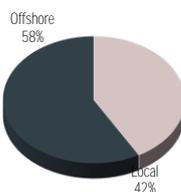


The local market kept the correction that started in August, with losses in all markets. In addition to the uncertainties in the international sphere, the questioning of fiscal sustainability was highlighted in Brazil: the 2021 budget includes the inclusion (or not) of an income program, which would 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.

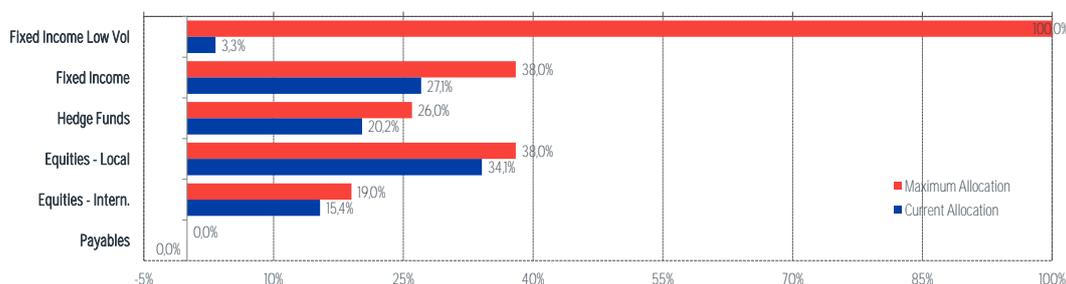
BA&ES local portfolio returned -1.8% mtd, and its benchmark, -2.1%. September negative results were mainly due to the Brazilian Equities performance, -3.3%. The international portfolio also had a negative performance -1.8%. The negative highlight was International Equities that returned -3.0%.

PORTFOLIO PERFORMANCE - LOCAL (in Brazilian Reais - R\$)

ASSET CLASS	MTD	YTD	12M	24M	36M
Fixed Income Low Vol	0,1%	2,1%	3,3%	4,7%	5,4%
Fixed Income	-1,2%	1,1%	3,2%	11,9%	10,0%
Hedge Funds	-1,1%	0,6%	4,7%	6,9%	7,2%
Equities - Local	-3,3%	3,1%	17,4%	28,6%	19,6%
Equities - Intern.	-0,2%	42,4%	49,2%	25,2%	28,1%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%
Total	-1,8%	7,5%	13,4%	15,6%	12,9%

BENCHMARK	MTD	YTD	12M	24M	36M
CDI	0,2%	2,3%	3,6%	4,9%	5,5%
IMA_EX_C	-0,7%	1,7%	4,1%	12,6%	10,7%
IHF Comp.	-1,9%	0,0%	3,7%	6,6%	6,4%
IBX	-4,6%	-17,4%	-8,6%	11,0%	10,4%
ACWI (BRL)	-0,4%	42,5%	49,9%	25,3%	28,8%
Inflation IPCA	0,6%	1,3%	3,1%	3,0%	3,5%
BENCHMARK	-2,1%	1,7%	6,0%	11,5%	10,9%

ASSET ALLOCATION - LOCAL



ASSET CLASS	Allocation (R\$)
Fixed Income Low Vol	165.806
Fixed Income	1.366.909
Hedge Funds	1.022.017
Equities - Local	1.722.116
Equities - Intern.	776.602
Payables	(793)
Total	5.052.656

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

GROWTH	2016	2017	2018	2019	2020	ACC.
NOMINAL	0,1%	8,7%	7,0%	19,0%	6,9%	48,0%
REAL	-0,1%	5,5%	3,2%	14,1%	5,5%	30,8%
IPCA	0,2%	2,9%	3,7%	4,3%	1,3%	13,1%

