positions.
- The notional value of interest rate swaps was 175 million USD, +106% vs 2022. Open Interest reached a record high at 17.3 million contracts.
- Asigna** revenue down 10% due to lower trading and volatility during the quarter, which in turn translates in lower average margin deposits (-11% vs 2Q22).

### Dollar Futures



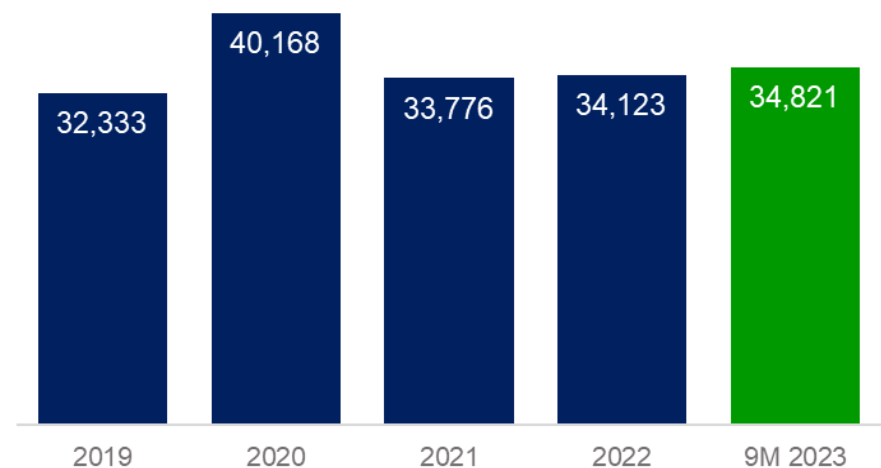
### Derivatives Revenue

(MexDer & Asigna | million pesos)



### Margin Deposits

(Million pesos)



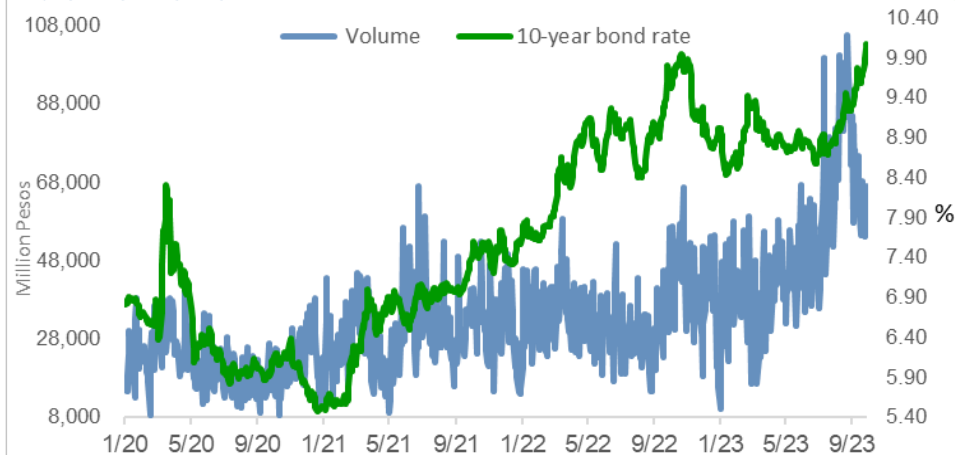
As of September 30th, 2023

### 3. OTC Trading (Mexico & Chile)

#### Quarterly Key Highlights

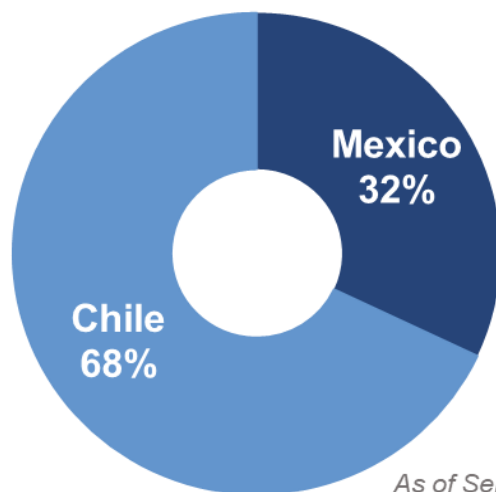
- **SIF ICAP** revenue reached \$181M pesos, up 6%.
- **SIF ICAP Mexico** increased 11% explained by higher trading of interest rate swaps and new clients in MéxiCO2, a subsidiary firm specialized in promoting environmental markets and carbon credits.
- **SIF ICAP Chile** up 4% due to higher volatility in financial markets (Fx & IRS).

