

The local market kept the correction that started in August, with losses in all markets. In addition to the uncertainties in the international sphere, the questioning of fiscal sustainability was highlighted in Brazil: the 2021 budget includes the inclusion (or not) of an income program, which would expand the existing Bolsa Familia base. Two other factors put pressure on prices: the increase in inflation as measured by the IGPs, with emphasis on food pressure on the Brazilian Inflation and on construction costs; and the discount that took place Brazilian treasury Bonds in the Fixed Income market. The latter led several Money market funds to give negative returns.

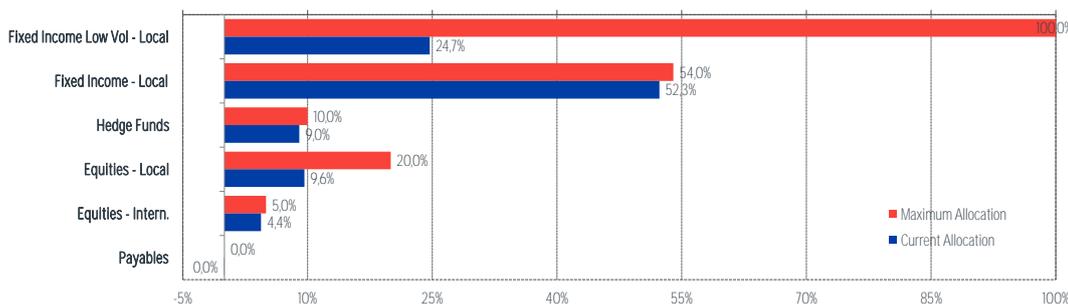
The markets ended the third quarter of the year with results practically stalled to zero on the stock market and very positive returns on fixed income class. The real economy is increasingly consolidating its recovery, while some regions in Europe suffer from the second wave of the virus. The last quarter of the year brings some uncertainties that influence market prices: the continuation or end of fiscal support to the population (income transfer), the result of the elections in the USA and the risk of legalizing the process. In view of these uncertainties, a single factor is certain, the support of Central Banks will continue to be present, which further narrows the premiums in the Fixed Income market.

The FT portfolio had negative performance, -0.8% mtd, and its benchmark also presented the same return, -0.8%. September had a negative month mainly due to the Fixed Income performance, -0.6% and Brazilian Equities, -3.3%.

PORTFOLIO PERFORMANCE (in Brazilian Reais - R\$)

| ASSET CLASS | MTD | YTD | 12M | 24M | 36M | BENCHMARK | MTD | YTD | 12M | 24M | 36M |
|------------------------------|--------------|-------------|-------------|--------------|-------------|------------------|--------------|-------------|-------------|--------------|-------------|
| Fixed Income Low Vol - Local | 0,1% | 1,7% | 2,9% | 4,5% | 5,3% | CDI | 0,2% | 2,3% | 3,6% | 4,9% | 5,5% |
| Fixed Income | -0,6% | 2,9% | 5,3% | 10,4% | 9,1% | IMA_EX_C | -0,7% | 1,7% | 4,1% | 12,6% | 10,0% |
| Hedge Funds | -1,1% | 0,6% | 4,7% | 6,9% | 7,0% | IHF Comp. | -1,9% | 0,0% | 3,7% | 6,6% | 6,3% |
| Equities - Local | -3,3% | 3,1% | 17,4% | 28,6% | 17,9% | IBX | -4,6% | -17,4% | -8,6% | 11,0% | 9,3% |
| Equities - Intern. | -0,2% | 42,4% | 49,2% | 25,2% | 30,0% | ACWI (BRL) | -0,4% | 42,5% | 49,9% | 25,3% | 30,8% |
| Payables | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% | Inflation IPCA | 0,6% | 1,3% | 3,1% | 3,0% | 3,5% |
| Total | -0,8% | 5,1% | 8,3% | 10,6% | 9,3% | BENCHMARK | -0,8% | 2,3% | 5,3% | 10,4% | 9,3% |

ASSET ALLOCATION



| ASSET CLASS | Allocation (R\$) |
|------------------------------|--------------------|
| Fixed Income Low Vol - Local | 41.968.663 |
| Fixed Income | 88.910.861 |
| Hedge Funds | 15.293.327 |
| Equities - Local | 16.351.676 |
| Equities - Intern. | 7.471.535 |
| Payables | (54.541) |
| Total | 169.941.522 |

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

| GROWTH | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | ACC. |
|---------|------|------|--------|--------|--------|--------|--------|
| NOMINAL | 3,5% | 7,8% | -8,6% | -17,6% | -17,6% | -13,2% | -43,4% |
| REAL | 0,7% | 1,4% | -11,2% | -21,0% | -21,0% | -14,3% | -54,1% |
| IPCA | 2,8% | 6,3% | 2,9% | 4,3% | 4,3% | 1,3% | 23,4% |

| CURRENT ACCOUNT | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------|---------|---------|---------|---------|---------|---------|
| INITIAL | 0 | 122.126 | 145.839 | 134.468 | 141.707 | 152.231 |
| Subscriptions | 118.175 | 13.419 | 1.760 | 39.485 | 40.733 | 41.741 |
| Withdrawals | 0 | -7.900 | -29.700 | -40.500 | -48.500 | -32.000 |
| Account Costs | -342 | -1.724 | -1.189 | -455 | -556 | -113 |
| FINAL | 122.126 | 145.839 | 134.468 | 141.707 | 152.231 | 169.942 |
| ACCOUNT COSTS | 0,0% | -1,2% | -0,8% | -0,4% | -0,4% | -0,1% |
| SPENDING RATE | 0,0% | -5,8% | -18,9% | -27,8% | -27,0% | -17,3% |
| Nominal Return | 4,4% | 16,0% | 13,6% | 7,8% | 13,2% | 5,1% |
| Inflation IPCA | 2,8% | 6,3% | 2,9% | 3,7% | 4,2% | 1,3% |
| Real Return | 1,6% | 9,1% | 10,4% | 4,0% | 8,6% | 3,7% |

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