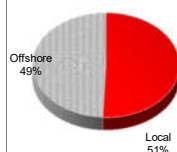


The major market indices ended 2017 with expressive gains, without many surprises throughout December: Trump's tax cut plan was approved and the Fed did a further 25 bps increase in interest rates. This market good performance is supported by very positive data on economic activity in the US, Europe, Japan and even in China - where growth is expected to exceed the 6.5% defined by its strategic plan. In a Politburo meeting this month, the government reinforced its commitment to the central goals already announced by Xi Jinping: control the financial market's leverage, hold real estate appreciation, promote social equality and reduce pollution. Taking into account this strong activity, with no signs yet of any inflationary pressure, Central Banks have been keeping their pace: the Fed performing a soft tightening and following its guidance, and ECB and BoJ keeping their asset purchase program. Thus, the stock market continued to hit new records and ended 2017 in the 14th consecutive month of gains.



Once again, Equity market was the monthly highlight, despite the volatility throughout this period. The postponement of the Pension Reform to 2018 was received as bad news, but it was compensated by the agility of the TRF4 (Court of Appeal) that scheduled Lula's trial to January 24, which could jeopardize the former president's political ambitions. Despite the complicated political scenario, the economy continued to show signs of recovery: the IBC-Br signaled a good activity in the last quarter with a positive carry effect to 2018, positive external and fiscal data and a very comfortable inflation level, although below the target's lower bound. The Central Bank did a further cut in interest rates in December, bringing the SELIC to 7%. In its statement, the BCB signaled the possibility of further cuts, although at a lower pace (25 bps instead of current 50 bps).

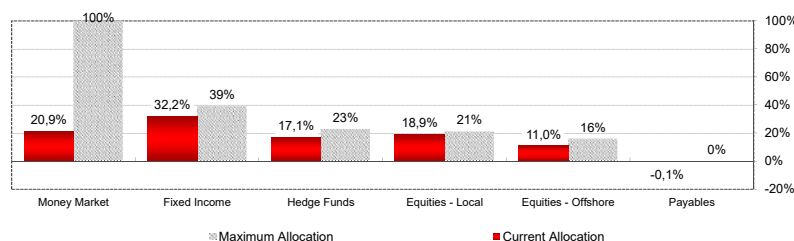
Amapa portfolio was up 1.7% in December/17, bringing the ytd return to 15.6% (or 157% of CDI). December was a very positive month for risk asset classes, where all classes showed returns above CDI. Equities closed the month up 4.2%, standing below its IBX benchmark, which was up 6.3% in the same period - in 2017, the return of this class (27.4%) stands in line with its benchmark (27.5%). The Hedge Funds allocation also showed a positive return (1.6%) in December, and maintained a positive performance year to date, both absolute (14.6% ytd) and relative (the IFM rose 11.4% ytd). Fixed Income, in turn, closed the month with a return of + 1.0%, accumulating 13.1% in 2017, in line with its benchmark. International Equities, driven both by the currency and the class performance, were up 2.4%, closing 2017 with expressive 24.2%. In real terms, it is worth mentioning that inflation measured by the IPCA accumulated 2.9% in 2017, making the portfolio accumulate real gain of 12.3% in 2017. The international portfolio was up 1.1% in December, bringing the ytd return to 13.4%. Once again, this performance was mainly driven by the gains on Equities, which closed the month up 1.8% (in line with its MSCI World benchmark), piling up 22.6% ytd. Fixed Income, in turn, closed the month in a slight rise (0.2%) and the year was up 3.9%, falling below its benchmark Barclays Multiverse, which rose 0.4% in the month and 7.7% year to date. Piling up the year, the portfolio was slightly below its benchmark (14.9%), but above the inflation measured by the CPI (2.0%).

