

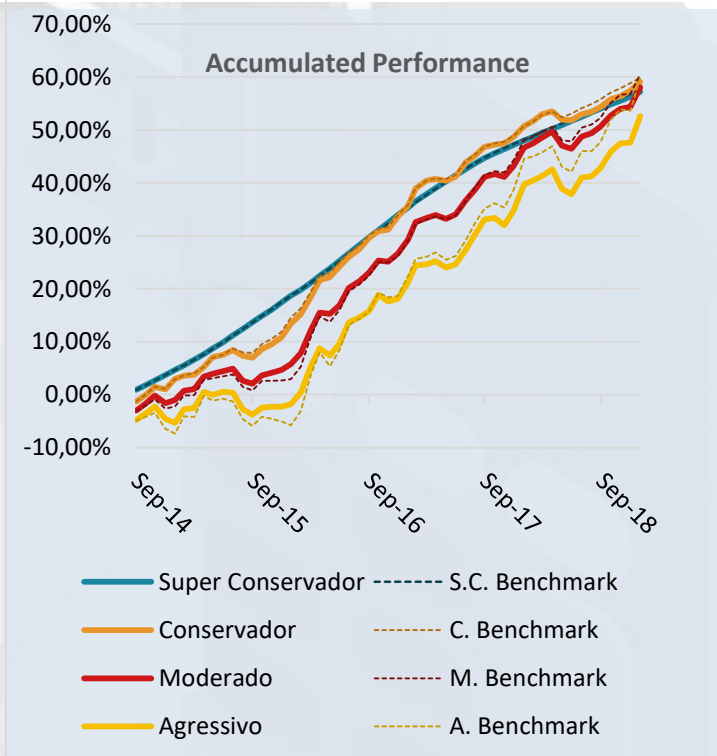
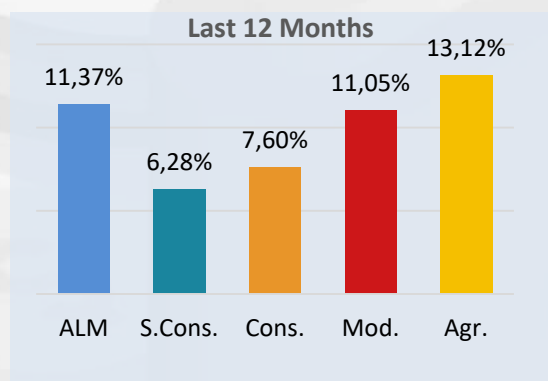
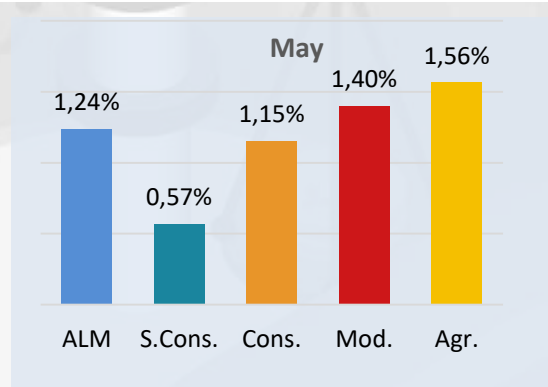
# RELATÓRIO DE INVESTIMENTOS PREVI NOVARTIS

June 12th, 2019



## INVESTMENT CHOICES PERFORMANCE

Profile	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	YTD	Last 3m	Last 6m	Last 12m	Last 24m	Last 36M
ALM	0,81%	1,25%	0,52%	0,33%	1,90%	0,50%	0,57%	1,25%	0,64%	0,78%	1,05%	1,24%	5,06%	3,10%	5,66%	11,37%	20,38%	34,09%
Super Conservative	0,51%	0,52%	0,54%	0,45%	0,52%	0,46%	0,50%	0,55%	0,47%	0,46%	0,54%	0,57%	2,62%	1,58%	3,14%	6,28%	14,37%	29,55%
Conservative	-0,09%	0,76%	0,31%	0,55%	0,98%	0,36%	0,70%	1,01%	0,45%	0,47%	0,69%	1,15%	3,83%	2,33%	4,55%	7,60%	16,43%	33,76%
Moderate	-0,40%	1,54%	0,45%	0,81%	1,40%	0,86%	0,22%	2,38%	0,34%	0,68%	0,88%	1,40%	5,80%	2,99%	6,03%	11,05%	22,58%	41,70%
Aggressive	-0,75%	2,30%	0,16%	1,08%	2,20%	1,08%	0,06%	3,39%	-0,05%	0,66%	0,78%	1,56%	6,46%	3,03%	6,53%	13,12%	26,65%	46,28%



