

Fund industry posts first net redemption after seven months

Following successive all-time high fundraising, the fund industry showed net redemption of R\$21.6 billion in April, the second highest in the series started in 2002, only surpassed by the R\$28.9 billion net outflow in October 2008, at the beginning of the international financial crisis. It is worth noting that the industry did not count on the seasonal stimulus coming from the inflow of Government funds, typical early in the year. In addition, unlike previous months, the April's result was concentrated in only two funds belonging to the Corporate and Government segments, which together accounted for a R\$22 billion outflow, not necessarily representing a trend for the next few months.

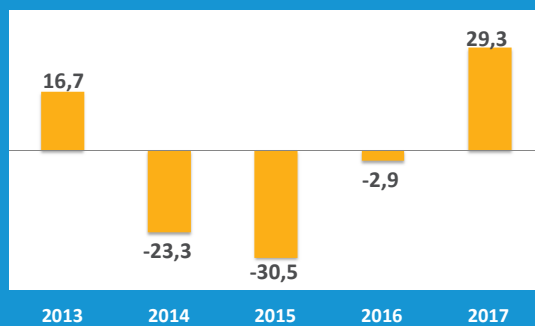
Fixed-Income funds concentrated net outflows in April, with R\$28.5 billion, followed by Credit Receivables Investment Funds, which totaled R\$3.6 billion. As for Balanced/Mixed and Pension fund classes, they managed to post positive results again, of R\$7.4 billion and R\$2.1 billion, respectively. Despite the redemption, the industry

still shows record net capital inflow for the first four months, of R\$89.3 billion, and the Fixed-Income class continues to lead net sales year-to-date, totaling R\$45 billion, followed by Balanced/Mixed and Pension Funds, with R\$29.3 billion and R\$12.1 billion, respectively.

In a month marked by negative monthly return on long-term fixed income securities (the IMA-B 5+ declined 0.82%), which affected yields of most fixed-income portfolios, equity funds posted again the highest returns in the industry. Despite the Ibovespa's slight appreciation (0.64%), Small Caps funds rose 2.96% in April, the highest gain among the types with significant AuM in the month, while also remaining as the top-performing funds in terms of return year-to-date (17.02%).

Balanced/Mixed Funds

Net Inflow in January-April (R\$ billion)



