

Even with political crisis, industry raises R\$12.3 billion in May

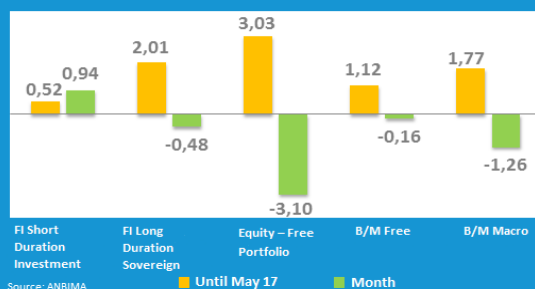
After posting net redemption in April, the fund industry showed net inflow again in May, of R\$12.3 billion. The largest contributions came from the Balance/Mixed, Pension Fund and Fixed Income classes, which had net capital inflows of R\$6.4 billion, R\$3.4 billion and R\$2.4 billion, respectively. As a result, the industry shows net sales of R\$106 billion year-to-date, more than double the amount seen in the same period of 2016, when it reached R\$46.3 billion. Fixed Income (R\$48.2 billion), Balance/Mixed (R\$38.2 billion) and Pension Funds (R\$15.7 billion) classes also lead fundraising in 2017.

Even against an adverse scenario, the industry shows robustness, corroborated by a R\$12.3 billion net capital inflow. This figure would have been higher had there been no redemption of an exclusive fund from the Corporate segment, of nearly R\$11 billion, which influenced the final result, but that does not represent the trend of the industry as a whole. Despite the

political crisis, the flow of subscriptions and redemptions in the investment fund industry did not suffer major impacts.

The fund industry's return was more affected by the crisis when, on May 18, the Ibovespa and the IMA-General fell 8.80% and 3.67%, respectively. Even though a significant volume of funds recovered, some of them posted losses in the month. This is the case of the Equity class, in which all open-end types for funding showed negative return, although mitigating the loss Ibovespa had in the month (4.12%). In the Fixed Income class, the most significant effects were seen in funds with a long-term portfolio, such as the Long Duration Sovereign type, which declined 0.48%, but still below the 1.78% drop in the IMA-B 5+. Among the Balance/Mixed, the biggest impact was on the Macro type, which despite the 1.26% decline still shows the highest return year-to-date within its class (4.89%).

Return May/17 - Selected Funds (%)



Highlight of the Month

The worsening of the political crisis and consequent increased uncertainties interrupted the assets' previous appreciation trend, leading many of the funds to post negative yields in the month. While Equity funds, Fixed Income and Balance/Mixed portfolios made up of long-term securities felt the strongest impact, short-term Fixed Income portfolios, such as the Short Duration Investment Grade, were not affected and showed the industry's highest return among funds with significant AuM in the month (0.94%).