## MACROECONOMIC OVERVIEW

### INTERNATIONAL

In May, the major global markets showed negative performances and a significant increase in volatility. We believe that risk appetite has been hampered by the combination of two factors: (i) substantial increase in uncertainty in US-China trade negotiation and (ii) disappointment with global activity, especially in China.

The global economy is losing steam amid a reduction in global demand, triggered both by rising trade tensions between the US and China, and by the US protectionist advance on Europe and, more recently, Mexico. The OECD forecasts a 3.2% expansion for global GDP this year (3.5% in 2018), while world trade will grow by 2%, the lowest rate since the global financial crisis of 2008. The US economy, however, continues to exhibit higher growth rates among majors, but negative international financial conditions on fears of a slowing global economy have resulted in a succession of disappointing indicators that have fueled bets that the Fed is likely to cut interest rates later this year.

### BRAZIL

Our market was marked by two distinct moments in May: in the first fortnight, news and projections of growth, together with the doubts of the political scenario - notably the dynamics between Jair Bolsonaro and Centrão, created a negative environment. In the second fortnight, a more constructivist stance of legislative leadership and a greater willingness to negotiate on behalf of Bolsonaro raised optimism about approving the constitutional amendment and boosted local assets. The executive branch shows that it is learning to play the game with the Legislative. This posture seems to have some effect on the leadership of Congress, which seems to begin to become aware of the urgent need to approve the pension reform.



## PERFORMANCE BY FUND AND SEGMENT

	May-19	3M	YTD	12M	24M	36M	6M
<b>Renda Fixa - ALM</b>							
Bradesco ALM	1,24%	3,10%	5,06%	11,37%	20,38%	34,09%	5,66%
Benchmark: Meta Atuarial	0,73%	3,40%	5,45%	11,20%	21,66%	27,88%	5,32%
<b>Renda Fixa - IMA-S</b>							
BNP Paribas FIRF CP Basel	0,59%	1,61%	2,65%	6,33%	14,62%	29,95%	3,14%
Itaú Amazonita IMA-S RF FI	0,57%	1,61%	2,71%	6,48%	14,62%	29,94%	3,27%
Benchmark: IMA-S	0,54%	1,54%	2,60%	6,40%	14,71%	29,91%	3,11%
<b>Renda Fixa - IMA-Composite</b>							
Bradesco FIRF Lab	2,53%	4,05%	6,24%	10,83%	20,11%	38,51%	7,13%
Itaú Calcedônia RF FI	2,67%	4,49%	5,93%	10,25%	19,24%	36,82%	6,92%
Benchmark IMA Composite	2,10%	3,67%	4,92%	9,45%	18,52%	35,63%	5,64%
<b>Estruturados - Hedge Funds</b>							
Bahia AM Maraú FIC FIM	0,75%	1,65%	4,64%	8,41%	31,74%	60,82%	5,67%
Canvas Enduro II FIC FIM	-	-	-	-	-	-	-
Exploritas Alpha LATAM FIC FIM	-	-	-	-	-	-	-
Mauá Macro FIC FIM	-	-	-	-	-	-	-
SPX Nimitz Estrut FIC MM	1,55%	2,24%	3,56%	1,99%	17,30%	40,29%	0,29%
Benchmark: CDI	0,54%	1,54%	2,59%	6,37%	14,52%	29,69%	3,10%
<b>Estruturados - Long &amp; Short</b>							
Apex Equity Hedge FIM	0,13%	0,08%	2,54%	10,09%	31,16%	49,75%	4,12%
CLARITAS L&S FIM	-	-	-	-	-	-	-
Benchmark: CDI	0,54%	1,54%	2,59%	6,37%	14,52%	29,69%	3,10%
<b>Equities - IBrX</b>							
Bradesco Instit. IBrX Alpha	1,60%	3,07%	10,19%	28,29%	63,99%	105,56%	10,44%
Equitas Selection Inst FIC FIA	-	-	-	-	-	-	-
Oceana Valor FIA	1,61%	3,48%	13,25%	33,15%	63,12%	118,72%	12,47%
Benchmark: IBrX	1,14%	2,09%	11,04%	28,21%	55,53%	102,08%	9,61%
<b>Equities - Value &amp; Growth</b>							
Moat Capital FIA	-	-	-	-	-	-	-
Brasil Plural FIC FIA	1,08%	1,68%	9,49%	30,66%	66,09%	94,88%	9,60%
Bahia AM Valuation FIC FIA	1,67%	1,44%	8,74%	25,47%	61,52%	111,31%	7,06%
Benchmark: IBrX	1,14%	2,09%	11,04%	28,21%	55,53%	137,66%	9,61%
<b>Equities - Small Caps</b>							
QUEST SMALL CAPS FA	-	-	-	-	-	-	-
Benchmark: IBrX	1,14%	2,09%	11,04%	28,21%	55,53%	137,66%	9,61%
<b>Offshore</b>							
Itaú Fof Multi Global EQ MM IE	-5,97%	5,69%	13,23%	4,42%	30,81%	31,94%	6,08%
BlackRock iShare SP500 IE	-6,35%	3,42%	12,03%	7,15%	41,41%	47,22%	1,90%
Benchmark: MSCI World	-6,19%	3,41%	10,46%	2,73%	30,04%	33,94%	2,25%
Pimco Income IE	0,67%	2,81%	6,07%	8,99%	17,26%	41,84%	7,11%
Benchmark: CDI	0,54%	1,54%	2,59%	6,37%	14,52%	29,69%	3,10%



