



BANCO CENTRAL DO BRASIL

CIRCULAR N 3,639 OF MARCH 4, 2013

Establishes the proceedings to calculate the component of risk-weighted assets (RWA) relative to exposures in commodities, for which the capital requirement is calculated using the standardized approach (RWA_{COM}), as instituted by Resolution 4,193 of March 1, 2013.

The Board of the Central Bank of Brazil, in special session carried out on March 1, 2013, pursuant to art. 9, 10, item IX, and 11, item VII, of Law 4,595 of December 31, 1964, and 3, paragraph 2, and 15 of Resolution 4,193 of March 1, 2013,

RESOLVED:

Art. 1. The daily calculation of the component of risk-weighted assets (RWA), relative to exposures in commodities for which capital requirement is calculated using the standardized approach (RWA_{COM}), as instituted by Resolution 4,193 of March 1, 2013, must be based on the following formula:

$$RWA_{COM} = \frac{1}{F} \cdot \left[\left(F^{III} \cdot \sum_{i=1}^n |EL_i| \right) + \left(F^{IV} \cdot EB \right) \right], \text{ where:}$$

I – F = factor established in art. 4 of Resolution 4,193 of 2013;

II – F^{III} = factor applicable to the sum of the net exposure (EL_i), equal to 0.15 (fifteen hundredths);

III – n = number of types of commodities in which the exposures are referenced;

IV – F^{IV} = factor applicable to the gross exposure (EB), equal to 0.03 (three hundredths);

V – EL_i = net exposure in commodity “i”, representative of the value, in *reais*, calculated through the absolute value of the sum of all long positions minus the absolute value of the sum of all short positions in the referenced type of commodity “i”, including the exposures resulting from derivatives; and

VI – EB = gross exposure, representative of the sum of the absolute values, in “*reais*”, of each long position and of each sold position referenced in commodities.

Paragraph 1. The calculation mentioned in the heading applies to transactions subject to variation in the price of commodities traded in the stock and securities markets or over-the-counter markets, including the derivatives, except for operations referenced in gold financial asset or exchange instrument.



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Paragraph 2. Institutions shall maintain available to the Central Bank of Brazil, the criteria used to determine the assets considered in each type of commodity.

Art. 2. In order to determinate the net exposures (EL_i) and the gross exposures (EB), the number of standard-unities obtained from the reference commodity (bags, kilos, *arrobos*, etc) must be multiplied by the respective market value, in reais, of the commodity spot market.

Paragraph 1. The methodology used to obtain the market value expressed in reais, of the exposures subject to changes in commodity prices must be based on consistent and verifiable criteria, in accordance with rules in force.

Paragraph 2. In the case of option contracts, the representative value of the position must be obtained multiplying the market value of the underlying asset by the number of contracts, by its size and by the option delta, which is defined as the change in the price of the option relative to a change in the price of the underlying asset.

Paragraph 3. The values of positions held as a result of acquisitions of shares of investment funds must consider the proportional composition of the funds' portfolios or, in their absence, as a position in a commodity.

Paragraph 4. Operations in which the institution acts exclusively as a mediator, not assuming any rights or obligations with parties, do not enter the base for calculating the RWA_{COM} component.

Paragraph 5. The consolidated calculation of the RWA_{COM} component is imputed to the institution in charge of forwarding accounting information to the Central Bank of Brazil.

Art. 3. A report detailing the calculation of the RWA_{COM} amount must be forwarded to the Central Bank of Brazil, in accordance with the form to be established.

Sole paragraph. The institutions must make available to the Central Bank of Brazil, for a period of five years, the data used for the daily calculation of RWA_{COM} , as well as the methodology used to calculate the market value of involved transactions.

Art. 4. This Circular shall enter into force on October 1, 2013.

Article 5. As of October 1, 2013, the Circular 3,368 of September 12, 2007 shall be revoked.

Sole paragraph. Citations to Circular 3,368 of 2007, must be replaced with a reference to this Circular.

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