Source: ANBIMA

Highlight of the Month

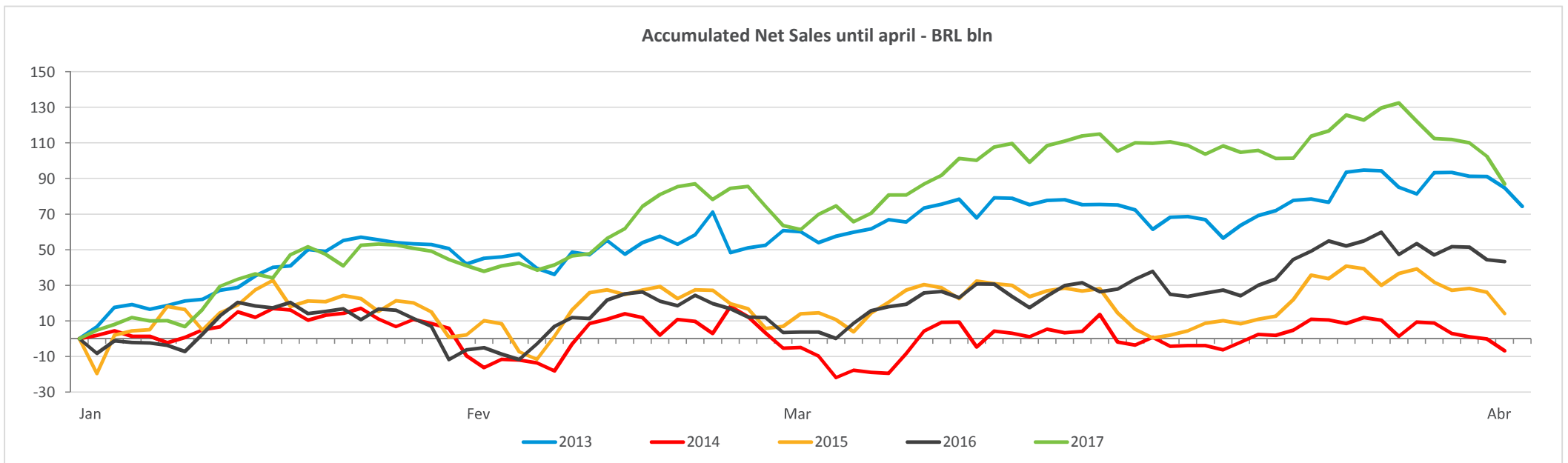
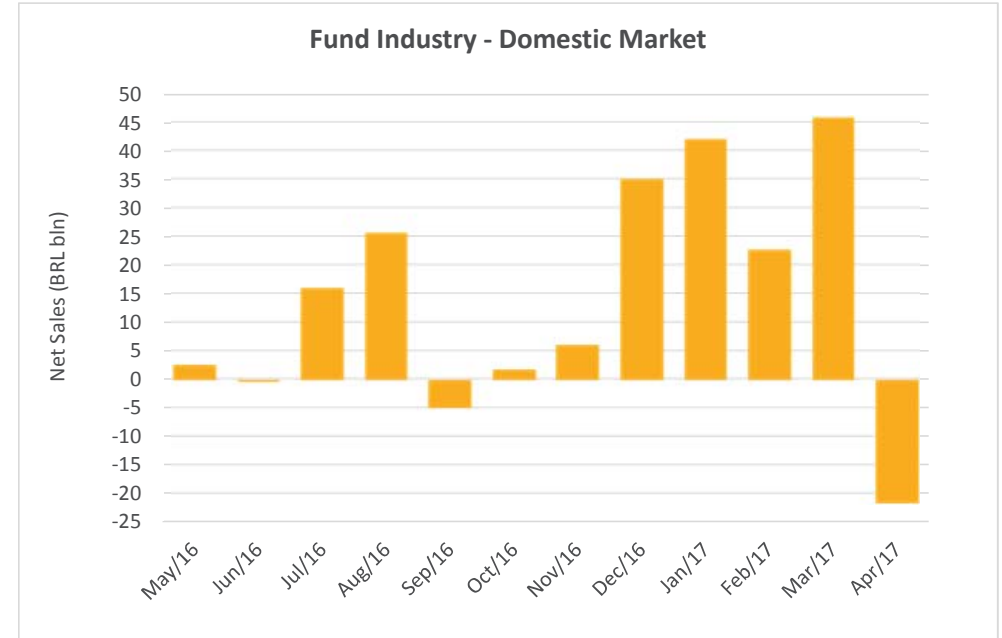
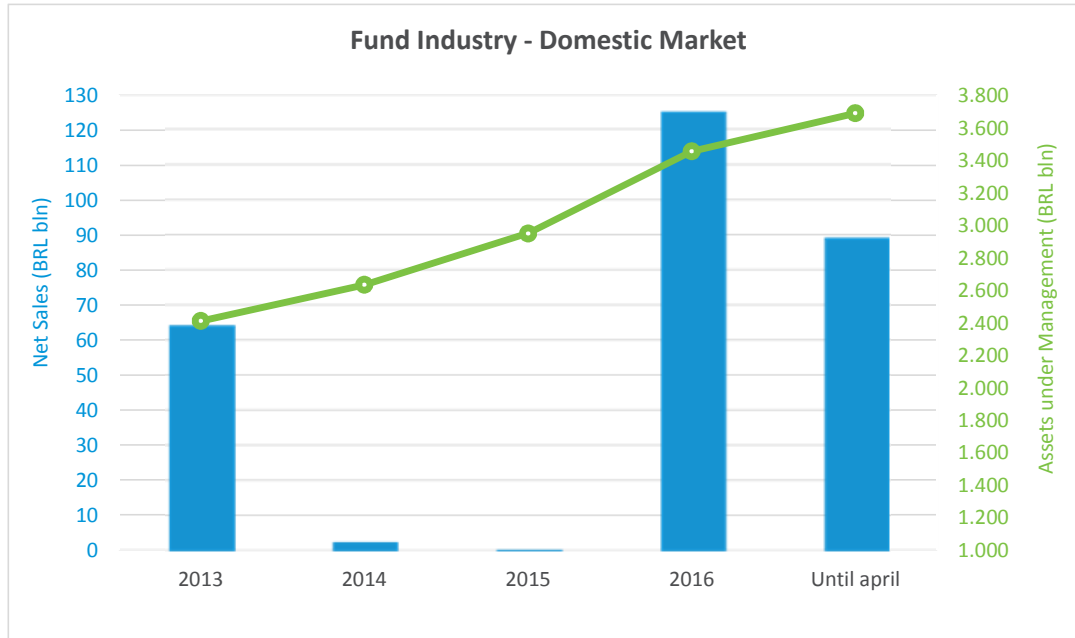
In spite of the significant net redemption in the fund industry in April, the Balanced/Mixed class posted net inflow for the fifth month in a row. As a result, these funds accumulate net sales of R\$29.2 billion in the first four months, something not seen since 2013, a result significantly superior to the R\$2.9 billion net redemption in the same period of 2016. Data available through March indicate that the Private segment, which has the largest amount allocated in the Balanced/Mixed class, leads the net inflow into these funds in the first quarter, with R\$16.7 billion, surpassing net sales of R\$13.9 billion in the entire 2016.