## COMMENTS BY SEGMENT

## FIXED INCOME

The CDI yielded 0.54% in May. The CPI-A recorded 0.13%, the lowest rate for the month since 2006. The BC made it clear that it awaits the evolution of the reforms to consider further cuts in interest rates. The loss of vigor of the economy is also becoming increasingly evident. Projections of the Focus Bulletin point to growth close to 1% this year. With all this, the market knocked the expectations of inflation and interest, considered high in the face of so much inactivity and low consumption.

## EQUITIES

The Bovespa Index ended the month with 97,030 points, 0.70% above the previous month's close and 2.96% below the historical record recorded on March 18, 2019 with 99,993 points. The Ibovespa closed higher in May for the first time in ten years - with the positive advance concentrated last week after the Bolsonaro government pact with the other two powers, raising the possibility of further reforms. In spite of the more pleasant and optimistic political environment, GDP growth in the first quarter fell by 0.2%, with the Industrial Confidence Index (ICI) falling, but with a slight decrease in the unemployment rate (from 12,7% to 12.5%). The government is considering releasing some FGTS accounts access to try to boost consumption.

## STRUCTURED

In the external context, the resumption of the protectionist escalation between the US and China during the month and the tariff on Mexico at the end of the month gave the predominant tone of risk aversion. Weak data from Industrial Production and Retail Sales both in China and the US helped to heighten fears of recession, with relevant closing of long rates in a number of developed and emerging economies.

## INTERNATIONAL

We observed the external market with great caution, having reduced our allocation in this class. There is not much to celebrate. In May, the commercial war returned prominently on the news. The US government has once again used tariff increases to pressure other countries, especially China and Mexico, which has led to a worsening of investor sentiment. The prices of assets abroad reflected the expectation of worse growth with the resurgence of the commercial war. In stock exchanges, the US S & P500 fell by -6.6%, the Euro Zone STOXX600 -5.7% and the China CSI300 -5.8%. Future interest rates also receded around the world, with 2-year US interest rates falling -0.34 bp and 10-year -0.38 bp. The prospect of slower growth or even recession has raised interest rate bets in the US.

