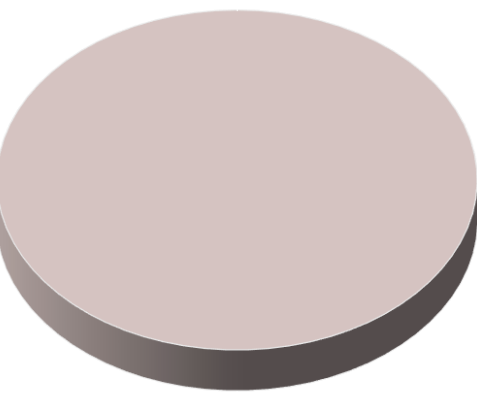




Offshore
0%

Fiscal deterioration continues to advance, but surprisingly, the stock market has decoupled from this trend and registered an increase. In this context, the USD appreciated by around 6% against BRL for the month. At the beginning of the year, there was an expectation that interest rates would fall below 10% in 2024. However, with worsening economic expectations, the Central Bank reaffirmed the maintenance of the rate at 10.5%, and the yield curve now prices in a 75 bps increase still in 2024. Additionally, the lack of alignment of the executive branch with fiscal targets has brought greater volatility to the market, affecting the yield curve and the USD/BRL. This fiscal instability has generated uncertainty among investors, reflected in volatile movements in both the interest rate and foreign exchange markets.



Once again, the expectation of a rate cut by the central bank has dominated discussions. This possibility of a reduction in interest rates signals that inflation may take longer to converge to the expected levels. The Dots, which are the projections of the monetary policy committee members, were interpreted positively, reinforcing the prospect of a rate cut in 2024, possibly in November. This scenario caused the yield curve to flatten (Treasury 10-20 y). The strong appreciation of the USD against other currencies resulted in a decline in commodity prices. The only exception was oil, which showed an increase. This USD appreciation, combined with the expectation of rate cuts, reflects market confidence in future monetary policy. Additionally, positive economic activity data was released, boosting the markets. These data reinforce the view of a more robust economy, capable of supporting monetary policy adjustments without compromising inflation. This optimistic environment has been a crucial factor for the positive performance of stocks, showing that despite concerns about inflation, the economic outlook remains positive.

Local
100%

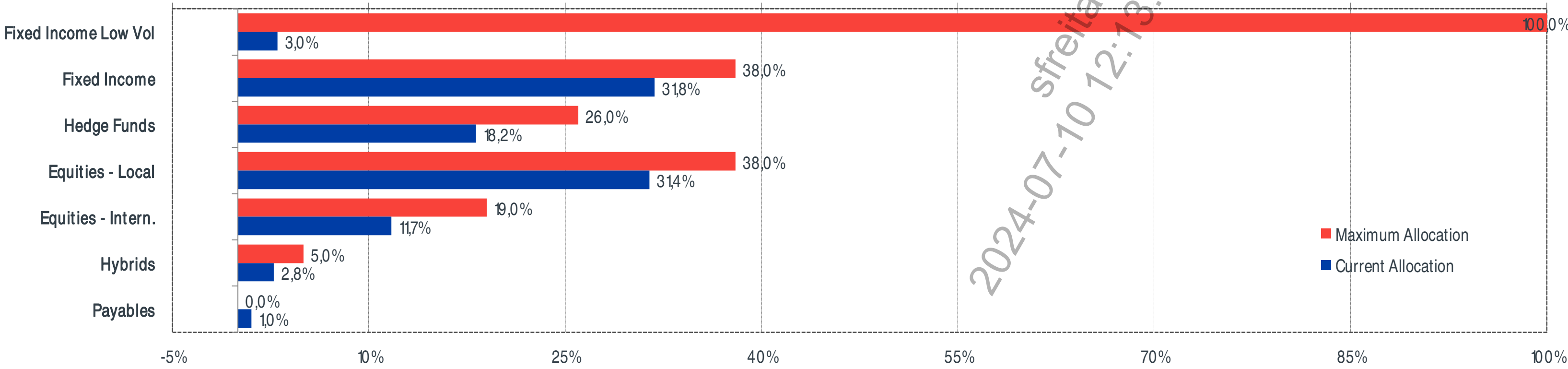
BA&ES local portfolio posted a monthly return of 1.3% for the month, bringing the year-to-date return to -0.2%. The positive performance for the month can largely be explained by the profitability of international assets, driven by a 6.4% appreciation of the USD against the BRL. In June, International Equities rose by 8.4% and Hybrids by 6.9%, accumulating year-to-date returns of 26.2% and 17.7%, respectively. On the other hand, local Fixed Income and Hedge Fund classes continue to face challenges in the Brazilian scenario.