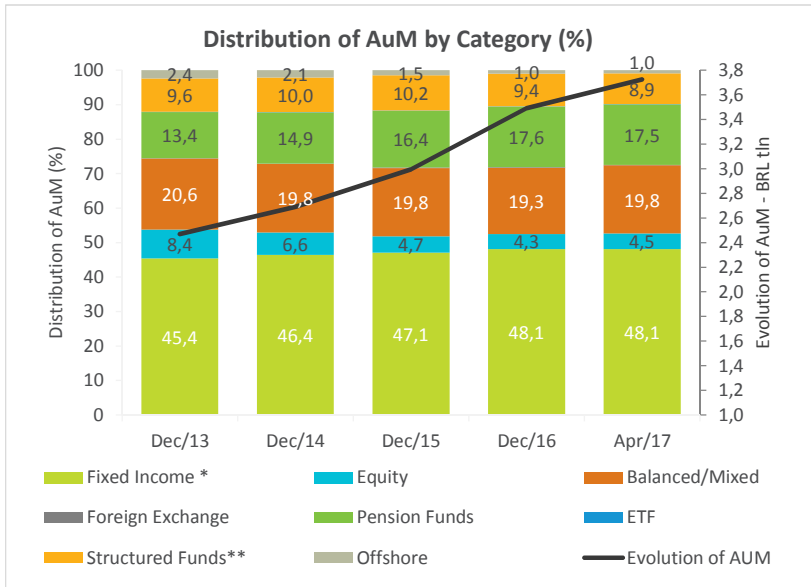
The Fund Industry in Numbers - April/2017

Domestic Market						
	Month		Year		12M	
Accumulated Net Sales (R\$ billion)	-21,6		89,3		170,9	
Sales (R\$ billion)	341,9		1.585,4		4.714,2	
Redemptions (R\$ billion)	363,5		1.496,1		4.543,3	
Net Sales as % of AuM *	-0,59		2,58		5,49	
	Apr/17	% Chg. - M	Dec/16	% Chg. - Year	Apr/16	% Chg. - 12M
Assets under Management (R\$ billion)	3.690,1	0,06	3.455,4	6,79	3.111,0	18,61
Number of Funds	15.124	0,33	14.858	1,79	14.439	4,74
Investment Funds	9.539	0,30	9.386	1,63	9.047	5,44
Funds of Funds	5.585	0,36	5.472	2,07	5.392	3,58
Net Balance (beginning - end)	51		122		9	
Number of Accounts	12,4	-1,64	12,3	0,71	11,8	4,86
Investment Funds	2,2	-9,49	2,4	-5,41	2,2	2,62
Funds of Funds	10,1	0,29	9,9	2,18	9,6	5,37
Off - Shore **						
Assets under Management (R\$ billion)	35,8		36,6	-2,29	23,5	52,2
Number of Funds	127		128	-0,78	125	1,60
Industry Total						
Assets under Management (R\$ billion)	3.725,9	0,06	3.492,0	6,70	3.134,5	18,87
Number of Funds	15.251	0,32	14.986	1,77	14.564	4,72
Number of Administrators	107		103		102	
Number of Managers	552		548		550	

* Net sales as % of AuM is calculated using AuM on the last business day of the previous period.

