

**Previ Novartis**

## 1- Macroeconomic Overview

**The trade war between the USA and China continues with an aggressive Trump, raising tariffs by 25% to \$50 billion of imports; in Brazil, there was a quick recovery in the economy after the crisis caused by the truck drivers' strike.**

### International

- Trade tension between the USA and China intensified in July with the imposition of tariffs for Chinese products and steel and aluminum products from several countries, with a neutral impact on growth in the short term. Further, Donald Trump already proposed to tax \$200 billion in Chinese products as well as \$350 billion in car parts from Europe, which would surely affect the pace of the economy.
- Still on the United States, a fear of a possible new recession begins to appear, based on an expansion that already approaches a 10 year duration. Also, despite the fact that the FED has been raising the basic interest rate, the longest part of the yield curve remains stable, which could indicate that there is a probability that the curve will be negatively sloped, a fact often related to recessions.
- China announced tax incentives with the purpose of strengthening internal consumption. On the other hand the Yuan devaluated 3%, which is likely a response to the trade war aiming to heat exports.
- As for the emerging countries, Turkey experienced an interest shock, raising the basic interest rate by 9.75% in the last 12 months. Mexico also follows this interest growth trend and has accumulated 0.75% in the same time frame.

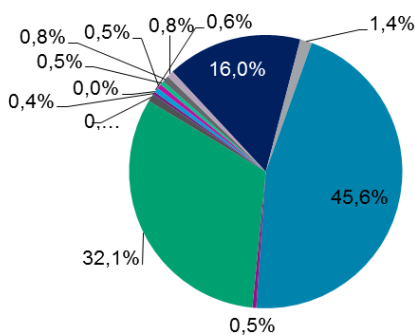
### Brazil

- The data for July showed a solid recovery in the local market after the truck drivers' strike that took place in May. Both inflation and activity data corroborate this recovery. The IPCA for July closed at 0.33% showing a decrease of 0.93% compared to the previous month. The GDP forecasts for 2018 have been revised and adjusted to 1.5%.
- The Brazilian real appreciated against the US dollar and went from 3.90R\$/US\$ at the beginning of the month to 3.75R\$/US\$ at closing. The appreciation was due in part to external factors and in part to news regarding politics with the center's parties coming together around the same candidacy
- In the electoral scenario, PSDB's Geraldo Alckmin won the dispute for the center's coalition. With this, his position in electoral polls was strengthened. In more recent data the candidate already appears with numbers in the range of 10% to 13% of voting intention, which leaves him technically tied with the candidate of the PDT party Ciro Gomes
- The confidence indicators showed a slight improvement for the month of July, but without great expressiveness. Despite this, the levels of volatility retreated, which benefited the recovery of fixed income assets

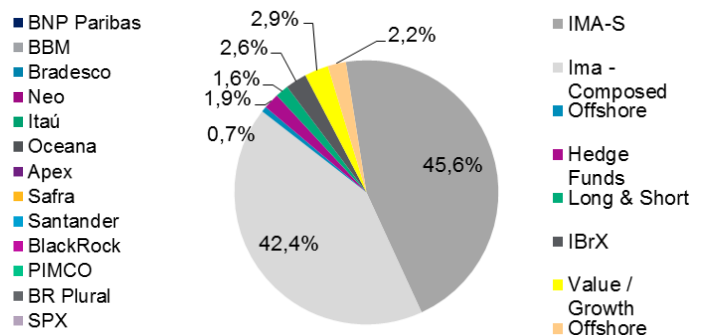
	2013	2014	2015	2016	2017	2018 (f)	2019 (f)
Real GDP growth	3,0%	0,5%	-3,5%	-3,5%	1,0%	1,3%	2,5%
Unemployment rate (PNADC) -avg.	7,2%	6,8%	8,5%	11,5%	12,8%	12,4%	12,2%
Consumer Price inflation (IPCA)	5,9%	6,4%	10,7%	6,3%	2,9%	4,2%	4,1%
Interest rate (Selic) - eop	10,0%	11,75%	14,25%	13,75%	7,0%	6,50%	8,00%
Exchange Rate (BRL/USD) - eop	2,35	2,66	3,90	3,26	3,31	3,70	3,70
Trade Balance (USD bn)	0,3	-6,5	17,7	47,7	67,0	57,0	55,0
Current Account (USD bn)	-74,8	-103,6	-58,9	-23,5	-9,8	-20,0	-32,0
Foreign Direct Investment (USD bn)	64,0	96,9	75,1	78,9	70,0	68,0	74,0
Primary fiscal result (% GDP)	1,9%	-0,6%	-1,9%	-2,5%	-1,7%	-2,1%	-1,5%
Gross public sector debt (% GDP)	51,7%	56,3%	65,5%	69,9%	74,0%	76,1%	77,2%

## 2- Investment Portfolio – by manager and asset class

Asset Manager & Funds	Fixed Income				Structured		Equities			Total	
	ALM	IMA-S	Ima - Composed	Offshore	Hedge Funds	Long & Short	IBrX	Value / Growth	Offshore	\$	%
BNP Paribas	-	170,4	-	-	-	-	-	-	-	170,4	16,0%
BBM	-	-	-	-	6,2	-	-	8,7	-	14,9	1,4%
Bradesco	314,5	-	158,7	-	-	-	12,3	-	-	485,4	45,6%
Neo	-	-	-	-	-	-	-	4,8	-	4,8	0,5%
Itaú	-	171,4	158,8	-	-	-	-	-	10,9	341,1	32,1%
Oceana	-	-	-	-	-	2,3	7,2	-	-	9,5	0,9%
Apex	-	-	-	-	-	3,9	-	-	-	3,9	0,4%
Santander	-	-	-	-	-	6,0	-	-	-	6,0	0,6%
BlackRock	-	-	-	-	-	-	-	-	5,7	5,7	0,5%
PIMCO	-	-	-	5,0	-	-	-	-	-	5,0	0,5%
BR Plural	-	-	-	-	-	-	-	8,5	-	8,5	0,8%
SPX	-	-	-	-	8,3	-	-	-	-	8,3	0,8%
<b>Total</b>	<b>314,5</b>	<b>341,8</b>	<b>317,5</b>	<b>5,0</b>	<b>14,5</b>	<b>12,1</b>	<b>19,5</b>	<b>22,0</b>	<b>16,7</b>	<b>1.063</b>	<b>100%</b>



