Vista Multiestrategia Fund and Vista Hedge Fund registered returns of 1.08% and 1.01% respectively in January.

The main positive contribution to the funds came from the long position in uranium. We also had good results in international equities, both with relative value positions in US stocks and with the small long position in Argentina. Losses were concentrated in positions receiving rates in developed markets and domestic equities.

Throughout the month, the strength of the American economy along with the tougher communication from developed central banks, especially the Fed, contributed to the steepening of yield curves in several countries. In the following sections, we will briefly discuss this repricing in a context of increasing divergence in the economic cycle between the United States and Europe, and we will provide updates on our uranium investment thesis, which has been part of the portfolio since 2021.

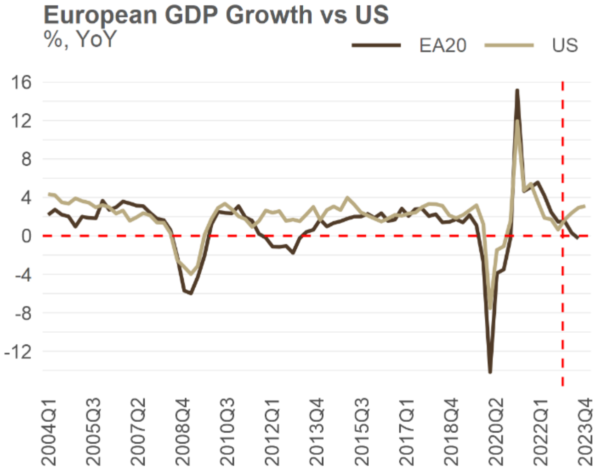
* * *

Europe x US

We have recurrently discussed in this forum the enormous challenges faced by the major economies of the Eurozone. Although this issue is relatively well mapped out by the market consensus, we believe that both the persistence of the more structural adversities in the region and the trend of decoupling from the American economy are still relatively underestimated factors.

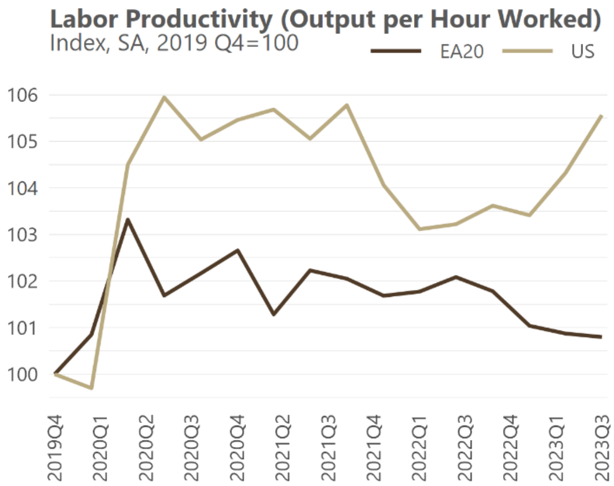
The divergence between the two economies became even clearer throughout 2023. Although the Eurozone avoided a technical recession, the region's mediocre growth – largely driven by the periphery after Germany's negative result in the same period – contrasted with the exceptional performance of the US, which, in turn, exceeded consensus projections by more than 2 percentage points.

Traditionally, strong growth in the American economy correlates positively with European economic growth. However, even with a high degree of integration, we do not believe in significant spillovers this time. Surprises in the United States have mainly come from domestic demand, either because the private sector balance sheet is extremely robust or because the Biden administration's industrial policy has sparked an investment boom in manufacturing plants. Both of these vectors seem less capable of generating external gains in a trivial manner.



Source: BEA, Eurostat and Vista Capital

This divergence between growth trajectories represented in the graph above becomes even clearer when we observe the behavior of productivity in the post-pandemic period. While the productivity per hour worked of the average American worker grew by more than 6% in the period, in the Eurozone, the growth of the same metric was marginally below 1%.



