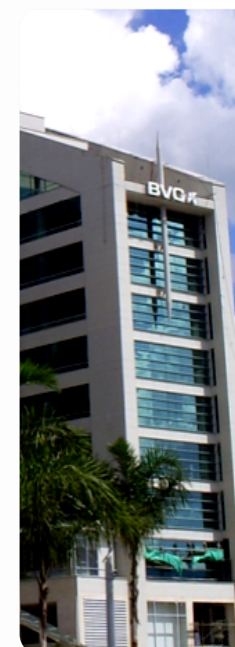


Colombia's Capital Markets: Overview and Future Trends

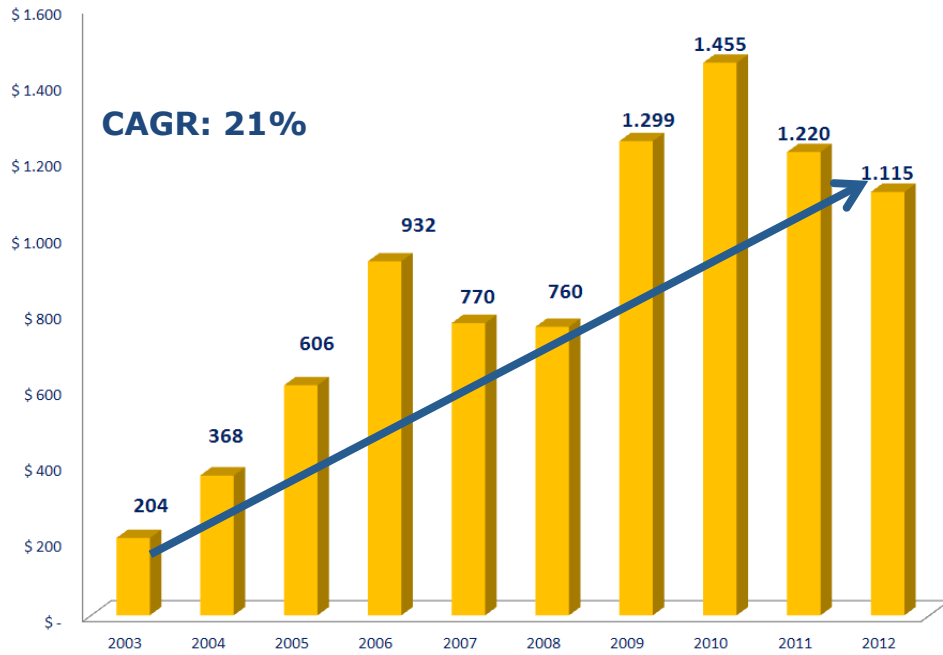
Juan Pablo
Cordoba
CEO



Capital Markets Overview

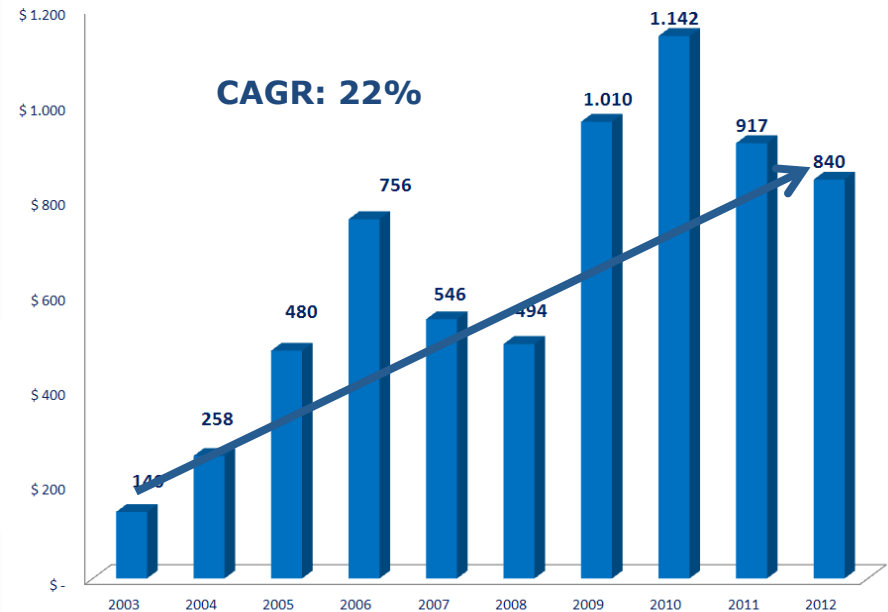
(USD billions)

