

Fund industry profitability reflects asset appreciation during the month

The stock market appreciated strongly in March, when the Ibovespa moved up by 16.97%, the highest monthly upturn since October 2002. **The Equity funds category has reflected this movement, especially the FMP-FGTS, Single Equity and Sector types, which generated respective returns of 36.51%, 34.56% and 17.27%, and whose portfolios are either exclusively or mostly made up of Vale and Petrobras shares.** The Ibovespa Indexed (15.57%) and Ibovespa Active (11.45%) types also presented double-digit returns.

The fixed income market also performed extremely well, with the IMA-General recording the series' second highest upturn, 3.42%, and the IMA-B increasing by 5.31%, the biggest variation since August 2011. **This excellent result impacted the Fixed Income funds, especially those with longer duration portfolios, which benefited from the decline in future interest rates. Consequently, as in February, the Long Duration Sovereign type was the best performer in this category, with returns of 4.40%, followed, among**

those funds with significant AuM, by the Indexed type, with returns of 2.37%. In the first quarter alone, these funds recorded accumulated variations of 8.42% and 5.75%, respectively. In the Balanced / Mixed category, the best performers were the Long and Short Neutral and Balanced types, which posted respective returns of 2.79% and 2.52% in March.

The industry recorded substantial net sales of R\$19.9 billion in the month, concentrated in the Fixed Income category. However, this was not the result of a general move towards these funds, being heavily influenced by net inflow of R\$23.2 billion into a single fixed income fund in the Corporate segment.

Fixed Income Long Duration Sovereign x IMA-General (%)



Highlight of the Month

Fueled by the reduction in long-term interest rates since January, the Long Duration Sovereign funds recorded the highest upturn in the Fixed Income category for the second consecutive month, with year-to-date returns of 8.42%. Created in 2015 in accordance with ANBIMA's new classification and with estimated profitability based on the current fund sample, these funds' returns exceed the IMA-General in different time frames. With AuM of R\$22.5 billion, their portfolios should have a weighted average duration equal to or more than that registered by the IMA-General on the last business day of June (June 29, 2015). In addition, their portfolios must consist entirely of federal government bonds.

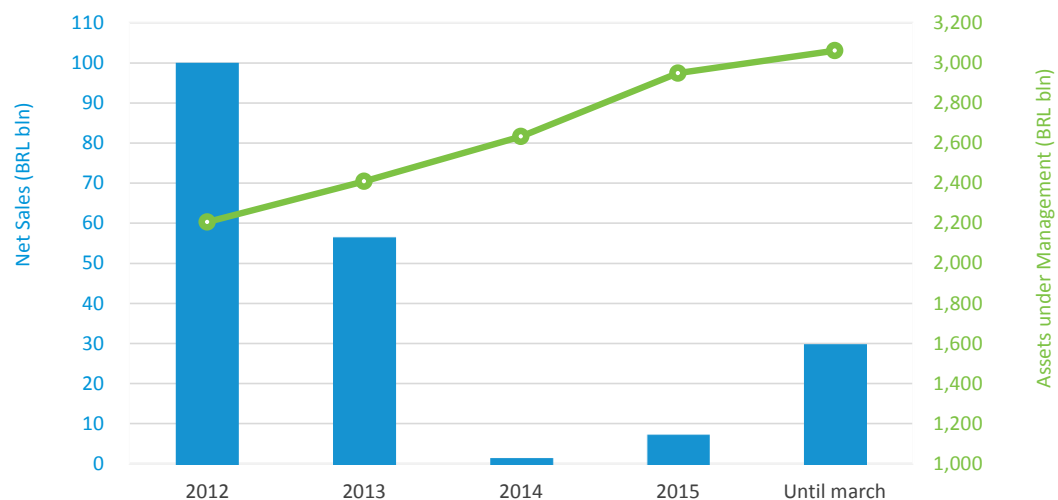
The Fund Industry in Numbers - March/2016