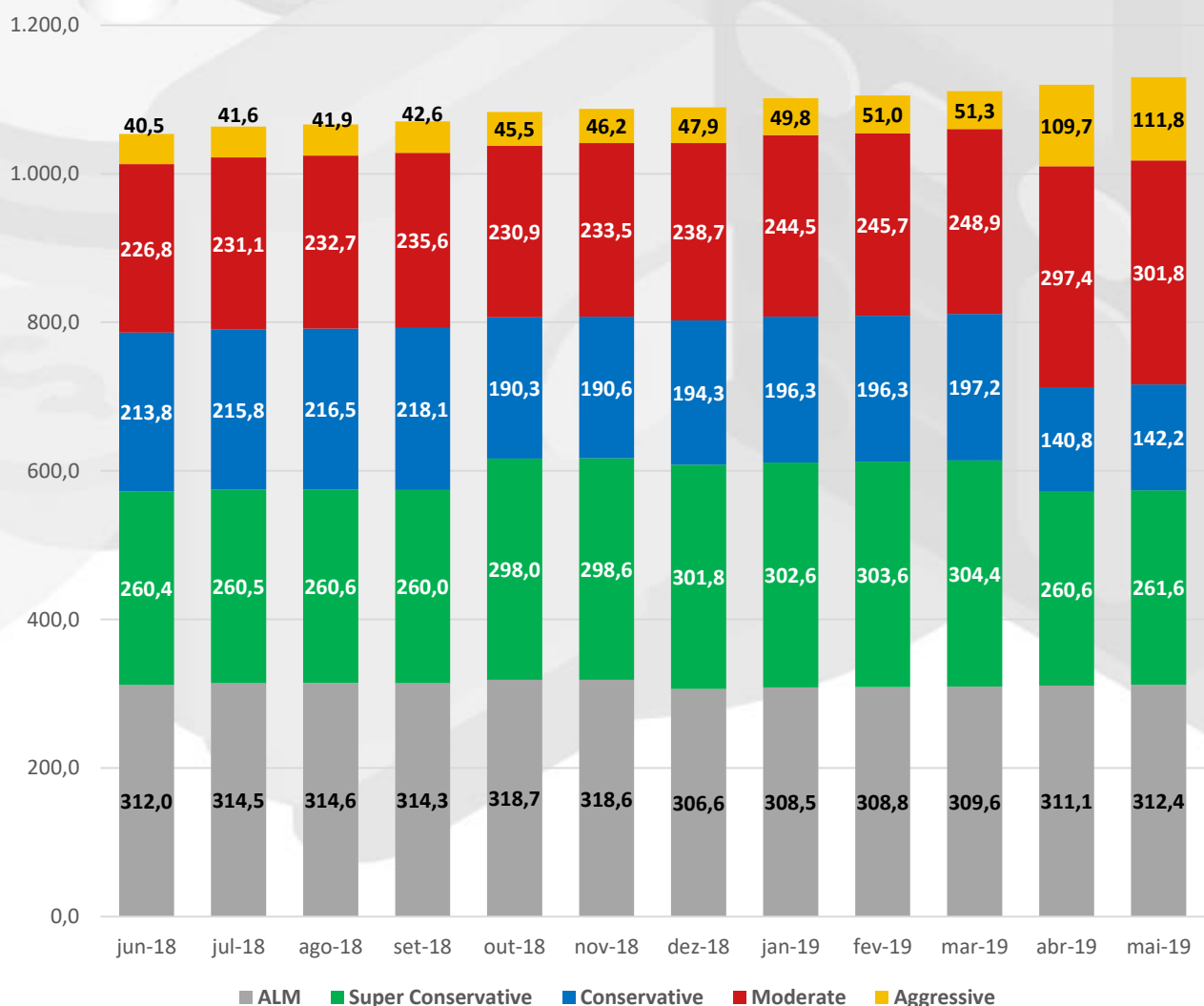


## INVESTMENT PORTFOLIO– BY ASSET MANAGER AND ASSET CLASS

Asset Manager & Funds	Fixed Income				Structured		Equities				Total	
	ALM	IMA-S	Ima - Composed	Offshore	Hedge Funds	Long & Short	IBrX	Small Caps	Value / Growth	Offshore	\$	%
Apex	-	-	-	-	-	3,9	-	-	-	-	3,9	0,3%
AZ QUEST	-	-	-	-	-	-	-	11,4	-	-	11,4	1,0%
Bahia	-	-	-	-	2,2	-	-	-	2,8	-	5,1	0,5%
BlackRock	-	-	-	-	-	-	-	-	-	4,8	4,8	0,4%
BNP Paribas	-	224,1	-	-	-	-	-	-	-	-	224,1	20,0%
BR Plural	-	-	-	-	-	-	-	-	14,2	-	14,2	1,3%
Bradesco	312,4	-	101,1	-	-	-	15,9	-	-	-	429,3	38,4%
Canvas	-	-	-	-	2,8	-	-	-	-	-	2,8	0,3%
Claritas	-	-	-	-	-	2,4	-	-	-	-	2,4	0,2%
Equitas	-	-	-	-	-	-	-	11,6	-	-	11,6	1,0%
Exploritas	-	-	-	-	4,3	-	-	-	-	-	4,3	0,4%
Itaú	-	255,1	103,8	-	-	-	-	-	-	4,6	363,5	32,5%
Mauá	-	-	-	-	2,8	-	-	-	-	-	2,8	0,2%
Moat Capital	-	-	-	-	-	-	-	-	16,3	-	16,3	1,5%
Oceana	-	-	-	-	-	-	9,4	-	-	-	9,4	0,8%
Pimco	-	-	-	5,3	-	-	-	-	-	-	5,3	0,5%
SPX	-	-	-	-	8,1	-	-	-	-	-	8,1	0,7%
<b>Total</b>	<b>312,37</b>	<b>479,18</b>	<b>204,85</b>	<b>5,34</b>	<b>20,20</b>	<b>6,24</b>	<b>25,27</b>	<b>23,00</b>	<b>33,36</b>	<b>9,35</b>	<b>1.119</b>	<b>100%</b>