Total Markets



- At the end of 2012 the traded volume at BVC closed in USD 1.115 billion

Fixed Income

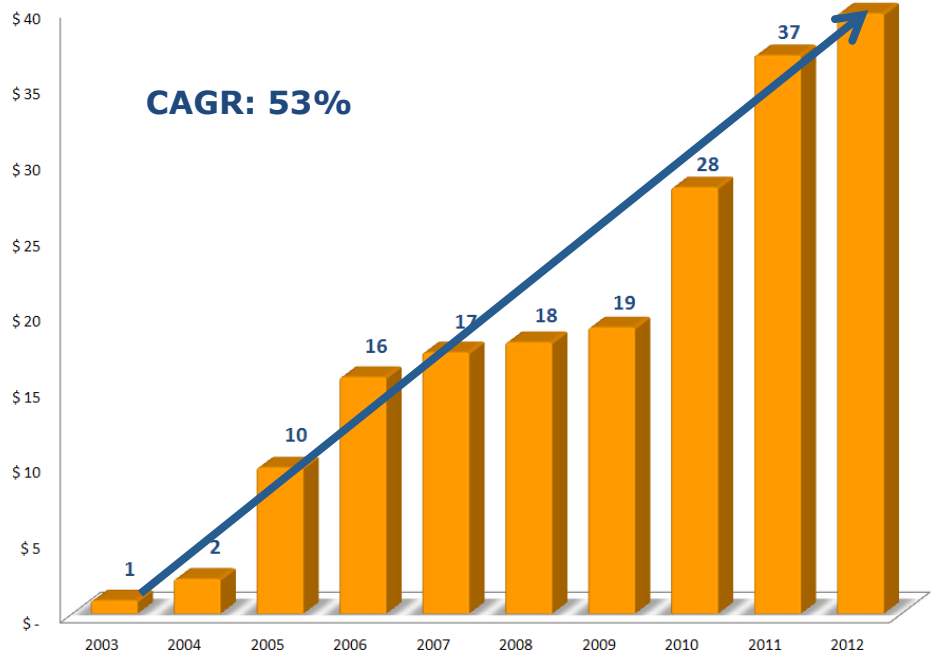


- In Fixed Income the average daily traded volume in 2012 is USD 3,4 Billion.
- 80% of the volume are government bonds and 20% corporate debt

Capital Markets Overview

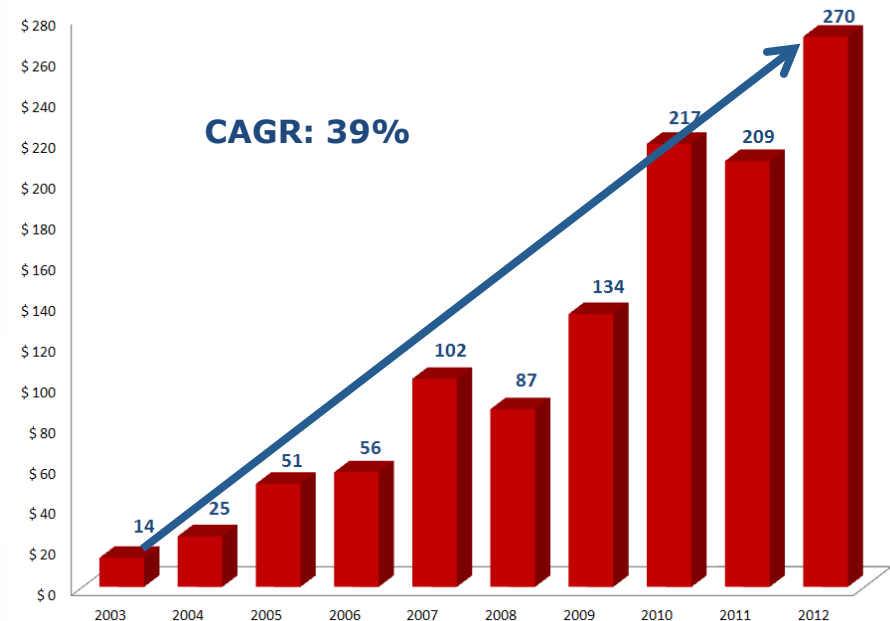
(USD billions)