Domestic Market						
	Month	Year		12M		
Accumulated Net Sales (R\$ billion)	19.9	30.0		36.9		
Sales (R\$ billion)	359.0	1,035.7		4,304.8		
Redemptions (R\$ billion)	339.0	1,005.7		4,267.9		
Net Sales as % of AuM *	0.66	1.02		1.35		
	Mar/16	% Chg. - M	Dec/15	% Chg. - Year	Mar/15	% Chg. - 12M
Assets under Management (R\$ billion)	3,060.9	1.65	2,948.7	3.80	2,726.6	12.26
Number of Funds	14,507	-0.01	14,506	0.01	14,219	2.03
Investment Funds	9,085	0.00	9,064	0.23	8,472	7.24
Funds of Funds	5,422	-0.04	5,442	-0.37	5,747	-5.66
Net Balance (beginning - end)	0		36		-31	
Number of Accounts	11.6	-1.06	11.7	-0.75	11.6	-0.17
Investment Funds	2.0	-6.56	2.1	-3.91	2.0	-0.19
Funds of Funds	9.6	0.19	9.6	-0.06	9.6	-0.17
Off - Shore **						
Assets under Management (R\$ billion)	39.4		45.2	-12.97	68.3	-42.4
Number of Funds	120		133	-9.77	134	-10.45
Industry Total						
Assets under Management (R\$ billion)	3,100.3	1.62	2,994.0	3.55	2,795.0	10.92
Number of Funds	14,627	-0.01	14,639	-0.08	14,353	1.91
Number of Administrators	106		103		102	
Number of Managers	551		550		544	

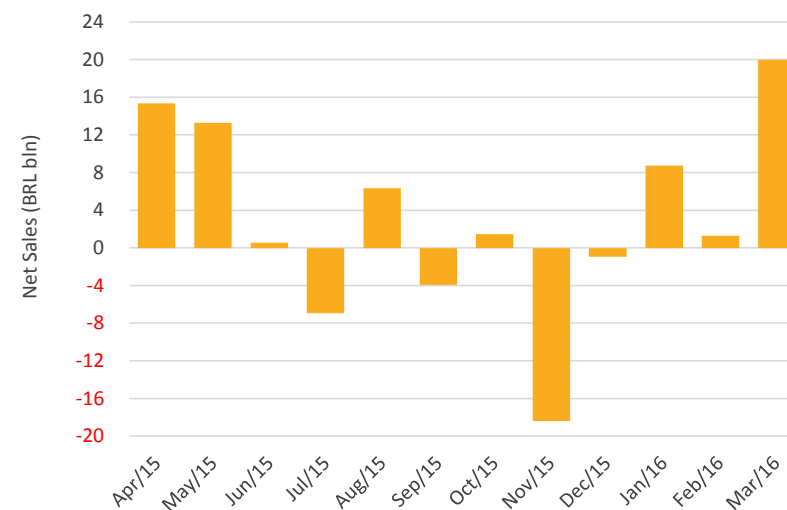
* Net sales as % of AuM is calculated using AuM on the last business day of the previous period.