Allocation per asset manager

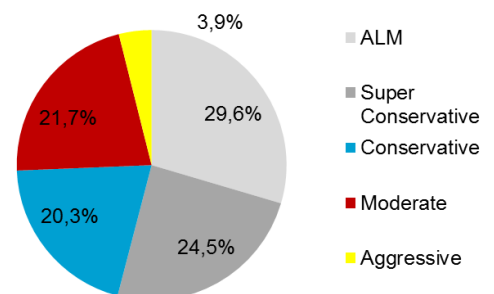
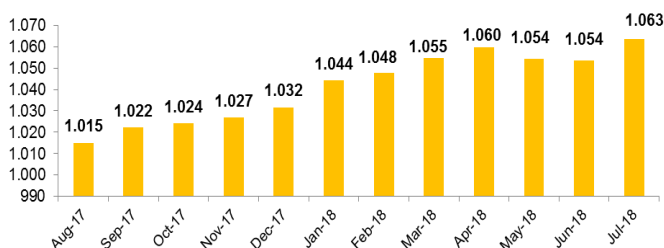


Allocation per segment (not included ALM)

## 3- Investment Portfolio – allocation by investment choice

Period	Allocation by profile (BRL mio)					Total
	ALM	Super Conservative	Conservative	Moderate	Aggressive	
Aug-17	309,4	305,6	235,5	153,1	11,4	1.015
Sep-17	310,6	305,5	238,2	155,9	12,0	1.022
Oct-17	310,8	284,0	247,7	167,3	14,4	1.024
Nov-17	310,7	284,6	249,3	167,1	15,0	1.027
Dec-17	309,8	285,7	251,6	169,2	15,4	1.032
Jan-18	312,2	287,7	254,8	173,3	16,1	1.044
Feb-18	312,1	288,3	256,5	174,6	16,3	1.048
Mar-18	313,4	288,5	259,4	176,1	17,2	1.055
Apr-18	312,8	262,2	215,1	228,7	40,8	1.060
May-18	310,9	262,5	213,2	227,3	40,2	1.054
Jun-18	312,0	260,4	213,8	226,8	40,5	1.054
Jul-18	314,5	260,5	215,8	231,1	41,6	1.063

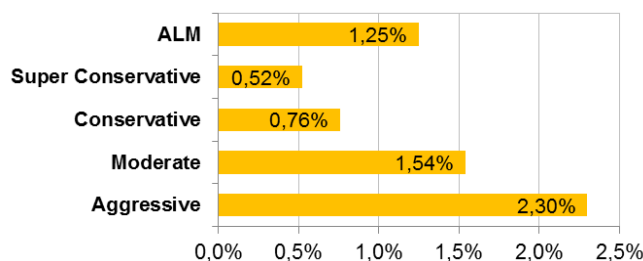
Portfolio in BRL million



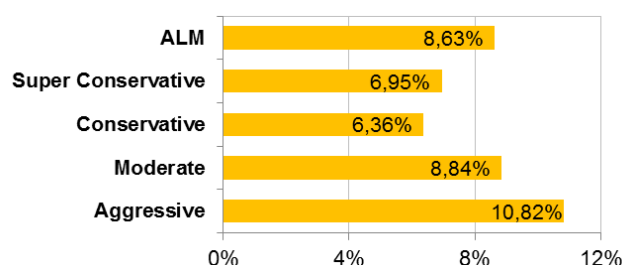
## 4- Performance

Profile	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
ALM	0,98%	0,69%	0,56%	0,46%	0,66%	1,32%	0,50%	0,74%	0,45%	-0,10%	0,81%	1,25%	5,07%	8,63%	20,06%
Super Conservative	0,82%	0,66%	0,63%	0,55%	0,53%	0,57%	0,44%	0,52%	0,49%	0,50%	0,51%	0,52%	3,60%	6,95%	20,38%
Conservative	1,00%	1,08%	0,28%	0,17%	0,81%	1,37%	0,60%	0,87%	0,37%	-1,03%	-0,09%	0,76%	2,88%	6,36%	21,36%
Moderate	1,61%	1,65%	0,37%	-0,38%	1,48%	2,43%	0,53%	0,73%	0,78%	-1,77%	-0,40%	1,54%	3,85%	8,84%	23,75%
Aggressive	2,45%	2,07%	0,26%	-1,06%	2,09%	3,67%	0,52%	0,61%	0,90%	-2,57%	-0,75%	2,30%	4,65%	10,82%	24,14%