Equity Market*



- The average daily traded volume in the equity market for 2012 is USD \$163 million.
- The traded volume in 2012 is USD \$40 billion.
- In 2012 the foreign investors represented 14% of the traded volume

Market Capitalization



- The Market Cap in 2012 is USD 270 billion.

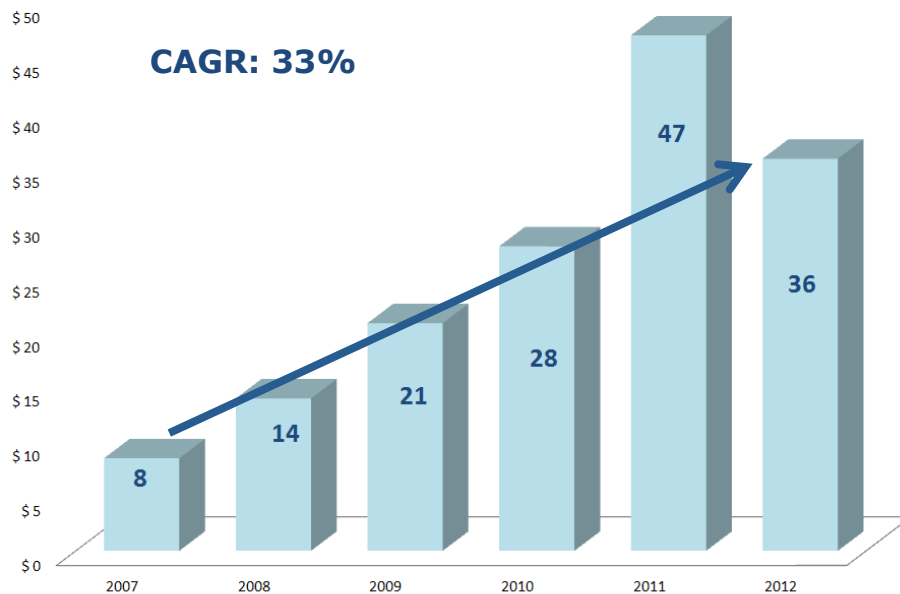


Equity Market*: Includes stocks and repos

Capital Markets Overview

(USD billions)

