Vista Multiestratégia Fund and Vista Hedge Fund registered returns of -6.35% and -1.45% respectively in March and -11.09% and -1.84% respectively in 2023.

In March, the funds' main positions - oil and the relative position of Brazilian equities - were responsible for the losses.

Both exposures were reduced almost in their entirety, given the potential change in the fundamentals and our perception of increased uncertainties associated with the global scenario, themes explored throughout the letter.

The funds continue to have a reduced risk utilization limit of 50% of the total, in accordance with our risk management policy. The actual usage is being constantly reassessed and is now significantly reduced.

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Oil

The long position in oil was present in the fund's portfolio for approximately four years. Translated into different assets and instruments over this period, the result of the position between 2019 and 2023 was positive in all years, except for current period elapsed[1].

Initially implemented in 2019, the thesis main foundation was a likely disappointment in the expectations about the supply of U.S. oil, the shale oil. The production of 12 million U.S. barrels a day, which accounted for 12% of the total consumed and produced in the world early in 2019, would only find its operating breakeven point with the barrel price close to the amounts traded at the time, of $60 to $70 U.S. Dollars per barrel. We saw this threshold as a marginal price for the commodity in the medium term, unless there was supply from another producer who could fill the gap left by American production.

Although far from presenting satisfactory returns on invested capital, at the end of 2018 the U.S. was producing 12 million barrels of oil equivalents per day and the IEA projections, in the base scenario at that time, indicated a production growth up to 2024 of 3.6 million barrels per day.

Our difficulty in predicting the demand as well as the low visibility of the supply of US ex-shale oil made the position initially a satellite risk allocation in the portfolio. During the process of due diligence and in-depth analysis around the thesis, some points of visibility were imperative: (i) the development of renewable energy, which would prove slower than expected, particularly regarding its economic feasibility; (ii) demand in developed countries, which would prove resilient despite economic and

[1] The gross nominal result for the Vista Multiestratégia Master FIM of the oil strategy, represented by positions in derivatives linked directly to the price of the commodity and shares of international companies associated with the industry, was +1.8% in 2019, +0.7% in 2020, +26.0% in 2021, +13.60% in 2022 and -7.9% between 12/31/2022 and 03/31/2023.

regulatory incentives to reduce consumption of petroleum products; and (iii) the continued expansion of consumption by emerging countries, still at the early stages of the oil per capita demand curve. These points, together with depreciated prices and the near breakeven of the American shale oil production, have built the necessary safety margin so that the exposure to the thesis would be raised in the funds.

Four years later, American production is virtually stagnant[2]. On the demand side, we noted that in emerging countries the consumption grew by about 2 million barrels per day, and the demand from developed countries was reduced by 1.6 million.

However, the importance of the oil price for the policymakers also proved to be an important variable for the energy market and perhaps our big mistake in the thesis. The U.S. sold 200 million barrels from their strategic reserves (63% of the total) in less than 12 months; the Europeans promoted an ineffective sanction on Russia despite the war in Ukraine; and China emptied Iran's floating reserve. Such moves were unanticipated and possibly deterred a more aggressive rise in short-term prices, despite the 45 million barrel drop in total inventories in 2022, when China was still under the restrictive lockdown and Covid-Zero rules.

Moreover, the movements sustained the long and phased decline in barrel prices back to what appears to be its lower level – $120 in June 2022 to $70 by the time OPEC announced production cuts on April 2nd of this year–, implying losses for the funds' position, which returned some of the gains obtained during the upward trend in the previous months.

* * *

At the end of 2022 and beginning of 2023, a negative factor for demand, which hovered around the distribution of possibilities, came into play: a potentially more significant slowdown in the American economy.

The American banking crisis, which started with the issues at Silicon Valley Bank, will probably not have as main outcome a sequence of bank runs and bank failures, since regulators seem to have acted in a timely, intense, and effective manner.

The effect that dominates our attention at this point is the change in the cost of funding for banks and the developments about the granting of loans. The spotlight is on the low yield of deposits compared to short-term interest rates, and we expect the rise in system costs to negatively impact the supply of loans.

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[2] An increase of 500 thousand barrels per day of production considering the level of December 2018, against projections at the time of growth of over 3 million barrels per day.

“We’ve had a financial system that has been based on the willingness of large numbers of households to earn almost nothing on their money — and I’m not sure that’s going to persist” – Larry Summers

The monetary policy transmission channel seems to have finally appeared and shown the first signs of effectiveness. We still don't know the magnitude of the brake (certainly a subject for the next discussions), but the result will hardly not be a deceleration in the economic activity over the coming quarters, mainly because other lagged effects of the tightening cycle are still likely to manifest.

Faced with this new risk on the horizon, historically we would look for protection against a U.S. slowdown, as was done, unsuccessfully, in the second half of last year. However, faced with the decision of reducing relative risks in the current environment of less clarity about the correlations between assets, we decided to close the oil position.

* * *

Brazil

We believe that, in Brazil, the new fiscal framework and the intention to recompose the tax burden in the range of 1 to 1.5% of the GDP, proposals recently presented by the Minister of Finance, will be essential to reduce the tail risks associated with fiscal crisis scenarios, which would inevitably lead to inflationary solutions to the public debt problem.

Contrary to what was speculated, we will have, still depending on the proposal's approval in Congress, a spending rule without major exceptions. And even though there is a clear pro-cyclical component in the new rule, the upper limit of spending growth of 2.5% attenuates this tendency to some extent.

The previous spending cap regime, which was essential as an anchor for a change in the economic regime starting in 2016, had already been running into political and social constraints for some time and was no longer sustainable without a broad reform of mandatory spending.