## July 2018



## Last 12 months



Segment	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
ALM	0,98%	0,69%	0,56%	0,46%	0,66%	1,32%	0,50%	0,74%	0,45%	-0,10%	0,81%	1,25%	5,07%	8,63%	20,06%
Fixed Income															
- IMA-S	0,82%	0,66%	0,64%	0,56%	0,54%	0,58%	0,44%	0,53%	0,50%	0,51%	0,52%	0,46%	3,59%	6,98%	20,53%
- IMA- Composed *	1,01%	1,07%	0,28%	0,18%	0,80%	1,33%	0,64%	0,92%	0,35%	-0,98%	-0,12%	0,81%	2,95%	6,44%	21,50%
- Offshore	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
Structured															
- Hedge Funds	1,15%	1,85%	0,30%	0,36%	1,65%	4,49%	0,17%	0,70%	0,84%	-1,79%	0,96%	0,16%	5,54%	11,26%	29,52%
- Long & Short	0,69%	1,08%	0,38%	0,12%	0,54%	0,32%	0,31%	0,06%	1,07%	-0,31%	0,74%	0,49%	2,69%	5,59%	20,67%
Equities															
- IBrX	7,03%	4,21%	-0,50%	-3,00%	6,16%	11,37%	0,97%	-0,09%	0,67%	-9,45%	-5,04%	8,58%	5,59%	20,68%	45,33%
- Dividends	5,80%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	5,80%	10,26%
- Value / Growth	5,15%	4,91%	-0,79%	-5,06%	5,06%	8,09%	1,16%	0,71%	1,18%	-9,88%	-3,83%	7,07%	3,38%	12,84%	24,14%
- Offshore	0,02%	2,90%	5,56%	1,87%	2,10%	0,84%	-1,71%	-0,79%	6,72%	8,46%	3,62%	-0,74%	17,06%	32,27%	45,22%
Offshore															
- 50% CDI + 50% MSCI	0,63%	1,70%	2,98%	1,04%	1,62%	0,59%	-0,67%	0,21%	3,16%	4,29%	1,58%	0,45%	9,96%	19,38%	32,72%
Indicator	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
CDI (interbank deposit)	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
IMA-S	0,81%	0,65%	0,66%	0,57%	0,54%	0,58%	0,46%	0,53%	0,51%	0,50%	0,52%	0,54%	3,72%	7,11%	20,65%
IMA-Geral ex-C	1,06%	1,31%	0,14%	-0,01%	0,89%	1,68%	0,72%	0,95%	0,30%	-1,45%	0,10%	1,39%	3,72%	7,28%	23,79%
IMA-Bench composed**	0,99%	1,02%	0,38%	0,21%	0,74%	1,28%	0,58%	0,85%	0,37%	-0,78%	0,47%	0,73%	3,55%	7,04%	21,66%
Ibovespa	7,46%	4,88%	0,02%	-3,15%	6,16%	11,14%	0,52%	0,01%	0,88%	-10,87%	-5,20%	8,88%	3,69%	20,18%	38,24%
IBrX	7,35%	4,69%	-0,13%	-3,38%	6,35%	10,74%	0,42%	0,08%	0,82%	-10,91%	-5,20%	8,84%	3,14%	18,95%	37,21%
IDIV	6,96%	6,12%	0,29%	-6,67%	4,94%	9,88%	-0,61%	1,05%	-1,42%	-10,54%	-4,31%	7,28%	-0,10%	11,39%	41,55%
Saving Accounts	0,56%	0,48%	0,50%	0,48%	0,48%	0,52%	0,43%	0,50%	0,50%	0,50%	0,50%	0,52%	3,53%	6,13%	14,30%
USD	0,52%	0,66%	3,44%	-0,47%	1,42%	-4,40%	2,61%	2,43%	4,73%	7,35%	3,18%	-2,62%	13,51%	19,94%	15,93%
CPI (IPCA)	0,19%	0,16%	0,42%	0,28%	0,44%	0,29%	0,32%	0,09%	0,22%	0,40%	1,26%	0,33%	2,94%	4,48%	7,32%
IGP-DI (FGV)	0,24%	0,62%	0,10%	0,80%	0,74%	0,58%	0,15%	0,56%	0,93%	1,64%	1,48%	0,44%	5,91%	8,58%	7,04%
MSCI World (BRL)	0,45%	2,76%	5,31%	1,51%	2,70%	0,59%	-1,81%	-0,11%	5,80%	8,07%	2,63%	0,36%	16,19%	31,68%	44,97%
Actuarial Target <sup>1</sup>	0,57%	0,95%	0,43%	1,13%	1,07%	0,91%	0,48%	0,89%	1,26%	1,97%	1,81%	0,77%	8,36%	12,93%	15,77%

<sup>1</sup> IGP-DI + 4% p.y.

\* Weighted Performance

<sup>3</sup> 15%IRF-M + 55%IMA-S + 20%IMA-B5 + 10%IMA-B5+ since July 2017

<sup>2</sup> 50% IMA-S + 50% IMA-B from Jan 2017 to Jun 2017

\*\* 50% IMA-S + 50% IMA-B from Jan 2017 to July 2017 and 15% IRF-M + 55% IMA-S + 20% IMA-B5 + 10% IMA-B5+ from July 2017 to June 2018

\*\*\* Conservative (89,1% IMA-S + 5,5% IRF-M + 5,5% IMA-B5), Moderate (85,4% IMA-S + 7,3% IRF-M + 7,3% IMA-B5) and Aggressive (80% IMA-S + 10% IRF-M + 10% IMA-B5) since July 2018

In July, the interest rate curve closed at approximately the same level as the closing of May. If we extend the comparison for the past months, we see that the level of interest rates in July is still comparable, for certain maturities, with the level of the beginning of the year. However, it should be noted that for the long part of the curve the scenario changed and the uncertainties of the trade war and of global growth make us believe that even with the recovery of the market it may not return to its best level (April). However for the shorter maturities the scenario seems to be more positive, which may imply better results in the upcoming months. The stock market also had a positive performance, delivering a result of 8.8% in the month (measured by the Ibovespa) and entering again in positive territory for the year with a 3.1% return. Within this context, July was a neutral month for Previ Novartis, with some of the funds outperforming the benchmark and others not.

## 5- Fixed Income

ALM	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
Bradesco	0,98%	0,69%	0,56%	0,46%	0,66%	1,32%	0,50%	0,74%	0,45%	-0,10%	0,81%	1,25%	5,07%	8,63%	20,06%
Benchmark Target	0,57%	0,95%	0,43%	1,13%	1,07%	0,91%	0,48%	0,89%	1,26%	1,97%	1,81%	0,77%	8,36%	12,93%	15,77%
<b>Fixed Income: IMA-S</b>															
BNP Paribas	0,82%	0,65%	0,66%	0,59%	0,54%	0,54%	0,46%	0,54%	0,51%	0,53%	0,49%	0,46%	3,58%	7,00%	20,57%
Itaú	0,83%	0,68%	0,61%	0,54%	0,55%	0,61%	0,43%	0,52%	0,49%	0,48%	0,54%	0,47%	3,60%	6,95%	20,49%
Benchmark IMA-S	0,81%	0,65%	0,66%	0,57%	0,54%	0,58%	0,46%	0,53%	0,51%	0,50%	0,52%	0,54%	3,72%	7,11%	20,65%
<b>Fixed Income: IMA composite</b>															
Bradesco	1,03%	1,10%	0,27%	0,18%	0,85%	1,33%	0,67%	0,99%	0,36%	-1,12%	-0,14%	0,84%	2,94%	6,51%	21,87%
Itaú	0,99%	1,05%	0,30%	0,18%	0,75%	1,33%	0,61%	0,85%	0,33%	-0,83%	-0,11%	0,77%	2,97%	6,38%	21,12%
Benchmark*	0,99%	1,02%	0,38%	0,21%	0,74%	1,28%	0,58%	0,85%	0,37%	-0,78%	0,47%	0,73%	3,55%	7,04%	21,66%
<b>Structured: Hedge Fund</b>															
BBM	-	-	-	-	-	-	0,92%	2,32%	0,72%	-0,52%	0,36%	0,89%	NA	NA	NA
Safra	2,26%	1,08%	1,40%	-0,86%	2,22%	5,13%	-0,38%	-0,12%	0,45%	-6,38%	-0,87%	1,37%	-1,13%	5,02%	20,00%
SPX	0,43%	2,35%	-0,34%	1,05%	1,32%	4,13%	0,19%	0,38%	1,10%	-0,60%	2,26%	-0,39%	7,20%	12,43%	21,57%
Benchmark CDI	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
<b>Structured: Long &amp; Short</b>															
BNP Paribas	0,62%	0,58%	0,14%	-0,49%	0,62%	-0,51%	0,47%	-0,43%	2,29%	-1,55%	2,28%	-	NA	NA	NA
Apex	-	-	-	-	-	-	-	-	-	-	0,36%	0,28%	NA	NA	NA
Oceana	0,93%	0,50%	0,59%	-0,05%	0,95%	0,46%	0,27%	0,09%	0,94%	0,62%	0,42%	0,44%	3,28%	6,32%	23,45%
Santander	0,61%	1,69%	0,44%	0,57%	0,31%	0,76%	0,21%	0,35%	0,49%	-0,02%	0,23%	0,63%	2,68%	6,45%	19,51%
Benchmark CDI	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%