** Off-Shore figures as of february/2014

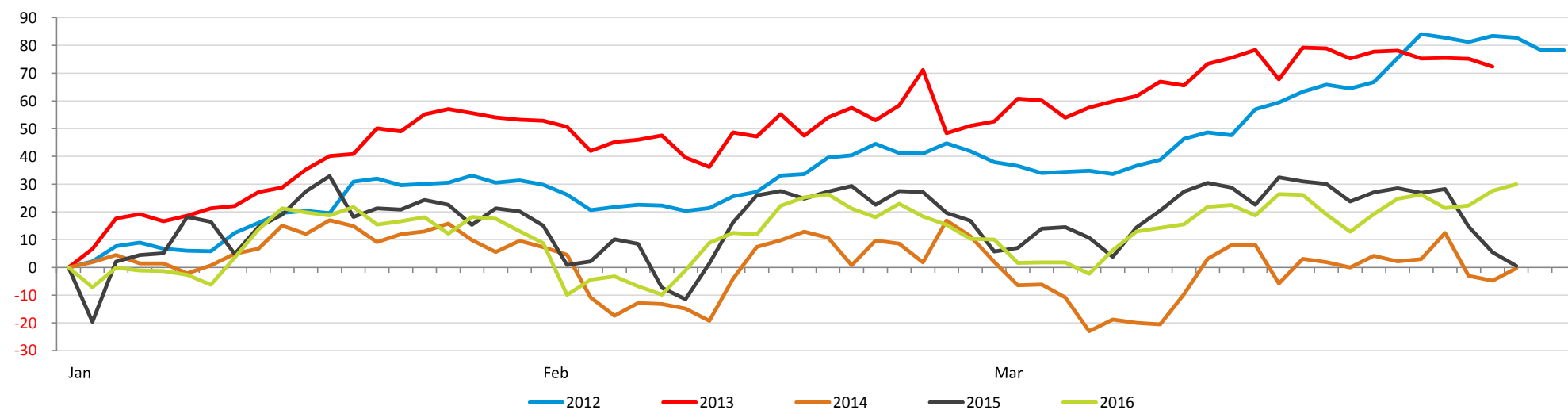
Fund Industry - Domestic Market

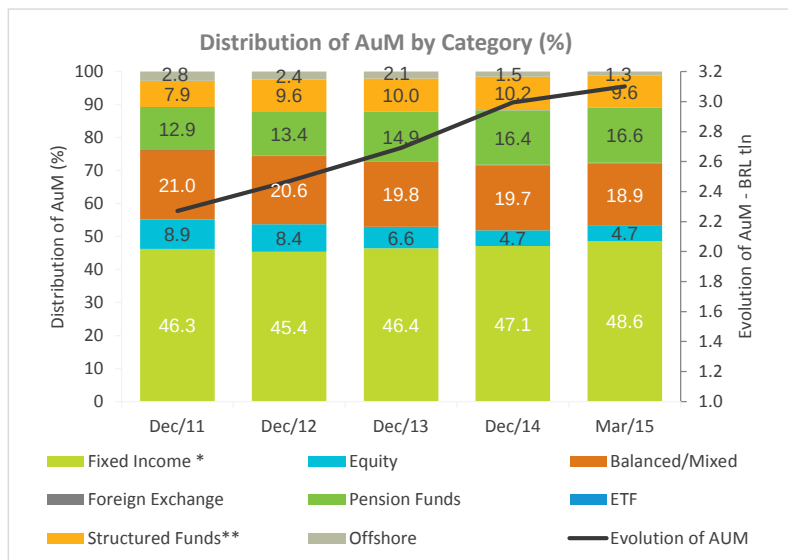


Fund Industry - Domestic Market



Accumulated Net Sales until march - BRL bln



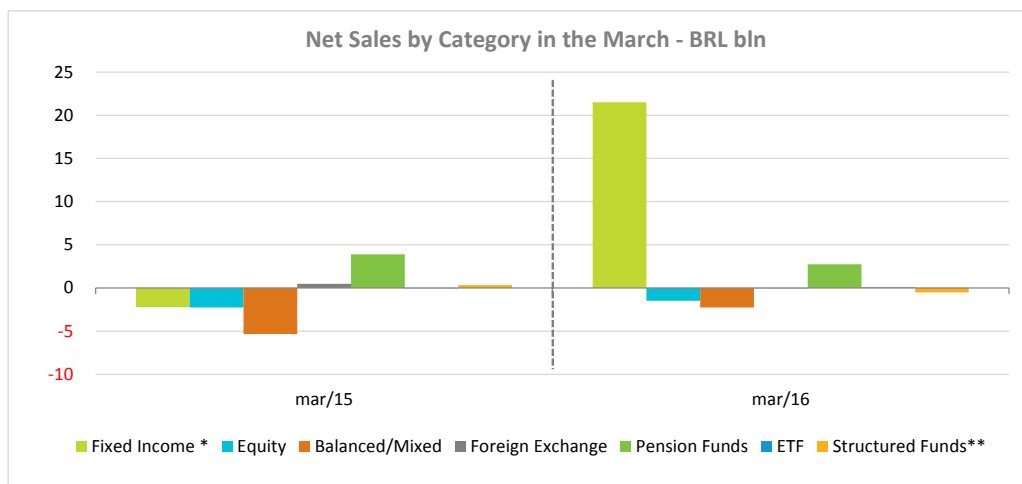
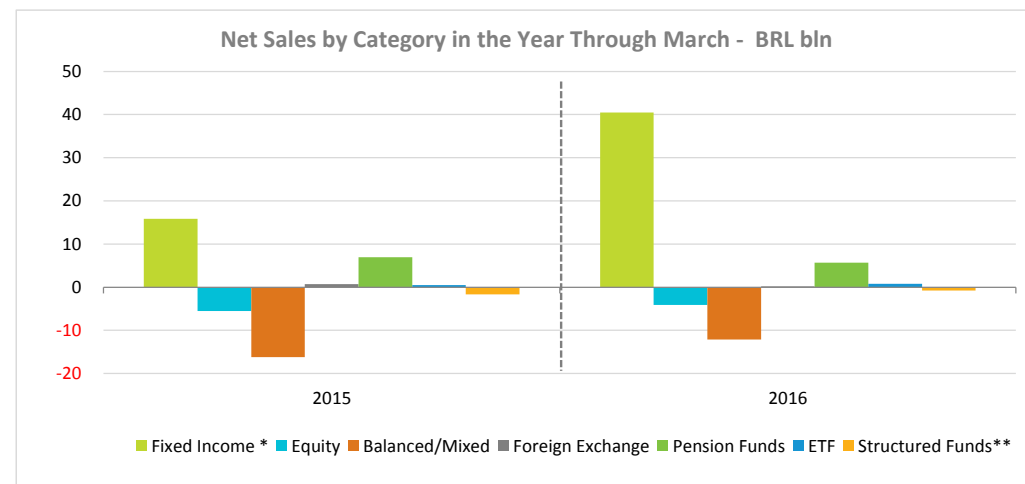