** Off-Shore figures as of april//2016





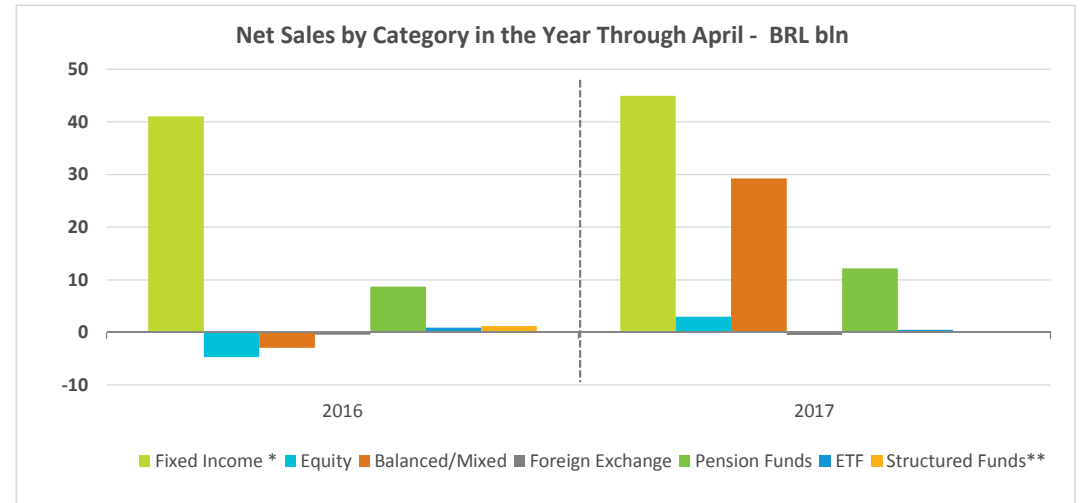
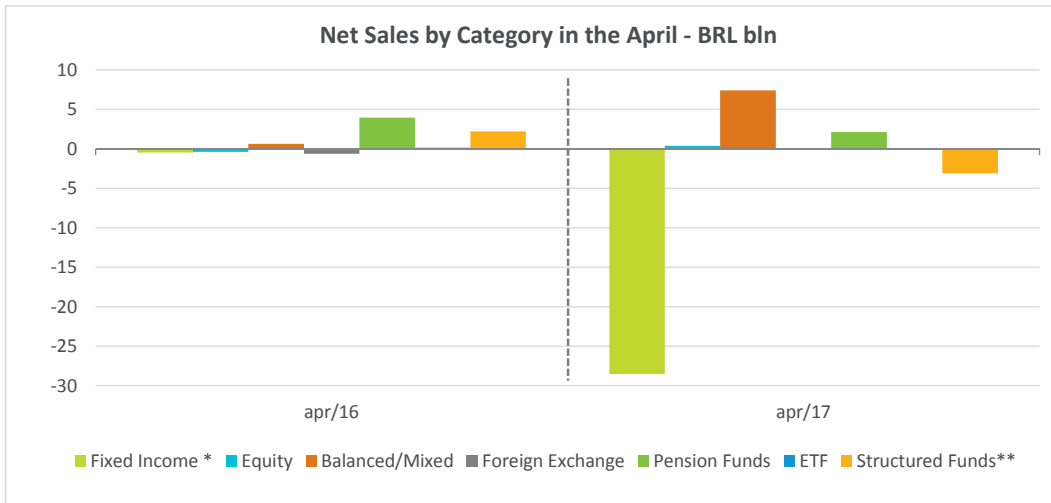
Net Sales - BRL bln

ANBIMA Category	April					Year to april			
	AuM	Sales	Redemptions	Net Sales	Net Sales % of AuM	Sales	Redemptions	Net Sales	Net Sales % of AuM
Fixed Income	1.793,6	284,9	313,5	-28,5	-1,58	1.306,8	1.261,8	45,0	2,67
Equity	168,0	2,0	1,6	0,4	0,24	12,8	9,9	3,0	1,98
Balanced/Mixed	736,7	27,1	19,7	7,4	1,02	124,5	95,2	29,3	4,34
Foreign Exchange	3,3	0,1	0,1	0,0	-0,30	0,8	1,2	-0,5	-12,59
Pension Funds	653,4	15,3	13,2	2,1	0,33	78,7	66,6	12,1	1,98
ETF	4,5	0,1	0,0	0,1	2,14	0,9	0,5	0,5	12,37
Sub Total	3.359,6	329,6	348,2	-18,5	-0,55	1.524,6	1.435,2	89,3	2,82
Credit Receivables	82,6	11,7	15,3	-3,6	-4,18	57,3	60,5	-3,2	-3,72
Real Estate	186,3	0,6	0,0	0,6	0,30	3,5	0,4	3,2	1,76
Private Equity	61,6	-	-	-	-	-	-	-	-
Sub Total	330,5	12,2	15,3	-3,1	-0,93	60,8	60,9	-0,1	-0,02
Domestic Total	3.690,1	341,9	363,5	-21,6	-0,59	1.585,4	1.496,1	89,3	2,58
Off Shore	35,8	-	-	-	-	-	-	-	-
Industry Total	3.725,9	341,9	363,5	-21,6	-	1.585,4	1.496,1	89,3	-

Note: Information subject to updating. Chart with revised monthly and year-to-date amounts available at www.anbima.com.br.

