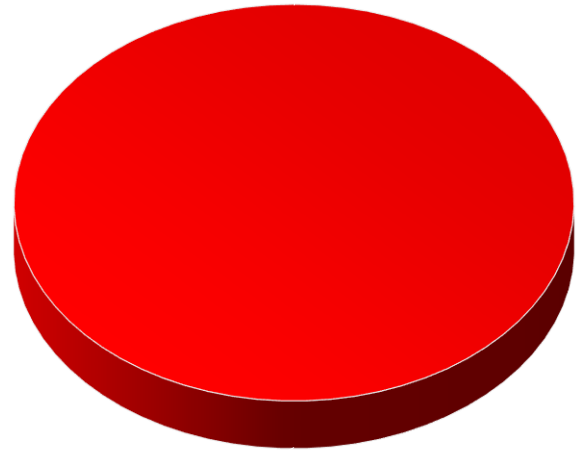


Offshore  
0%



Local  
100%

The Brazilian market did not follow the good mood of the international market, closing the month with weak performance, especially in the Stock Exchange.

The weak performance of the economy (2018 GDP was +1.1% below expectations of analysts), as well as the still "clumsy" start of the government weighed on the mood of the investors. Among the "muddled" government, the resignation of Gustavo Bebianno (Secretary General of the Presidency) in a clear confrontation with Carlos Bolsonaro, the president's son. The conflict happened because of the charges related to "inexistent" candidates of the president's party (PSL), so that it did not lose access to the party's fund. The government also announced its plan for the Social Security Reform, an ambitious package that promises a bigger economy than PEC 287 (Temer government project) that had already been dehydrated in the Congressional CCI. The government is expected to face some difficulty in forming a majority to approve the bill in Congress, however, already on the pace to pass the Reform, the president himself made a statement saying there was margin in the proposal submitted to be approved.

After a very strong January, February closed again with a good performance of the stock market and narrowed the credit spreads, benefiting the higher risk classes. Among the news, although the pace of economic activity continues to disappoint expectations, the speech adopted by the Central Banks seems to bring some relief. The Fed kept the speech of Quantitative Tightening and the ECB (Europe) anticipated concern about the pace of economic activity. In a decision on March 7th, the ECB announced that it would extend its forward guidance and announce a new TLTRO package that will remain until 2021. Geopolitical issues also presented evolution during that month. The negotiations between Teresa May and the British Parliament have also evolved: new votes will take place - one, on the agreement and, the other, if the agreement is not approved, there will be a no-deal vote and the possibility of postponing Article 50 (deadline 29 March).

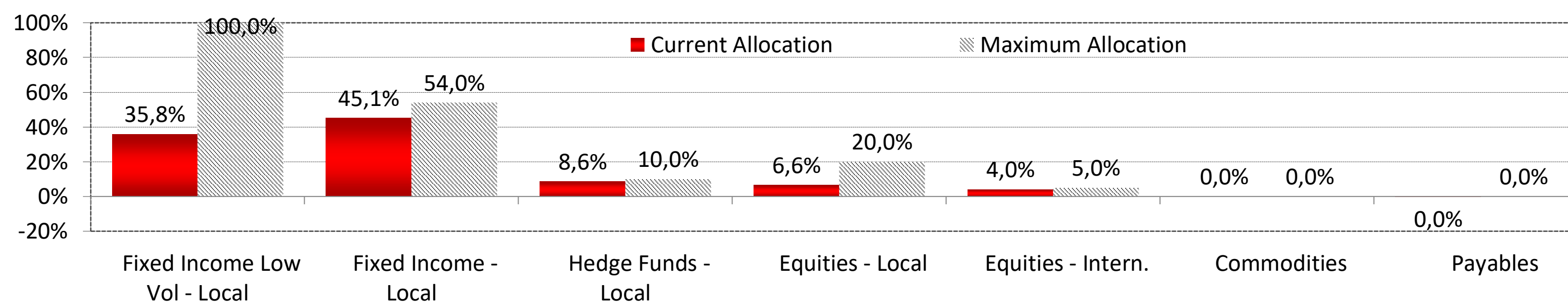
The FT portfolio returned +0.5% in February, with an accumulated return of +2.5% in 2019. The month was positive for most of the asset classes in the portfolio, especially International Equities (up +6.1% in the month). As a negative highlight, Brazilian Equities returned -0.7% vs IBX its benchmark -1.8%. Finally, the Local Fixed Income class returned in line with its benchmark.

PORTFOLIO PERFORMANCE (in Brazilian Reals - R\$)

ASSET CLASS	MTD	YTD	Allocation (R\$)
Fixed Income Low Vol - Local	0,5%	1,0%	61.500.579
Fixed Income Low Vol - Intern.	0,0%	0,0%	-
Fixed Income - Local	0,5%	2,1%	77.495.774
Hedge Funds - Local	-0,1%	2,7%	14.691.071
Equities - Local	-0,7%	8,6%	11.304.076
Equities - Intern.	6,1%	7,7%	6.817.448
Commodities	0,0%	0,0%	-
Payables	0,0%	0,0%	(77.704)
<b>Total</b>	<b>0,5%</b>	<b>2,5%</b>	<b>171.731.244</b>

BENCHMARK	MTD	YTD
CDI	0,5%	1,0%
USD/BRL	0,0%	0,0%
IRF Comp.	0,5%	3,0%
IHF Composto	-0,2%	2,4%
IBX	-1,8%	8,8%
MSCI World Unh. (BRL)	5,8%	7,5%
DJUBS Comm.	0,0%	0,0%
<b>Benchmark</b>	<b>0,5%</b>	<b>2,9%</b>
Inflation IPCA	0,3%	0,7%

ASSET ALLOCATION



GROWTH AND CURRENT ACCOUNT - LOCAL PORTFOLIO (In R\$ Thousands)

GROWTH	2015	2016	2017	2018	2019	ACC.
NOMINAL	3,5%	7,8%	-8,6%	-22,5%	7,3%	-15,1%
REAL	0,7%	1,4%	-11,2%	-25,3%	6,6%	-27,8%
IPCA	2,8%	6,3%	2,9%	3,7%	0,7%	17,5%

CURRENT ACCOUNT	2015	2016	2017	2018	2019
INITIAL	0	122.126	145.839	134.468	141.707
Subscriptions	118.175	13.419	1.760	39.486	36.670
Withdrawals	0	-7.900	-29.700	-40.500	-10.000
Account Costs	-342	-1.724	-1.189	-455	-35
FINAL	122.126	145.839	134.468	141.707	171.731
ACCOUNT COSTS	0,0%	-1,2%	-0,8%	-0,4%	0,0%
SPENDING RATE	0,0%	-5,8%	-18,9%	-27,8%	-7,0%