CURRENT ACCOUNT	2016	2017	2018	2019	2020
INITIAL	0	3.416	3.712	3.972	4.728
Subscriptions	3.415	0	0	0	0
Withdrawals	0	0	0	0	0
Account Costs	0	-64	-32	-53	-5
FINAL	3.416	3.712	3.972	4.728	5.053
ACCOUNT COSTS	0,0%	-1,7%	-0,8%	-1,2%	-0,1%
SPENDING RATE	0,0%	0,0%	0,0%	0,0%	0,0%
Nominal Return	0,1%	10,5%	8,0%	20,9%	7,5%
Inflation IPCA	0,0%	2,9%	3,7%	4,2%	1,3%
Real Return	0,1%	7,4%	4,1%	16,0%	6,1%

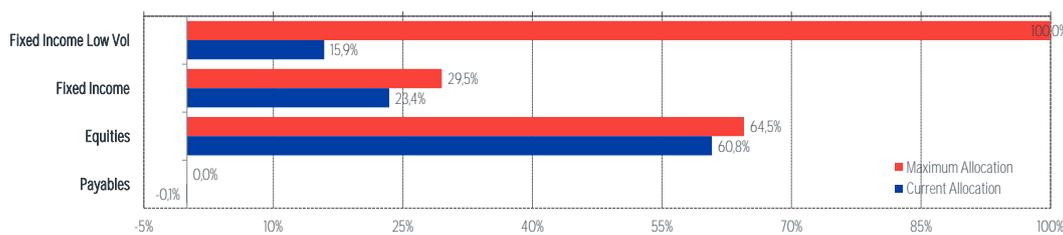
The difference between the portfolio performance and the portfolio growth is that the latter considers the impacts of transactions and taxes.

PORTFOLIO PERFORMANCE - INTERNATIONAL (In US\$ Thousands)

ASSET CLASS	MTD	YTD	12M	24M	36M
Fixed Income Low Vol	0,0%	0,4%	0,9%	1,7%	1,7%
Fixed Income	0,2%	7,1%	7,5%	8,7%	6,0%
Equities	-3,0%	2,3%	10,7%	6,1%	8,3%
Payables	0,0%	0,0%	0,0%	0,0%	0,0%
Total	-1,8%	2,6%	7,7%	5,5%	5,5%

BENCHMARK	MTD	YTD	12M	24M	36M
RF LV COMP	0,0%	1,5%	2,1%	2,6%	2,4%
Barclays Global	0,4%	4,7%	4,1%	7,4%	5,3%
ACWI	-3,2%	1,8%	10,5%	6,1%	7,8%
CPI	0,0%	0,1%	0,9%	1,3%	1,6%
BENCHMARK	-1,8%	3,8%	9,0%	6,6%	6,3%

ASSET ALLOCATION - INTERNATIONAL



ASSET CLASS	Allocation (US\$)
Fixed Income Low Vol	198.915
Fixed Income	293.224
Equities	760.746
Payables	(1.120)
Total	1.251.764

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

GROWTH	2016	2017	2018	2019	2020	ACC.
NOMINAL	0,0%	1,5%	-3,3%	17,9%	3,0%	19,2%
REAL	-0,1%	-0,6%	-5,2%	15,3%	2,9%	11,7%
CPI	0,2%	2,1%	1,9%	2,3%	0,1%	6,7%

CURRENT ACCOUNT	2016	2017	2018	2019	2020
INITIAL	0	1.050	1.066	1.031	1.215
Subscriptions	1.050	1.050	0	0	0
Withdrawals	0	0	0	0	0
Account Costs	0	0	0	0	0
FINAL	1.050	1.066	1.031	1.215	1.252
ACCOUNT COSTS	0,0%	0,0%	0,0%	0,0%	-0,2%
SPENDING RATE	0,0%	0,0%	0,0%	0,0%	0,0%
Nominal Return	0,0%	1,5%	-3,4%	17,5%	2,6%
CPI	0,2%	2,1%	1,9%	2,1%	0,1%
Real Return	-0,1%	-0,6%	-5,2%	15,1%	2,5%

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