* For dates prior to October, The ANBIMA Classification of Fixed Income considers both categories, DI Benchmark and Money Market.

** Credit receivables, Real Estate and Private Equity.



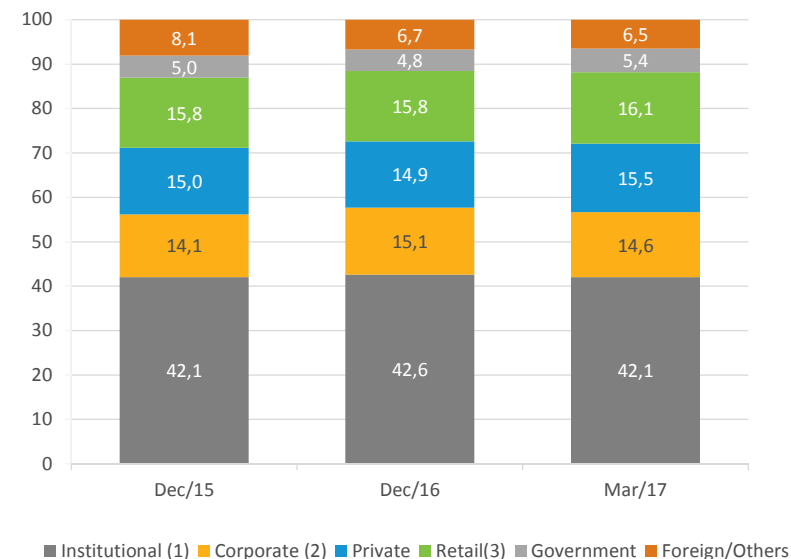
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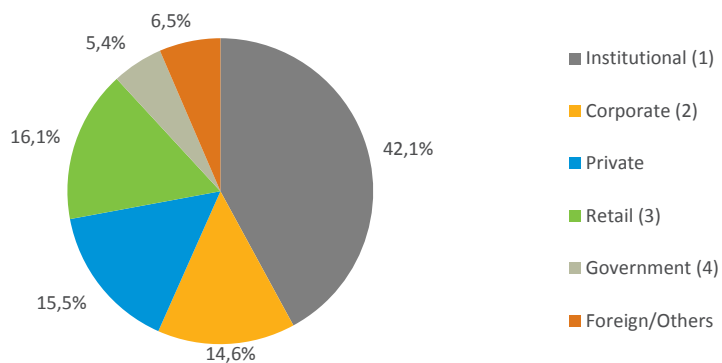
AuM Distribution BRL bln - Mar/17 *

ANBIMA Category	Institutional ⁽¹⁾	Corporate ⁽²⁾	Private	Retail ⁽³⁾	Government	Foreign	Others	Total
Fixed Income	556,4	374,8	151,5	517,9	183,6	3,7	22,1	1.809,9
Equity	89,2	1,5	39,2	19,0	0,4	0,6	7,8	157,7
Balanced/Mixed	210,3	82,2	317,9	45,6	13,8	25,4	29,5	724,6
Foreign Exchange	0,2	1,1	0,6	0,8	0,0	0,0	0,1	2,9
Pension Funds	645,5	0,0	0,0	0,6	0,0	0,0	0,7	646,8
ETF	1,8	0,0	0,0	0,1	0,0	0,0	2,5	4,3
Sub Total	1.503,3	459,5	509,2	583,9	197,8	29,7	62,8	3.346,3
Credit Receivables	19,1	50,4	7,0	2,1	1,0	4,2	2,4	86,1
Real Estate	33,8	21,3	42,6	2,3	0,0	77,0	5,9	183,0
Private Equity	5,2	10,1	15,1	8,2	0,2	1,8	20,8	61,3
Sub Total	58,0	81,8	64,7	12,6	1,3	83,0	29,0	330,4
Off Shore	0,0	0,0	0,0	0,0	0,0	24,3	11,4	35,8
Total	1.561,3	541,4	573,9	596,5	199,1	137,0	103,3	3.712,5

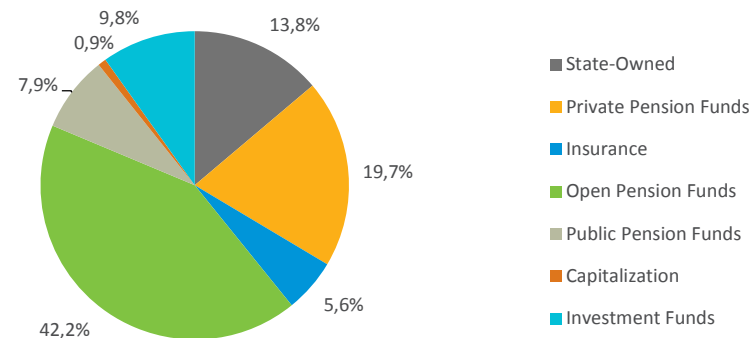
Distribution of AuM by Investor Segment (%)