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

ASSET CLASS	MTD	YTD	12M	24 M	36 M
Fixed Income Low Vol	0,8%	5,3%	12,1%	13,0%	11,8%
Fixed Income	-1,0%	-1,0%	3,7%	9,3%	6,3%
Hedge Funds	0,3%	-1,4%	4,1%	5,3%	7,2%
Equities - Local	1,3%	-7,9%	-0,8%	10,6%	-9,9%
Equities - Intern.	8,4%	26,2%	36,6%	21,9%	10,5%
Hybrids	6,9%	17,7%	26,5%	6,5%	2,6%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%
Total	1,3%	-0,2%	6,1%	10,2%	2,1%

BENCHMARK	MTD	YTD	12M	24 M	36 M
CDI	0,8%	5,2%	11,7%	12,7%	11,3%
IRF Comp.	-0,8%	-0,5%	4,6%	10,0%	7,2%
IHF Comp.	0,8%	0,2%	5,3%	7,3%	6,9%
IBX	1,5%	-7,2%	5,6%	11,5%	-1,5%
MSCI (BRL)	8,5%	28,4%	40,2%	23,7%	10,5%
Inflation IPCA	0,3%	2,6%	4,3%	3,8%	6,4%
BENCHMARK	1,5%	1,1%	9,8%	12,3%	5,5%

ASSET ALLOCATION - LOCAL



ASSET CLASS	Allocation (R\$)
Fixed Income Low Vol	143.761
Fixed Income	1.511.048
Hedge Funds	864.581
Equities - Local	1.492.098
Equities - Intern.	556.910
Hybrids	130.853
Payables	48.787
Total	4.748.037

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

GROWTH	20 16	20 17	20 18	20 19	20 20	20 21	20 22	20 23	20 24	ACC.
NOMINAL	0,1%	8,7%	7,0%	19,0%	-5,8%	-4,1%	-2,2%	14,1%	-0,4%	39,1%
REAL	-0,1%	5,5%	3,2%	14,1%	-9,9%	-12,9%	-7,5%	9,1%	-2,9%	-4,6%
IPCA	0,2%	2,9%	3,7%	4,3%	4,5%	10,1%	5,8%	4,6%	2,6%	45,8%

CURRENT ACCOUNT	20 16	20 17	20 18	20 19	20 20	20 21	20 22	20 23	20 24
INITIAL	0	3.416	3.712	3.972	4.728	4.452	4.270	4.177	4.767
Subscriptions	3.415	0	0	0	0	0	0	0	0
Withdrawals	0	0	0	0	-952	0	0	0	0
Account Costs	0	-64	-32	-53	-48	-82	-33	-37	-9
Return	1,7	360	293	808	724	-99	-60	627	-10
FINAL	3.416	3.712	3.972	4.728	4.452	4.270	4.177	4.767	4.748
ACCOUNT COSTS	0,0%	-1,7%	-0,8%	-1,2%	-1,0%	-1,8%	-0,8%	-0,8%	-0,2%
SPENDING RATE	0,0%	0,0%	0,0%	0,0%	-18,5%	0,0%	0,0%	0,0%	0,0%
Nominal Return	0,1%	10,5%	8,0%	20,9%	17,4%	-2,3%	-1,4%	15,1%	-0,2%
Inflation IPCA	0,2%	2,9%	3,7%	4,3%	4,5%	10,1%	5,8%	4,6%	2,6%
Real Return	-0,1%	7,4%	4,1%	15,9%	12,3%	-11,3%	-6,8%	10,0%	-2,7%

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