

# RELATÓRIO DE INVESTIMENTOS PREVI NOVARTIS

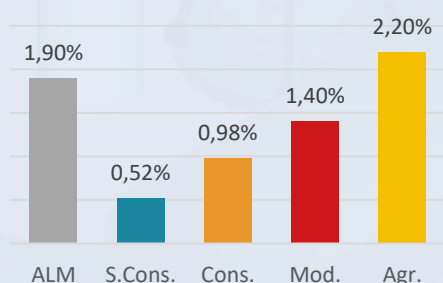
November 12th, 2018



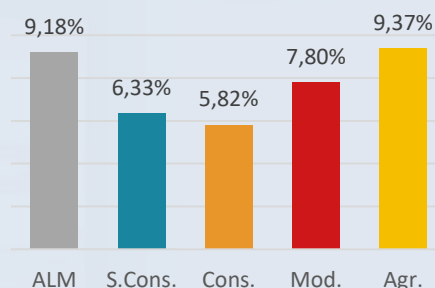
## PERFORMANCE OF INVESTMENT CHOICES

Profile	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	YTD	Last 12m	Last 24m
ALM	0,46%	0,66%	1,32%	0,50%	0,74%	0,45%	-0,10%	0,81%	1,25%	0,52%	0,33%	1,90%	7,97%	9,18%	20,12%
Super Conservative	0,55%	0,53%	0,57%	0,44%	0,52%	0,49%	0,50%	0,51%	0,52%	0,54%	0,45%	0,52%	5,19%	6,33%	18,12%
Conservative	0,17%	0,81%	1,37%	0,60%	0,87%	0,37%	-1,03%	-0,09%	0,76%	0,31%	0,55%	0,98%	4,79%	5,82%	19,02%
Moderate	-0,38%	1,48%	2,43%	0,53%	0,73%	0,78%	-1,77%	-0,40%	1,54%	0,45%	0,81%	1,40%	6,64%	7,80%	21,82%
Aggressive	-1,06%	2,09%	3,67%	0,52%	0,61%	0,90%	-2,57%	-0,75%	2,30%	0,16%	1,08%	2,20%	8,27%	9,37%	22,74%

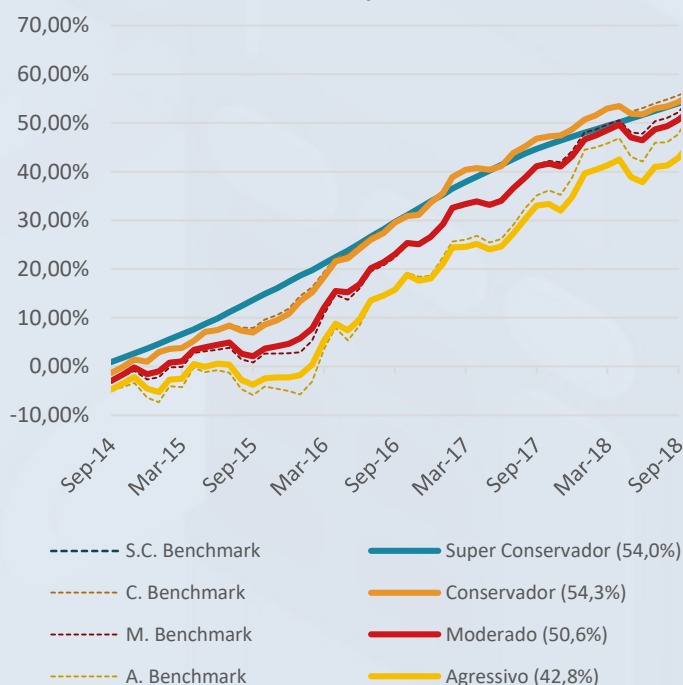
### Month



### Last 12 months



### Accumulated performance



## MACROECONOMIC SUMMARY

### INTERNATIONAL

Data from the US economy continued to point to robust growth. What attracted attention was the expressive devaluation of stock exchanges caused by a generalized sales movement. In the Eurozone, doubts about more consistent growth continue although the economic recovery continues and unemployment rates continue to fall. Data from China released in the month showed that GDP and industrial production slowed while investments improved.

### BRAZIL

In the domestic scenario, the assets direction was almost completely defined by the electoral scenario and the successive evidence pointing to Jair Bolsonaro's victory favored the appreciation of the markets. The economy continued to show better numbers at the margin. Data showed a better-than-expected dynamic in trade and service sector, although industry data were worse. With the victory of the candidate with the most adequate agenda, the month of October provided significant gains in financial assets of all segments.



