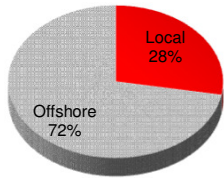


Fixed income continued to be the negative highlight on September, with longer maturity assets showing very poor performance. The US yield curve shifted again, responding to the expectation of new rounds of tariffs, as U.S authorities have failed on bringing China to the negotiation table. On the positive side, the biggest highlight was oil prices, that already reached \$ 85 a barrel. Investors fear an abrupt drop in oil stocks, partly because of production problems in Venezuela, and also because the deadline of effective sanctions against Iran by the United States is getting closer - the government has until November 4th to set a new agreement and prevent sanctions from affecting the oil supply market. It is speculated that the large oil trading activity in Asia is already a sign of these low inventories. Stocks also kept showing good returns, heavily influenced by the strong Japanese stock market performance this month. The foreign investor seems to have regained confidence after Shinzo Abe's re-election.



The local market ended September with a positive result on Equities and short term Fixed Income. The release of several polls throughout the month brought a lot of volatility to the markets. As the proposals of the two major candidates become clearer, investors begin to intensify his bets on the different scenarios. The Brazilian market also suffered from the deepening of Argentina's crisis. Macri's government faced general strikes, and only at the end of the month they reached an agreement with the IMF, improving an initial \$ 50bn lending to \$ 57bn, anticipating the release to 2019, and allowing them to use it for fiscal adjustment. Additionally, the last COPOM meeting should also be highlighted in the local scenario. Although there was no surprise regarding the decision to keep the interest rate stable at 6.50%, the BCB acknowledged in its statement the possibility of having to raise the interest rate in a near future. As the market had been pricing a fairly reasonable premium on the yield curve, this news made the short-end of the curve to fall.

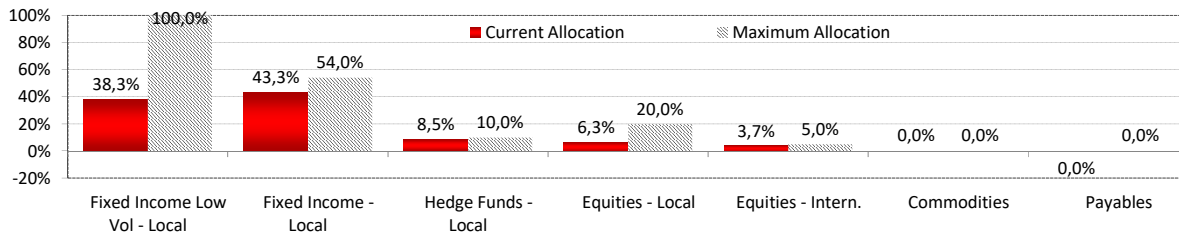
The FT portfolio showed a return of 0.7% in September, when Equities and Fixed Income investments presented good performance, with monthly returns of 2.0% and 0.9%, respectively. The portfolio is in line with its benchmark portfolio, which also showed a return of 0.7% mtd. The international portfolio had a slightly positive performance in September, up 0.3%, accumulating 3.1% year to date, also in line with its benchmark portfolio. Fixed Income was the only class with a negative return during last month (-0.2%), slightly above its benchmark (-0.4%). In real terms, both portfolios are accumulating 1.5% ytd.

PORTFOLIO PERFORMANCE (in Brazilian Reals - R\$)

ASSET CLASS	MTD	YTD	Allocation (R\$)
Fixed Income Low Vol - Local	0,5%	4,8%	55.196.946
Fixed Income Low Vol - Intern.	0,0%	17,2%	-
Fixed Income - Local	0,9%	5,1%	62.304.432
Hedge Funds - Local	0,4%	5,9%	12.188.161
Equities - Local	2,0%	-3,1%	9.025.938
Equities - Intern.	-0,4%	26,8%	5.341.770
Commodities	0,0%	0,0%	-
Payables	0,0%	0,0%	(51.634)
Total	0,7%	4,9%	144.005.613

BENCHMARK	MTD	YTD
CDI	0,5%	4,8%
USD/BRL	0,0%	17,2%
IRF Comp.	0,6%	3,9%
IHF Composto	0,5%	4,4%
IBX	3,2%	3,1%
MSCI World Unh. (BRL)	-0,3%	29,0%
DJUBS Comm.	0,0%	0,0%
Benchmark	0,7%	5,2%
Inflation IPCA	0,5%	3,4%