ANBIMA Category	Net Sales - BRL bln					Year to march			
	AuM	Sales	Redemptions	Net Sales	Net Sales % of AuM	Sales	Redemptions	Net Sales	Net Sales % of AuM
Fixed Income	1,506.8	303.2	281.7	21.5	1.47	869.8	829.4	40.5	2.87
Equity	144.9	1.5	3.0	-1.5	-1.09	5.7	9.8	-4.1	-2.94
Balanced/Mixed	585.9	24.3	26.6	-2.3	-0.38	74.8	86.9	-12.1	-2.05
Foreign Exchange	6.0	0.9	1.0	0.0	-0.71	2.2	2.1	0.2	2.61
Pension Funds	514.2	13.7	10.9	2.7	0.54	37.3	31.7	5.6	1.15
ETF	4.1	0.3	0.3	0.1	1.83	1.1	0.4	0.8	26.77
Sub Total	2,761.9	344.0	323.5	20.5	0.75	991.0	960.2	30.8	1.15
Credit Receivables	73.3	14.1	15.4	-1.3	-1.78	41.8	44.7	-2.9	-3.88
Real Estate	168.3	0.9	0.1	0.8	0.46	2.9	0.8	2.1	1.23
Private Equity	57.4	-	-	-	-	-	-	-	-
Sub Total	299.0	15.0	15.6	-0.5	-0.18	44.7	45.5	-0.8	-0.26
Domestic Total	3,060.9	359.0	339.0	19.9	0.66	1,035.7	1,005.7	30.0	1.02
Off Shore	39.4	-	-	-	-	-	-	-	-
Industry Total	3,100.3	359.0	339.0	19.9		1,035.7	1,005.7	30.0	

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.

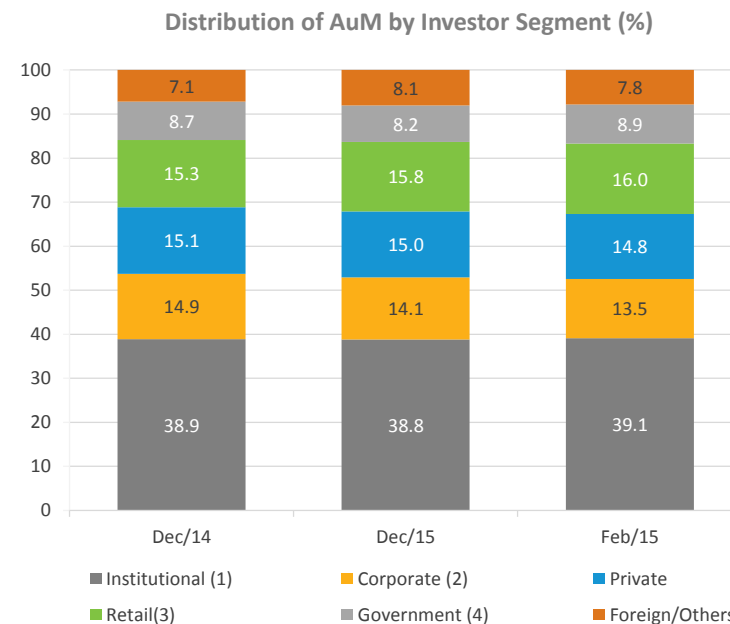
** Credit receivables, Real Estate and Private Equity.