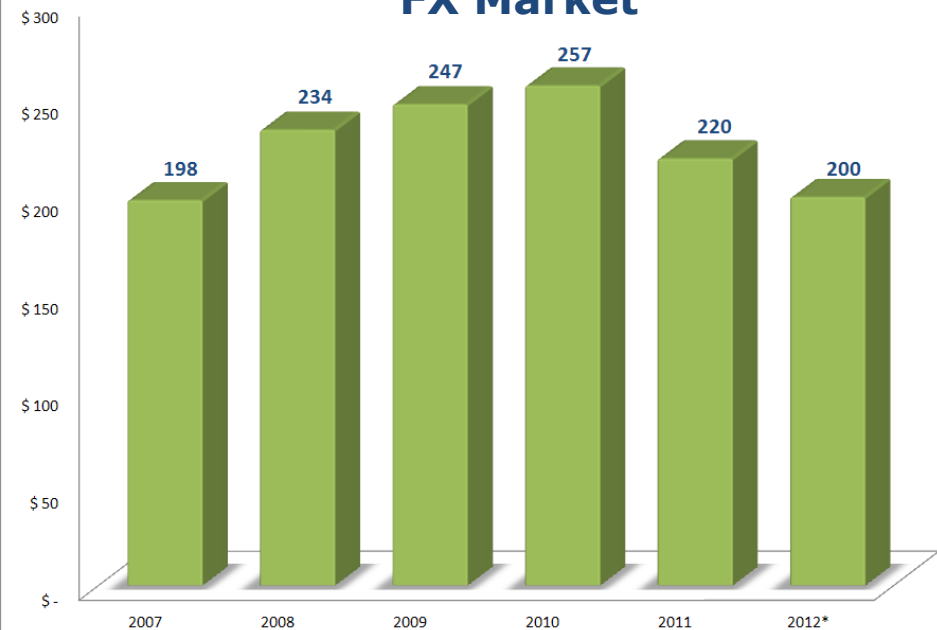
Derivatives Market



- The standardized derivatives market in Colombia has futures on government bonds, FX, single stocks, indices, interbank rates and CPI.
- The average daily traded volume in the Derivatives market in 2012 is USD\$147 million.

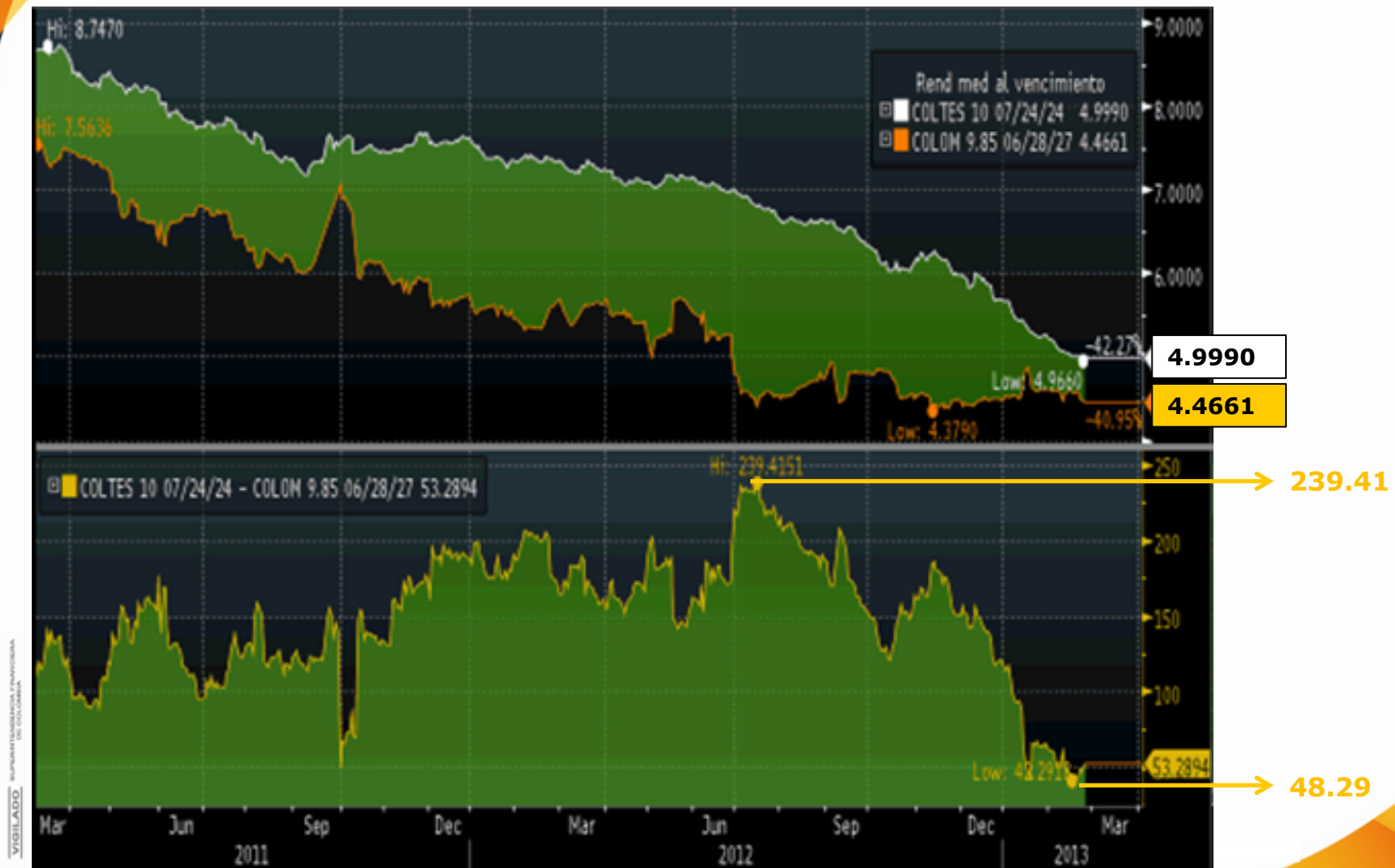
- In the FX market, the average daily volume traded at the end of 2012 closed in USD 820 million.
- In 2012 USD\$200 billion has been traded in the FX market.