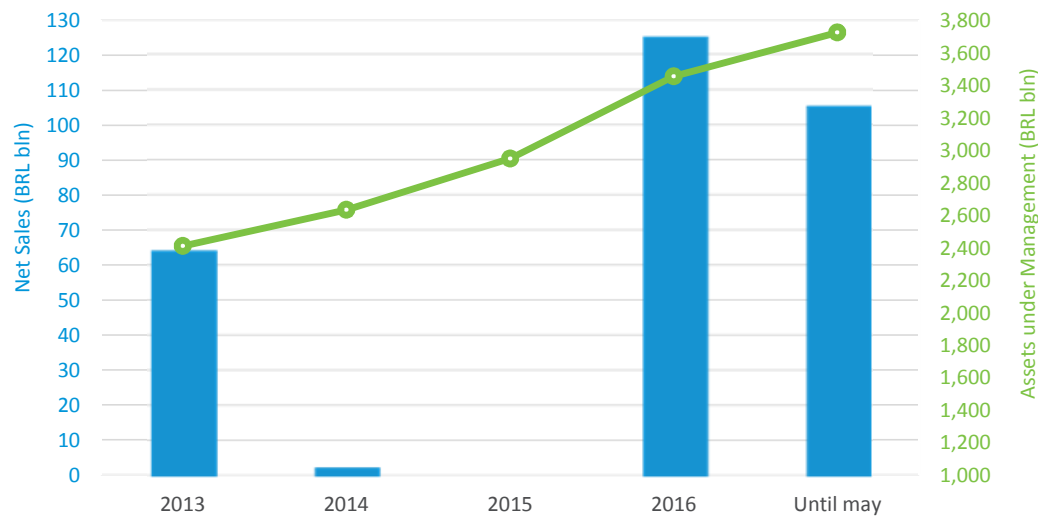
The Fund Industry in Numbers - May/2017

Domestic Market						
	Month	Year	12M			
Accumulated Net Sales (R\$ billion)	12.3	105.8	184.9			
Sales (R\$ billion)	455.9	2,050.6	4,820.5			
Redemptions (R\$ billion)	443.6	1,944.8	4,635.6			
Net Sales as % of AuM *	0.33	3.06	5.89			
	May/17	% Chg. - M	Dec/16	% Chg. - Year	May/16	% Chg. - 12M
Assets under Management (R\$ billion)	3,725.2	0.72	3,454.6	7.83	3,140.1	18.63
Number of Funds	15,206	0.42	14,834	2.51	14,414	5.49
Investment Funds	9,410	0.37	9,232	1.93	8,884	5.92
Funds of Funds	5,796	0.49	5,602	3.46	5,530	4.81
Net Balance (beginning - end)	68		115		-17	
Number of Accounts	12.6	-0.25	12.3	3.06	11.8	7.11
Investment Funds	2.3	-5.93	2.4	-1.82	2.2	7.16
Funds of Funds	10.3	1.13	9.9	4.22	9.6	7.10
Off - Shore **						
Assets under Management (R\$ billion)	35.5		36.6	-3.07	28.5	24.5
Number of Funds	127		128	-0.78	125	1.60
Industry Total						
Assets under Management (R\$ billion)	3,760.7	0.72	3,491.2	7.72	3,168.6	18.69
Number of Funds	15,333	0.41	14,962	2.48	14,539	5.46
Number of Administrators	106		103		102	
Number of Managers	556		548		549	

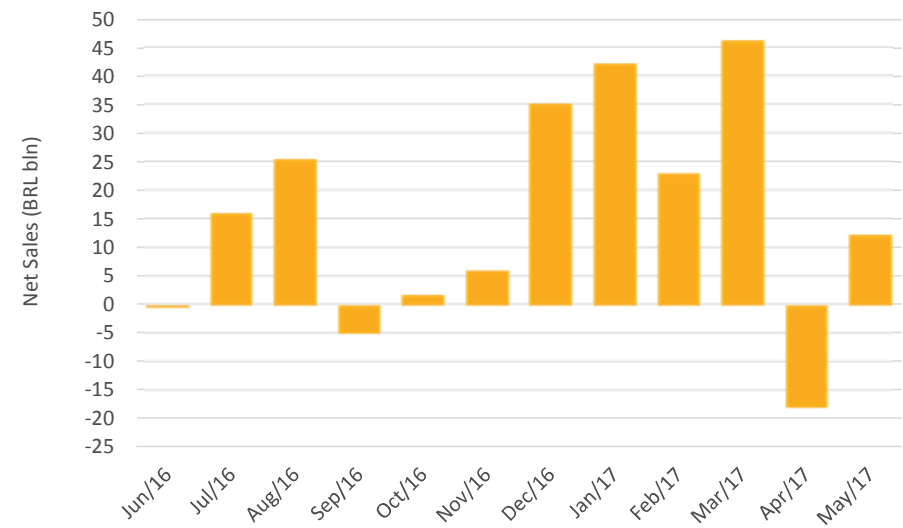
* Net sales as % of AuM is calculated using AuM on the last business day of the previous period.

