

Markets in Brazil diverged again from other economies, with losses in both Fixed Income and Equities asset classes. Throughout the month of February, President Jair Bolsonaro requested Petrobras' CEO to resign after he announced a gas price adjustment (acting according to the price policy consolidated by the company's Council, policy which was strongly impacted by the deterioration of the BRL). The government's intervention was seen as yet another loss for Paulo Guedes and his economic team. To deal with pressure on prices, the government removed taxes on diesel and LPG, and to offset the loss, it increased taxes on the banking sector.

The markets reacted to the strong economic data in the USA (industrial production + 0.9% and retail sales + 5.3% mtd), during February. Even in the eminence of stronger data, US Congress approved an aid package of US\$1.9 trillion (yet to be approved by the Senate). The good activity followed by the package raised concerns about the possibility of price rises, which led the interest curve to price higher yields. The vaccination process in the world has evolved at an accelerated rate, mostly in main economies with the approval of new vaccines, bringing the numbers of mobility to normal.

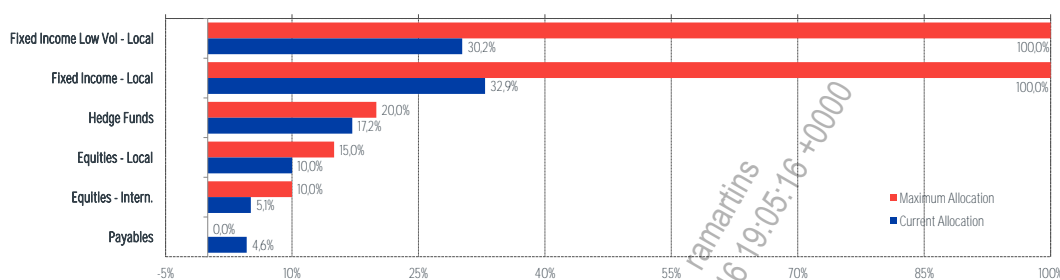
The local FT portfolio presented a return of -0.2%, above its benchmark that lost -0.4%. Most of classes performed positively, but we highlight International Equities that returned +4.7% and Hedge Funds, +1.7%. Although Brazilian Equities had a negative performance, down -1.4% in the month, it was still well above its benchmark, IBX, that lost -3.5% mtd.

PORTFOLIO PERFORMANCE (in Brazilian Reais - R\$)

ASSET CLASS	MTD	YTD	12M	24M	36M	60M
Fixed Income Low Vol - Local	0,1%	0,3%	1,8%	3,6%	4,5%	7,3%
Fixed Income	-0,9%	-1,4%	4,5%	8,2%	8,8%	11,3%
Hedge Funds	1,7%	1,3%	8,6%	8,2%	7,5%	11,2%
Equities - Local	-1,4%	-1,2%	20,1%	26,1%	20,9%	24,3%
Equities - Intern.	4,7%	10,1%	62,1%	42,0%	32,2%	21,8%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b>Total</b>	<b>-0,2%</b>	<b>-0,2%</b>	<b>8,9%</b>	<b>10,1%</b>	<b>9,5%</b>	<b>11,5%</b>

BENCHMARK	MTD	YTD	12M	24M	36M	60M
CDI	0,1%	0,3%	2,4%	4,0%	4,8%	7,4%
IMA_EX_C	-0,8%	-1,3%	2,1%	8,1%	9,2%	12,1%
IHF Comp.	0,5%	-0,4%	6,2%	6,9%	6,4%	9,3%
IBX	-3,5%	-6,4%	6,9%	9,1%	10,3%	21,5%
MSCI (BRL)	4,5%	9,4%	60,5%	42,4%	33,0%	22,2%
Inflation IPCA	0,7%	0,9%	5,0%	4,5%	4,3%	4,1%
<b>BENCHMARK</b>	<b>-0,4%</b>	<b>-0,6%</b>	<b>5,6%</b>	<b>8,4%</b>	<b>8,9%</b>	<b>11,7%</b>

ASSET ALLOCATION



ASSET CLASS	Allocation (R\$)
Fixed Income Low Vol - Local	48.523.065
Fixed Income	52.881.643
Hedge Funds	27.565.957
Equities - Local	16.084.573
Equities - Intern.	8.231.118
Payables	7.426.660
<b>Total</b>	<b>160.713.016</b>

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

GROWTH	2015	2016	2017	2018	2019	2020	2021	ACC.
NOMINAL	3,5%	7,8%	-8,6%	-22,5%	-17,6%	-16,1%	-5,0%	-48,1%
REAL	0,7%	1,4%	-11,2%	-25,3%	-21,0%	-19,7%	-5,9%	-59,6%
IPCA	2,8%	6,3%	2,9%	3,7%	4,3%	4,5%	0,9%	28,4%

CURRENT ACCOUNT	2015	2016	2017	2018	2019	2020	2021
INITIAL	0	122.126	145.839	134.468	141.707	152.231	169.205
Subscriptions	118.175	13.419	1.760	39.485	40.733	46.801	0
Withdrawals	0	-7.900	-29.700	-40.500	-48.500	-45.060	-8.000
Account Costs	-342	-1.724	-1.189	-455	-556	-151	-183
FINAL	122.126	145.839	134.468	141.707	152.231	169.205	160.713
ACCOUNT COSTS	0,0%	-1,2%	-0,8%	-0,4%	-0,4%	-0,1%	-0,1%
SPENDING RATE	0,0%	-5,8%	-18,9%	-27,8%	-27,0%	-23,5%	-4,7%
Nominal Return	3,9%	16,0%	13,6%	7,8%	13,2%	9,8%	-0,2%
Inflation IPCA	2,8%	6,3%	2,9%	3,7%	4,3%	4,5%	0,9%
Real Return	1,0%	9,1%	10,4%	4,0%	8,5%	5,1%	-1,1%

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