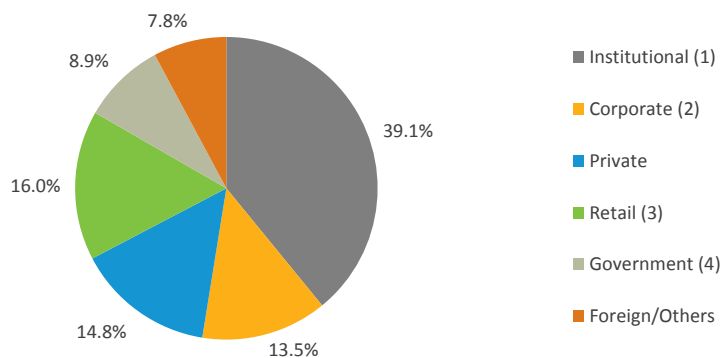
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** Credit receivables and Private Equity.

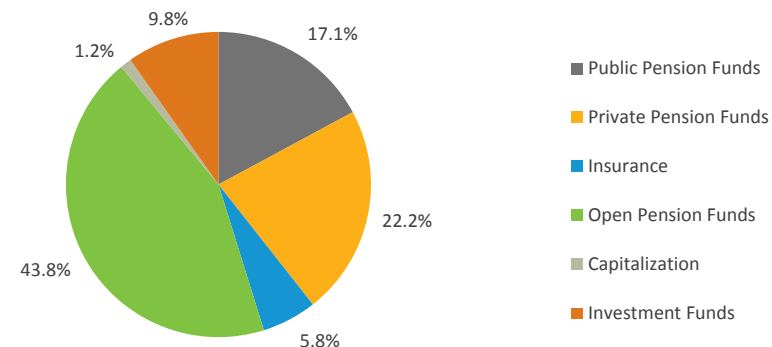
AuM Distribution BRL bln - Feb/16 *								
ANBIMA Category	Institutional ⁽¹⁾	Corporate ⁽²⁾	Private	Retail ⁽³⁾	Government ⁽⁴⁾	Foreign	Others	Total
Fixed Income	385.2	259.7	120.7	425.9	251.2	3.5	16.4	1,462.5
Equity	78.3	1.3	34.4	12.6	3.1	0.5	6.6	136.8
Balanced/Mixed	169.6	71.2	240.8	30.9	10.2	28.0	41.9	592.5
Foreign Exchange	0.3	2.3	1.6	2.3	0.1	0.0	0.1	6.7
Pension Funds	503.8	0.0	0.0	0.5	0.0	0.0	0.3	504.7
ETF	0.9	0.0	0.0	0.2	0.0	0.0	2.4	3.5
Sub Total	1,138.2	334.5	397.4	472.3	264.4	32.0	67.7	2,706.6
Credit Receivables	16.1	43.0	5.7	2.5	2.2	2.4	2.4	74.3
Real Estate	32.1	23.3	35.0	3.5	2.0	61.3	9.4	166.8
Private Equity	3.6	9.1	11.4	8.2	0.9	1.5	22.5	57.1
Sub Total	51.8	75.3	52.1	14.2	5.1	65.2	34.4	298.2
Off Shore	0.0	0.0	0.1	0.1	0.0	37.3	1.9	39.4
Total	1,189.9	409.9	449.6	486.6	269.6	134.5	104.0	3,044.3



Distribution of AuM by Investor Segment %



Distribution of AuM by Institutional Investors %



Obs.: (1) Closed Pension Funds , Open Pension Funds, Insurance Companies, Capitalization, Investment Funds; (2) Corporate and Middle Market ;(3) Retail and Retail High Net Worth; (4) Government and Public Pension Funds