## INVESTMENT PORTFOLIO– ALLOCATION BY INVESTMENT CHOICE





## EXTERNAL AND INTERNAL INDICATORS

Segment	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	YTD	Last 12m	Last 24m	Last 36m	3m	6m
ALM	0,81%	1,25%	0,52%	0,33%	1,90%	0,50%	0,57%	1,25%	0,64%	0,78%	1,05%	1,24%	5,06%	11,37%	20,38%	34,09%	3,10%	5,66%
<b>Fixed Income</b>																		
- IMA-S	0,52%	0,46%	0,55%	0,46%	0,53%	0,47%	0,51%	0,57%	0,48%	0,47%	0,55%	0,58%	2,67%	6,32%	14,53%	29,84%	1,02%	2,60%
- IMA- Composed *	-0,12%	0,81%	0,16%	0,63%	1,37%	0,41%	0,89%	1,25%	0,48%	0,48%	1,14%	2,60%	6,08%	10,54%	19,67%	37,66%	4,27%	7,02%
- Offshore	0,52%	0,54%	0,57%	0,47%	0,54%	0,49%	0,49%	0,54%	0,49%	0,47%	0,52%	0,54%	2,59%	6,37%	14,52%	29,69%	1,54%	3,10%
<b>Structured</b>																		
- Hedge Funds	0,96%	0,16%	1,02%	0,70%	0,16%	-1,48%	-0,71%	2,11%	0,11%	0,35%	0,16%	1,21%	3,99%	4,81%	20,63%	37,01%	1,73%	3,25%
- Long & Short	0,74%	0,49%	0,33%	0,47%	0,96%	0,98%	0,86%	1,05%	0,32%	0,07%	0,32%	0,13%	1,90%	6,90%	13,37%	31,07%	0,38%	2,63%
<b>Equities</b>																		
- IBx	-5,04%	8,58%	-3,47%	3,35%	10,51%	2,93%	-0,12%	8,11%	-1,23%	0,14%	1,46%	2,63%	11,34%	30,12%	61,91%	114,75%	4,26%	11,21%
- Value / Growth	-3,83%	7,07%	-2,80%	2,78%	9,51%	2,01%	0,20%	8,66%	-1,55%	0,26%	0,50%	1,34%	9,24%	25,78%	43,16%	74,73%	2,11%	9,45%
- Offshore	3,62%	-0,74%	11,41%	-0,94%	-15,54%	5,07%	-7,24%	1,41%	6,05%	6,15%	4,92%	-6,16%	12,40%	5,02%	33,47%	34,21%	4,51%	4,26%
<b>Offshore</b>																		
- 50% CDI + 50% MSCI	1,58%	0,45%	5,92%	-1,17%	-6,75%	2,70%	-3,47%	1,01%	2,88%	2,90%	2,59%	-2,82%	6,53%	4,55%	22,28%	31,82%	2,58%	2,90%
<b>Indicator</b>	<b>Jun-18</b>	<b>Jul-18</b>	<b>Aug-18</b>	<b>Sep-18</b>	<b>Oct-18</b>	<b>Nov-18</b>	<b>Dec-18</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>	<b>Apr-19</b>	<b>May-19</b>	<b>YTD</b>	<b>Last 12m</b>	<b>Last 24m</b>	<b>Last 36m</b>	<b>3m</b>	<b>6m</b>
CDI (interbank deposit)	0,52%	0,54%	0,57%	0,47%	0,54%	0,49%	0,49%	0,54%	0,49%	0,47%	0,52%	0,54%	2,59%	6,37%	14,52%	29,69%	1,54%	3,10%
IMA-S	0,52%	0,54%	0,57%	0,47%	0,55%	0,49%	0,49%	0,54%	0,49%	0,47%	0,52%	0,54%	2,60%	6,40%	14,71%	29,91%	1,54%	3,11%
