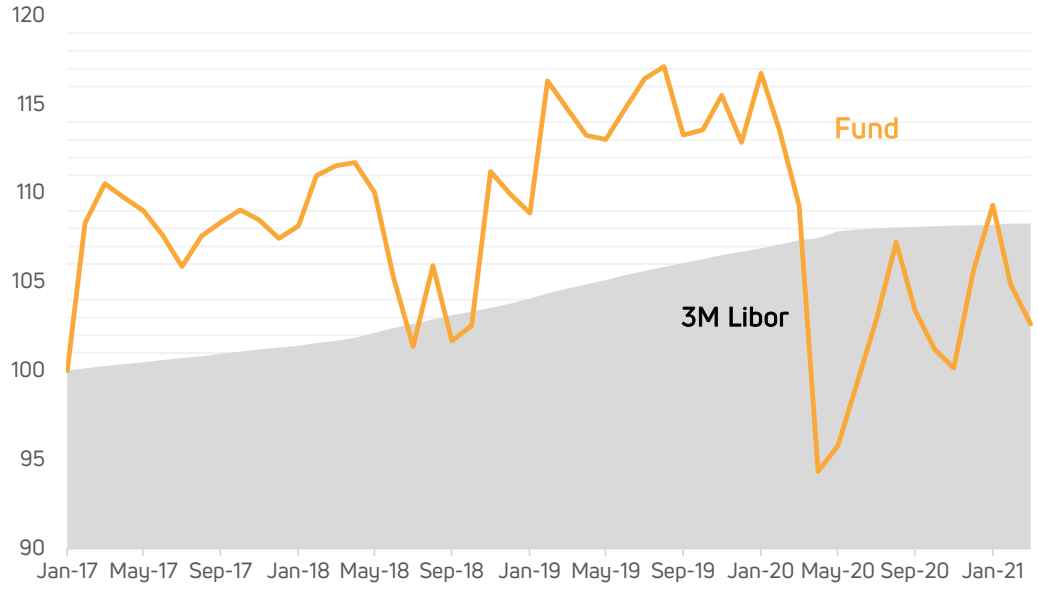
nest total return fund

Monthly Report
March 2021

nest asset management

INVESTMENT STRATEGY

The primary investment objective of the Fund is to achieve long-term capital appreciation through a strategy that combines a top-down sector approach with an in-depth analysis of companies in Brazil. The Fund's investments will be focused on a global basis but with an emphasis in Brazil in a broad range of securities and financial instruments, including but not limited to, stocks, ETFs, bonds, currencies, commodities, futures, swaps, options and other derivative instruments.



MONTHLY COMMENTARY

March was again a positive month for global markets. The S&P ended the month up 4,38%, extending the previous month's gains. Even with the MSCI Emerging Markets remaining apart from this movement and presenting a negative return of -0,73%, the MSCI Brazil managed to end the month up 4,86%, partly recovering the losses from the previous months.

The main theme in the month was the prospect of reflation ,given the progress of vaccinations in the developed economies coupled with the environment of excess liquidity, with the 10-year Treasury rate climbing to 1,70% in the month. Even so, Central Banks in Europe, Asia, and the US reinforced their expansionist policies and signaled continuity of the stimulus ahead. On the fiscal area, the American infrastructure package is still under discussion, which will possibly be financed through increasing taxes.

On the local market, in addition to the political noises generated by a worsening of the covid numbers and the change of the minister of health for the fourth time in less than one-year, fiscal noises also followed throughout the month with the handling of the emergency PEC and the possible increases in the government budget. On the monetary policy front, the Brazilian Central Bank increased interest rates from the historical low, with a larger than expected 0,75% increase in the SELIC rate and indicating an increase of equal magnitude in the following meeting citing concern with inflation expectations and a higher fiscal risk.

The fund had a positive return for the month, in line with the market's performance, driven by the directional positions. The trading book obtained a slightly positive return. We continue with the fund's net exposure slightly above neutral (25%), given that the environment of excess liquidity remains and the local market trades at relatively attractive multiples.