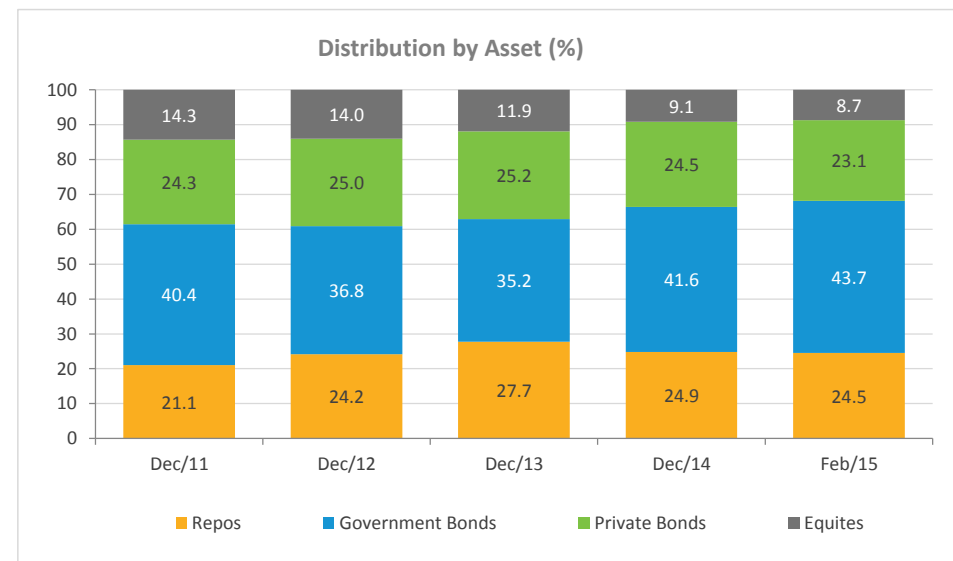
* The figures given are for the stock on the last day of the reporting period

AuM and Net Sales by Asset

Investment Funds | Reports

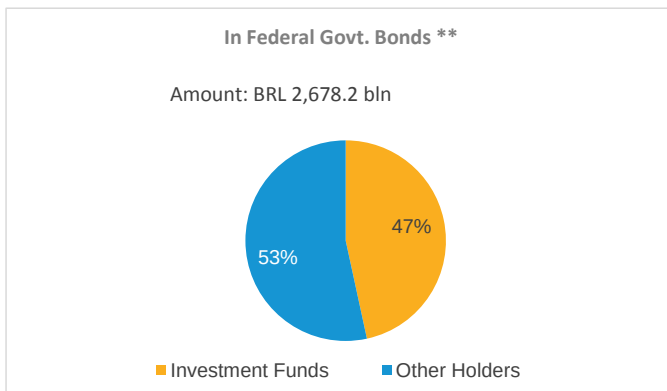
AuM Distribution by Asset (BRL bln) - Feb/2016 *						
Asset	Feb/2016	% Chg. Month	Dec/2015	% Chg. Year	Feb/2015	% Chg. 12M
Fixed Income	2,608.8	1.15	2,547.7	2.40	2,308.4	13.01
Repo Operations	700.3	-2.65	696.9	0.49	747.1	-6.25
Federal Govt. Bonds	1,248.0	4.98	1,164.8	7.14	922.4	35.30
Private Securities	660.4	-1.57	686.0	-3.73	639.0	3.35
CDB/RDB	70.8	1.06	74.8	-5.29	79.7	-11.15
Financial Bills	321.1	-0.06	323.1	-0.62	275.6	16.50
Collateral Time Deposits (DPGE)	10.8	0.85	11.0	-1.56	14.6	-26.18
Debentures	85.6	-1.95	91.1	-5.97	90.5	-5.35
Commercial Papers	0.8	1.25	0.8	2.13	8.3	-90.13
CCB/CCCB	1.7	-2.11	1.8	-6.29	2.6	-34.71
Credit Receivables	37.9	-14.56	43.0	-11.97	36.1	4.84
Real Estate Sec.	58.4	-0.82	61.3	-4.69	56.7	3.15
Others	40.7	-3.33	45.6	-10.71	54.3	-25.00
Variable Income	248.4	0.71	255.3	-2.71	302.7	-17.94
Equities	232.6	1.45	237.9	-2.24	298.6	-22.11
Options	18.3	-13.59	21.4	-14.27	1.6	1,050.97
Others	-2.5	-33.80	-4.0	-36.63	2.4	-204.24
Total	2,857.1	1.11	2,803.0	1.93	2,611.1	9.42