#### M-bonds traded daily vs 10-year bond rate



Source: Own elaboration with historical data from Banxico

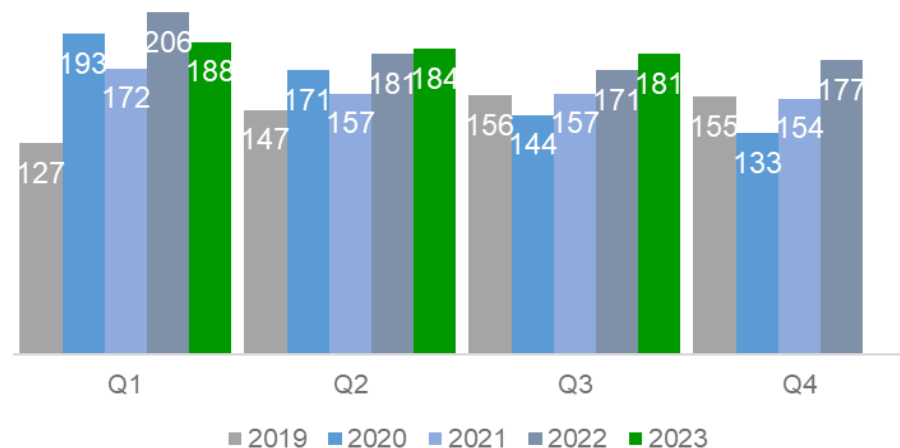
#### Trading Revenue Mix: 9M 2023



As of September 30th, 2023

#### OTC Revenue

(million pesos)





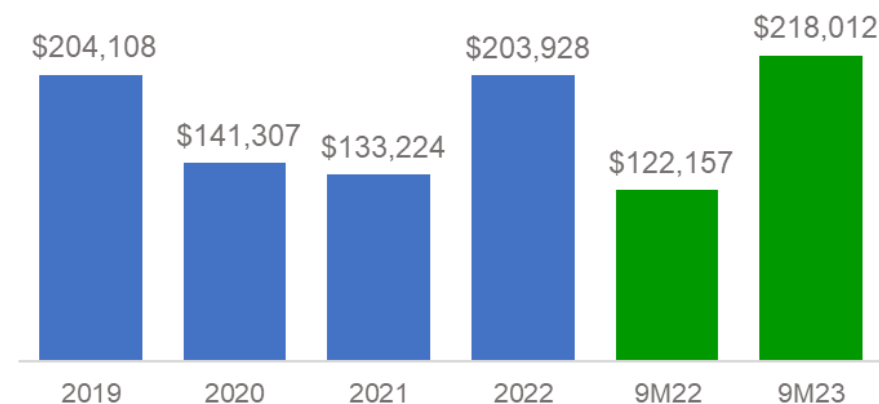
## 4. Capital Formation (Listing & Maintenance)

### Quarterly Key Highlights

- **Listing** revenue up 24% due to a more dynamic shot & long-term debt market and one follow-on in the equity market for \$4.9B pesos (Traxión).
- Debt market (listings): short-term debt increased 36% and long-term debt was up 20%.
- ESG long-term debt represents 47% of total long-term debt issued in 9M23.
- **Maintenance** revenue down 4% since the amount issued is not directly linked to revenue (fees have caps).

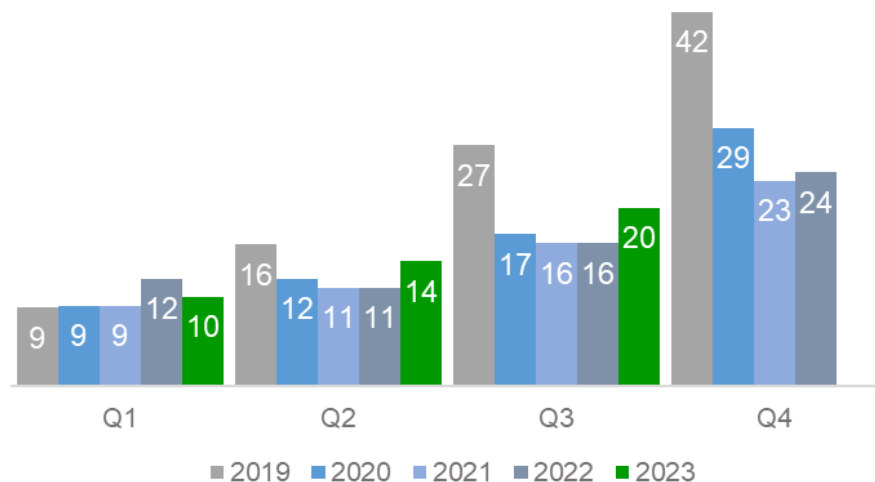
### Long-Term Debt (amount issued)