\* Benchmark

Conservative (89,1% IMA-S + 5,5% IRF-M + 5,5% IMA-B5), Moderate (85,4% IMA-S + 7,3% IRF-M + 7,3% IMA-B5) and Aggressive (80% IMA-S + 10% IRF-M + 10% IMA-B5) since July 2018

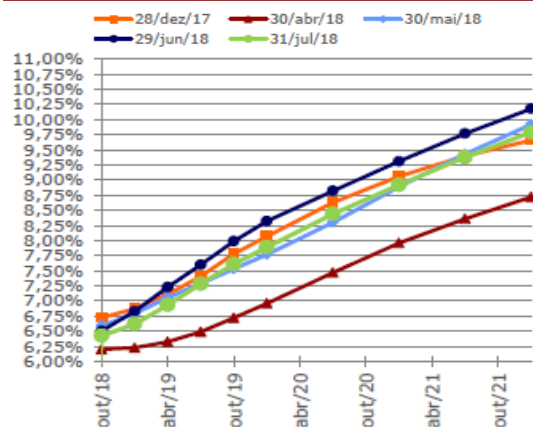
(15%IRF-M + 55%IMA-S + 20%IMA-B5 + 10%IMA-B5+) from July 2017 to June 2018

(50% IMA-S + 50% IMA-B) from Jan 2017 to Jun 2017

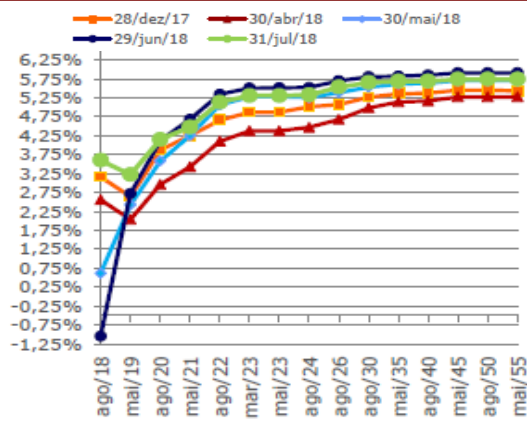
(20%IMA-S+14,4%IRF-M+25,6%IRF-M1+ +30%IMA-B5+10%IMA-B5+) from Jan 2015 to Dec 2016.

Previous benchmark was IMA-G ex-C

## Nominal Yield Curve



## Real Yield Curve



**Nominal Yield Curve** – With the recent political events, an inflation that remained below the target despite the increase caused by the truckers' strike and a still positive economic perspective made the nominal yield curve shift downwards at all maturities. The uncertainties for the election scenario call for more caution in short positions.

**Real Yield Curve** – Real rates, as well as nominal rates, were in line with the recovery of the Brazilian scenario, but for shorter maturities (up to 12 months), the performance was lower. Another relevant aspect was the fall in implicit inflation in the short term, which offset the numbers and the market reaction in June.

**Private Credit** – The highlight of the month was for two issues that summed up BRL 1.26 billion. The issuance consisted of TAESA and Engie debentures, both of infrastructure sector. Another highlight was the volume released by Anbima of the issuance of enhanced debentures for 2018. With the closing of the 2nd quarter of the year, the volume traded already surpasses 2017's volume. The reason pointed out for this fact is the reduction of BNDES participation in new investment financing

Previ Novartis' exclusive fixed income funds with IMA-Composite mandates and structured macro strategy funds had the best performances outperforming in the majority of the cases their respective benchmarks. The IMA-S strategy suffered from an allocation move within the Fixed Income segment to adjust the risk grid within the investment choices. On the other hand, the Long & Short strategy struggled to outperformed its return target.

## 6- Equities

Equities: IBRX	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
Bradesco	7,44%	5,57%	-0,42%	-3,15%	5,95%	11,57%	1,14%	0,88%	0,70%	-9,48%	-4,78%	8,40%	7,11%	24,14%	40,25%
Oceana	6,94%	3,88%	-0,51%	-2,96%	6,21%	11,17%	0,83%	-0,97%	0,61%	-9,40%	-5,49%	8,88%	4,11%	18,59%	45,56%
Benchmark: IBRX	7,35%	4,69%	-0,13%	-3,38%	6,35%	10,74%	0,42%	0,08%	0,82%	-10,91%	-5,20%	8,84%	3,14%	18,95%	37,21%
Equities: Dividends	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
Vinci Partners	5,80%	-	-	-	-	-	-	-	-	-	-	-	N.A	N.A	N.A
Benchmark: IDIV	6,96%	6,12%	0,29%	-6,67%	4,94%	9,88%	-0,61%	1,05%	-1,42%	-10,54%	-4,31%	7,28%	-0,10%	11,39%	41,55%
Equities: Value / Growth	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
Neo	-	-	-	-	-	-	-	-	-	-	-	2,70%	N.A	N.A	N.A
BNP Paribas	3,24%	2,79%	-0,58%	-4,48%	5,79%	1,40%	-1,23%	0,30%	1,22%	-8,58%	-	-	N.A	N.A	N.A
BR Plural	6,26%	5,78%	-0,52%	-2,54%	5,66%	12,62%	1,30%	1,79%	0,12%	-11,47%	-2,90%	8,44%	8,40%	21,35%	N.A
BBM	7,07%	6,39%	-0,32%	-5,50%	5,83%	10,93%	3,64%	0,05%	2,20%	-9,22%	-3,61%	8,16%	11,26%	26,35%	N.A
Benchmark: IBRX	7,35%	4,69%	-0,13%	-3,38%	6,35%	10,74%	0,42%	0,08%	0,82%	-10,91%	-5,20%	8,84%	3,14%	18,95%	37,21%
Offshore: CDI + MSCI	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
FoF Itaú	-0,39%	3,04%	5,58%	1,51%	1,59%	0,99%	-1,61%	-0,66%	6,84%	7,66%	3,74%	-1,41%	16,13%	29,75%	41,94%
BlackRock	0,99%	2,58%	5,52%	2,77%	3,37%	0,70%	-1,80%	-1,02%	6,48%	10,01%	3,38%	0,52%	19,00%	34,59%	46,62%
Pimco	-	-	-	-	-	-	-	0,28%	0,06%	0,09%	0,04%	0,99%	N.A	N.A	N.A
Benchmark: CDI + MSCI World (BRL)	0,45%	2,76%	5,31%	1,51%	2,70%	0,59%	-1,81%	-0,11%	3,16%	4,29%	1,58%	0,45%	8,31%	22,75%	35,13%