Distribution of AuM by Investor Segment %



Distribution of AuM by Institutional Investors %



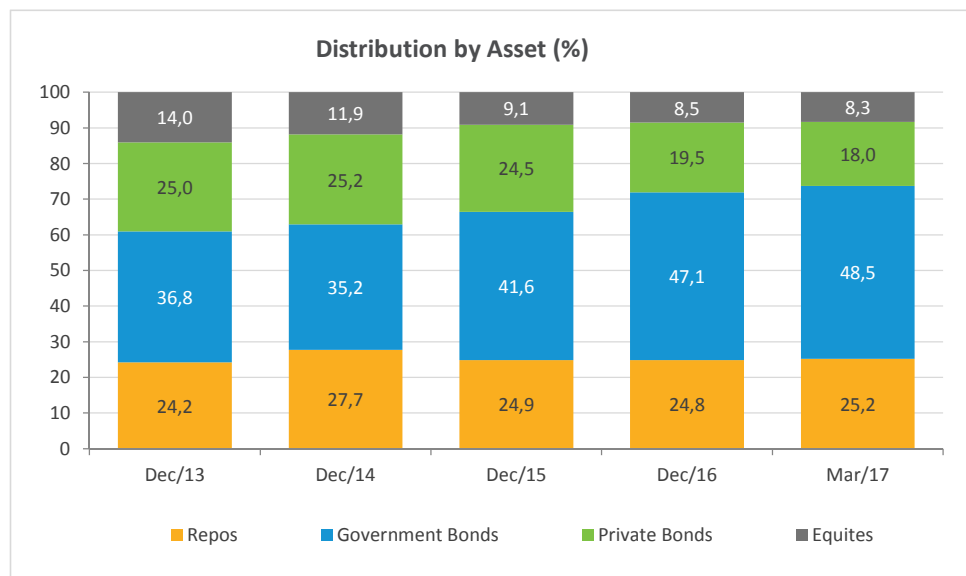
Obs.: (1) Closed Pension Funds , Open Pension Funds, Public Pension Funds, Insurance Companies, Capitalization, Investment Funds; (2) Corporate and Middle Market ;(3) Retail and Retail High Net Worth

* The figures given are for the stock on the last day of the reporting period

AuM Distribution by Asset (BRL bln) - Mar/2017 *

Asset	Mar/2017	% Chg. Month	Dec/2016	% Chg. Year	Mar/2016	% Chg. 12M
Fixed Income	3.182,6	1,90	2.990,8	6,41	2.697,1	18,00
Repo Operations	874,2	1,10	812,0	7,66	735,7	18,83
Federal Govt. Bonds	1.684,2	3,74	1.540,5	9,33	1.316,7	27,91
Private Securities	624,3	-1,70	638,3	-2,20	644,7	-3,18
CDB/RDB	66,5	2,54	67,3	-1,16	69,8	-4,70
Financial Bills	300,8	-1,80	306,7	-1,93	323,2	-6,94
Collateral Time Deposits (DPGE)	6,2	-4,00	6,6	-6,20	10,5	-40,87
Debentures	89,1	2,02	86,4	3,11	81,6	9,22
Commercial Papers	2,8	3,29	2,2	27,92	0,4	610,20
CCB/CCCB	1,9	-24,02	2,0	-5,50	1,8	8,03
Credit Receivables	36,3	-10,64	42,3	-14,02	40,6	-10,58
Real Estate Sec.	55,0	-0,05	56,1	-2,03	59,7	-7,89
Foreign Investments	27,1	-5,16	27,0	0,49	24,3	11,42
Others	38,5	-11,41	41,7	-7,62	32,8	17,41
Variable Income	288,6	-0,96	278,4	3,65	266,0	8,47
Equities	294,4	-0,53	277,5	6,06	258,2	14,01
Options	-23,6	2,12	-14,8	59,09	-3,1	672,54
Others	17,8	-4,02	15,7	13,27	10,9	63,21
Total	3.471,2	1,66	3.269,2	6,18	2.963,1	17,15