(Million pesos)



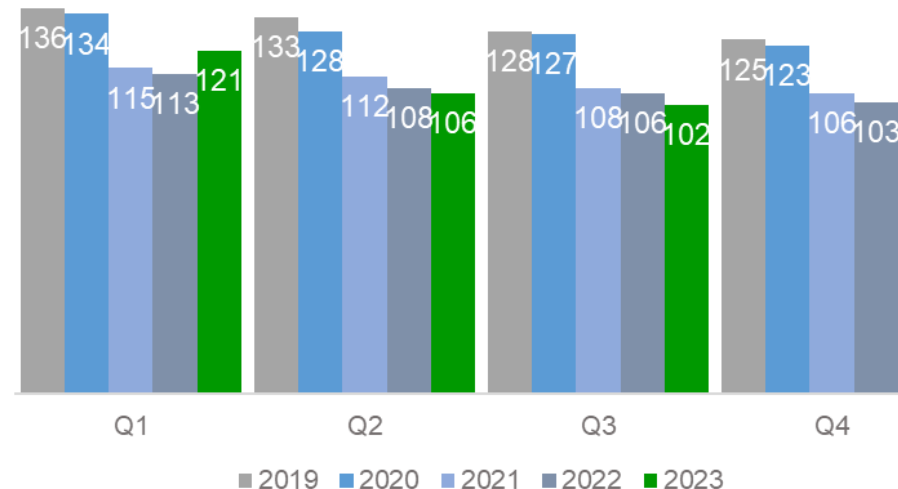
### Listing Revenue

(Million pesos)



### Maintenance Revenue

(Million pesos)



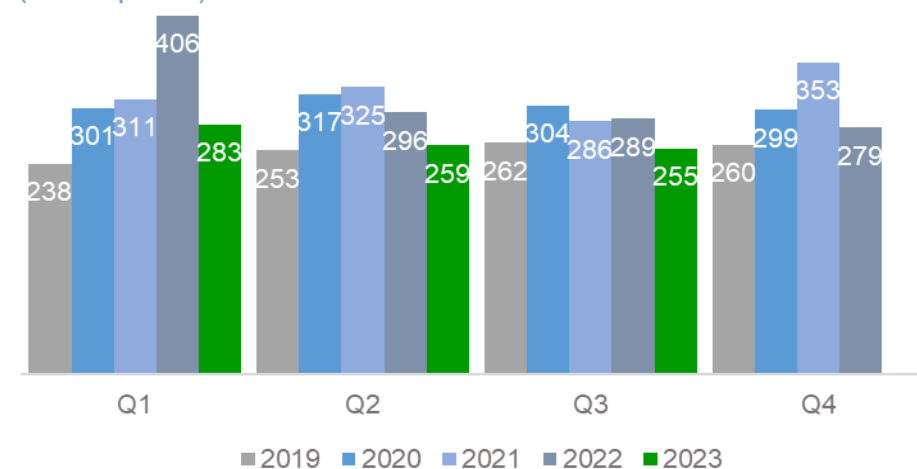
## 5. Central Securities Depository (Indeval)

### Quarterly Key Highlights

- **Indeval's** revenue was down \$33M compared to 2Q22 due to foreign exchange and lower number of cross-border transactions in the global market.
- AUC was up 13% in the local market but decreased 4% in the global market.
- The strength of the peso had a negative impact of \$23M pesos when comparing 3Q23 vs 2Q22.
- Indeval & CCV will accelerate the settlement cycle to T+1 on specific market processes in May 2024 in line with the USA and Canada.