Source: BEA, Eurostat and Vista Capital

In this context, there is a discussion in the US about whether these robust recent gains are sustainable and what will happen when the benefits associated with the artificial intelligence boom become more tangible. In Europe, on the other hand, the focus of public debate is on measures that may not necessarily lead to an increase in productivity.

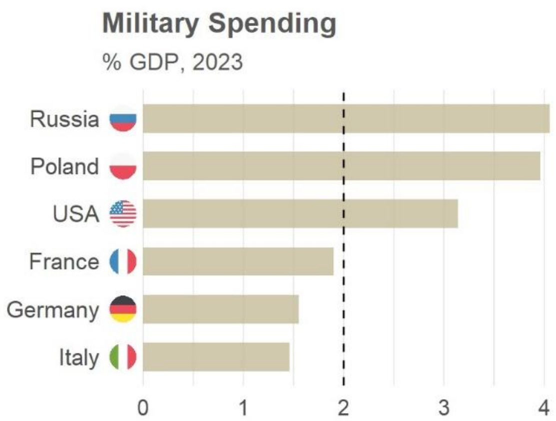
In France – reflecting one of the major points of short-term tension in continental Europe – the discussion about tightening immigration has gained spotlight, with Macron's nods to more conservative voters in his new Immigration Bill[1]. The focal point of the measures is to promote greater capacity for the state to deport immigrants. Some more controversial sections, such as making it harder for immigrants to access French welfare state benefits and implementing annual immigration quotas, were added during the project's progress by right-wing parliamentarians, but were ultimately vetoed by the French Constitutional Council.

In Germany, the budget deadlock of 2024 – previously discussed in earlier letters – has come to an end, with cuts to previously planned spending aimed at respecting the December 2023 decision of the Federal Court and the debt brake. Subsidies for diesel for German farmers, whose end sparked the recent wave of protests in the country, were among these cuts. The confusion regarding the budget is just

[1] "Macron administration formalises tougher immigration law". France 24. Jan 27, 2024.

another reflection of the dysfunctional management of the Ampelkoalition, which has been criticized from various fronts – notably from major players in the industrial sector, who focus their complaints on inefficient bureaucracy and a confusing and unrealistically ambitious energy policy[2].

In the not-so-distant short term, another imminent challenge is the adjustment of national defense spending and aid to Ukraine in the conflict against Russia – especially with a possible Trump presidency. Today, more than 60% of European Union countries do not meet the threshold established by NATO to allocate 2% of GDP to National Defense. Discussions about fiscal space to supplement this item are likely to soon dominate European public debates, further accentuating distributive tensions at the budgetary level.



One last point that also deserves mentioning is a possible trade war looming with China. As discussed in this forum several times since May 2023, an avalanche of Chinese manufactured products, symbolized here by electric cars, is gradually flooding the European market[3], which, in turn, will have to make difficult choices regarding trade policies. The trade deficit between the European Union and China, historically stable at around 100 to 200 billion euros per year, jumped to 400 billion in 2022 and closed 2023 at around 300 billion. We understand that this new level is the result of structural changes that, without new movements in trade policy, should persist. The investigation into subsidies for Chinese electric cars initiated by the EU Commission at the end of last year may be just the first move in this dispute.

In this scenario, paradoxically, the market prices interest rate cuts of similar magnitude for the next 18 months in both Europe and the United States. Even though we understand that the inflation dynamics in the US are likely to remain benign, we believe that Europe's vulnerabilities will be even more evident during this period. Therefore, we continue to use Europe as the funding source for the portfolio and believe that the bond and currency markets may provide significant investment opportunities in the coming months.

[2] "Olaf Scholz's energy policies branded 'toxic' by German business chief". Financial Times. Feb 6, 2024.

