

Market Update: February

International:

The month was marked by two major themes in financial markets: the increase in geopolitical tensions, culminating in the attacks on Iran, and a portfolio rotation driven by advances in artificial intelligence. Investors sold software and technology-related equities (“asset light”) and increased exposure to companies in energy, commodities, real estate, and industrial sectors (“asset heavy”).

Although the volatility shock observed in early March made the outlook somewhat more uncertain — triggering a flight to safety and strengthening of the U.S. dollar — throughout February the combination of these factors led to a meaningful flow of capital into non-U.S. assets. This movement favored equities in emerging markets, their currencies, and gold, in a pattern similar to what was observed during 2025. We believe this trend could persist for some time, particularly if the conflict in the Middle East moves away from more extreme scenarios.

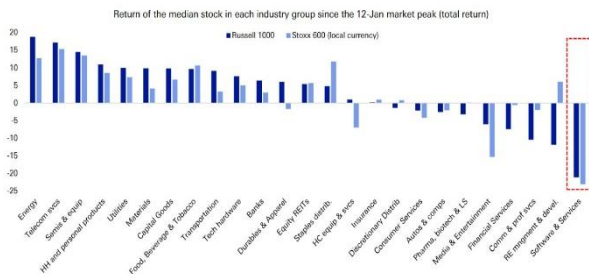


Figure 1) Portfolio rotation – Chart showing sector performance since Jan 12 in the United States (Russell 1000) and Europe (Stoxx 600), highlighting the decline in software and services. Source: DB.

In the **United States**, the tariff landscape changed significantly after the Supreme Court struck down the import tariffs previously imposed by Trump. In response, the administration announced a new global tariff of 15%, valid until July, which keeps uncertainty at elevated levels. The economy continued to show moderate growth, while the labor market delivered mixed signals: job creation remained robust, but some leading indicators pointed to a marginal slowdown in labor demand. At the same time, inflation data remain relatively elevated at the margin and could face additional

pressure if fuel prices continue to rise, reinforcing the Federal Reserve’s cautious stance.

In **Europe**, the economic environment remained relatively stable. Inflation stayed close to the European Central Bank’s target, while activity indicators pointed to moderate growth, supported mainly by the services sector. The STOXX 600 index posted its eighth consecutive monthly gain — something not seen since 2013 — driven by the rebalancing of global portfolios, which have been reducing their relative exposure to the United States.

In **Asia**, the Lunar New Year limited the release of economic indicators in China, and the main highlight came from the Japanese market. The Nikkei index reached new all-time highs in February, reflecting the continuation of corporate governance reforms and a still favorable environment for corporate earnings. In contrast, Indian markets continued to underperform, pressured by higher energy prices and a global shift away from service-intensive sectors that may be more vulnerable to advances in artificial intelligence.

Domestic

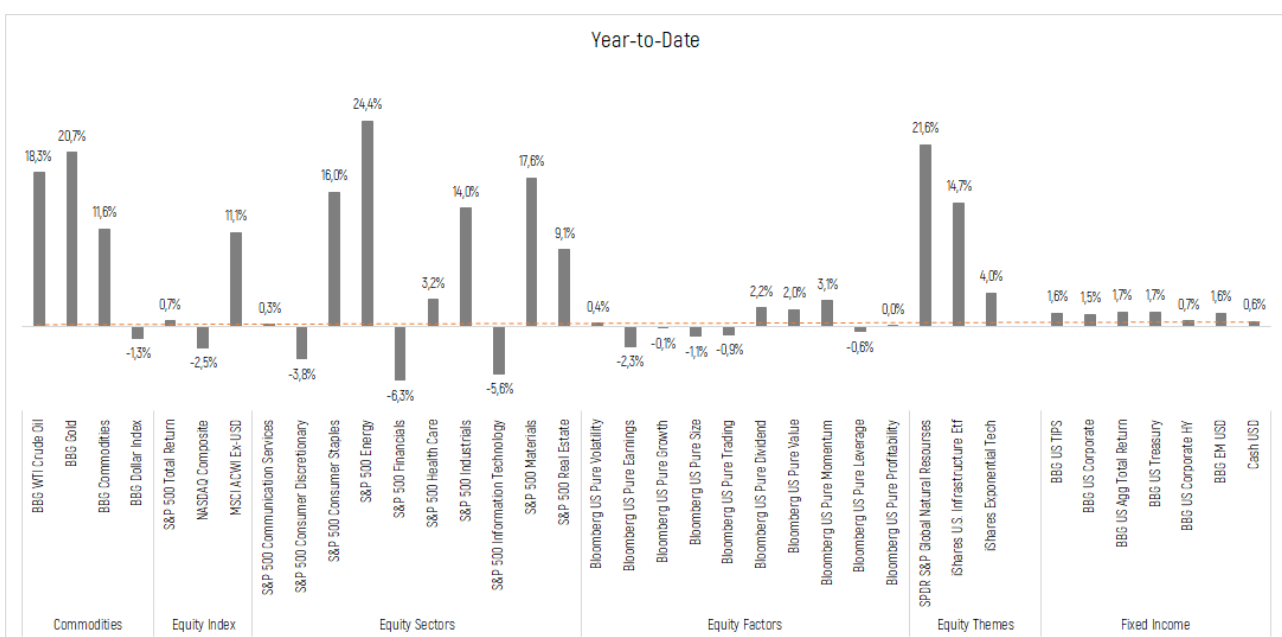
In **Brazil**, the favorable external backdrop and currency appreciation helped improve the inflation outlook and created room for the start of the interest rate cutting cycle in March. In February, the country consolidated its position as one of the main destinations for the global “value” flows leaving technology companies, supported by the strong exposure of the local equity market to commodities.