FX Market



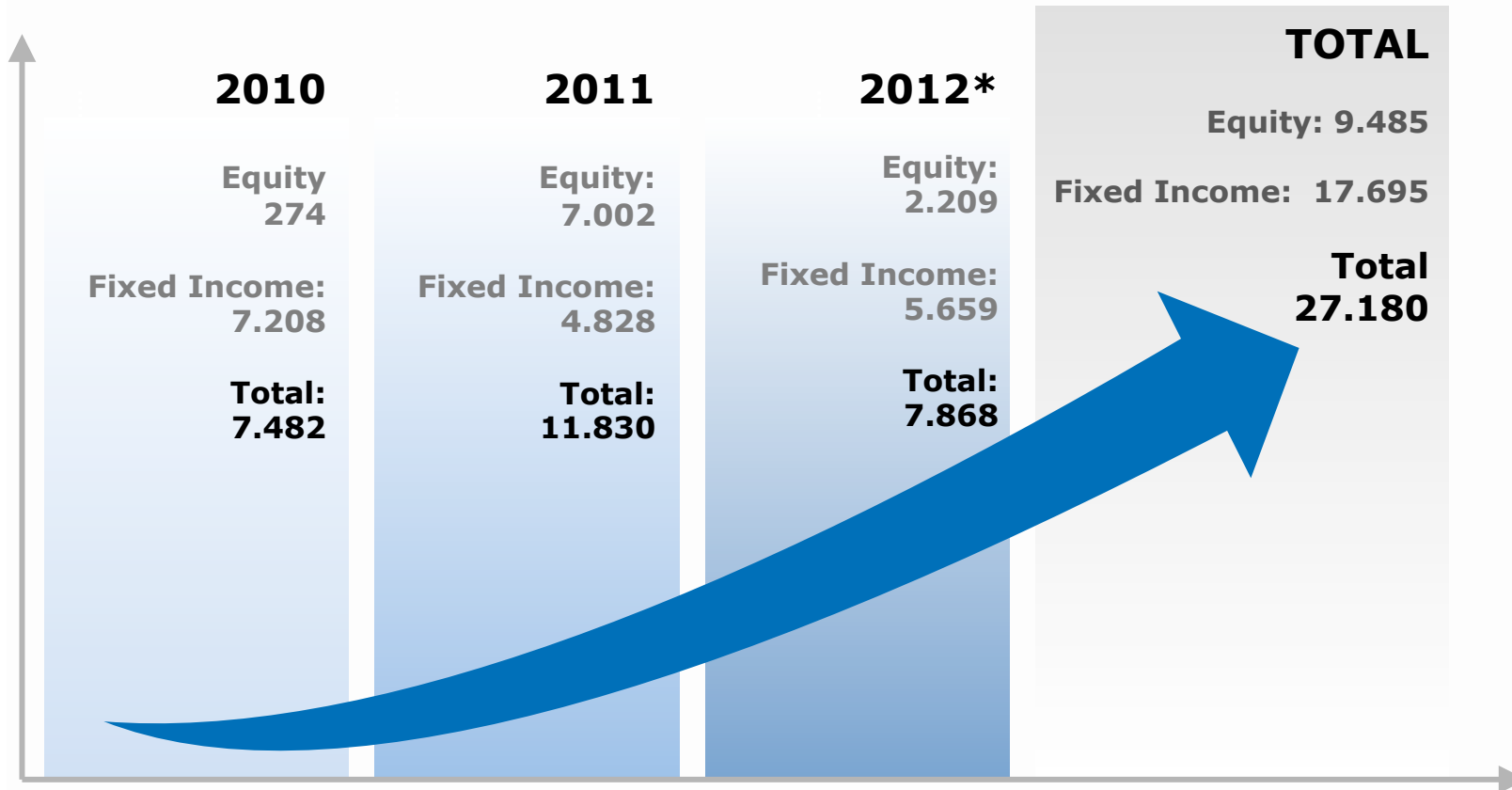
Capital Markets Overview

The spread decrease between local TES and global TES, shows a reduction in tax arbitrage and higher attractiveness of the local bond market



Capital Market's Contribution to the Country's Development Total 2010-2012 (USD millions)

Since 2010 the private sector has raised more than USD 27 billion through BVC



















Equity Market (USD millions)

IPOs and Secondary Offerings

2010

2011

2012

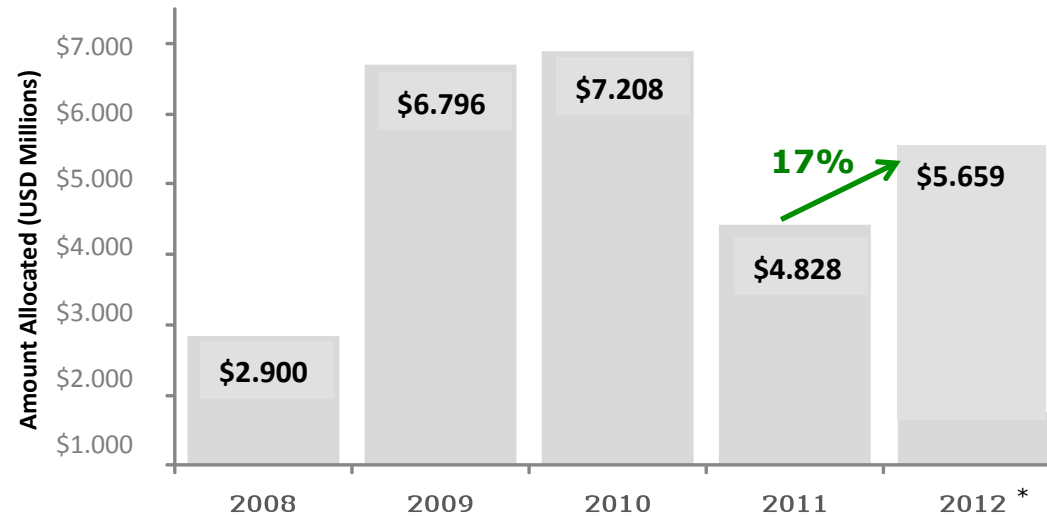
	Total Allocated	Demand		Total Allocated	Demand
 DAVIVIENDA	USD224	13,2 times	 DAVIVIENDA	USD388	1 time
 Constructora Concreto	USD50	12,7 times	 GRUPO DE INVERSIONES suramericana	USD1.871	1 time
 AVIANCATACA	USD271	5,9times	 Grupo Bancolombia	USD624	1 time
 GRUPO AVAL	USD1.126	1,5 times	 Construcciones EL CONDOR S.A. Ingeniería de Infraestructura e Inversiones	USD\$91	2 times
 Grupo nutresa	USD283	17,2 times	 Carvajal EMPAQUES	USD\$109	1 time
 grupo éxito	USD1.355	1,7 times	 PazdelRío	USD\$148	3 times
 ECC PETROL	USD1.290	1 time	 CEMEX Building the future	USD\$ 1.100	2 times
 ENERGIA de Bogotá	USD418	1,3 times	 Constructora Concreto	USD\$137	2 times

Total Issued 2010 – 2012: USD\$9.485 million



Fixed Income Market (USD millions)