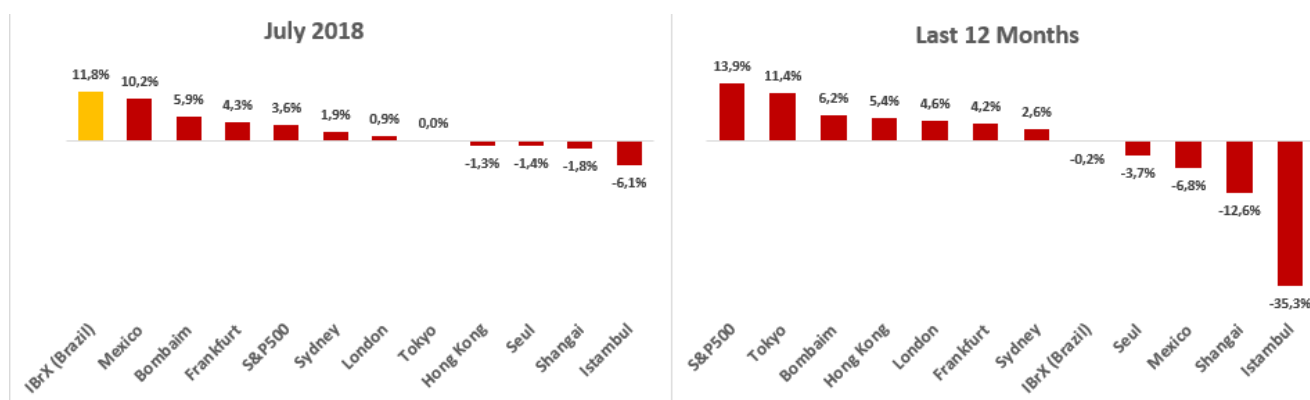
In July, the Brazilian stock market, as well as other local assets, had a strong recovery. The Ibovespa performed 8.8% during the month, closing at 79,220 points. The corporate earnings season set the tone for some of the most representative companies in the index, as was the case of Raia Drogasil and Embraer on the positive side and Itaú on the negative side, which delivered profits below expectations and disappointed analysts. In addition, the political factor played in favor of the recovery with the so-called "centrão" political alliance concentrating on Geraldo Alckmin's candidacy, bringing optimism to the market by increasing the chances of a pro-reform candidate.

On the international side, the major exchanges in the world performed on a positive basis with the S & P 500 yielding 3.60% and the MSCI 3.1% (both in USD), Euro Stoxx, index representing the leading shares of the Euro zone, also performed close to the global and American level, with a return of 3.83% in Euro and the Tokyo stock exchange with a return of 1.12% in Yen.

In Previ Novartis' equity portfolio, local funds underperformed the benchmark, with the exception of Oceana Valor. However, it should be noted that the results were aligned to the stock market. This in periods of high (as was the month of July) is quite positive. On the other hand, international funds (FoF Itaú and BlackRock) performed aligned with the global indexes but with the effects of the devaluation of the dollar detracting its respective returns. The PIMCO fund, a vehicle that does not suffer the effects of currency volatility since it is hedged, showed the positive effects of diversification and was the best offshore fund in the portfolio.

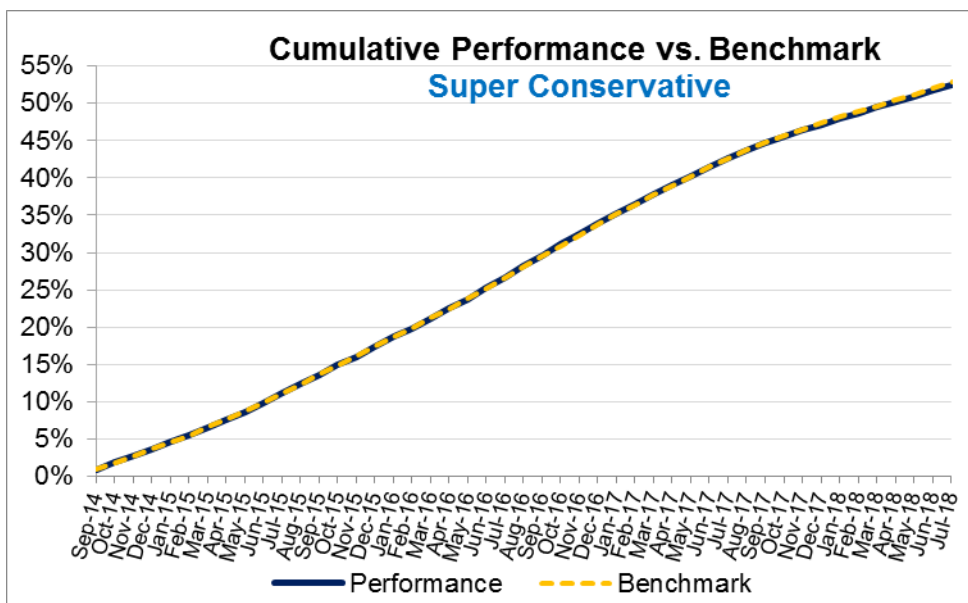
## Stock Markets around the World (performance in USD)

Brazilian exchange was benefited by the improvement of the political scenario and the cooling of the commercial war



**7- Performance of “Super Conservative Investment Choice”**

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
<b>Fixed Income: IMA-S</b>															
BNP Paribas	0,82%	0,65%	0,66%	0,59%	0,54%	0,54%	0,46%	0,54%	0,51%	0,53%	0,49%	0,53%	3,65%	7,07%	20,65%
Itaú	0,83%	0,68%	0,61%	0,54%	0,55%	0,62%	0,43%	0,52%	0,49%	0,48%	0,55%	0,53%	3,67%	7,03%	20,57%
Benchmark: IMA-S	0,81%	0,65%	0,66%	0,57%	0,54%	0,58%	0,46%	0,53%	0,51%	0,50%	0,52%	0,54%	3,72%	7,11%	20,65%
<b>Profile Performance</b>	0,82%	0,66%	0,63%	0,55%	0,53%	0,57%	0,44%	0,52%	0,49%	0,50%	0,51%	0,52%	3,60%	6,95%	20,38%
Benchmark	0,81%	0,65%	0,66%	0,57%	0,54%	0,58%	0,46%	0,53%	0,51%	0,50%	0,52%	0,54%	3,72%	7,11%	20,65%