The electoral theme was once again pushed into the background, squeezed between global capital flows and news related to the collapse of Banco Master and its repercussions in Brasília.

Economic data showed that activity in the fourth quarter of 2025 and early 2026 surprised to the upside, suggesting a stronger economy than previously anticipated. January’s IPCA inflation (0.33%) came in line with projections, maintaining expectations that annual inflation will end the year below 4%. This represents a relatively benign — and even

surprising — combination after many months of real

Global Assets	1m	3m	6m	12m	24m	36m
Commodities						
BBG WTI Crude Oil	3,46%	16,67%	9,97%	10,31%	13,46%	26,13%
BBG Gold	10,91%	23,54%	49,71%	82,35%	150,50%	178,81%
BBG Commodities	1,10%	11,22%	20,64%	23,30%	37,61%	32,18%
BBG Dollar Index	-0,07%	-2,50%	-1,12%	-8,53%	-4,53%	-5,36%
Equity Index						
S&P 500 Total Return	-0,76%	0,74%	7,12%	16,99%	38,53%	80,71%
NASDAQ Composite	-3,38%	-2,99%	5,65%	20,27%	40,87%	97,88%
MSCI ACWI Ex-USD	4,91%	14,32%	20,27%	36,42%	45,87%	59,75%
Equity Sectors						
S&P 500 Communication Services	-5,14%	-0,81%	13,26%	30,00%	66,44%	161,37%
S&P 500 Consumer Discretionary	-5,42%	-3,16%	-0,28%	7,12%	24,88%	64,14%
S&P 500 Consumer Staples	7,87%	13,71%	13,06%	9,23%	27,10%	33,44%
S&P 500 Energy	8,77%	24,54%	24,58%	23,95%	30,92%	34,03%
S&P 500 Financials	-3,83%	-3,59%	-4,77%	-1,51%	27,42%	43,97%
S&P 500 Health Care	3,42%	1,68%	16,66%	7,50%	10,55%	25,95%
S&P 500 Industrials	6,97%	15,33%	16,63%	29,94%	46,45%	75,80%
S&P 500 Information Technology	-3,98%	-5,88%	2,50%	21,63%	43,13%	125,41%
S&P 500 Materials	8,27%	19,99%	15,66%	21,05%	22,65%	31,25%
S&P 500 Real Estate	6,23%	6,10%	4,97%	2,69%	13,42%	16,09%
Equity Factors						
Bloomberg US Pure Volatility	-0,27%	0,74%	1,14%	5,15%	6,21%	7,35%
Bloomberg US Pure Growth	-0,38%	-0,84%	-3,52%	-2,72%	0,10%	0,53%
Bloomberg US Pure Size	-0,39%	-0,76%	1,06%	3,62%	6,09%	12,37%
Bloomberg US Pure Dividend	0,10%	2,00%	0,68%	-0,52%	0,26%	-1,17%
Bloomberg US Pure Value	1,24%	3,19%	2,30%	5,07%	2,72%	3,02%
Bloomberg US Pure Momentum	0,96%	2,81%	6,20%	9,97%	15,91%	23,85%
Equity Themes						
SPDR S&P Global Natural Resources	10,86%	25,68%	32,15%	48,82%	52,07%	46,48%
iShares U.S. Infrastructure Etf	7,69%	13,06%	17,15%	32,10%	53,57%	67,90%
iShares Exponential Tech	0,18%	4,75%	14,32%	27,82%	31,93%	55,60%
Fixed Income						
BBG US TIPS	1,31%	1,21%	2,20%	5,06%	11,75%	14,56%
BBG US Corporate	1,29%	1,27%	3,86%	6,58%	13,58%	20,36%
BBG US Agg Total Return	1,64%	1,60%	3,99%	6,26%	12,43%	16,17%
BBG US Treasury	1,82%	1,39%	3,51%	5,32%	10,53%	13,06%
BBG US Corporate HY	0,19%	1,27%	2,84%	7,18%	18,00%	31,01%
BBG EM USD	1,22%	2,02%	5,18%	9,90%	20,53%	30,07%
Cash USD	0,28%	0,93%	1,98%	4,24%	9,64%	15,55%