Corporate Debt Issuances 2008 – 2012



Average Demand

1,9

2,0

2,1

1,8

2,1

No. Allocations

33

52

53

30

33

*YTD 2012

In 2012 Grupo Argos issued convertibles for USD418 million

In 2011 ISA made a bond issue with maturity of 30 years

In 2010 Ecopetrol made its first bond issue for USD500 million

Fixed Income Issuers: ALPINA • ALMACENES EXITO • ALQUERIA • AVIANCA • BANCO COLPATRIA • BANCO DAVIVIENDA • BANCO DE OCCIDENTE • BANCO FALABELLA • BANCO FINANDINA • BANCO GNB SUDAMERIS • BANCO POPULAR • BANCO WWB • BANCOLDEX • BANCOLOMBIA • BAVARIA • BOGOTA D.C. • CARVAJAL • CEMENTOS ARGOS • CODENSA • COLOMBINA • COMCEL • EAAB • ECOPETROL • EMGESA • EPM • EPSA • FINDETER • GRUPO DE INVERSIONES SURAMERICANA • INTERBOLSA • ISA • ISAGEN • LEASING BANCOLOMBIA • LEASING CORFICOLOMBIANA • OLIMPICA • PISA • TELEFONICA MOVILES COLOMBIA • TITULARIZADORA COLOMBIANA • TRANSELCA • UNE EPM TELECOMUNICACIONES

Market Quality

- **Regulatory Agenda:**
 - Repos
 - Others
- **Professionalization**
 - IR Issuers' Program
 - Brokerage Firms Corporate Government
 - Market Analysis
 - Education for Retail Investors
 - Stock Market Education for journalists
- **New Derivatives**

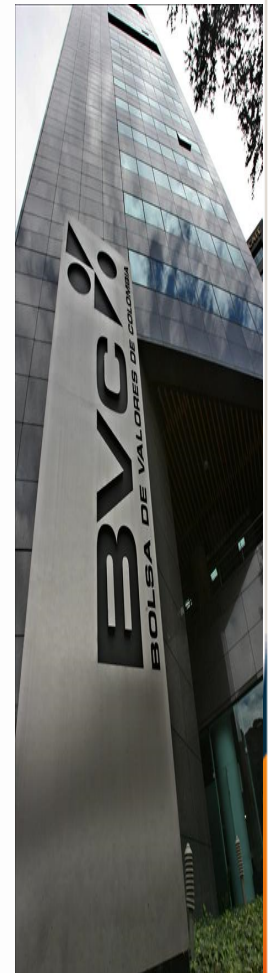
Internationalization

- **Tax Reform:**
 - Attraction of new investors for Fixed Income and Derivatives
- **MILA:**
 - México
 - IPOs
 - Custodians
 - Sales Management
- **Colombia Inside Out:**



Infrastructure and International Standards

- **Custodians**
- **DMA**
- **ETFs**
 - Local
 - MILA
 - Fixed Income
- **Market Makers**
 - Fixed Income
 - Equity Market
- **Market Price Providers**



Recent Market Developments

IR Issuers Recognition



Initiative to promote the adoption of best practices in information disclosure and investor relations amongst issuers

Main goals

- To have an large number of issuers enrolled in the initiative that meet the requirements.
- To facilitate the identification of issuers that adopt best practices through an IR Committed Logo.
- To Increase foreign investment in the Colombian market.
- To raise awareness or the importance of IR and Corporate Governance practices in the Colombian Market.