Source: ANBIMA

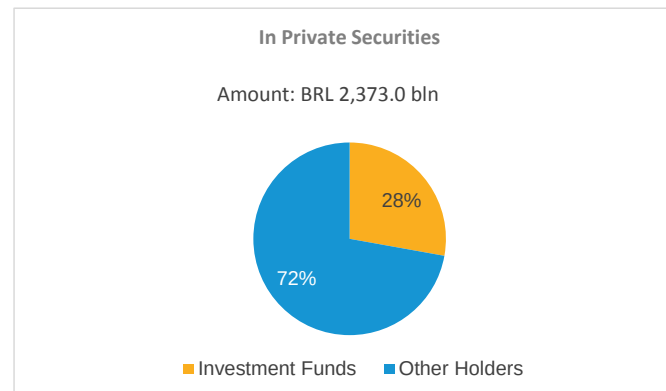


Source: ANBIMA

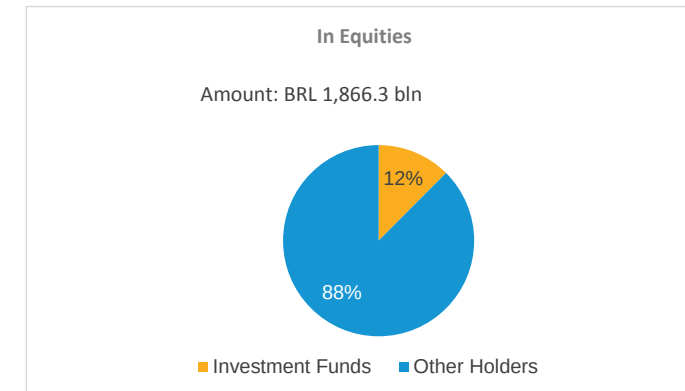
% Retained by Fund Industry in Feb/16



Source: ANBIMA and Nat. Treasury.



Source: ANBIMA and CETIP



Source: ANBIMA and BM&FBovespa

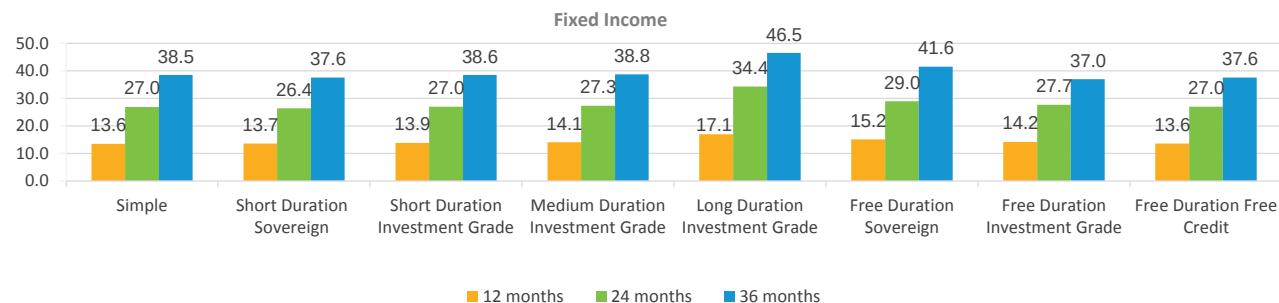
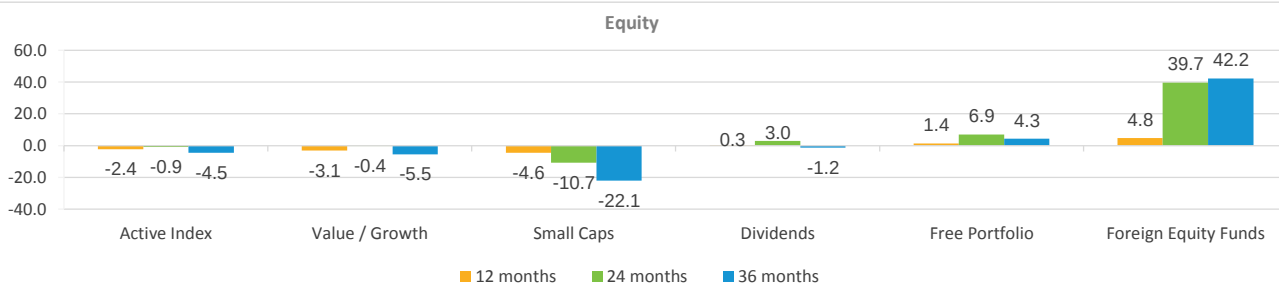
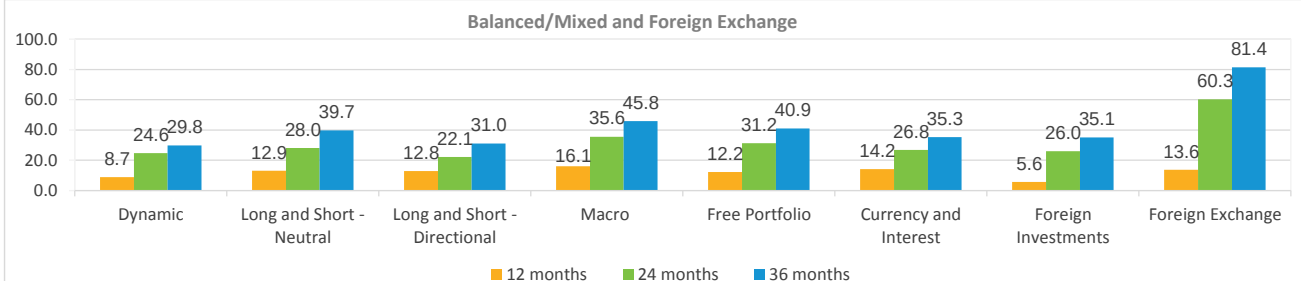
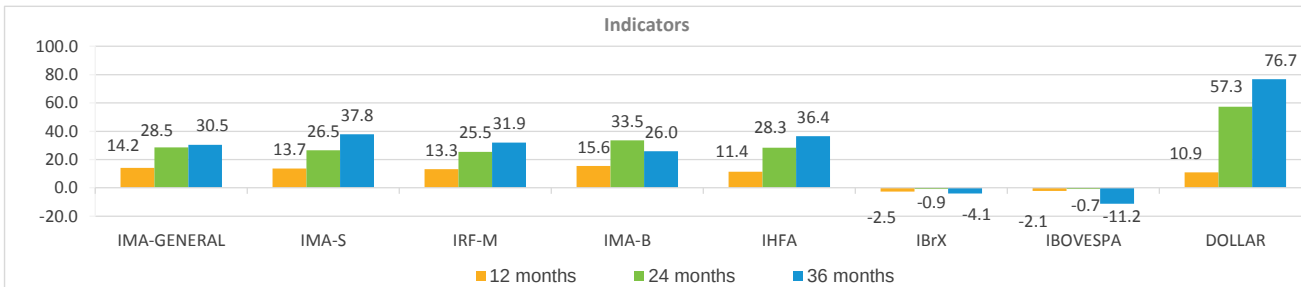
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** Excludes Repo Transactions. Federal Govt. Bonds, plus the Repo Operations backed by those securities in Investment Funds Portfolio is equivalent to 73% of the outstanding Federal Govt. Bonds