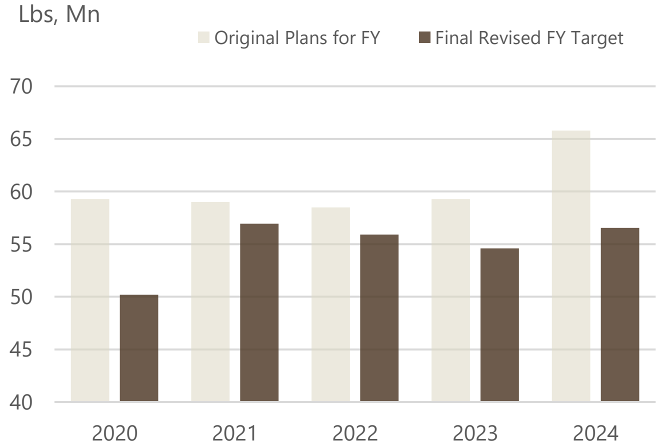
[3] "The looming trade tensions over China's subsidies". Financial Times. Jan 30, 2024.

Uranium

> *"An important optionality of our investment thesis consists of the difficulty for producers to deliver the projected growth in supply. The recently released operational results of Kazatomprom, the largest producer in the sector, exemplifies this. The company's guidance released in 2021 indicated production of 59 million pounds in 2023 and 66 million in 2024. The reality has been different, with the expected production for 2023 having been revised to 54 million pounds, a volume lower than that observed in 2022. A possible downward revision of the 2024 guidance would place the market in a position of even greater imbalance."*

The month of January brought significant developments on the global uranium supply side. Kazatomprom, the largest global producer, announced to the market on the 12th that its production guideline for 2024 would not be met, causing the spot commodity price to once again surpass the $100 per pound mark, which had not happened since 2007. Last September, the same company had guided the market for an increase in production for 2024 in the range of 11 million pounds, news that we received with a high degree of skepticism. After all, Kazatomprom has made consecutive downward revisions to production year after year, even operating under a production regime that was 20% below its theoretical potential, as demonstrated in the graph below and reported in our August 2023 letter.

> *"If the restricted access to sulfuric acid persists throughout the current year and the company fails to reduce the delay in the construction schedule at the newly developed deposits in 2024, this could adversely affect Kazatomprom's production plans for 2025."*



Source: Kazatomprom and Vista Capital

On the very first day of February, we had the final numbers: a reduction of 9 million pounds from the guidance for 2024 (6% of global production), with a downside risk going forward, as stated by the company itself in its fourth-quarter 2023 earnings report.

We believe that the problems encountered by Kazatomprom may have a more structural nature than reported by the company itself. As mentioned, access to sulfuric acid is identified as the main limiting factor to the production growth of its assets. However, could this be solely due to a supply problem, or is there a growing need for sulfuric acid to maintain production levels of mature reserves, which are already subject to structural decline? According to data previously released by the former Uranium One regarding its assets in Kazakhstan, from 2015 to 2020, the amount of sulfuric acid required to produce 1 ton of uranium increased from 76 to 96 tons, a 26% increase, which supports this possibility.

Given this environment, we remain very confident in the uranium structural thesis and positioned accordingly.

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	2,7%	2,8%	-0,2%	1,2%	-3,5%	0,9%	-3,6%	8,8%	-2,3%	**6,7%**	13,0%
2024	-0,1%	-2,5%	-0,1%	-1,1%	1,7%	0,2%	2,4%	0,7%	-0,1%	**1,1%**	1,0%
Jan	-0,1%	-2,5%	-0,1%	-1,1%	1,7%	0,2%	2,4%	0,7%	-0,1%	**1,1%**	1,0%

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	1,4%	2,0%	0,1%	0,8%	-1,6%	0,6%	0,5%	10,6%	-2,1%	**12,3%**	13,0%
2024	-0,1%	-1,1%	-0,1%	-0,5%	1,0%	0,1%	0,9%	0,9%	-0,2%	**1,0%**	1,0%
Jan	-0,1%	-1,1%	-0,1%	-0,5%	1,0%	0,1%	0,9%	0,9%	-0,2%	**1,0%**	1,0%