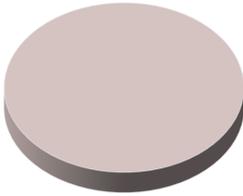


Offshore  
0%

In May, the Brazilian market showed a stronger recovery, after the end of the dispute in Congress regarding the fiscal budget. With more positive data on the **revenue side, and maintaining the fiscal pillar, Brazilian assets began to close the gap when compared to their peers - Emerging Economies and economies heavily dependent on commodities.** In Brazil, as in other major economies, investors are again looking for protection against high inflation, with inflation-linked bonds.



The strong results continued in May, with emphasis on the performance of the sectors linked to the economic recovery: Commodities and the global stock exchange. This month's theme, however, was investor protection from rising inflation. In April, the CPI reached 4.2% for headline inflation, and 3.0% for the core, which led investors to seek protection through the allocation in Gold and TIPS (inflation-linked bonds in the US). The earnings season was very positive with over 80% of companies beating EPS and 70% beating US sales estimates.

Local  
100%

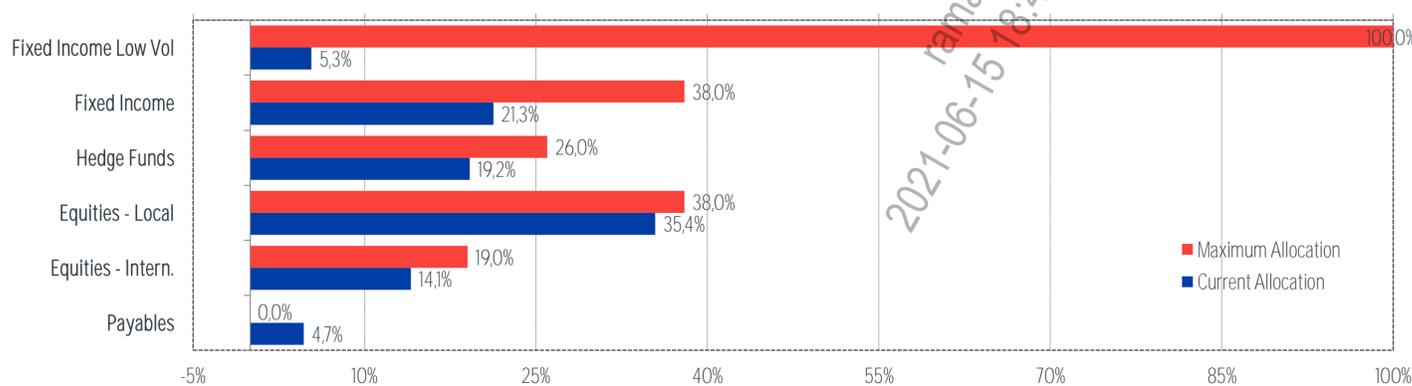
BA&ES local portfolio returned +1.1% mtd, below to its benchmark and accumulates +3.5% in 2021. During the month, most of asset classes had positive performances, except International Equities that lost -1.9%, but accumulates +12.6%. We highlight the strong performance of Brazilian Equities, with +3.4%, contributing to the positive result of the portfolio.

PORTFOLIO PERFORMANCE - LOCAL (in Brazilian Reals - R\$)

ASSET CLASS	MTD	YTD	12M	24M	36M
Fixed Income Low Vol	0,3%	0,9%	2,2%	3,4%	4,4%
Fixed Income	0,7%	-2,4%	5,0%	6,1%	9,5%
Hedge Funds	0,4%	3,6%	13,6%	8,3%	8,4%
Equities - Local	3,4%	5,4%	47,4%	27,3%	27,3%
Equities - Intern.	-1,9%	12,6%	37,2%	40,9%	27,8%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%
<b>Total</b>	<b>1,1%</b>	<b>3,5%</b>	<b>22,8%</b>	<b>17,0%</b>	<b>15,9%</b>

BENCHMARK	MTD	YTD	12M	24M	36M
CDI	0,3%	1,0%	2,2%	3,5%	4,5%
IMA_EX_C	0,5%	-0,7%	3,9%	6,2%	9,7%
IHF Comp.	1,2%	2,6%	11,3%	7,8%	7,9%
IBX	5,9%	8,1%	47,6%	16,0%	20,0%
MSCI (BRL)	-2,1%	12,3%	36,5%	41,6%	28,1%
Inflation IPCA	0,9%	3,2%	8,1%	5,0%	4,9%
<b>BENCHMARK</b>	<b>2,0%</b>	<b>4,7%</b>	<b>20,0%</b>	<b>13,9%</b>	<b>14,1%</b>

ASSET ALLOCATION - LOCAL



ASSET CLASS	Allocation (R\$)
Fixed Income Low Vol	244.069
Fixed Income	972.393
Hedge Funds	877.807
Equities - Local	1.618.124
Equities - Intern.	642.141
Payables	213.183
<b>Total</b>	<b>4.567.716</b>

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

GROWTH	2016	2017	2018	2019	2020	2021	ACC.
NOMINAL	0,1%	8,7%	7,0%	19,0%	-5,8%	2,6%	33,8%
REAL	-0,1%	5,5%	3,2%	14,1%	-9,9%	-0,6%	11,1%
IPCA	0,2%	2,9%	3,7%	4,3%	4,5%	3,2%	20,4%

CURRENT ACCOUNT	2016	2017	2018	2019	2020	2021
INITIAL	0	3.416	3.712	3.972	4.728	4.452
Subscriptions	3.415	0	0	0	0	0
Withdrawals	0	0	0	0	-952	0
Account Costs	0	-64	-32	-53	-48	-42
FINAL	3.416	3.712	3.972	4.728	4.452	4.568
ACCOUNT COSTS	0,0%	-1,7%	-0,8%	-1,2%	-1,0%	-0,9%
SPENDING RATE	0,0%	0,0%	0,0%	0,0%	-18,5%	0,0%
Nominal Return	0,1%	10,5%	8,0%	20,9%	17,4%	3,5%
Inflation IPCA	0,0%	2,9%	3,7%	4,3%	4,5%	3,2%
Real Return	0,1%	7,4%	4,1%	15,9%	12,3%	0,3%

The difference between the portfolio performance and the portfolio growth is that the latter considers the impacts of transactions and taxes.