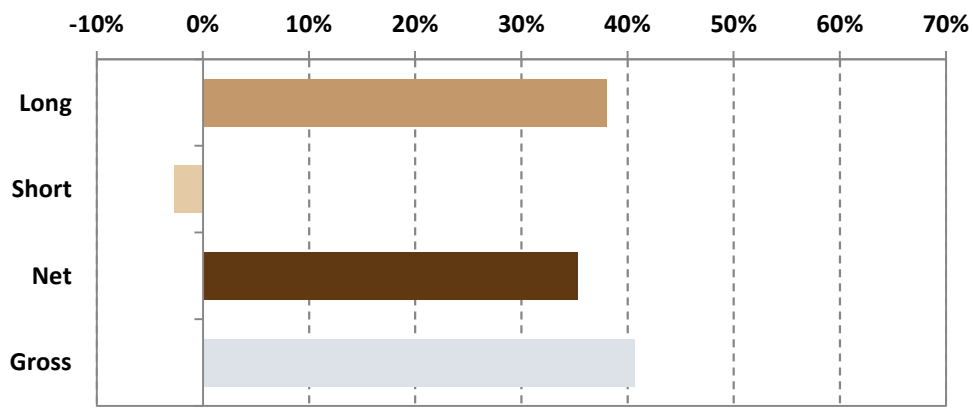
PERFORMANCE

	FUND	LIBOR	EWZ
Month	**0,38%**	**0,03%**	**4,95%**
YTD	-5,75%	0,09%	-9,68%
6M	14,96%	10,26%	21,26%
12M	9,22%	0,81%	42,29%
24M	-8,76%	3,31%	-18,32%
Since Inception	3,03%	10,35%	-2,84%

STATISTICS

Annualized Volatility	12,45%	35,37%
Largest Drawdown	-12,61%	-29,33%
Positive Months	26	25
Negative Months	25	26
Average Net Exposure	31,95%	

EXPOSURE



SECTOR ATTRIBUTION

	Exposure	Contribution
Index	28,52%	0,35%
Mining	3,83%	0,11%
Pulp & Paper	1,68%	-0,05%
Other	1,22%	0,12%

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2017	8,30%	2,05%	-0,71%	-0,66%	-1,25%	-1,65%	1,61%	0,72%	0,66%	-0,51%	-0,97%	0,65%	8,14%
2018	2,63%	0,49%	0,16%	-1,51%	-4,37%	-3,67%	4,50%	-4,00%	0,84%	8,46%	-1,14%	-0,98%	0,67%
2019	6,84%	-1,33%	-1,31%	-0,22%	1,50%	1,51%	0,60%	-3,30%	0,25%	1,71%	-2,30%	3,46%	7,24%
2020	-2,72%	-3,77%	-13,68%	1,53%	3,62%	3,66%	4,25%	-3,59%	-2,11%	-1,04%	5,46%	3,52%	-6,36%
2021	-4,10%	-2,09%	0,38%										-5,75%

FUND DETAILS

Legal Structure	LLC
Fund Domicile	Bahamas
Bloomberg Ticker	NESTTRU Equity
Investment Manager	Nest Asset Management
Auditor	T.B.D
Banker & Custodian	Credit Suisse - Nassau Branch - WM The Bahamas Financial Centre, 4th floor Shirley & Charlotte Streets P.O. Box N-4801 Nassau, The Bahamas
Inception Date	January 1, 2017
Management Fee	2,00% p.a.
Performance Fee	20% of what exceeds 3M Libor, with high water mark
Min. Investment	100,000 USD
Redemptions	Monthly
Administrator & RTA	Credit Suisse, Nassau Branch - Wealth Management The Bahamas Financial Centre, 4th floor Shirley & Charlotte Streets P.O. Box N-4801 Nassau, The Bahamas Email : fundsops.csnb-wm@credit-suisse.com Tel : +1 242 302 6360