Vista Multiestratégia Fund and Vista Hedge Fund registered returns of -8.25% and -3.84% respectively in February and -7.26% and -2.87% respectively in 2024.

In February, the main losses of the funds were driven by the long position in uranium, and the short position in European interest rates. Domestic equities complemented the result, with losses from the short position in Petrobras.

Due to our risk limits, the fund's positions remain reduced, both in Value at Risk (VAR) and stress, compared to the average risk utilization of recent years.

*   *   *

In almost 10 years of Vista Capital, our goal has been to constantly seek, build, and deepen structural theses over long horizons. However, to achieve them, we also seek hedges to protect the portfolio along a path often marked by turbulent short-term movements.

At the present moment, the portfolio has an important characteristic: our structural thesis of short position in European assets, both in equities and currency, as a hedge. Therefore, besides exposing us to the alpha of the thesis, it also removes the beta of the portfolio, which would normally be executed through long position in options.

Certainly, cross hedges inherently carry a greater risk of negative correlation. In the specific case of February, we did not observe a significant breakdown in correlation, but rather a significant underperformance of our long position in Brazil against our shorts, both in European equities and Petrobras. In the developed interest rate market, there was a high correlation, in our view unwarranted, between the US and Europe. However, we did not observe any structural changes in the fundamentals that require significant portfolio adjustments.

In the following sections, we will briefly discuss some of the main theses of the portfolio.

*   *   *

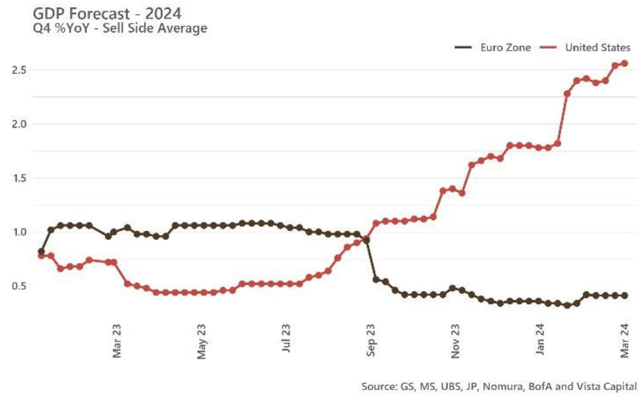
In February, the impressive resilience of the American economy and marginally negative surprises in inflation data caused a significant repricing of the yield curve in the US, influencing yield curves in Europe. At the same time, the strong rise in US equity markets, partly explained by the euphoria surrounding recent technological advances, also pushed some European equities indices to highs.

Although economic cycles in the US and Europe have some historical correlation, this is not necessarily valid for monetary policy cycles and equity markets, as evidenced by the past decade. Furthermore, as reported in our last letter, we observe even more relevant differences in the current cycle.

The American economy is experiencing a rare combination of very healthy private balance sheets, potentially revolutionary technological innovations, population growth, and a recovery in the labor market participation rate among prime-age individuals, driven by the consolidation of remote work and its impact primarily on women's labor supply.

Concurrently, the European continent finds itself immersed in a prolonged economic stagnation, especially in the German economy, and in a scenario of political and social impacts stemming from immigration and a poorly designed energy transition. All of this against a geopolitical context that will accentuate uncertainties and distributive disputes.

The contrast between American exuberance and European stagnation is well illustrated by the continuous positive revisions to growth in 2024 in favor of the US economy.



However, the yield curves continue to indicate similar easing cycles between the two regions until mid-2025, of approximately 150 basis points.

> *"(...) **the ECB is an independent central bank and will act independently.** We will decide on the basis of the three criteria that I mentioned earlier. On the basis of the measurements that we have, the projections that we have, and the additional data that we need, **we will determine what action we need to take, and that will be done independently from what my colleague at the Fed decides to do."***
>
> ***Christine Lagarde, ECB Q&A, March 7.***

Although, we believe in significantly divergent paths in economic cycles and their respective trajectories of monetary policy. Unlike recent years, for the reasons outlined here, we may be facing an economic decorrelation not seen since pre-pandemic period.

Given this scenario, we maintain our short position in Europe as the funding for our portfolio, both through the short position in interest rates and equities.

Regarding our exposure in Brazil, our directional caution, as signaled in the December letter, was penalized by the underperformance of our quality stock basket compared to European indices and Petrobras.

> *"As fiscal uncertainties have not been fully resolved, and the government continues to signal quite ambiguous messages beyond the doors of the Ministry of Finance, we are progressing in building hedges for the long position in Brazil."*
>
> ***Manager's Letter, December 2023***

As our obsession is to avoid tail risks, we understand that in Brazil they manifest in two ways: i) the fall in oil prices, which is often underestimated in its importance; ii) heterodox government ventures, possibly stemming from a stronger deterioration in government popularity or economic activity. Petrobras, which delivers a small carry relative to the discount rate and much lower than what has been observed in recent past, significantly expresses both described risks and serves as a good protection vis-à-vis the starting valuation point.