## PERFORMANCE BY INVESTMENT FUND

	Oct-18	3M	YTD	12M	24M	36M
<b>Renda Fixa - ALM</b>						
Bradesco ALM	1,90%	2,76%	7,97%	9,18%	20,12%	39,71%
Benchmark: Meta Atuarial	0,59%	3,76%	12,44%	14,93%	18,25%	32,80%
<b>Renda Fixa - IMA-S</b>						
BNP Paribas FIRF CP Basel	0,52%	1,55%	5,26%	6,45%	18,35%	34,99%
Itaú Amazonita IMA-S RF FI	0,54%	1,56%	5,28%	6,43%	18,35%	35,23%
Benchmark: IMA-S	0,55%	1,60%	5,37%	6,55%	18,58%	35,10%
<b>Renda Fixa - IMA-Composite</b>						
Bradesco FIRF Lab	1,40%	2,22%	5,22%	6,31%	19,93%	45,43%
Itaú Calcedônia RF FI	1,34%	2,12%	5,15%	6,13%	19,19%	43,88%
Benchmark: IMA Conservador	0,85%	1,85%	5,17%	6,17%	19,32%	43,39%
Benchmark: IMA Moderado	0,96%	1,93%	5,29%	6,29%	19,46%	43,55%
Benchmark IMA Agresivo	1,11%	2,05%	5,47%	6,47%	19,66%	43,80%
<b>Estruturados - Hedge Funds</b>						
Bahia AM Marau FIC FIM	0,68%	1,57%	9,14%	11,07%	38,76%	58,65%
Ibiuna Hedge STH FIC	1,10%	0,18%	5,99%	8,70%	25,35%	49,70%
SPX Nimitz Estrut FIC MM	-0,62%	2,50%	9,88%	12,50%	33,05%	57,38%
Benchmark: CDI	0,54%	1,59%	5,38%	6,55%	18,35%	35,00%
<b>Estruturados - Long &amp; Short</b>						
Apex Equity Hedge FIM	1,58%	1,98%	12,64%	14,45%	33,00%	50,49%
Oceana Long & Short FIM	1,06%	1,73%	5,07%	6,01%	19,90%	42,19%
Santander Star Long & Short FIM	0,54%	1,65%	4,38%	5,30%	14,86%	34,62%
Benchmark: CDI	0,54%	1,59%	5,38%	6,55%	18,35%	35,00%
<b>Equities - IBrX</b>						
Bradesco Instit. IBrX Alpha	9,98%	10,19%	18,02%	21,10%	38,37%	86,21%
Oceana Valor FIA	11,41%	10,36%	14,90%	18,42%	44,79%	110,25%
Benchmark: IBrX	10,42%	10,42%	13,89%	17,03%	34,48%	87,87%
<b>Equities - Value &amp; Growth</b>						
Neo Navitas FIC FIA	8,34%	4,35%	-5,07%	-1,47%	26,62%	89,86%
Brasil Plural FIC FIA	10,73%	12,19%	21,61%	25,24%	37,31%	61,83%
Bahia AM Valuation FIC FIA	8,87%	9,18%	21,48%	21,49%	43,15%	97,04%
Benchmark: IBrX	10,42%	10,42%	13,89%	17,03%	34,48%	87,87%
<b>Offshore</b>						
Itaú Fof Multi Global EQ MM IE	-16,44%	-8,16%	6,65%	9,98%	33,41%	10,02%
BlackRock iShare SP500 IE	-13,82%	-4,15%	14,32%	21,45%	52,13%	29,79%
Pimco Income IE	-0,12%	0,44%	2,77%	3,50%	21,46%	-



## COMMENTS BY SEGMENT

## FIXED INCOME

In Fixed Income, difficult to point out highlights since only the IMA-S maintained its habitual behavior and presented performance in line with expectations. On one side, LTN, NTN-F and DI-Futuro rates fell to closing levels in 2017 and maturities from one year on fell from 100bps or more (IRF-M + 3.59%). The same behavior of falling rates was observed in the NTN-Bs, which, although they did not return to 2017 levels in the shortest maturities (but rather the longest), declined substantially along the curve (IMA-B5 +3, 10% and IMA-B5 + 10.66%).