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

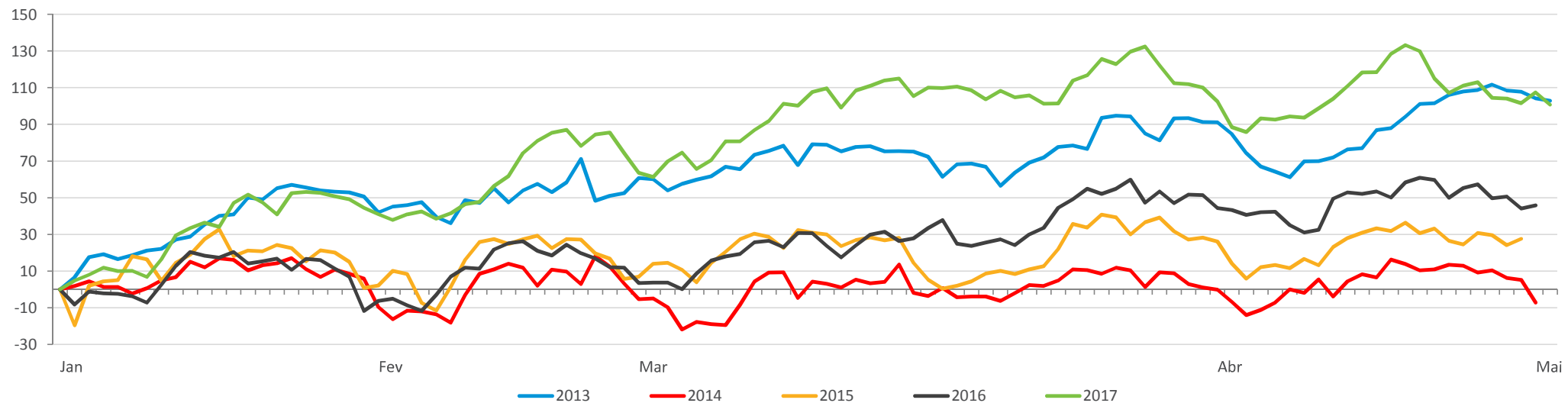
Fund Industry - Domestic Market

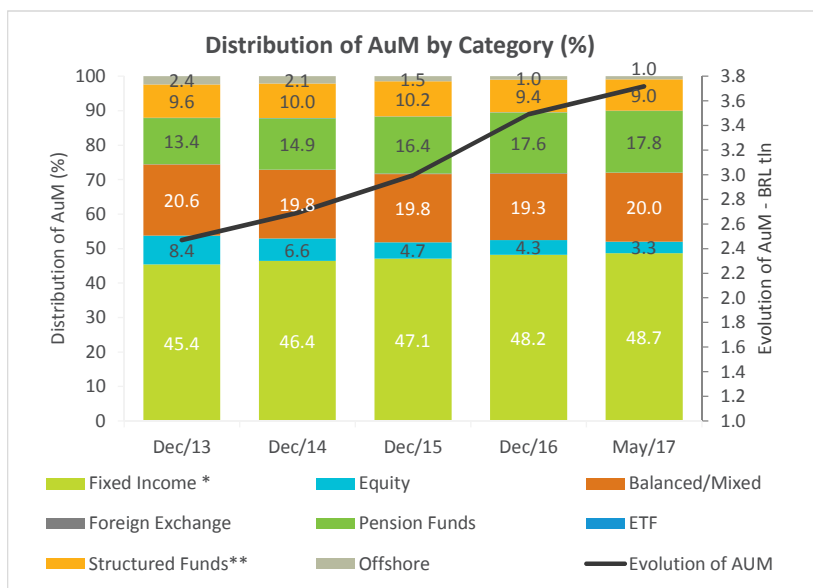


Fund Industry - Domestic Market



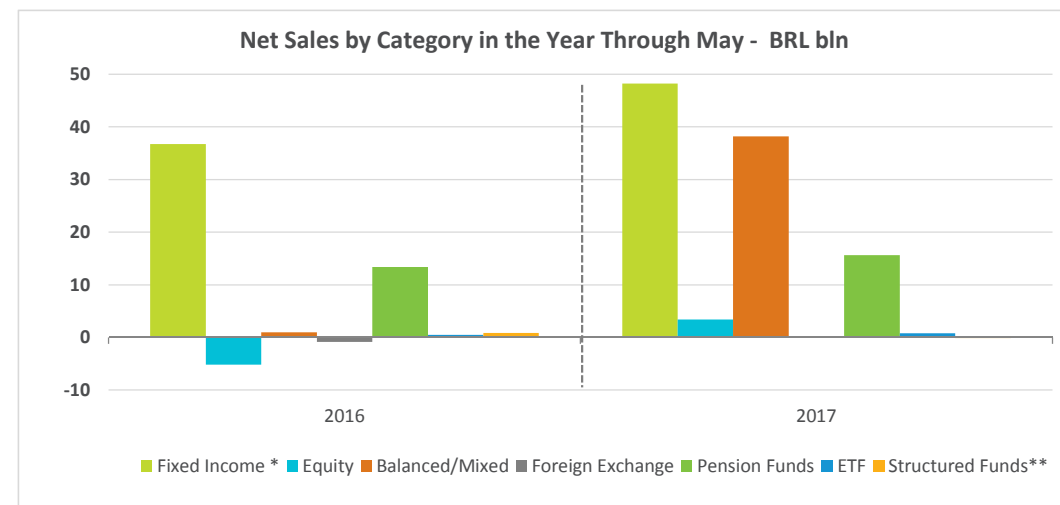
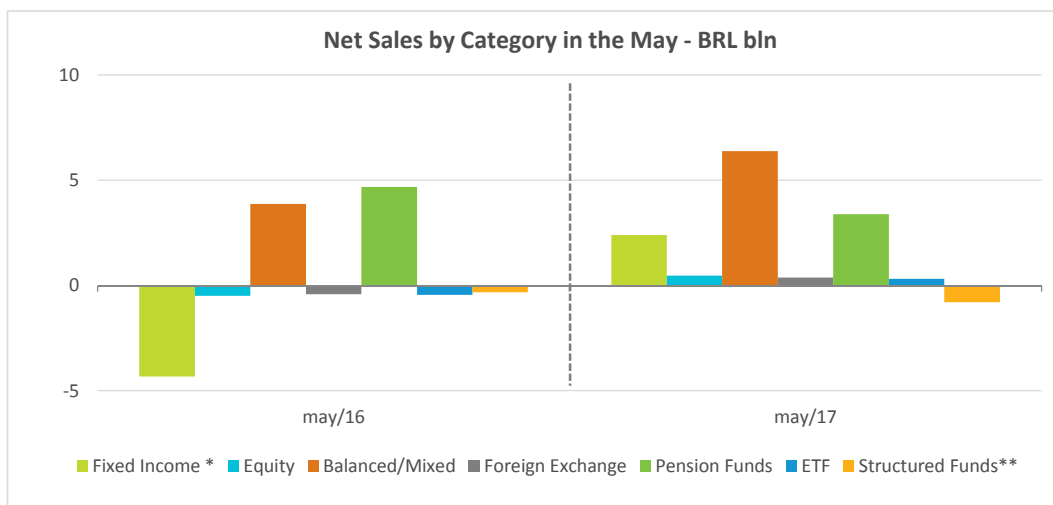
Accumulated Net Sales until may - BRL bln





ANBIMA Category	Net Sales - BRL bln					Year to may			
	AuM	Sales	Redemptions	Net Sales	Net Sales % of AuM	Sales	Redemptions	Net Sales	Net Sales % of AuM
Fixed Income	1,810.5	383.8	381.4	2.4	0.13	1,693.9	1,645.7	48.2	2.87
Equity	165.2	3.5	3.2	0.3	0.17	16.6	13.5	3.2	2.12
Balanced/Mixed	744.1	34.9	28.5	6.4	0.86	164.0	125.8	38.2	5.68
Foreign Exchange	3.7	0.6	0.2	0.4	11.48	1.4	1.4	-0.1	-2.12
Pension Funds	661.1	19.2	15.9	3.4	0.52	98.2	82.6	15.7	2.55
ETF	4.6	0.6	0.3	0.3	7.10	1.5	0.8	0.8	20.78
Sub Total	3,389.4	442.6	429.4	13.1	0.39	1,975.6	1,869.7	106.0	3.35
Credit Receivables	81.4	11.6	14.1	-2.6	-3.07	69.4	74.7	-5.4	-6.20
Real Estate	192.0	1.8	0.0	1.8	0.94	5.6	0.4	5.2	2.91
Private Equity	62.4	-	-	-	-	-	-	-	-
Sub Total	335.8	13.3	14.2	-0.8	-0.24	75.0	75.1	-0.1	-0.04
Domestic Total	3,725.2	455.9	443.6	12.3	0.33	2,050.6	1,944.8	105.8	3.06
Off Shore	35.5	-	-	-	-	-	-	-	-
Industry Total	3,760.7	455.9	443.6	12.3		2,050.6	1,944.8	105.8	