Source: ANBIMA

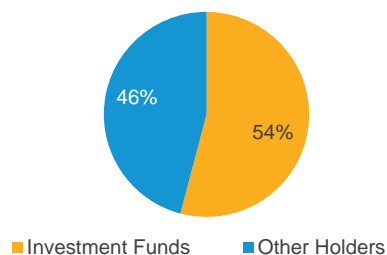


Source: ANBIMA

% Retained by Fund Industry in Mar/17

In Federal Govt. Bonds **

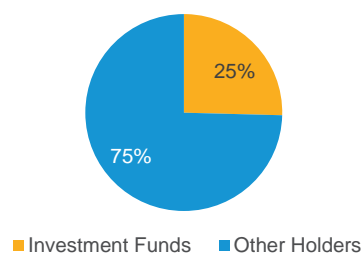
Amount: BRL 3113,8435 bln



Source: ANBIMA and Nat. Treasury.

In Private Securities

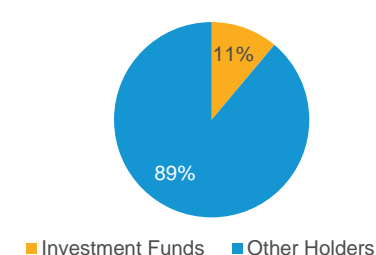
Amount: BRL 2454,0000 bln



Source ANBIMA and CETIP

In Equities

Amount: BRL 2653,8849 bln



Source: ANBIMA and BM&FBovespa

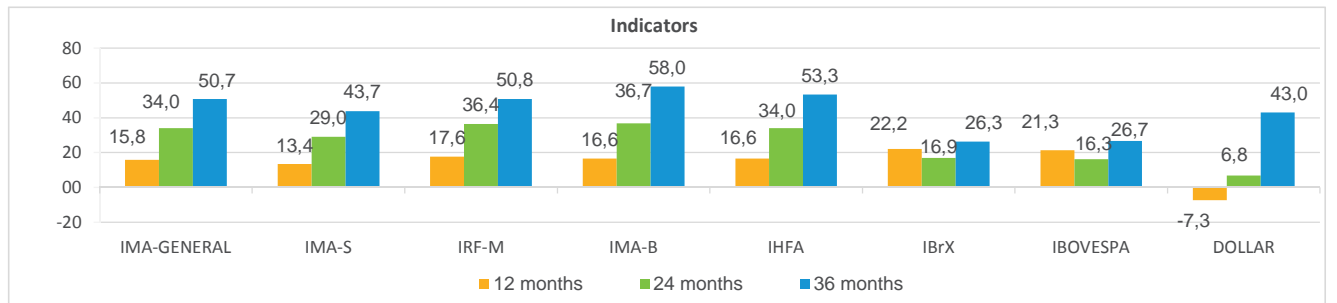
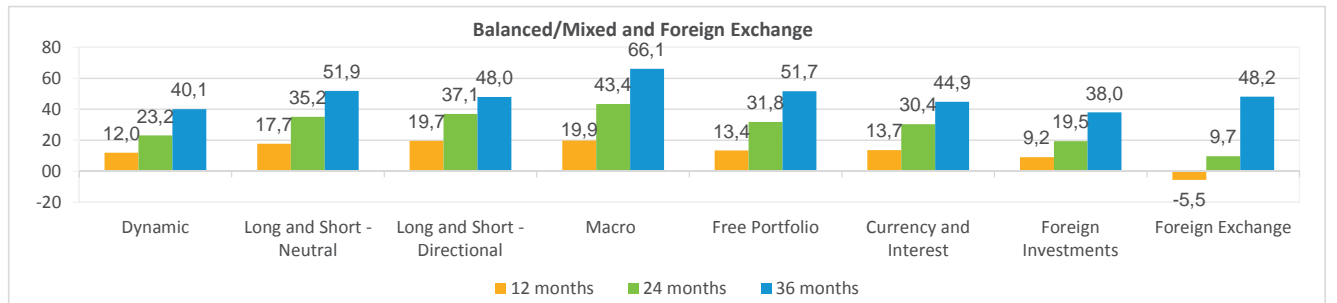
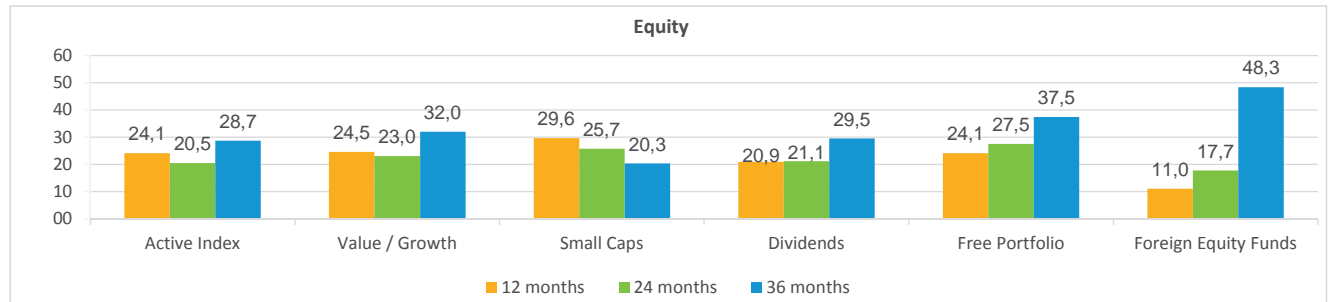
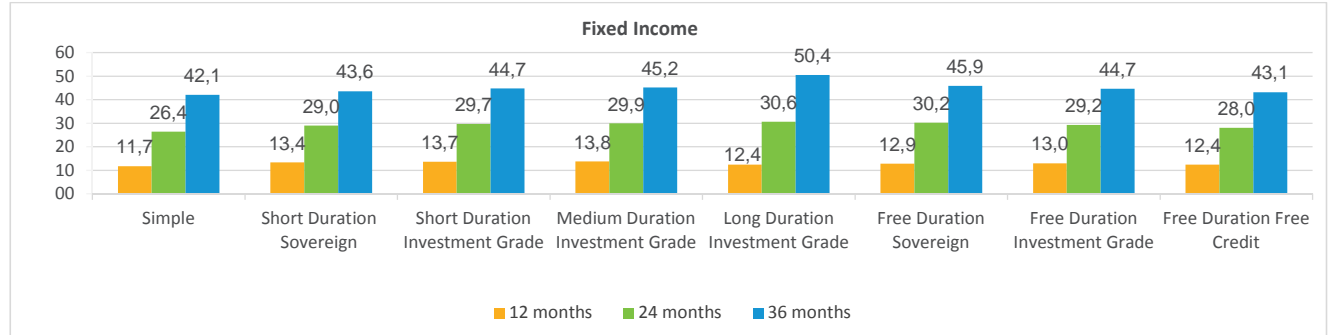
* The figures given are for the stock on the last day of the reporting period.