## EQUITIES

In the stock market, there were few stocks that did not show gains (such as those in the "Mining" and "Pulp and Paper" sectors, which were hampered by the appreciation of the real), and in this way the good performances spread through the various sectors, including those coming on negative territory until September. At the close of the period, valuations of 10.42% and 10.19% for IBr-X and Ibovespa, while the IDIV (+ 11.44%) and the SMLL index (+ 12.59%) left behind a negative profitability in the year and came to accumulate 7.39% and 1.07%, respectively for 2018.

## ALTERNATIVES

In October, the winning positions were those linked to the domestic scenario.

## FOREIGN INVESTMENT

The US stock market showed significant devaluation in October, with declines in 16 trading sessions in the month. The S&P500 Index fell 6.9%.

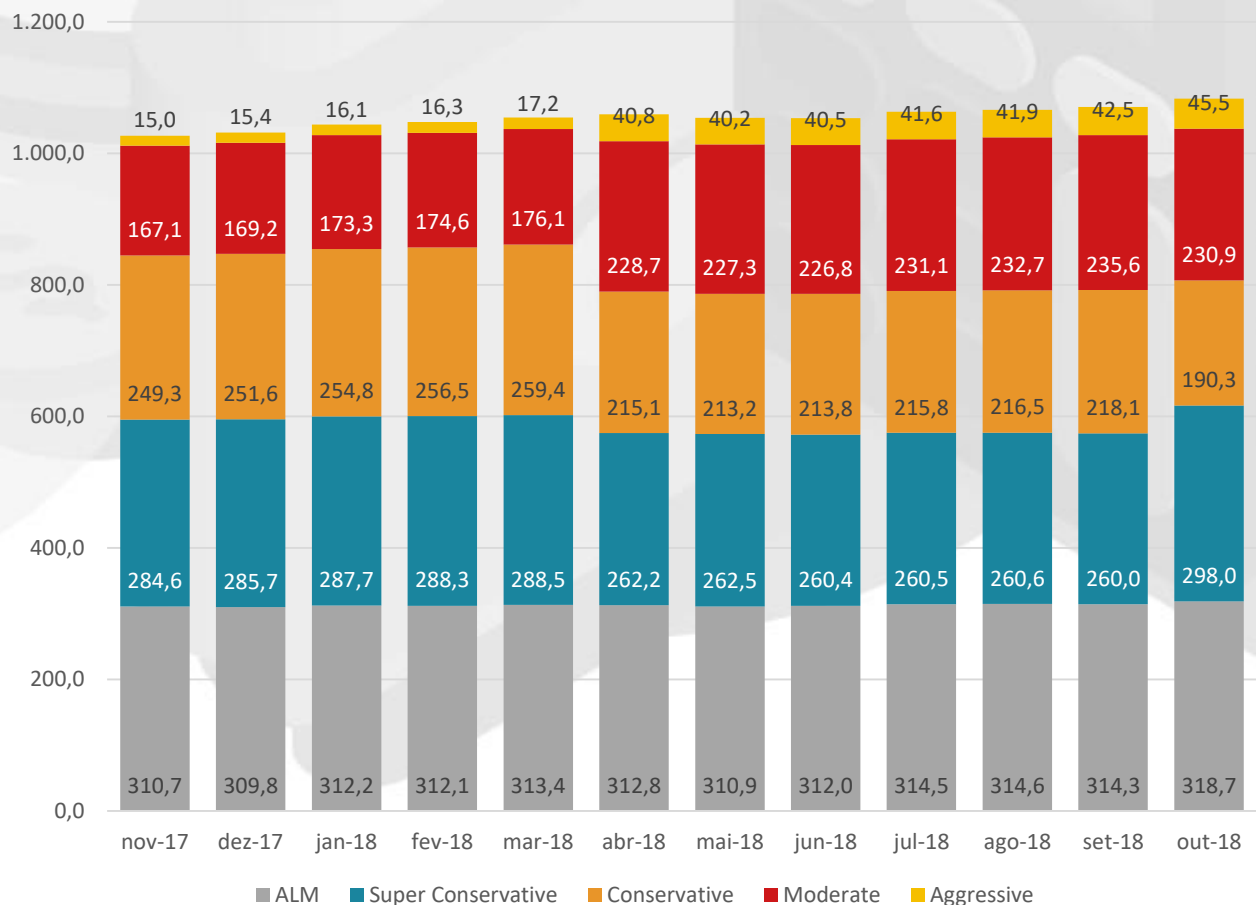


## INVESTMENT PORTFOLIO - BY MANAGER AND BY ASSET CLASS

Asset Manager & Funds	Fixed Income				Structured		Equities			Total	
	ALM	IMA-S	Ima - Composed	Offshore	Hedge Funds	Long & Short	IBrX	Value / Growth	Offshore	\$	%
Apex	-	-	-	-	-	3,7	-	-	-	3,7	0,3%
BBM	-	-	-	-	5,9	-	-	10,2	-	16,2	1,5%
BlackRock	-	-	-	-	-	-	-	-	4,5	4,5	0,4%
BNP Paribas	-	201,4	-	-	-	-	-	-	-	201,4	18,6%
BR Plural	-	-	-	-	-	-	-	10,3	-	10,3	0,9%
Bradesco	318,7	-	133,2	-	-	-	13,6	-	-	465,4	43,0%
Ibiuna	-	-	-	-	3,9	-	-	-	-	3,9	0,4%
Itaú	-	202,7	131,4	-	-	-	-	-	8,5	342,7	31,6%
Neo	-	-	-	-	-	-	-	5,0	-	5,0	0,5%
Oceana	-	-	-	-	-	2,2	8,0	-	-	10,2	0,9%
PIMCO	-	-	-	5,0	-	-	-	-	-	5,0	0,5%
Santander	-	-	-	-	-	6,0	-	-	-	6,0	0,6%
SPX	-	-	-	-	8,7	-	-	-	-	8,7	0,8%
<b>Total</b>	<b>318,7</b>	<b>404,2</b>	<b>264,6</b>	<b>5,0</b>	<b>18,5</b>	<b>11,9</b>	<b>21,6</b>	<b>25,5</b>	<b>13,0</b>	<b>1.083</b>	<b>100%</b>