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

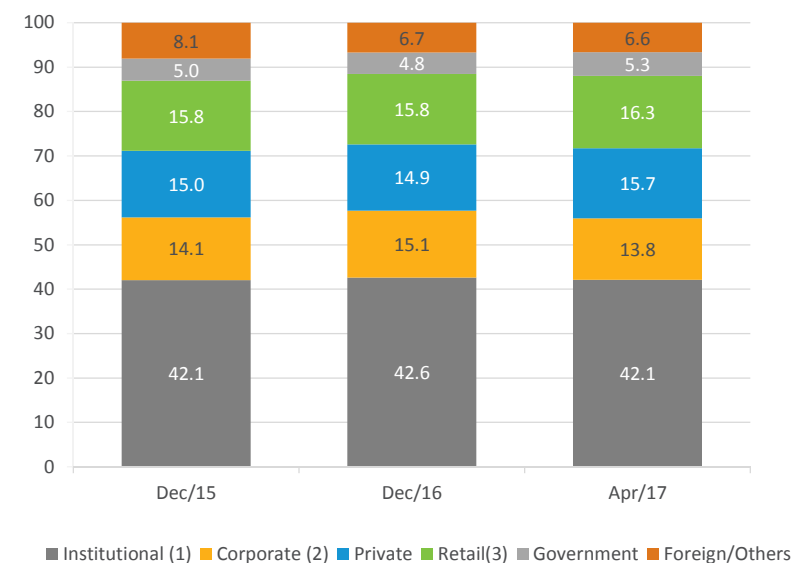


* For dates prior to October, The ANBIMA Classification of Fixed Income considers both categories, DI Benchmark and Money Market.
 ** Credit receivables and Private Equity.

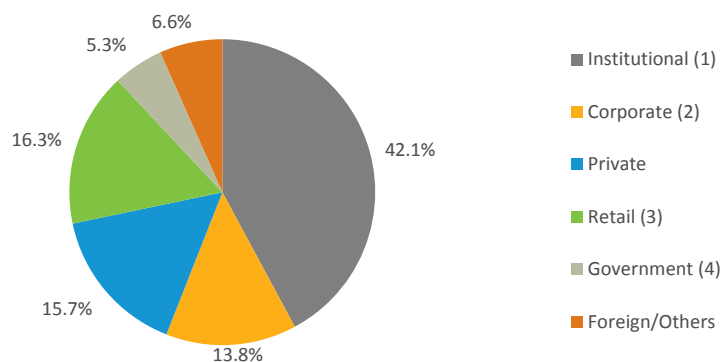
AuM Distribution BRL bln - Apr/17 *

ANBIMA Category	Institutional ⁽¹⁾	Corporate ⁽²⁾	Private	Retail ⁽³⁾	Government	Foreign	Others	Total
Fixed Income	556.3	348.0	153.9	526.5	182.5	4.4	22.7	1,794.4
Equity	89.2	1.7	42.3	18.3	0.6	0.7	7.9	160.7
Balanced/Mixed	211.1	86.5	322.5	48.6	13.9	27.1	28.2	738.0
Foreign Exchange	0.6	0.9	0.6	1.0	0.0	0.0	0.1	3.3
Pension Funds	652.1	0.0	0.1	0.6	0.0	0.0	0.7	653.6
ETF	1.8	0.0	0.0	0.1	0.0	0.0	2.6	4.5
Sub Total	1,511.1	437.2	519.4	595.2	196.9	32.2	62.3	3,354.4
Credit Receivables	18.9	46.4	6.7	2.2	1.1	4.3	4.7	84.5
Real Estate	33.5	21.7	44.6	2.3	0.0	79.4	6.4	188.0
Private Equity	5.4	10.5	15.3	8.1	0.0	1.8	21.2	62.4
Sub Total	57.9	78.6	66.5	12.7	1.2	85.6	32.4	334.9
Off Shore	0.0	0.0	0.2	0.2	0.0	24.7	10.4	35.5
Total	1,569.0	515.8	586.2	608.1	198.1	142.5	105.1	3,724.8