interest rates close to 10%.

Brasil	1m	3m	6m	12m	24m	36m
Pós-Fixado						
Brazil CETIP DI Rate Accumulat	1,18%	3,48%	7,31%	14,49%	26,99%	43,34%
Anbima IMA-S	1,18%	3,51%	7,39%	14,64%	27,53%	44,19%
Anbima Debentures Index IDA DI	1,36%	3,71%	7,25%	15,80%	30,51%	49,49%
Prêmio de Crédito	0,19%	0,23%	-0,06%	1,15%	2,77%	4,29%
Pré-Fixado						
Anbima IRF-M 1	1,20%	3,47%	7,38%	14,68%	26,08%	42,41%
Anbima IRF-M	1,96%	3,98%	8,50%	17,51%	21,96%	41,86%
Anbima IRF-M 1+	2,28%	4,20%	9,06%	18,77%	19,88%	41,91%
Indexado Inflação						
Anbima IMA-B 5	1,20%	3,26%	6,25%	10,91%	19,15%	32,65%
Anbima IMA-B	1,00%	3,38%	5,90%	13,09%	12,01%	29,41%
Anbima IMA-B5+	0,84%	3,46%	5,58%	14,66%	6,79%	27,10%
Anbima Debentures Index ID	3,06%	4,73%	8,48%	17,80%	22,27%	42,54%
Prêmio de Crédito (s/ média B5 e B)	1,93%	1,37%	2,27%	5,18%	5,78%	8,78%
Inflação IPCA*	0,33%	0,60%	1,24%	4,26%	9,30%	14,35%
Imobiliário						
Bovespa Real Est In Fund	2,27%	7,44%	12,36%	27,82%	15,82%	36,86%
Hedge Funds*						
Anbima Hedge Funds Index	2,23%	4,20%	9,77%	16,88%	25,10%	34,75%
Renda Variável						
BRAZIL IBOVESPA INDEX	12,56%	21,28%	36,29%	43,79%	41,97%	59,89%
BOVESPA Dividend Index	10,56%	18,13%	30,25%	38,85%	45,03%	67,63%
BM&FBOVESPA Small Cap	10,15%	12,61%	21,61%	35,68%	15,49%	22,82%
BRAZIL Financial Index	14,87%	22,26%	38,21%	51,54%	50,89%	90,98%
BOVESPA Utilities Index	6,07%	16,26%	42,00%	63,03%	64,95%	95,21%
BM&FBOVESPA REAL ESTATE	12,22%	18,69%	41,59%	75,05%	59,62%	109,19%
BM&FBOVESPA Consumption	7,27%	11,39%	22,98%	34,76%	15,98%	10,47%
BOVESPA INDUSTRIAL INDEX	6,25%	15,17%	23,02%	21,33%	49,99%	56,55%
BOVESPA Basic Mat Index	8,62%	17,80%	30,82%	21,41%	18,24%	8,34%
BRAZIL ELECTRIC.ENERGY IX	2,61%	12,67%	30,64%	54,89%	39,00%	61,03%
FX						
USD-BRL Carry Return	-4,65%	-4,41%	-10,37%	-17,82%	-7,54%	-15,19%