### Indeval Revenue

(Million pesos)



### Assets Under Custody 9M 2023

(Million pesos)

#### Local Market

**\$32.3 T**

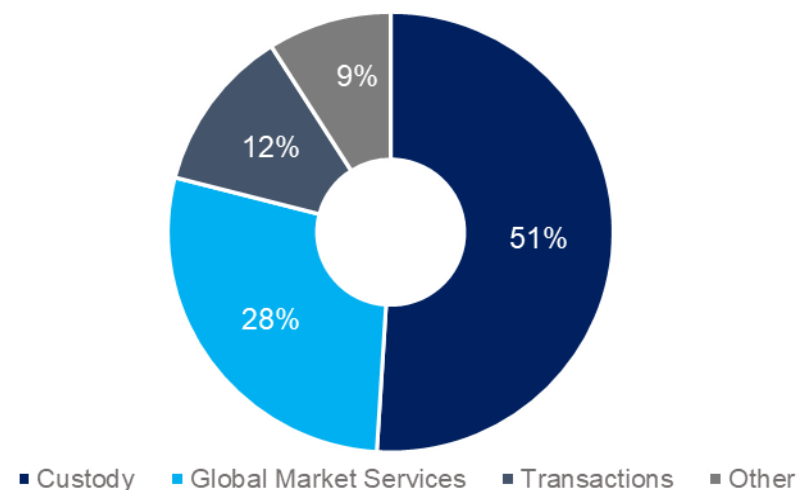
**Up 10%**

#### Global Market

**\$1.5 T**

**Down 7%**

### Revenue Distribution 9M 2023



## 6. Information Services (BMV & Valmer)

### Quarterly Key Highlights

- **Market Data** down 5% due to an unfavorable foreign exchange effect. Excluding Fx, it shows solid growth with international clients.
- **Valmer** increased 11% because of valuation services and a portfolio management software.
- The strength of the peso had a negative impact of \$14M when comparing 2Q YOY.

### Market Data

**\$381M**

**Up  
2%**

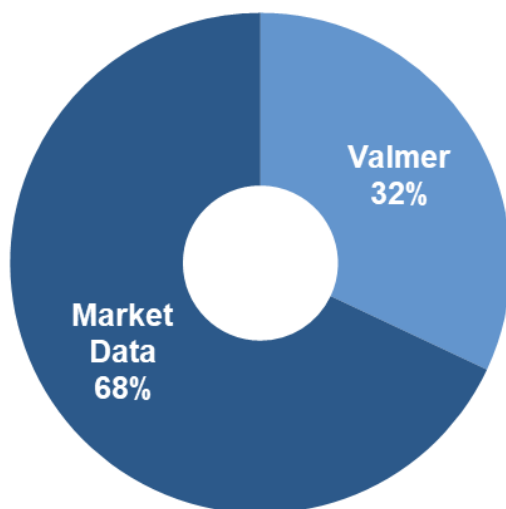
### Valmer

**\$178M**

**Up  
19%**

9M23 vs 9M22

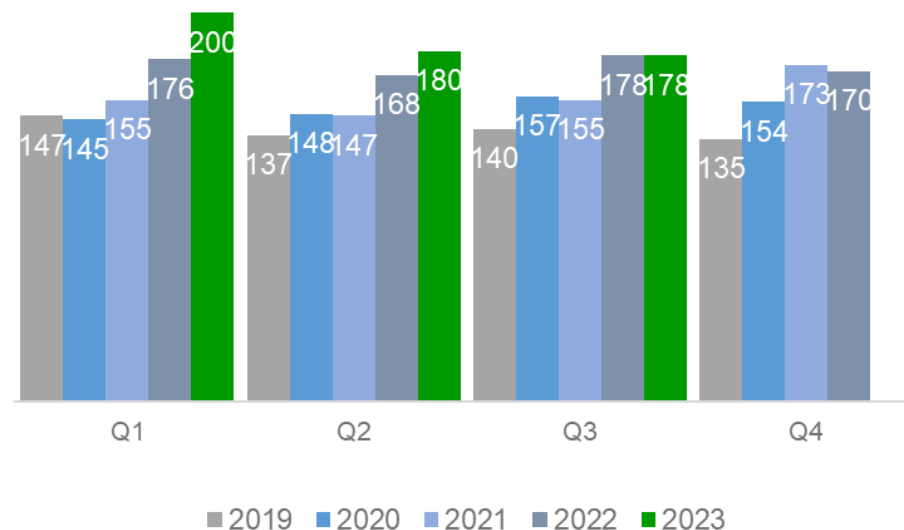
### Revenue Mix



As of September 30th, 2023

### Information Services Revenue

(million pesos)



# 9M23 Operating Expenses

## Key Highlights

- **Personnel** up \$50M explained by annual increments and higher SIF ICAP recurring revenue.
- **Technology** up \$31M mainly due to updates to BMV Group's platforms and segregation of Post-trade's infrastructure.
- **Rent and Maintenance** up \$9M because of building renovations.
- **Sub-custody** down \$29M pesos due to lower costs in the administration of W8 tax formats.
- **CNBV** up \$2M, in line with 2022 reported inflation rate.
- **Promotion** up \$4M because of a greater number of customer and corporate events.