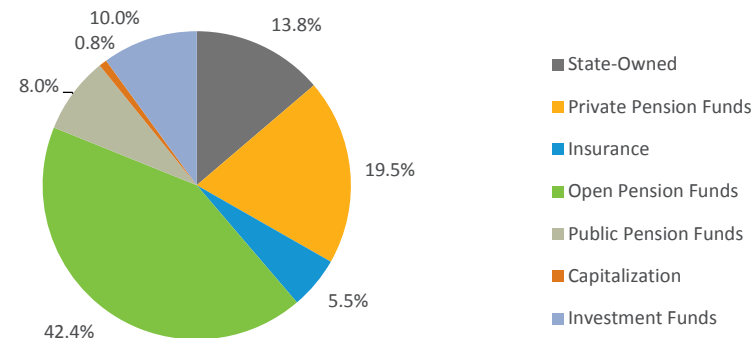
Distribution of AuM by Investor Segment (%)



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 and Net Sales by Asset

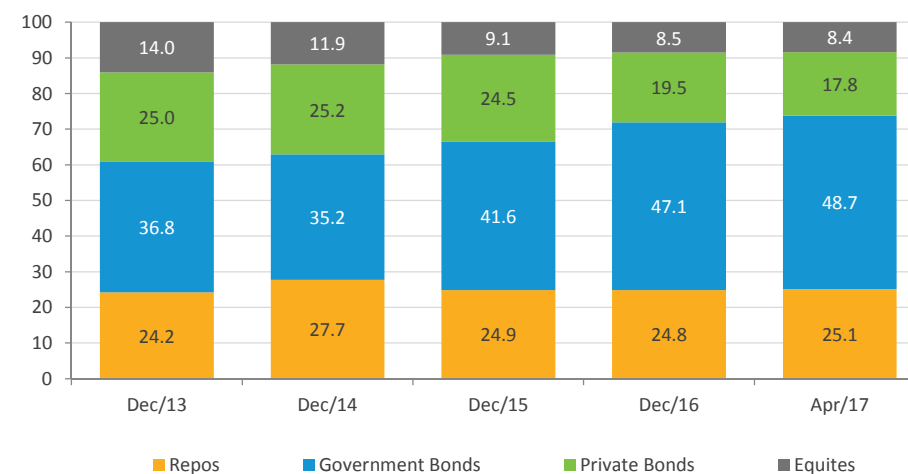
Investment Funds | Reports

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

Asset	Apr/2017	% Chg. Month	Dec/2016	% Chg. Year	Apr/2016	% Chg. 12M
Fixed Income	3,186.5	0.12	2,990.8	6.54	2,722.9	17.03
Repo Operations	872.9	-0.14	812.0	7.50	719.0	21.41
Federal Govt. Bonds	1,693.5	0.55	1,540.5	9.93	1,356.5	24.85
Private Securities	620.1	-0.66	638.3	-2.85	647.4	-4.22
CDB/RDB	66.6	0.07	67.3	-1.10	71.8	-7.34
Financial Bills	294.9	-1.95	306.7	-3.84	321.8	-8.36
Collateral Time Deposits (DPGE)	6.1	-1.15	6.6	-7.28	9.5	-35.45
Debentures	89.1	-0.02	86.4	3.09	82.4	8.17
Commercial Papers	2.1	-26.08	2.2	-5.44	0.3	634.11
CCB/CCCB	2.0	5.16	2.0	-0.62	1.7	20.98
Credit Receivables	39.0	7.23	42.3	-7.81	40.4	-3.67
Real Estate Sec.	55.5	0.99	56.1	-1.07	59.4	-6.42
Foreign Investments	29.2	-1.18	27.0	8.28	23.8	22.82
Others	35.6	-7.47	41.7	-14.52	36.4	-2.13
Variable Income	291.8	1.12	278.4	4.80	259.3	12.52
Equities	297.8	1.15	277.5	7.29	249.1	19.52
Options	-21.6	-8.63	-14.8	45.36	3.0	-822.72
Others	15.6	-12.46	15.7	-0.84	7.2	116.13
Total	3,478.3	0.20	3,269.2	6.39	2,982.2	16.63

Source: ANBIMA

Distribution by Asset (%)

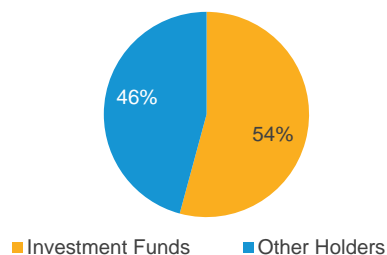


Source: ANBIMA

% Retained by Fund Industry in Apr/17

In Federal Govt. Bonds **

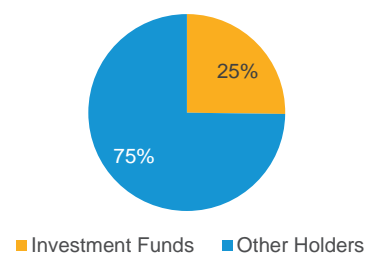
Amount: BRL 3123,2268 bln



Source: ANBIMA and Nat. Treasury.