Colombian Issuers Guide

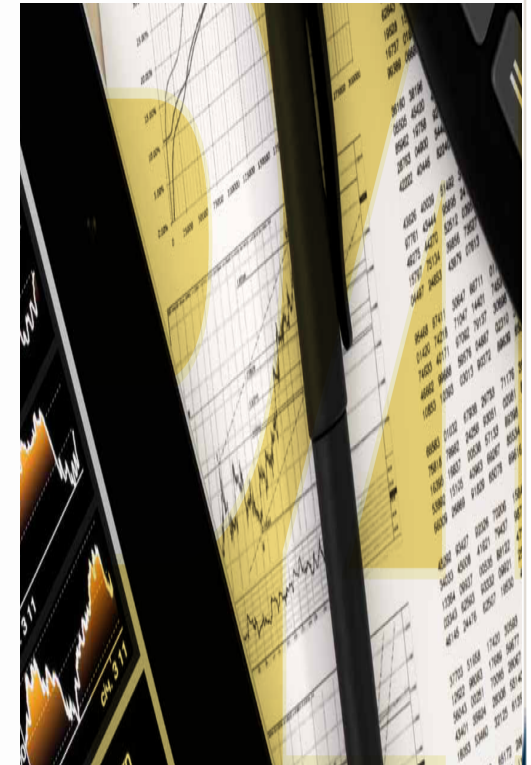


RAISED INFORMATION IS THE KEY FOR GOOD DECISIONS.

Recent Market Developments

Colombian Tax Regime Adjustments:

- **Equities:** No changes
 - Capital gains and withholding exempt if total sales are below 10% of issuer's shares outstanding during the same year.
 - Dividends pay taxes only in the company
- **Derivatives:**
 - Non residents are taxed on capital gains but they don't have to submit a declaration form
 - Withholding tax can be netted from month to month. The net value is the final tax base.
 - Non residents can have tax credit for the taxes paid in Colombia.
 - Tax Rate:
 - 0% on equities related products.
 - 14% on interest rate, FX and Commodities.
 - 25% for residents on tax heaven countries
- **Fixed Income:** Same treatment as Derivatives.



Thank You



For more information please contact:

Carlos Barrios

**Director of Investor Relations Office &
Corporate Affairs.**

Bolsa de Valores de Colombia

Tel. [\(+57 1\) 3139800 Ext. 1167](tel:+5713139800)

Email: cbarrios@bvc.com.co

Crisis Solution of Interbolsa

November 2nd 2012

EQUITY MARKET:

Pending Transactions	3.278
Amount (USD Millions)	\$84,2

REPO TRANSACTIONS:

Pending Transactions	1.587
Amount (USD Millions)	\$345,6

SELL BUY BACK TRANSACTIONS:

Pending Transactions	416
Amount (USD Millions)	\$231,5

DERIVATIVES MARKET:

Interbolsa's Open Interest on Nov 2012 31: USD\$106 million

FIXED INCOME MARKET:

Interbolsa's Gov Bonds transactions (TES class B and UVR): USD\$835 million

Solution

On Nov 7th, 2012: 100% of the transactions were cleared and settled

75% of transactions have been cleared and settled

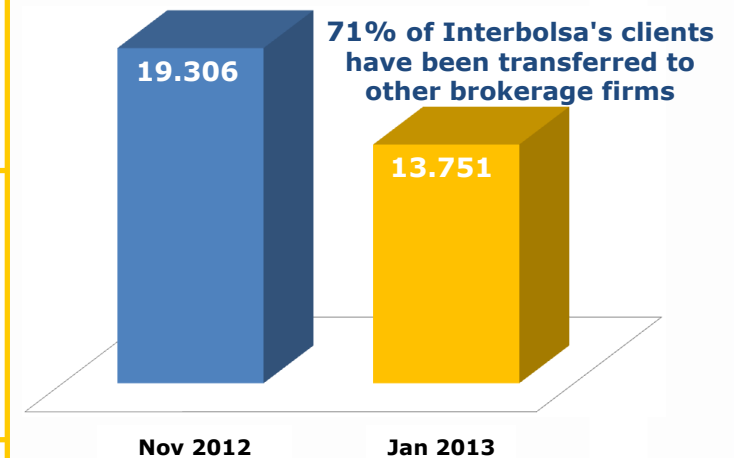
Pending Transactions	204
Amount (USD Millions)	\$84,8

In Dec 2012: 100% of the transactions were cleared and settled

On Nov 7th 2012: 100% of the transactions were cleared through the CRCC.

On Nov 6th 2012: 100% of the pending transactions were transferred to other brokerage firm.

Clients



77% of portfolios have been transferred to other brokerage firms

