Abstract
Brazilian Pension Funds play a very important role in the national financial system. Even though they may seem alike, there is a huge difference between big and small funds, closed and open, as well as from public companies and private ones. Pension Funds have grown a lot since 2004, but they have faced a different environment since 2008. Here, we pay special attention to closed funds, specially Previ, Petros and Funcef. These funds could play a part in financing long-term investments in Brazil.

Introduction
Since 2004, Pension Funds have grown a lot. Because of their magnitude ($700 billion, for closed Funds), it is very important to understand how these investors choose where to allocate their capital. The main goal of this initial research was to organize, characterize and begin to understand how they have been investing and why.

Results and Discussion
The main source of information regarding closed pension funds is ABRAPP, their national association. Apart from that, it is mainly necessary to go through yearly reports for each pension fund, as well as to keep an eye on the financial media.

These funds amount approx. $700 billion, which are very concentrated. Previ, Petros and Funcef – respectively, the pension funds from Banco do Brasil, Petrobras (and others) and Caixa Econômica Federal – hold almost half of those assets. Therefore, any analysis regarding pension funds should consider the major differences between big and small, open and closed, private and public funds. In addition, a big difference is the contribution-benefit relation, which has changed in recent years to a more sustainable contract. Usually the biggest funds are from public companies, closed and they have huge debts to pay to former contributors, who benefited from a stable pension with no counterpart for the institution.

As an industry, Pension Funds have returned their attention to government bonds; there has been some changes in their allocation, but the most important is the reduction in stocks, which have been underperforming. It is worth pointing out, though, that these funds are looking forward to international investments, meaning a possible capital outflow of 10% of their assets.

Many authors point out that pension funds have been under a lot of pressure from other institutional investors, such as mutual funds. Therefore, although our object of study could invest waiting for long-term profits and return, the short-term performance comparison with other institutions has moulded their decisions. The possibility of investing outside Brazil is also regarded gravely, as it seems as the loss of a “patient” capital.

Previ, Petros and Funcef have assets quite different; but they all take the lead when investing in something new. As public funds, they have financed some important infrastructure projects, such as Belo Monte. Their investments shed light to the possibility of a better way of investing in Brazil, that is not of a rentier.

Conclusions
The dynamics governing closed pension funds' decision affects the stock market, bonds market and also the possibilities of funding in Brazil. It is urgent to find new ways of stimulating their investments inside the country.

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