In Private Securities

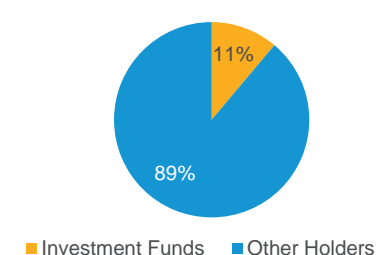
Amount: BRL 2457,0000 bln



Source: ANBIMA and CETIP

In Equities

Amount: BRL 2674,5559 bln



Source: ANBIMA and BM&FBovespa

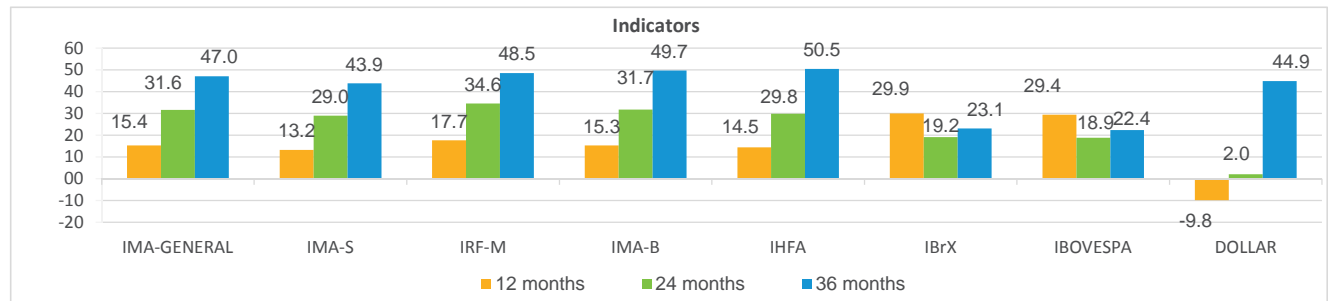
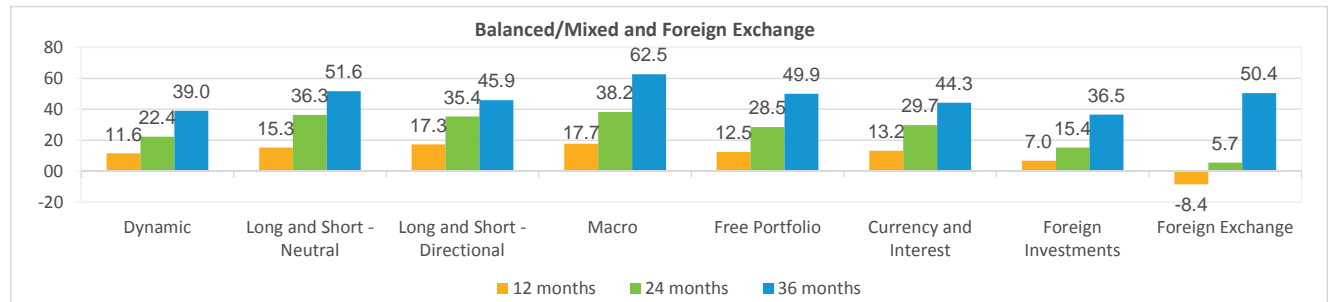
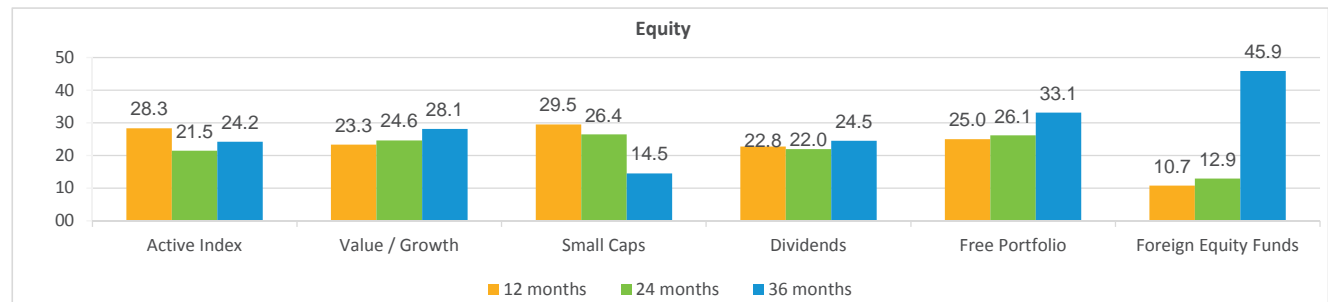
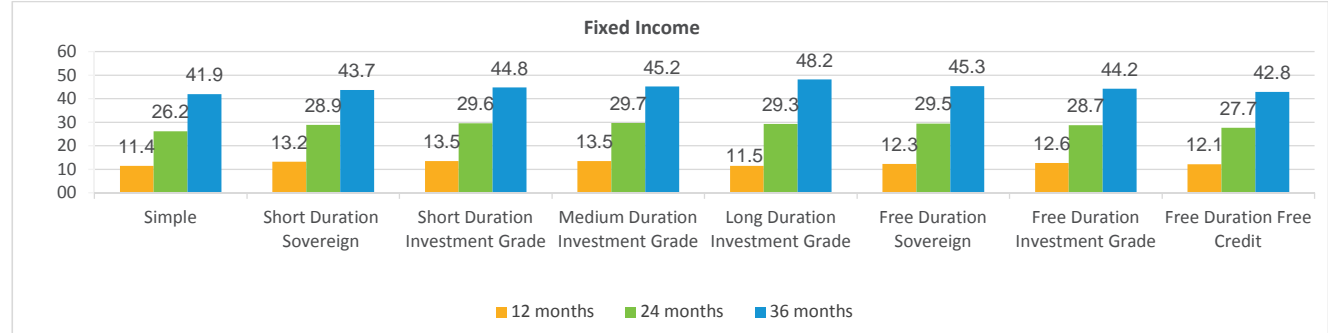
* The figures given are for the stock on the last day of the reporting period.