The decision to suspend the payment of extraordinary dividends seems to have a much more symbolic than quantitative and financial character, contrary to the initial apparent market consensus reading. From a longer-term perspective, we wonder about the size of the carry necessary to be a shareholder of a state-owned company that could be an important key policy tool for the Lula government, particularly given the prematurely anticipated electoral cycle.

* * *

At the same time, we understand recent market movements in the uranium sector as the result of financial liquidation by more speculative players, which coincided with increased discounts relative to NAV in some of the main investment vehicles in the sector.

Nuclear energy is clean, safe, and intermittent, and will be essential for meeting the energy demand arising from new secular trends, such as AI. In this context, it is worth highlighting that AWS, Amazon's cloud services provider, recently closed a $650 million deal with Talen Energy to purchase a data center next to a nuclear plant in Pennsylvania. We believe this may be just the beginning of a series of similar moves made by Big Tech companies, which makes us even more comfortable with the demand side of our nuclear energy and uranium theses.

Given this environment, we do not see any fundamental changes in our uranium thesis and remain exposed accordingly.

* * *

Finally, our small long position in Argentina continues to have a positive contribution to the funds, despite the political uncertainties associated with the legislative obstacles encountered by the Milei government.

In this context, we were once again in Buenos Aires in February for meetings with political and economic players. Our expectation of finding the seeds of a significant fiscal adjustment was corroborated, despite the strong disputes for resources between the provinces and the federal government.

We understand that Argentina's structural problems have roots in an intrinsically corporatist institutional design. In this system, unions, business leaders, and social movements extract rents from society and constitute powers that ensure full governability to the Peronists but hinder other political forces. Of the five non-explicitly Peronist presidents elected since Perón's exile (1955), only Mauricio Macri was able to complete his term.

The government shares the same analysis, which understands the need to break the institutions that currently perpetuate Peronism in power.

Therefore, the Milei era, which emulates the institutional confrontation of the Thatcher years in the United Kingdom and implements a strong fiscal adjustment, is unlikely to be marked by years of political calm.

Currently, we see the federal government in a stronger position for this and future conflicts, with Milei's ability to control narratives and guide social expectations amid a strong fiscal adjustment contributing to its resilient popularity.

Unions and social movements, for example, are weakened by their negative public image, which has been associated with the idea of the "Caste" by the president, while Kirchnerist politicians suffer from the disdain of the Supreme Court.

Our opinion also extends to the dispute with governors who, already weakened by severe cuts in transfers from the central government, would face a fight with empty coffers that would bring heavy political costs.

We expected the current conflict to cease, which was observed after the president's speech at the opening of the legislative sessions. Milei called on lawmakers and provincial leaders for a new political pact involving a renewed "Ómnibus Law" in exchange for a fiscal aid package to the provinces. This call was initially answered by all political forces.

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[1] *Despite a 5% GDP fiscal adjustment, government approval has remained at favorable levels (45%) since December, similar to those of presidents in normal times.*

In a context of strengthened government political position, the commitment regarding the need for frontloading of the budgetary adjustment makes us more optimistic than the consensus regarding the fiscal and microeconomic evolution of the country.

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	2,3%	1,2%	-0,4%	-1,4%	-1,3%	0,4%	-4,4%	8,1%	-2,1%	**2,4%**	12,0%
2024	-0,1%	-3,5%	-0,2%	-4,9%	1,4%	-0,1%	-0,9%	1,4%	-0,3%	**-7,3%**	1,8%
Jan	-0,1%	-2,5%	-0,1%	-1,1%	1,7%	0,2%	2,4%	0,7%	-0,1%	**1,1%**	1,0%
Feb	0,0%	-1,0%	-0,1%	-3,8%	-0,2%	-0,3%	-3,3%	0,6%	-0,2%	**-8,2%**	0,8%

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	1,1%	1,2%	0,0%	-0,5%	-0,4%	0,3%	0,1%	9,7%	-1,9%	**9,6%**	12,0%
2024	-0,1%	-1,7%	-0,1%	-2,4%	0,9%	0,0%	-0,7%	1,7%	-0,3%	**-2,9%**	1,8%
Jan	-0,1%	-1,1%	-0,1%	-0,5%	1,0%	0,1%	0,9%	0,9%	-0,2%	**1,0%**	1,0%
Fev	0,0%	-0,5%	-0,1%	-1,9%	-0,1%	-0,1%	-1,7%	0,7%	-0,2%	**-3,8%**	0,8%