Operating Expenses 9M				Million pesos
Expenses	2022	2023	Var.	Var. %
Personnel	653.5	703.3	49.8	7.6%
Technology	232.8	264.2	31.4	13.5%
Depreciation	166.5	169.3	2.8	1.7%
Rent/ Maintenance	52.6	61.7	9.2	17.5%
Consulting Fees	78.2	80.1	1.9	2.4%
Sub-custody	69.0	39.7	-29.3	-42.5%
CNBV Fees	24.9	26.8	1.9	7.9%
Promotion	24.6	28.7	4.1	16.6%
Others	55.8	55.7	-0.1	-0.1%
<b>Total Expenses</b>	<b>1,358</b>	<b>1,430</b>	<b>71.7</b>	<b>5.3%</b>

# Summary

## 1. Financial Performance

BMV Group delivered resilient recurring results in the third quarter and first nine months of 2023 impacted by lower average daily traded value in the global market and fewer cross-border transactions.

When comparing 9M23 vs 9M22, it is important to consider last year's non-recurring revenue of \$134M and the strength of the MXN peso against the USD dollar, +13%.

EBITDA decreased 8%, after adjusting for non-recurring items, and down 5% under constant foreign exchange rates.

## 2. Continued Execution of Strategy

We maintain our leadership position in capital formation and equity trading due to the trust that customers have in BMV Group. Our capital formation or financing business is recovering rapidly, supported by strong demand for ESG related debt and data.

We continue investing in our technology, not only upgrading and running our existing platforms, but also analyzing ways to transform and grow our current offering.

Finally, this environment highlights the unique strengths of our business model, particularly our diversified range of revenues and the stability provided by subscription revenues.

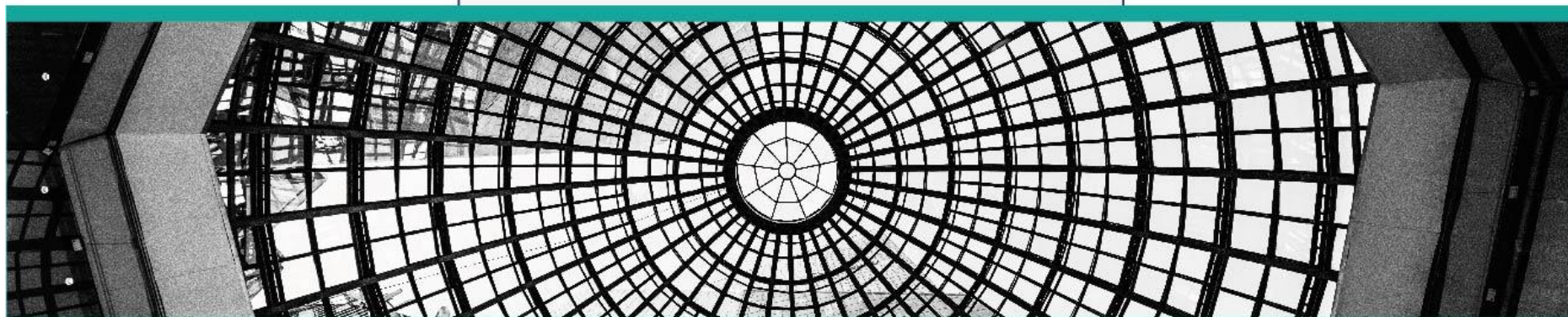
## CONTACTS

**Ramón Güémez**

Chief Financial  
& Sustainability Officer  
[rguemez@grupobmv.com.mx](mailto:rguemez@grupobmv.com.mx)

**Luis René Ramón**

Director of Strategic Planning  
& Investor Relations  
[lramon@grupobmv.com.mx](mailto:lramon@grupobmv.com.mx)



[bmv.com.mx](http://bmv.com.mx)