** 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	%	
	May	Year
Fixed Income Simple (1)	0.78	4.11
Fixed Income Short Duration Sovereign (1)	0.92	4.79
Fixed Income Short Duration Investment Grade (1)	0.94	4.89
Fixed Income Mid Duration Investment Grade (1)	0.90	4.93
Fixed Income Long Duration Investment Grade (1)	0.34	4.15
Fixed Income Free Duration Sovereign (1)	0.57	4.28
Fixed Income Free Duration Investment Grade (1)	0.72	4.64
Fixed Income Free Duration Free Credit (1)	0.79	4.78
Equity Index Enhanced (1)	-3.45	6.31
Equity - Value / Growth (1)	-2.00	7.81
Equity - Small Caps	-1.76	14.93
Equity - Dividends	-3.36	6.38
Equity - Free Portfolio	-3.10	7.05
Foreign Equity Funds (1)	-0.42	6.54
Balanced / Mixed Dynamic (1)	0.13	4.53
Balanced / Mixed Long and Short - Neutral	0.92	4.34
Balanced / Mixed Long and Short - Directional	-0.63	4.59
Balanced / Mixed – Macro	-1.26	4.89
Balanced / Mixed – Free Portfolio	-0.16	4.68
Balanced / Mixed – Currency and Interest	0.58	4.76
Balanced / Mixed – Foreign Investments (1)	0.00	4.20
Foreign Exchange	2.04	0.55
Indicators	%	
	May	Year
IMA-GENERAL	0.01	5.69
IMA-S	0.95	4.86
IRF-M	0.30	6.80
IMA-B	-1.19	5.28
IHFA	-1.00	3.93
CDI	0.93	4.84
CDI 30 X 30	0.93	4.85
IBrX	-3.66	5.10
IBOVESPA	-4.12	4.12
DOLLAR	1.42	-0.47

(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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