

Brazil followed the same pace of improvement that the international market presented, despite the huge political noise that occurred throughout the month. The resignation of Ministers from the government caused great concern in the market and led to the dissemination of videos from ministerial meetings and to a conflict between the Executive and the Supreme Court. Despite the improvement in market indexes, the country seems to have difficulties on the horizon: economic recession, political turbulence and dispute between institutions. In addition, the exit from the crisis will happen in the face of a complicated fiscal situation. Nevertheless, there was some good news: the strong exchange devaluation did not hit prices, keeping inflation low and room for further interest rate cuts.

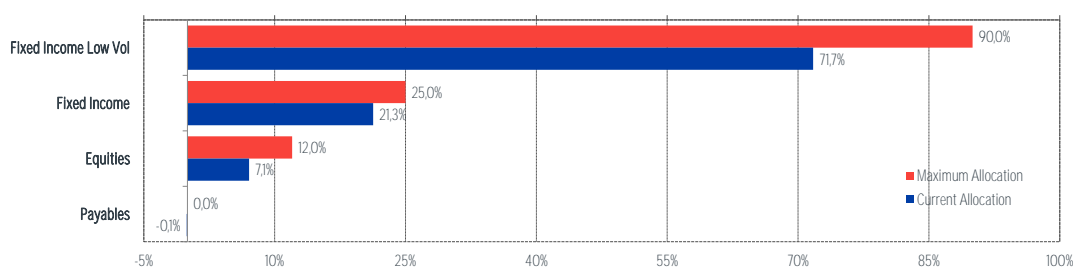
Despite being a more conservative portfolio, May was a positive month for Kayapó portfolio, which returned +0.9%, and its benchmark +1.1%. All asset classes recorded gains, but the main contributor was Local Equities, that returned +9.3%, and its benchmark gained +8.5% mtd.

PORTFOLIO PERFORMANCE (in Brazilian Reais - R\$)

ASSET CLASS	MTD	YTD	12M	24M	36M
Fixed Income Low Vol	0,3%	1,1%	4,3%	5,4%	6,2%
Fixed Income	1,4%	-0,9%	7,2%	11,9%	10,9%
Equities	9,3%	-13,7%	9,8%	18,2%	15,8%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%
Total	0,9%	-0,8%	5,3%	7,4%	7,7%

BENCHMARK	MTD	YTD	12M	24M	36M
CDI	0,2%	1,5%	4,9%	5,6%	6,3%
IRF Comp.	1,6%	0,4%	9,1%	13,1%	11,9%
IBX	8,5%	-24,2%	-8,9%	8,1%	12,4%
Inflation IPCA	-0,4%	-0,2%	1,8%	3,2%	3,1%
BENCHMARK	1,1%	-0,2%	4,9%	7,8%	8,3%

ASSET ALLOCATION



ASSET CLASS	Allocation (R\$)
Fixed Income Low Vol	13.498.458
Fixed Income	4.005.788
Equities	1.329.988
Payables	(16.544)
Total	18.817.690

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

GROWTH	2012	2013	2014	2015	2016	2017	2018	2019	2020	ACC.
NOMINAL	8,4%	-1,1%	-1,5%	9,6%	13,6%	-0,8%	2,5%	5,9%	-6,8%	31,9%
REAL	3,6%	-6,6%	-7,5%	-1,0%	6,9%	-3,7%	-1,2%	1,5%	-6,6%	-14,5%

CURRENT ACCOUNT	2012	2013	2014	2015	2016	2017	2018	2019	2020
INITIAL	1.248	15.469	15.295	15.060	16.509	18.756	18.598	19.067	20.185
Subscriptions	14.365	0	0	0	0	0	0	0	0
Withdrawals	0	-729	-1.681	0	0	-1.913	-620	-636	-1.106
Account Costs	-144	-99	-254	-278	-348	-299	-180	-210	-116
FINAL	15.469	15.295	15.060	16.509	18.756	18.598	19.067	20.185	18.818
ACCOUNT COSTS	-0,6%	-1,6%	-1,7%	-1,7%	-1,9%	-1,6%	-1,0%	-1,1%	-0,6%
SPENDING RATE	-4,7%	-10,1%	0,0%	0,0%	0,0%	-9,7%	-3,3%	-3,2%	-5,5%
Nominal Return	9,5%	4,4%	11,4%	11,5%	15,8%	11,6%	7,0%	10,6%	-0,8%
CPI	5,7%	5,9%	6,4%	10,7%	6,3%	2,9%	3,7%	4,2%	-0,2%
Real Return	3,6%	-1,4%	4,7%	0,8%	9,0%	8,4%	3,1%	6,1%	-0,6%

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