## INVESTMENT PORTFOLIO - ALLOCATION BY INVESTMENT CHOICE





## EXTERNAL AND INTERNAL INDICATORS

Segment	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	YTD	Last 12m	Last 24m
ALM	0,46%	0,66%	1,32%	0,50%	0,74%	0,45%	-0,10%	0,81%	1,25%	0,52%	0,33%	1,90%	7,97%	9,18%	20,12%
<b>Fixed Income</b>															
- IMA-S	0,56%	0,54%	0,58%	0,44%	0,53%	0,50%	0,51%	0,52%	0,46%	0,55%	0,46%	0,53%	5,20%	6,37%	18,27%
- IMA- Composed *	0,18%	0,80%	1,33%	0,64%	0,92%	0,35%	-0,98%	-0,12%	0,81%	0,16%	0,63%	1,37%	5,18%	6,22%	19,56%
- Offshore	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	0,57%	0,47%	0,54%	5,38%	6,55%	18,35%
<b>Structured</b>															
- Hedge Funds	0,36%	1,65%	4,49%	0,17%	0,70%	0,84%	-1,79%	0,96%	0,16%	1,02%	0,70%	0,16%	7,53%	9,70%	25,90%
- Long & Short	0,12%	0,54%	0,32%	0,31%	0,06%	1,07%	-0,31%	0,74%	0,49%	0,33%	0,47%	0,96%	4,50%	5,18%	16,30%
<b>Equities</b>															
- IBrX	-3,00%	6,16%	11,37%	0,97%	-0,09%	0,67%	-9,45%	-5,04%	8,58%	-3,47%	3,35%	10,51%	16,42%	19,89%	44,23%
- Dividends	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	4,79%
- Value / Growth	-5,06%	5,06%	8,09%	1,16%	0,71%	1,18%	-9,88%	-3,83%	7,07%	-2,80%	2,78%	9,51%	13,11%	12,82%	22,55%
- Offshore	1,87%	2,10%	0,84%	-1,71%	-0,79%	6,72%	8,46%	3,62%	-0,74%	11,41%	-0,94%	-15,54%	9,12%	13,49%	39,04%
<b>Offshore</b>															
- 50% CDI + 50% MSCI	1,04%	1,62%	0,59%	-0,67%	0,21%	3,16%	4,29%	1,58%	0,45%	5,92%	-1,17%	-6,75%	6,71%	9,59%	29,05%
<b>Indicator</b>															
CDI (interbank deposit)	0,57%	0,54%	0,58%	0,46%	0,53%	0,52%	0,52%	0,52%	0,54%	0,57%	0,47%	0,54%	5,38%	6,55%	18,35%
IMA-S	0,57%	0,54%	0,58%	0,46%	0,53%	0,51%	0,50%	0,52%	0,54%	0,57%	0,47%	0,55%	5,37%	6,55%	18,58%
IMA-Geral ex-C	-0,01%	0,89%	1,68%	0,72%	0,95%	0,30%	-1,45%	0,10%	1,39%	-0,24%	0,61%	3,43%	7,67%	8,63%	23,97%
IMA-Bench composed**	0,21%	0,74%	1,28%	0,58%	0,85%	0,37%	-0,78%	0,48%	0,68%	0,40%	0,56%	0,96%	5,51%	6,51%	19,70%
Ibovespa	-3,15%	6,16%	11,14%	0,52%	0,01%	0,88%	-10,87%	-5,20%	8,88%	-3,21%	3,48%	10,19%	14,42%	17,65%	34,65%
IBrX	-3,38%	6,35%	10,74%	0,42%	0,08%	0,82%	-10,91%	-5,20%	8,84%	-3,12%	3,23%	10,42%	13,89%	17,03%	34,48%
IDIV	-6,67%	4,94%	9,88%	-0,61%	1,05%	-1,42%	-10,54%	-4,31%	7,28%	-3,71%	0,18%	11,44%	7,39%	5,18%	30,40%
Saving Accounts	0,48%	0,48%	0,52%	0,43%	0,50%	0,50%	0,50%	0,50%	0,52%	0,55%	0,45%	0,52%	5,11%	6,12%	13,70%
USD	-0,47%	1,42%	-4,40%	2,61%	2,43%	4,73%	7,35%	3,18%	-2,62%	10,13%	-3,18%	-7,15%	12,39%	13,45%	16,87%
CPI (IPCA)	0,28%	0,44%	0,29%	0,32%	0,09%	0,22%	0,40%	1,26%	0,33%	-0,09%	0,48%	0,45%	3,81%	4,56%	7,38%
IGP-DI (FGV)	0,80%	0,74%	0,58%	0,15%	0,56%	0,93%	1,64%	1,48%	0,44%	0,68%	1,79%	0,26%	8,82%	10,51%	9,33%