## 8- Performance of "Conservative Investment Choice"

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
<b>Fixed Income: IMA Composed</b>															
BNP Paribas	-	-	-	-	-	-	-	-	-	-	-	0,24%	NA	NA	NA
Itaú	0,79%	0,63%	0,64%	0,55%	0,53%	0,57%	0,45%	0,52%	0,50%	0,50%	0,50%	0,25%	NA	NA	NA
Bradesco	1,03%	1,10%	0,27%	0,18%	0,85%	1,33%	0,67%	0,99%	0,36%	-1,12%	-0,14%	0,84%	2,94%	6,51%	21,87%
Itaú	0,99%	1,05%	0,30%	0,18%	0,75%	1,33%	0,61%	0,85%	0,33%	-0,83%	-0,11%	0,77%	2,97%	6,38%	21,12%
Benchmark*	0,99%	1,02%	0,38%	0,21%	0,74%	1,28%	0,58%	0,85%	0,37%	-0,78%	0,47%	0,73%	3,55%	7,04%	21,66%
<b>Hedge Funds</b>															
BBM	-	-	-	-	-	-	-	2,32%	0,72%	-0,52%	0,36%	0,89%	NA	NA	NA
Safra	2,26%	1,08%	1,40%	-0,86%	2,22%	5,13%	-0,38%	-0,12%	0,45%	-6,38%	-0,87%	1,37%	-1,13%	5,02%	20,00%
SPX	0,43%	2,35%	-0,34%	1,05%	1,32%	4,13%	0,19%	0,38%	1,10%	-0,60%	2,26%	-0,39%	7,20%	12,43%	NA
Benchmark: CDI	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
<b>Long &amp; Short</b>															
Apex	-	-	-	-	-	-	-	-	-	-	0,36%	0,28%	NA	NA	NA
BNP Paribas	0,62%	0,58%	0,14%	-0,49%	0,62%	-0,51%	0,47%	-0,43%	2,29%	-1,55%	2,28%	-	NA	NA	NA
Oceana	0,93%	0,50%	0,59%	-0,05%	0,95%	0,46%	0,27%	0,09%	0,94%	0,62%	0,42%	0,44%	3,28%	6,32%	23,45%
Santander	0,61%	1,69%	0,44%	0,57%	0,31%	0,76%	0,21%	0,35%	0,49%	-0,02%	0,23%	0,63%	2,68%	6,45%	19,51%
Benchmark: CDI	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
Profile Performance	1,00%	1,08%	0,28%	0,17%	0,81%	1,37%	0,60%	0,87%	0,37%	-1,03%	-0,09%	0,76%	2,88%	6,36%	21,36%
Benchmark	0,98%	1,00%	0,39%	0,23%	0,73%	1,24%	0,58%	0,84%	0,38%	-0,71%	0,47%	0,68%	3,52%	7,01%	21,55%

\* Benchmark

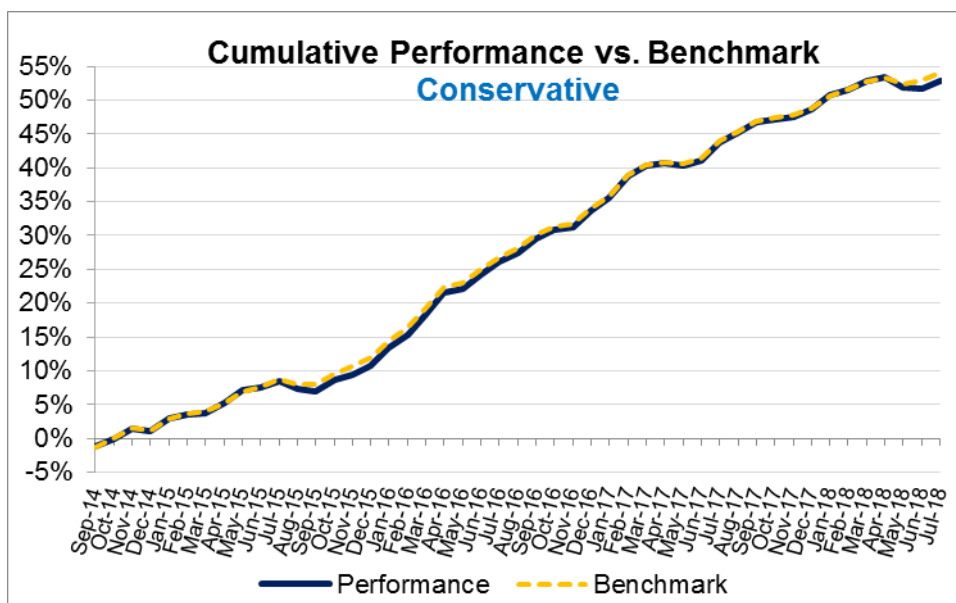
(89,1% IMA-S + 5,5% IRF-M + 5,5% IMA-B5) since July 2018

(15%IRF-M + 55%IMA-S + 20%IMA-B5 +10%IMA-B5+) since July 2017

(50% IMA-S + 50% IMA-B) from Jan 2017 to Jun 2017

(20%IMA-S+14,4%IRF-M1+25,6%IRF-M1+ +30%IMA-B5+10%IMA-B5+) from Jan 2015 to Dec 2016.