## PORTFOLIO PERFORMANCE - LOCAL (BRAZIL)

| ASSET CLASS          | MTD         | YTD          | Allocation       |
|----------------------|-------------|--------------|------------------|
| Money Market - Local | 0,5%        | 10,0%        | 1.020.424        |
| Fixed Income - Local | 1,0%        | 13,1%        | 1.569.589        |
| Hedge Funds - Local  | 1,6%        | 14,6%        | 831.885          |
| Equities - Local     | 4,2%        | 27,4%        | 921.229          |
| Equities - Intern.   | 2,4%        | 24,2%        | 534.936          |
| Payables             | 0,0%        | 0,0%         | (5.084)          |
| <b>Total</b>         | <b>1,7%</b> | <b>15,6%</b> | <b>4.872.978</b> |

| BENCHMARK             | Mês         | Ano          |
|-----------------------|-------------|--------------|
| CDI                   | 0,5%        | 9,9%         |
| IRF Composto          | 1,0%        | 13,6%        |
| IFM                   | 1,1%        | 11,4%        |
| IBX                   | 6,3%        | 27,5%        |
| MSCI World Unh. (BRL) | 1,9%        | 24,1%        |
| <b>Benchmark</b>      | <b>2,0%</b> | <b>15,6%</b> |
| Inflation IPCA        | 0,4%        | 2,9%         |

## ASSET ALLOCATION



## PORTFOLIO PERFORMANCE - OFFSHORE

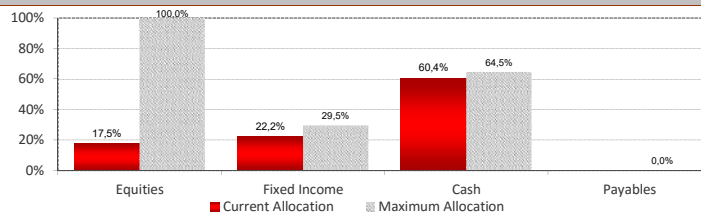
| CLASSE DE ATIVO    | Mês         | Ano          | Alocação em US\$ |
|--------------------|-------------|--------------|------------------|
| Fixed Inc. Low Vol | 0,1%        | 0,6%         | 251.977          |
| Fixed Income       | 0,2%        | 3,9%         | 320.062          |
| Equities           | 1,8%        | 22,6%        | 869.117          |
| Payable            | 0,0%        | 0,0%         | (2.414)          |
| <b>Consolidado</b> | <b>1,1%</b> | <b>13,4%</b> | <b>1.438.741</b> |

| BENCHMARK        | Mês         | Ano          |
|------------------|-------------|--------------|
| LIBOR 12M        | 0,1%        | 1,7%         |
| BARCLAYS MULT    | 0,4%        | 7,7%         |
| MSCI WORLD       | 1,4%        | 22,4%        |
| <b>BENCHMARK</b> | <b>0,9%</b> | <b>14,9%</b> |
| CPI              | 0,0%        | 2,0%         |

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 investable.

\*Using mtd forecast

## ASSET ALLOCATION



## AMAPÁ FUND

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

| GROWTH  | 2016 | 2017  | ACC   |
|---------|------|-------|-------|
| NOMINAL | 4,5% | 13,7% | 18,9% |
| REAL    | 2,9% | 10,7% | 13,8% |
| IPCA    | 1,6% | 2,8%  | 4,4%  |

| GROWTH        | 2016  | 2017  |
|---------------|-------|-------|
| INITIAL       | 0     | 4.285 |
| Subscriptions | 4.099 | 0     |
| Withdrawals   | 0     | 0     |
| Account Costs | -29   | -64   |
| FINAL         | 4.285 | 4.873 |
| ACCOUNT COSTS | -0,7% | -1,4% |
| SPENDING RATE | 0,0%  | 0,0%  |

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

| GROWTH  | 2016 | 2017  | ACC   |
|---------|------|-------|-------|
| NOMINAL | 1,2% | 13,7% | 11,3% |
| REAL    | 0,0% | 11,5% | 8,3%  |
| IPCA    | 1,2% | 2,0%  | 2,7%  |

| GROWTH        | 2016  | 2017  |
|---------------|-------|-------|
| INITIAL       | 0     | 1265  |
| Subscriptions | 1.265 | 0     |
| Withdrawals   | 0     | 0     |
| Account Costs | 0     | 0     |
| FINAL         | 1.265 | 1.439 |
| ACCOUNT COSTS | 0,0%  | 0,0%  |
| SPENDING RATE | 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.*