Returns		
ANBIMA Types	%	
	March	Year
Fixed Income Simple (1)	1.17	3.24
Fixed Income Short Duration Sovereign (1)	1.16	3.25
Fixed Income Short Duration Investment Grade (1)	1.16	3.25
Fixed Income Mid Duration Investment Grade (1)	1.16	3.32
Fixed Income Long Duration Investment Grade (1)	2.23	5.54
Fixed Income Free Duration Sovereign (1)	1.36	4.06
Fixed Income Free Duration Investment Grade (1)	1.31	3.80
Fixed Income Free Duration Free Credit (1)	1.19	3.48
Equity Index Enhanced (1)	11.45	10.58
Equity - Value / Growth (1)	8.27	8.61
Equity - Small Caps	5.43	4.86
Equity - Dividends	8.50	8.71
Equity - Free Portfolio	7.28	6.76
Foreign Equity Funds (1)	1.54	-1.76
Balanced / Mixed Dynamic (1)	1.60	2.88
Balanced / Mixed Long and Short - Neutral	2.79	4.94
Balanced / Mixed Long and Short - Directional	1.58	3.14
Balanced / Mixed – Macro	0.62	3.27
Balanced / Mixed – Free Portfolio	0.11	2.85
Balanced / Mixed – Currency and Interest	1.36	3.81
Balanced / Mixed – Foreign Investments (1)	-5.32	-4.28
Foreign Exchange	-9.61	-8.87
Indicators	%	
	March	Year
IMA-GENERAL	3.42	7.28
IMA-S	1.12	3.18
IRF-M	3.42	7.95
IMA-B	5.31	9.75
IHFA	-0.40	1.88
CDI	1.16	3.25
CDI 30 X 30	1.16	3.25
IBrX	15.41	13.92
IBOVESPA	16.97	15.47
DOLLAR	-10.57	-8.86

(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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