MSCI World (BRL)	1,51%	2,70%	0,59%	-1,81%	-0,11%	5,80%	8,07%	2,63%	0,36%	11,28%	-2,80%	-14,04%	8,03%	12,63%	39,75%
Actuarial Target <sup>1</sup>	1,13%	1,07%	0,91%	0,48%	0,89%	1,26%	1,97%	1,81%	0,77%	1,01%	2,12%	0,59%	12,44%	14,93%	18,25%

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

\*\* Historic composition of IMA-Bench composed (weighted Performance)

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

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



## ADDITIONAL COMMENTS

In the month in which the Brazilians came to the polls to vote for their next president of the republic, there would not be a way for the issue of "elections" to remain out of the spotlight and not to be decisive for the direction of the main business markets and for the definition of prices of domestic financial assets. In this way, there was little space for the generalized sales movement registered in the North American stock market to influence the location, which was frankly positive and enabled significant gains for those who were invested in the well-known Kit Brazil.

On the external front, more of the same with the data of the American economy, which continued to point to a robust growth, with the unemployment rate at a historically low level generating positive effects across economy, without, however, a signal of pressure of inflation. However, what attracted attention was the abrupt drop in the stock market, as mentioned previously, which resulted in 16 trading sessions in the month, the highest number of trading sessions in the same month since 2008. In the face of a strong growth scenario economy, with no more aggressive Fed (Fed) speeches indicating a tightening of monetary policy, analysts failed to identify the main trigger for the reversal seen in October and probably will not get an objective explanation for the move. Among the reasons for this was the rise registered in the interest rate of American securities, the movement of investors' turnover (selling shares that have appreciated a lot in recent years, as in the technology sector, to buy securities with lower relative values), negative expectations of the impact of the "commercial war" on world growth (which would bring down the price of commodities and the shares of companies linked to them), among others. Regardless of the motivators for the observed fall, the US stock exchange underwent a significant correction in stock prices and recorded losses that were not observed long ago (for example, with a drop of 6.9%, the S&P500 Index registered the largest decline monthly since September 2011).