

## TRANSITION FUND

Jun-22

**PRA  
GMA**

As the second half of 2022 begins, the world faces recession risk. Regarding the monetary policy, FED reinforced its hawkish speech, and on the expectations side, the PMIs began to show a decline in economic optimism. Europe began to be impacted by the effects of its own sanctions, starting a downward trajectory in the economic activity. Furthermore, the European Central Bank began the process of monetary tightening. In this scenario, Commodities were the negative highlight of the month (-10,8%), mainly due to losses in Energy (-16%), and Grains (-12%), reversing the excellent performance in 2022 (+18,4%). All the assets were also impacted by this scenario of higher interest rates and weaker economic activity. All the other assets were also impacted by this scenario of higher interest rates and weaker economic activity.

The excellent economic activity data and decline of unemployment rate were not enough to maintain the stock prices, that has been suffering with the redemptions of local equity funds estimated at BRL 4.2 billion in June (and BRL 49 billion in 2022). Despite the worsening of the global scenario, foreign investors bought BRL 2.3 billion in June. With the end of monetary tightening cycle approaching, interest rates showed less volatility. In Fixed Income, the negative highlight was the long-term inflation, that suffered with the global scenario signaling more inflation and with the risk of fiscal deterioration arising due to the assistance programs recently approved by the Congress. Hedge Funds is the asset class that benefited the most in the year, with the increase in volatility and changes in trends.

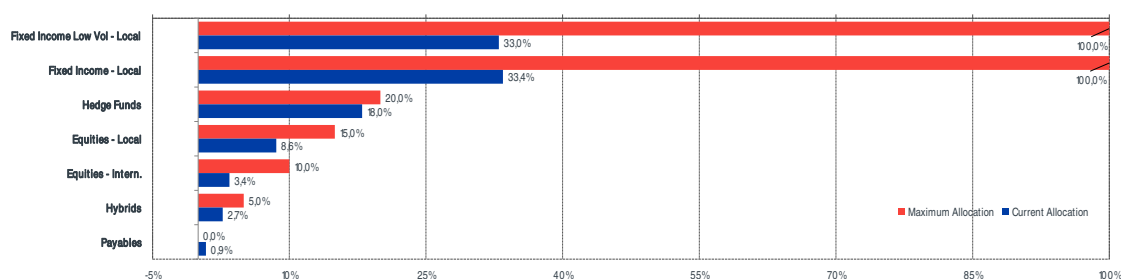
The FT portfolio performance was -0.8% mtd. The positive highlight in June was Fixed Income Low Vol, with +1,1% mtd. In the year, the highlight continues to be the Hedge Funds class, with a performance of +13% in the period. On the other hand, local equities continues to suffer with the economic scenario, returning -11,5% in June.

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

ASSET CLASS	MTD	YTD	12M	24M	36M	60M
Fixed Income Low Vol - Local	1,1%	6,0%	9,6%	5,9%	5,2%	5,9%
Fixed Income	0,0%	3,2%	2,6%	3,7%	4,8%	7,9%
Hedge Funds	-0,3%	13,0%	11,1%	11,6%	8,8%	9,5%
Equities - Local	-11,5%	-21,7%	-40,1%	-10,2%	-1,6%	6,7%
Equities - Intern.	0,3%	-24,9%	-9,2%	7,8%	18,8%	17,8%
Hybrids	-0,2%	-9,9%	-9,9%	-9,9%	-9,9%	-9,9%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total	-0,8%	0,9%	-0,1%	4,1%	5,7%	7,8%

BENCHMARK	MTD	YTD	12M	24M	36M	60M
CDI	1,0%	5,4%	8,7%	5,4%	5,1%	5,8%
IRF Comp.	-0,2%	2,9%	1,8%	3,0%	4,3%	8,3%
IHF Comp.	-0,4%	7,6%	6,3%	8,2%	7,0%	7,9%
IBX	-11,6%	-5,7%	-23,0%	2,4%	0,0%	10,1%
MSCI (BRL)	0,2%	-25,7%	-11,7%	6,3%	18,0%	17,7%
Inflation IPCA	0,7%	5,5%	11,9%	10,1%	7,4%	6,0%
BENCHMARK	-1,1%	-1,5%	-1,5%	-0,7%	-0,5%	-0,3%

### ASSET ALLOCATION



ASSET CLASS	Allocation (R\$)
Fixed Income Low Vol - Local	45.184.905
Fixed Income	45.790.729
Hedge Funds	24.644.837
Equities - Local	11.737.717
Equities - Intern.	4.696.176
Hybrids	3.694.492
Payables	1.165.883
Total	136.914.738

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

GROWTH	20 15	20 16	20 17	20 18	20 19	20 20	20 21	20 22	ACC.
NOMINAL	3,5%	7,8%	-8,6%	-22,5%	-17,6%	-16,1%	-19,6%	0,7%	-55,8%
REAL	0,7%	1,4%	-11,2%	-25,3%	-21,0%	-19,7%	-27,0%	-4,6%	-70,1%
IPCA	2,8%	6,3%	2,9%	3,7%	4,3%	4,5%	10,1%	5,5%	47,8%

CURRENT ACCOUNT	20 15	20 16	20 17	20 18	20 19	20 20	20 21	20 22
INITIAL	0	122.126	145.839	134.468	141.707	152.231	169.205	135.981
Subscriptions	118.175	13.419	1.760	39.485	40.733	46.801	0	0
Withdrawals	0	-7.900	-29.700	-40.500	-48.500	-45.060	-310.000	0
Account Costs	-342	-1.724	-1.189	-455	-556	-151	-3.629	-280
Return	4.293	19.917	17.758	8.709	18.846	15.384	14.05	12.14
FINAL	122.126	145.839	134.468	141.707	152.231	169.205	135.981	136.915
ACCOUNT COSTS	0,0%	-1,2%	-0,8%	0,0%	-0,4%	-0,1%	-2,4%	-0,2%
SPENDING RATE	0,0%	-5,8%	-18,9%	0,0%	-27,0%	-23,5%	-18,2%	0,0%
Nominal Return	3,9%	16,0%	13,6%	7,8%	13,2%	9,8%	0,9%	0,9%
Inflation IPCA	2,8%	6,3%	2,9%	3,7%	4,3%	4,5%	10,1%	5,5%
Real Return	1,0%	9,1%	10,4%	4,0%	8,5%	5,1%	-8,4%	-4,4%

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