ASSET ALLOCATION



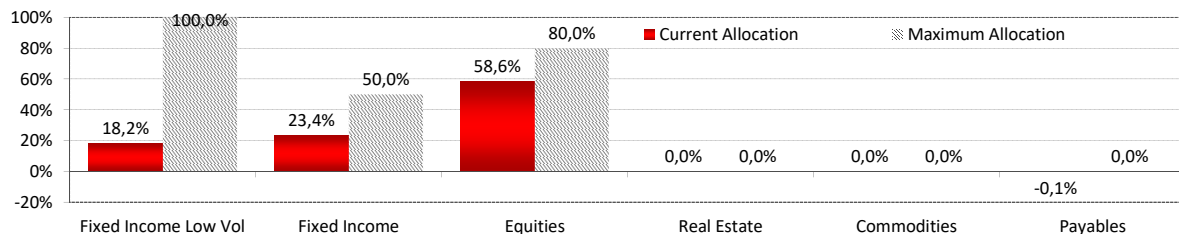
PORTFOLIO PERFORMANCE - OFFSHORE

ASSET CLASS	MTD	YTD	Allocation (US\$)
Fixed Inc. Low Vol	0,1%	1,2%	16.849.771
Fixed Income	-0,2%	0,5%	21.639.112
Equities	0,6%	5,2%	54.255.678
Real Estate	0,0%	0,0%	-
Commodities	0,0%	0,0%	-
Payable	0,0%	0,0%	(81.369)
Consolidado	0,3%	3,1%	92.663.191

BENCHMARK	MTD	YTD
RF LV COMP	0,1%	1,2%
Barclays Global	-0,4%	0,2%
MSCI World	0,6%	5,4%
Index TR	0,0%	0,0%
Cmdty Comp.	0,0%	0,0%
Benchmark	0,3%	3,5%
CPI*	0,0%	1,6%

The benchmark of the offshore portfolio is based on weighted average of international benchmarks for each asset class, considering the average allocation (between the minimum and maximum expected allocation) expressed on its investment policy. To calculate the benchmark, the MSCI World Unhedged was employed, since it is the only *Using mtd forecast

ASSET ALLOCATION



TOTAL PORTFOLIO - LOCAL + INTERNATIONAL

ASSET CLASS	MTD	YTD	12M	Total Amount
PORTFOLIO in BRL	1,1%	0,6%	2,3%	253.957.134
PORTFOLIO in USD	0,6%	23,2%	25,9%	78.188.773

GROWTH AND CURRENT ACCOUNT - LOCAL PORTFOLIO (In R\$ Thousands)

GROWTH	2015	2016	2017	2018	ACC.
NOMINAL	#VALOR!	#VALOR!	#VALOR!	#VALOR!	#VALOR!
REAL	#VALOR!	#VALOR!	#VALOR!	#VALOR!	#VALOR!
IPCA	#VALOR!	#VALOR!	#VALOR!	#VALOR!	#VALOR!

CURRENT ACCOUNT	2015	2016	2017	2018
INITIAL	#VALOR!	#VALOR!	#VALOR!	#VALOR!
Subscriptions	#VALOR!	#VALOR!	#VALOR!	#VALOR!
Withdrawals	#VALOR!	#VALOR!	#VALOR!	#VALOR!
Account Costs	#VALOR!	#VALOR!	#VALOR!	#VALOR!
FINAL	#VALOR!	#VALOR!	#VALOR!	#VALOR!
ACCOUNT COSTS	#VALOR!	#VALOR!	#VALOR!	#VALOR!
SPENDING RATE	#VALOR!	#VALOR!	#VALOR!	#VALOR!

GROWTH AND CURRENT ACCOUNT - OFFSHORE PORTFOLIO (In US\$ Thousands)

GROWTH	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	ACC.
NOMINAL	0,5%	4,7%	13,9%	14,2%	-5,0%	9,8%	6,6%	1,0%	5,8%	1,6%	1,4%	-1,4%	8,0%	13,6%	3,1%	108,8%
REAL	-0,9%	1,3%	11,0%	9,7%	-5,0%	6,8%	5,1%	-1,9%	4,0%	0,1%	0,7%	-2,0%	5,8%	11,2%	1,5%	56,5%
CPI	1,5%	3,3%	2,5%	4,1%	0,0%	2,8%	1,4%	3,0%	1,8%	1,5%	0,7%	0,7%	2,1%	2,1%	1,6%	33,4%

CURRENT ACCOUNT	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
INITIAL	0	1.503	8.608	11.766	16.817	24.387	26.779	28.538	28.824	30.496	30.991	31.412	31.095	67.678	89.578
Subscriptions	1.500	6.980	1.859	3.134	8.808	0	0	0	0	0	0	111	33.745	11.689	304
Withdrawals	0	0	0	0	0	-9	0	0	0	0	0	0	0	0	0
Costs / Taxes	-1	-20	-43	-64	-65	-9	0	0	0	0	0	0	0	0	0
FINAL	1.503	8.608	11.766	16.817	24.387	26.779	28.538	28.824	30.496	30.991	31.412	31.095	67.678	89.578	92.663
COSTS / TAXES	-0,7%	-0,4%	-0,4%	-0,5%	-0,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
SPENDING RATE	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

The difference between the portfolio performance and the portfolio growth is that the latter considers the impacts of transactions and taxes.