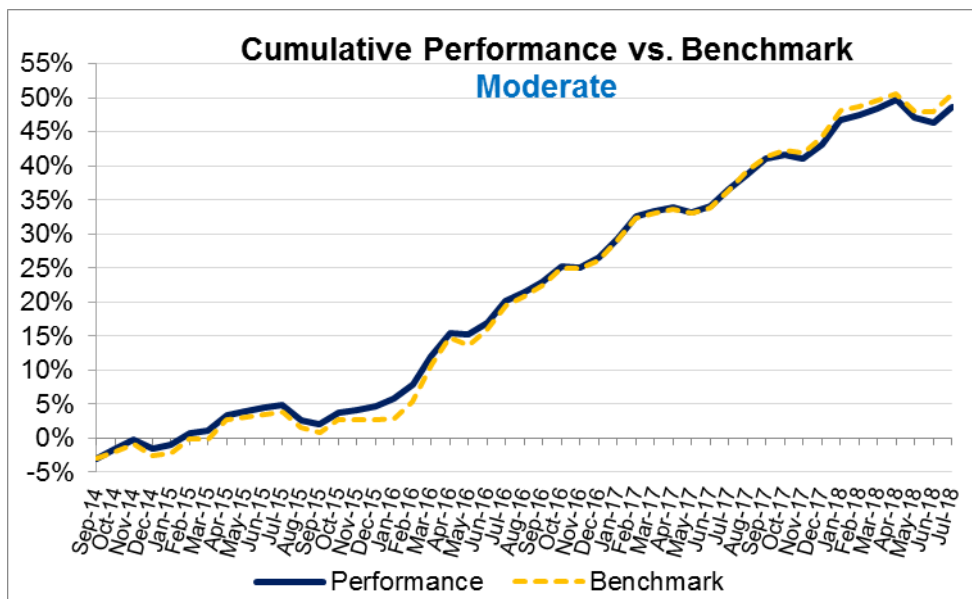
Previous benchmark was IMA-G ex-C



## 9- Performance of "Moderate Investment Choice"

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
<b>Fixed Income: IMA Composed</b>															
BNP Paribas	-	-	-	-	-	-	-	-	-	-	-	0,24%	N.A	N.A	N.A
Itaú	-	-	-	-	-	-	-	-	-	-	-	0,26%	N.A	N.A	N.A
Bradesco	1,03%	1,10%	0,27%	0,18%	0,85%	1,33%	0,67%	0,99%	0,36%	-1,12%	-0,14%	0,84%	2,94%	6,51%	21,87%
Itaú	0,99%	1,05%	0,30%	0,18%	0,75%	1,33%	0,61%	0,85%	0,33%	-0,83%	-0,11%	0,77%	2,97%	6,38%	21,12%
Benchmark*	0,99%	1,02%	0,38%	0,21%	0,74%	1,28%	0,58%	0,85%	0,37%	-0,78%	0,47%	0,73%	3,55%	7,04%	21,66%
<b>Hedge Funds</b>															
BBM	-	-	-	-	-	-	0,92%	2,32%	0,72%	-0,52%	0,36%	0,89%	N.A	N.A	N.A
Safra	2,26%	1,08%	1,40%	-0,86%	2,22%	5,13%	-0,38%	-0,12%	0,45%	-6,38%	-0,87%	-	-	-	-
SPX	0,43%	2,35%	-0,34%	1,05%	1,32%	4,13%	0,19%	0,38%	1,10%	-0,60%	2,26%	-0,39%	7,20%	12,43%	N.A
Benchmark: CDI	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
<b>Long &amp; Short</b>															
Apex	-	-	-	-	-	-	-	-	-	-	0,36%	0,28%	N.A	N.A	N.A
BNP Paribas	0,62%	0,58%	0,14%	-0,49%	0,62%	-0,51%	0,47%	-0,43%	2,29%	-1,55%	2,28%	-	N.A	N.A	N.A
Oceana	0,93%	0,50%	0,59%	-0,05%	0,95%	0,46%	0,27%	0,09%	0,94%	0,62%	0,42%	0,44%	3,28%	6,32%	23,45%
Santander	0,61%	1,69%	0,44%	0,57%	0,31%	0,76%	0,21%	0,35%	0,49%	-0,02%	0,23%	0,63%	2,68%	6,45%	19,51%
Benchmark: CDI	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
<b>Equities: IBR&amp;X</b>															
Bradesco	7,44%	5,57%	-0,42%	-3,15%	5,95%	11,57%	1,14%	0,88%	0,70%	-9,48%	-4,78%	8,40%	7,11%	24,14%	40,25%
Oceana	6,94%	3,88%	-0,51%	-2,96%	6,21%	11,17%	0,83%	-0,97%	0,61%	-9,40%	-5,49%	8,88%	4,11%	18,59%	45,56%
Benchmark: IBR&X	7,35%	4,69%	-0,13%	-3,38%	6,35%	10,74%	0,42%	0,08%	0,82%	-10,91%	-5,20%	8,84%	3,14%	18,95%	37,21%
<b>Equities: Dividends</b>															
Vinci Partners	5,80%	-	-	-	-	-	-	-	-	-	-	-	-	N.A	N.A
Benchmark: IDIV	6,96%	6,12%	0,29%	-6,67%	4,94%	9,88%	-0,61%	1,05%	-1,42%	-10,54%	-4,31%	7,28%	-0,10%	11,39%	41,55%
<b>Equities: Value &amp; Growth</b>															
Pollux	4,39%	4,89%	-1,79%	-7,99%	2,67%	-	-	-	-	-	-	-	N.A	N.A	N.A
Neo	-	-	-	-	-	-	-	-	-	-	-	2,70%	N.A	N.A	N.A
BNP Paribas	3,24%	2,79%	-0,59%	-4,48%	5,79%	1,40%	-1,23%	0,30%	1,22%	-8,58%	-5,55%	-	N.A	N.A	N.A
BR Plural	6,26%	5,78%	-0,46%	-2,54%	5,66%	12,62%	1,30%	1,79%	0,12%	-11,47%	-2,90%	8,44%	8,40%	24,89%	N.A
BBM	7,07%	6,39%	-0,32%	-5,50%	5,83%	10,93%	3,64%	0,05%	2,20%	-9,22%	-3,61%	8,16%	11,26%	26,35%	N.A
Benchmark: IBR&X	7,35%	4,69%	-0,13%	-3,38%	6,35%	10,74%	0,42%	0,08%	0,82%	-10,91%	-5,20%	8,84%	3,14%	18,95%	37,21%
<b>Equities: Offshore</b>															
FoF Itaú	-0,39%	3,04%	5,58%	1,51%	1,59%	0,99%	-1,61%	-0,66%	6,84%	7,66%	3,74%	-1,41%	16,13%	29,75%	41,94%
BlackRock	0,99%	2,58%	5,52%	2,77%	3,37%	0,80%	-1,80%	-1,02%	6,48%	10,01%	3,38%	0,52%	19,27%	38,52%	N.A
Pimco	-	-	-	-	-	-	-	0,28%	0,01%	0,11%	0,06%	1,00%	1,45%	1,45%	N.A
Benchmark: CDI + MSCI World (BRL)	0,45%	2,76%	5,31%	1,51%	2,70%	0,59%	-1,81%	-0,11%	3,16%	4,29%	1,58%	0,45%	8,31%	22,75%	35,13%
Profile Performance	1,61%	1,65%	0,37%	-0,38%	1,48%	2,43%	0,53%	0,73%	0,78%	-1,77%	-0,40%	1,54%	3,85%	8,84%	23,75%
Benchmark	1,98%	1,60%	0,55%	-0,19%	1,60%	2,67%	0,39%	0,65%	0,65%	-1,69%	-0,17%	1,76%	4,28%	10,17%	25,81%