IMA-Geral ex-C	0,10%	1,39%	-0,24%	0,61%	3,43%	0,78%	1,18%	1,91%	0,44%	0,54%	0,84%	1,83%	5,68%	13,55%	23,86%	43,29%	3,24%	6,93%
IMA-Bench composed**	0,47%	0,73%	0,34%	0,60%	1,11%	0,51%	0,69%	0,73%	0,48%	0,53%	1,01%	2,10%	4,94%	9,67%	18,76%	35,90%	3,68%	5,66%
Ibovespa	-5,20%	8,88%	-3,21%	3,48%	10,19%	2,38%	-1,81%	10,82%	-1,86%	-0,18%	0,98%	0,70%	10,40%	26,42%	54,72%	100,18%	1,51%	8,41%
IBx	-5,20%	8,84%	-3,12%	3,23%	10,42%	2,66%	-1,29%	10,71%	-1,76%	-0,11%	1,06%	1,14%	11,04%	28,21%	55,53%	102,08%	2,09%	9,61%
IDV	-4,31%	7,28%	-3,70%	0,17%	11,44%	7,28%	0,65%	12,48%	-2,03%	-1,79%	3,09%	3,14%	15,08%	37,12%	54,06%	129,52%	4,43%	15,83%
Saving Accounts	0,50%	0,52%	0,55%	0,45%	0,52%	0,48%	0,48%	0,52%	0,48%	0,45%	0,50%	0,52%	2,50%	6,14%	12,76%	21,85%	1,48%	2,99%
USD	3,18%	-2,62%	10,13%	-3,18%	-7,15%	3,92%	0,30%	-5,75%	2,37%	4,23%	1,25%	-0,12%	1,70%	5,45%	21,49%	9,61%	5,41%	2,00%
CPI (IPCA)	1,26%	0,33%	-0,09%	0,48%	0,45%	-0,21%	0,15%	0,32%	0,43%	0,75%	0,57%	0,13%	2,22%	4,66%	7,65%	11,52%	1,46%	2,37%
IGP-DI (FGV)	1,48%	0,44%	0,68%	1,79%	0,26%	-1,14%	-0,45%	0,07%	1,25%	1,07%	0,90%	0,40%	3,74%	6,92%	12,48%	13,68%	2,39%	3,28%
MSCI World (BRL)	2,63%	0,36%	11,28%	-2,80%	-14,04%	4,91%	-7,44%	1,48%	5,27%	5,33%	4,65%	-6,19%	10,46%	2,73%	30,04%	33,94%	3,41%	2,25%
Actuarial Target <sup>1</sup>	1,81%	0,77%	1,01%	2,12%	0,59%	-0,82%	-0,12%	0,40%	1,58%	1,40%	1,23%	0,73%	5,45%	11,20%	21,66%	27,88%	3,40%	5,32%

\* IGP-DI + 4% p.y.

\*\* 20% IMA-S + 14,4% IRF-M1 + 25,6% IRF-M1++ + 30% IMA-B5 + 10% IMA-B5+

<sup>1</sup> Since September 2014

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## ADDITIONAL COMMENTS

May's market numbers, especially the international fixed-income market, have come to price a major slowdown in the world's major economies, indicating a low activity, not to say "recessive" picture.

Even so, we believe that there might be opportunities in equities that the Reforms under negotiation in Congress may not be priced, and some results from companies can stand out reflecting on Value portfolios.