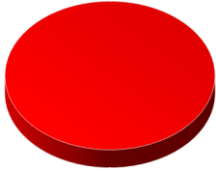


Offshore
0%



Local
100%

The local market ended March with modest results when compared to international market. After the announcement of an ambitious Welfare Reform, the focus is in the government's ability to align and coordinate congressional support. In order to test the Congress support, it was necessary to wait for the Reformation to be sent to the military. The proposal, sent on March 20th, was above expectations, but accompanied by a career readjustment package, which, in most part, annul the economy that will be generated by the reform. In that same day, Ibope research was released showing a decrease in government popularity. Since then, the government has been facing difficulties in its communication and articulation with the Congress: (1) Moro and Maia's disagreement about the anti-corruption package; (2) the preventive prisons of Temer and Moreira Franco (Maia's father-in-law); and (3) government defeats, with large majority, in the voting in 2 shifts of the tax budget (448-3 / 453-6). Besides the scenario of uncertainty about the reforms, the economic activity results were below the expectations and also, the inflation was above expectations, which indicated that its low trajectory was left behind.

The most significant market movement in March occurred in the long-term assets: Real Estate and long duration Treasuries. The support offered by the Central Bank is being decisive to maintain market price consistency, considering the economic scenario deterioration in the first quarter of 2019. The latest activity data from US, and mainly, Europe and China justify the measure adopted over the past month: (i) FED: interest rate maintenance throughout 2019 + QT (quantitative tightening); (ii) ECB: announcement the TLTRO III program; (iii) China: cut in the bank accounts rate and measures to support liquidity, the government announced the reduction on VAT and in the social security taxes. The expectation is these measures will be able to perform an increase in the economy activity. As a negative highlight in march, Gold is pointed out, as well as commodities.

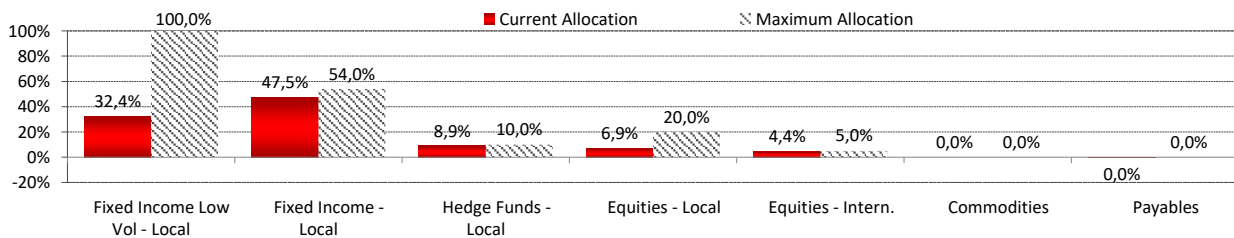
The FT portfolio returned + 0.7% in March, with an accumulated return of +3.2% in 2019. The month was positive for most of the asset classes in the portfolio, especially International Equities (+5.3% in the month). As a negative highlight, Brazilian Equities returned -0.2% vs IBX its benchmark - 0,1%. Finally, the Local Fixed Income class returned in line with its benchmark.

PORTFOLIO PERFORMANCE (in Brazilian Reais - R\$)

ASSET CLASS	MTD	YTD	Allocation (R\$)
Fixed Income Low Vol - Local	0,5%	1,5%	53.268.184
Fixed Income Low Vol - Intern.	0,0%	0,0%	-
Fixed Income - Local	0,7%	2,9%	77.994.102
Hedge Funds - Local	0,0%	2,7%	14.693.791
Equities - Local	-0,1%	8,4%	11.287.639
Equities - Intern.	5,3%	13,3%	7.176.201
Commodities	0,0%	0,0%	-
Payables	0,0%	0,0%	(54.360)
Total	0,7%	3,2%	164.365.558

BENCHMARK	MTD	YTD
CDI	0,5%	1,5%
USD/BRL	0,0%	0,0%
IRF Comp.	0,6%	3,6%
IHF Composto	-0,2%	2,2%
IBX	-0,1%	8,6%
MSCI World Unh. (BRL)	5,6%	13,5%
DJUBS Comm.	0,0%	0,0%
Benchmark	0,7%	3,6%
Inflation IPCA	0,8%	1,5%

ASSET ALLOCATION



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

GROWTH	2015	2016	2017	2018	2019	ACC.
NOMINAL	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
REAL	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
IPCA	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

CURRENT ACCOUNT	2015	2016	2017	2018	2019
INITIAL	0	0	0	0	0
Subscriptions	0	0	0	0	0
Withdrawals	0	0	0	0	0
Account Costs	0	0	0	0	0
FINAL	0	0	0	0	0
ACCOUNT COSTS	0,0%	0,0%	0,0%	0,0%	0,0%
SPENDING RATE	0,0%	0,0%	0,0%	0,0%	0,0%