\* Benchmark  
(85,4% IMA-S + 7,3% IRF-M + 7,3% IMA-B5) since July 2018  
(15%IRF-M + 55%IMA-S + 20%IMA-B5 + 10%IMA-B5+) since July 2017  
(50% IMA-S + 50% IMA-B) from Jan 2017 to Jun 2017  
(20%IMA-S+14,4%IRF-M1+25,6%IRF-M1+ +30%IMA-B5+10%IMA-B5+) from Jan 2015 to Dec 2016.  
Previous benchmark was IMA-G ex-C





## 10- Performance of "Aggressive Investment Choice"

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	YTD	Last 12m	Last 24m
<b>Fixed Income: IMA Composed</b>															
Bradesco	1,03%	1,10%	0,27%	0,18%	0,85%	1,33%	0,67%	0,99%	0,36%	-1,12%	-0,14%	0,84%	2,94%	6,51%	21,87%
Itaú	0,99%	1,05%	0,30%	0,18%	0,75%	1,33%	0,61%	0,85%	0,33%	-0,83%	-0,11%	0,77%	2,97%	6,38%	21,12%
Benchmark*	0,99%	1,02%	0,38%	0,21%	0,74%	1,28%	0,58%	0,85%	0,37%	-0,78%	0,47%	0,73%	3,55%	7,04%	21,66%
<b>Hedge Funds</b>															
BBM	-	-	-	-	-	-	0,92%	2,32%	0,72%	-0,52%	0,36%	0,89%	N.A	N.A	N.A
SPX	0,43%	2,35%	-0,34%	1,05%	1,32%	4,13%	0,19%	0,38%	1,10%	-0,60%	2,26%	-0,39%	7,20%	12,43%	21,57%
Benchmark: CDI	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
<b>Long &amp; Short</b>															
Apex	-	-	-	-	-	-	-	-	-	-	0,35%	0,28%	N.A	N.A	N.A
Santander	0,61%	1,69%	0,44%	0,57%	0,31%	0,76%	0,21%	0,35%	0,49%	-0,02%	0,23%	0,63%	2,68%	6,45%	19,51%
Benchmark: CDI	0,80%	0,64%	0,64%	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	3,73%	7,08%	20,47%
<b>Equities: IBRX</b>															
Bradesco	7,44%	5,57%	-0,42%	-3,15%	5,95%	11,57%	1,14%	0,88%	0,70%	-9,48%	-4,78%	8,40%	7,11%	24,14%	40,25%
Oceana	6,94%	3,88%	-0,51%	-2,96%	6,21%	11,17%	0,83%	-0,97%	0,61%	-9,40%	-5,49%	8,88%	4,11%	18,59%	45,56%
Benchmark: IBRX	7,35%	4,69%	-0,13%	-3,38%	6,35%	10,74%	0,42%	0,08%	0,82%	-10,91%	-5,20%	8,84%	3,14%	18,95%	37,21%
<b>Equities: Dividends</b>															
Vinci Partners	5,80%	-	-	-	-	-	-	-	-	-	-	-	N.A	N.A	N.A
Benchmark: IDIV	6,96%	6,12%	0,29%	-6,67%	4,94%	9,88%	-0,61%	1,05%	-1,42%	-10,54%	-4,31%	7,28%	-0,10%	11,39%	41,55%
<b>Equities: Value &amp; Growth</b>															
Pollux	4,39%	4,89%	-1,79%	-7,99%	2,67%	-	-	-	-	-	-	-	N.A	N.A	N.A
Neo	-	-	-	-	-	-	-	-	-	-	-	2,70%	N.A	N.A	N.A
BNP Paribas	-	-	-0,53%	-4,48%	5,79%	1,40%	-1,23%	0,30%	1,22%	-8,58%	-	-	-	N.A	N.A
BR Plural	-	-	-0,87%	-2,54%	5,66%	12,62%	1,30%	1,79%	0,12%	-11,47%	-2,90%	8,44%	8,40%	N.A	N.A
BBM	7,07%	6,39%	-0,32%	-5,50%	5,83%	10,93%	3,64%	0,05%	2,20%	-9,22%	-3,61%	8,16%	11,26%	26,35%	N.A
Benchmark: IBRX	7,35%	4,69%	-0,13%	-3,38%	6,35%	10,74%	0,42%	0,08%	0,82%	-10,91%	-5,20%	8,84%	3,14%	18,95%	37,21%
<b>Equities: Offshore</b>															
FoF Itaú	-0,39%	3,04%	5,58%	1,51%	1,59%	0,99%	-1,61%	-0,66%	6,84%	7,66%	3,74%	-1,41%	16,13%	29,75%	41,94%
BlackRock	-	-	-	-	-	-0,41%	-1,80%	-1,02%	6,48%	10,01%	3,38%	0,52%	17,84%	N.A	N.A
Pimco	-	-	-	-	-	-	-	-	0,32%	0,04%	-0,01%	0,91%	N.A	N.A	N.A
Benchmark: CDI + MSCI World (BRL)	0,45%	2,76%	5,31%	1,51%	2,70%	0,59%	-1,81%	-0,11%	3,16%	4,29%	1,58%	0,45%	8,31%	22,75%	35,13%
Profile Performance	2,45%	2,07%	0,26%	-1,06%	2,09%	3,67%	0,52%	0,61%	0,90%	-2,57%	-0,75%	2,30%	4,65%	10,82%	24,14%
Benchmark	2,67%	1,97%	0,75%	-0,64%	2,49%	4,25%	0,32%	0,54%	0,76%	-2,61%	-0,62%	2,76%	5,37%	13,19%	29,17%

\* Benchmark

(80% IMA-S + 10% IRF-M + 10% IMA-B5) since July 2018

(15%IRF-M + 55%IMA-S + 20%IMA-B5 + 10%IMA-B5+) since July 2017

(50% IMA-S + 50% IMA-B) from Jan 2017 to Jun 2017

(20%IMA-S+14,4%IRF-M1+25,6%IRF-M1+ +30%IMA-B5+10%IMA-B5+) from Jan 2015 to Dec 2016.

Previous benchmark was IMA-G ex-C