** Excludes Repo Transactions. Federal Govt. Bonds, plus the Repo Operations backed by those securities in Investment Funds Portfolio is equivalent to 82% of the outstanding Federal Govt. Bonds

Returns		
ANBIMA Types	%	
	April	Year
Fixed Income Simple (1)	0,67	3,31
Fixed Income Short Duration Sovereign (1)	0,79	3,83
Fixed Income Short Duration Investment Grade (1)	0,80	3,92
Fixed Income Mid Duration Investment Grade (1)	0,80	4,00
Fixed Income Long Duration Investment Grade (1)	0,33	3,80
Fixed Income Free Duration Sovereign (1)	0,51	3,69
Fixed Income Free Duration Investment Grade (1)	0,65	3,88
Fixed Income Free Duration Free Credit (1)	0,62	3,95
Equity Index Enhanced (1)	1,19	10,21
Equity - Value / Growth (1)	2,00	10,09
Equity - Small Caps	2,96	17,02
Equity - Dividends	0,57	10,12
Equity - Free Portfolio	1,30	10,45
Foreign Equity Funds (1)	1,75	6,94
Balanced / Mixed Dynamic (1)	0,70	4,25
Balanced / Mixed Long and Short - Neutral	0,11	3,39
Balanced / Mixed Long and Short - Directional	0,43	5,24
Balanced / Mixed - Macro	0,30	6,19
Balanced / Mixed - Free Portfolio	0,36	4,72
Balanced / Mixed - Currency and Interest	0,64	4,16
Balanced / Mixed - Foreign Investments (1)	0,90	4,19
Foreign Exchange	1,63	-1,44
Indicators	%	
	April	Year
IMA-GENERAL	0,29	5,68
IMA-S	0,80	3,87
IRF-M	0,53	6,48
IMA-B	-0,32	6,55
IHFA	0,26	4,98
CDI	0,79	3,88
CDI 30 X 30	0,79	3,89
IBrX	0,88	9,09
IBOVESPA	0,64	8,59
DOLLAR	0,95	-1,86

(1) For types that started after October 1st, the returns of the year, 12 months, 24 months and 36 months were estimated based on the current sample of funds.

Accumulated Returns (%)



Investment Fund Bulletin

Monthly overview of the fund industry based on data collected by ANBIMA.

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