

In Brazil, market's reaction followed the international meltdown. As an Emerging Economy, the negative impact in Brazil was even more sharp, with no hedge in the market. Unlike what has always happened in most crisis in the country, this time, our Central Bank kept interest rates low, adding another cut to 3.75%. In the face of an economic activity that was still weak, Brazil suffered a supply shock with deflationary impacts at first, and the Central Bank focused in keeping the credit market liquid, reducing interest rates and also the reserve requirement for banks.

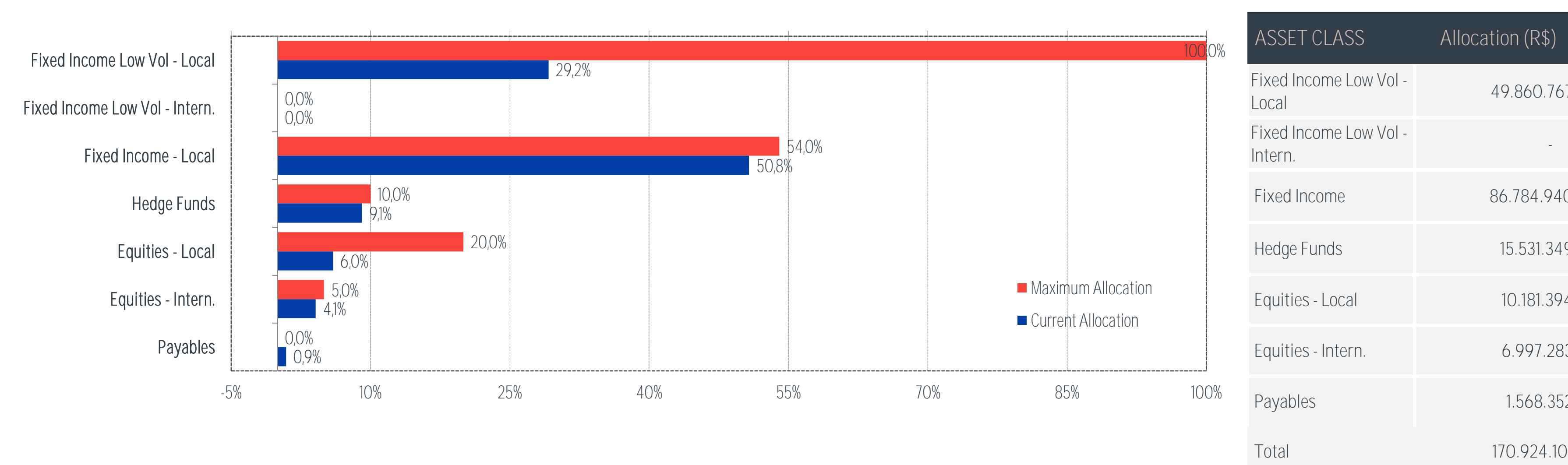
The markets continued to deteriorate, as the coronavirus epidemic spread to other countries and as necessary measures to contain its advance remained in place. In the absence of the capacity of health-care system to support an epidemic of this magnitude, isolation and social distancing started to be adopted by several countries as their main strategy, since several of them failed to adopt this measures earlier. The markets reacted strongly to this isolation: with a worldwide crash and investors seeking protection in the lowest risk asset: American treasury bonds.

The FT portfolio returned -4.1%. March was a negative month mainly due to the Brazilian Equities performance, -30.5%, and Hedge Funds, that returned -7.3%.

PORTFOLIO PERFORMANCE (in Brazilian Reais - R\$)

ASSET CLASS	MTD	YTD	12M	24M	36M	BENCHMARK	MTD	YTD	12M	24M	36M
Fixed Income Low Vol - Local	-0,2%	0,5%	4,7%	5,5%	6,5%	CDI	0,3%	1,0%	5,4%	5,9%	6,8%
Fixed Income	-3,4%	-2,4%	7,3%	8,1%	9,6%	IRF Comp.	-3,4%	-2,3%	9,9%	10,3%	11,0%
Hedge Funds	-7,3%	-8,4%	-0,1%	2,7%	6,0%	IHF Comp.	-6,2%	-7,2%	0,9%	2,8%	5,7%
Equities - Local	-30,5%	-30,9%	-8,1%	1,5%	7,7%	IBX	-30,1%	-36,6%	-22,2%	-6,4%	4,8%
Equities - Intern.	2,6%	3,5%	20,6%	21,1%	20,7%	MSCI World (BRL)	0,1%	1,9%	19,1%	21,2%	20,8%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%	Inflation IPCA	0,1%	0,5%	3,2%	3,9%	3,5%
Total	-4,1%	-3,5%	5,9%	7,0%	8,6%	BENCHMARK	-4,1%	-4,0%	6,0%	7,8%	9,4%

ASSET ALLOCATION



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

GROWTH	2015	2016	2017	2018	2019	2020	ACC.
NOMINAL	3,5%	7,8%	-8,6%	-17,6%	-17,6%	-12,7%	-43,1%
REAL	0,7%	1,4%	-11,2%	-21,0%	-21,0%	-13,0%	-53,4%
IPCA	2,8%	6,3%	2,9%	4,3%	4,3%	0,4%	22,2%

CURRENT ACCOUNT	2015	2016	2017	2018	2019	2020
INITIAL	0	122.126	145.839	134.468	141.707	152.231
Subscriptions	118.175	13.419	1.760	39.485	40.733	41.741
Withdrawals	0	-7.900	-29.700	-40.500	-48.500	-16.000
Account Costs	-342	-1.724	-1.189	-455	-556	-38
FINAL	122.126	145.839	134.468	141.707	152.231	170.924
ACCOUNT COSTS	0,0%	-1,2%	-0,8%	-0,4%	-0,4%	0,0%
SPENDING RATE	0,0%	-5,8%	-18,9%	-27,8%	-27,0%	-9,4%
Nominal Return	4,4%	16,0%	13,6%	7,8%	13,2%	-3,5%
CPI	2,8%	6,3%	2,9%	3,7%	4,2%	0,5%
Real Return	1,6%	9,1%	10,4%	4,0%	8,6%	-4,0%

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