The new rule, even if not sufficient to lead us towards a path of public debt reduction or a gradual return to the Investment Grade, creates a bridge for us to reach the next government, when the oil revenues will be even more significant, without the materialization of more adverse scenarios. More recently, the suggestion by the Secretary of Treasury that the growth of spending can be indexed to revenues of a more recurrent nature would be an advance in the current formulation, even though a positive outcome is unlikely during the political negotiations.

On the other hand, the immediate need to increase the tax burden, regardless of the incentive mechanisms of the new framework, brings additional pressure to some economic sectors. In addition, the tax reform, which seems to have as broader objectives to generate a significant relative price shock among goods and services and correct part of the regressivity of our tax system, also adds relevant uncertainties about the effective tax burden that will apply to companies and households.

With a significant portion of some sectors of the stock market in the firing line of the tax changes under discussion and disappointing operating results for a large portion of companies associated with the domestic activity, we opted to close the relative value position in Brazilian equities. Idiosyncratic risks of micro and macroeconomic nature have been compounded by a more uncertain scenario abroad, with a risk asymmetry for the activity that appears bearish to us, notably in the U.S.

However, despite the uncertainties caused by the new government, especially with regard to the microeconomic agenda, we wonder if the expectations of the agents are not excessively negative. After all, the implementation of the new fiscal framework, the improvement in the inflationary picture, and the excellent performance of our external accounts, a reflection of the "Brazil commodities" boom, may be important points in sustaining a scenario that is less adverse than anticipated by the market consensus.

We will follow the course of the fiscal reforms in Brazil, the trajectories of domestic and external inflation, and the magnitude of the slowdown in the U.S. economy – and its impacts on global markets – attentive to potential new investment opportunities.

We remain at your disposal.

Vista Capital

Vista Multiestratégia FIC FIM

Year	Onshore			Offshore				Cash	Fees	Return	CDI
	Fixed Income	Equities	Currencies	Fixed Income	Equities	Currencies	*Commodities*				
2015	-0,8%	6,7%	16,4%	0,0%	1,5%	2,9%	0,3%	16,8%	-8,1%	**35,7%**	12,2%
2016	4,0%	27,8%	-3,0%	1,9%	1,5%	4,0%	0,3%	14,1%	-9,4%	**41,3%**	14,0%
2017	2,6%	-1,9%	-3,7%	1,4%	6,9%	-1,8%	0,0%	5,2%	-3,1%	**5,6%**	10,0%
2018	1,3%	37,0%	2,8%	0,3%	4,8%	-2,4%	0,3%	4,3%	-10,0%	**38,4%**	6,4%
2019	-0,5%	25,9%	0,7%	-2,0%	-6,6%	-3,8%	2,5%	2,4%	-5,7%	**12,8%**	6,0%
2020	3,3%	9,1%	7,9%	-3,0%	14,2%	2,9%	5,3%	0,9%	-10,4%	**30,2%**	2,8%
2021	-0,1%	1,7%	-5,1%	2,7%	5,7%	-4,4%	32,7%	2,0%	-7,9%	**27,2%**	4,4%
2022	-0,4%	0,4%	2,5%	-16,1%	8,9%	4,6%	18,6%	3,1%	-6,2%	**15,3%**	12,4%
2023	1,5%	-3,5%	-0,6%	-1,0%	0,4%	-0,1%	-9,6%	2,4%	-0,6%	**-11,1%**	3,3%
Jan	0,4%	1,2%	-0,4%	-0,1%	2,8%	0,3%	-2,0%	0,8%	-0,6%	**2,5%**	1,1%
Feb	1,1%	-1,4%	-0,2%	-1,3%	-1,7%	-0,5%	-4,3%	0,7%	0,2%	**-7,4%**	0,9%
Mar	0,0%	-3,4%	-0,1%	0,4%	-0,7%	0,1%	-3,4%	0,8%	-0,2%	**-6,4%**	1,2%

Vista Hedge FIC FIM

Year	Onshore			Offshore				Cash	Fees	Return	CDI
	Fixed Income	Equities	Currencies	Fixed Income	Equities	Currencies	*Commodities*				
2018	0,7%	7,6%	0,9%	-0,1%	0,3%	-0,7%	0,1%	3,8%	-2,9%	**9,6%**	4,1%
2019	0,0%	10,1%	-0,1%	-0,7%	-2,0%	-1,4%	1,0%	4,3%	-2,5%	**8,6%**	6,0%
2020	1,1%	3,0%	2,6%	-1,0%	4,7%	1,0%	1,8%	2,1%	-4,5%	**10,7%**	2,8%
2021	0,5%	0,5%	-1,6%	0,8%	2,3%	-1,3%	9,7%	3,3%	-3,2%	**11,0%**	4,4%
2022	0,1%	0,6%	0,7%	-3,9%	2,4%	1,1%	6,7%	10,0%	-4,0%	**13,6%**	12,4%
2023	0,5%	-1,2%	-0,2%	-0,3%	0,1%	0,0%	-3,2%	3,0%	-0,6%	**-1,8%**	3,3%
Jan	0,1%	0,4%	-0,1%	0,0%	0,9%	0,1%	-0,6%	1,0%	-0,3%	**1,6%**	1,1%
Feb	0,4%	-0,5%	-0,1%	-0,4%	-0,6%	-0,2%	-1,4%	0,9%	-0,1%	**-1,9%**	0,9%
Mar	0,0%	-1,1%	0,0%	0,1%	-0,2%	0,0%	-1,1%	1,1%	-0,2%	**-1,5%**	1,2%