



# 1Q|14

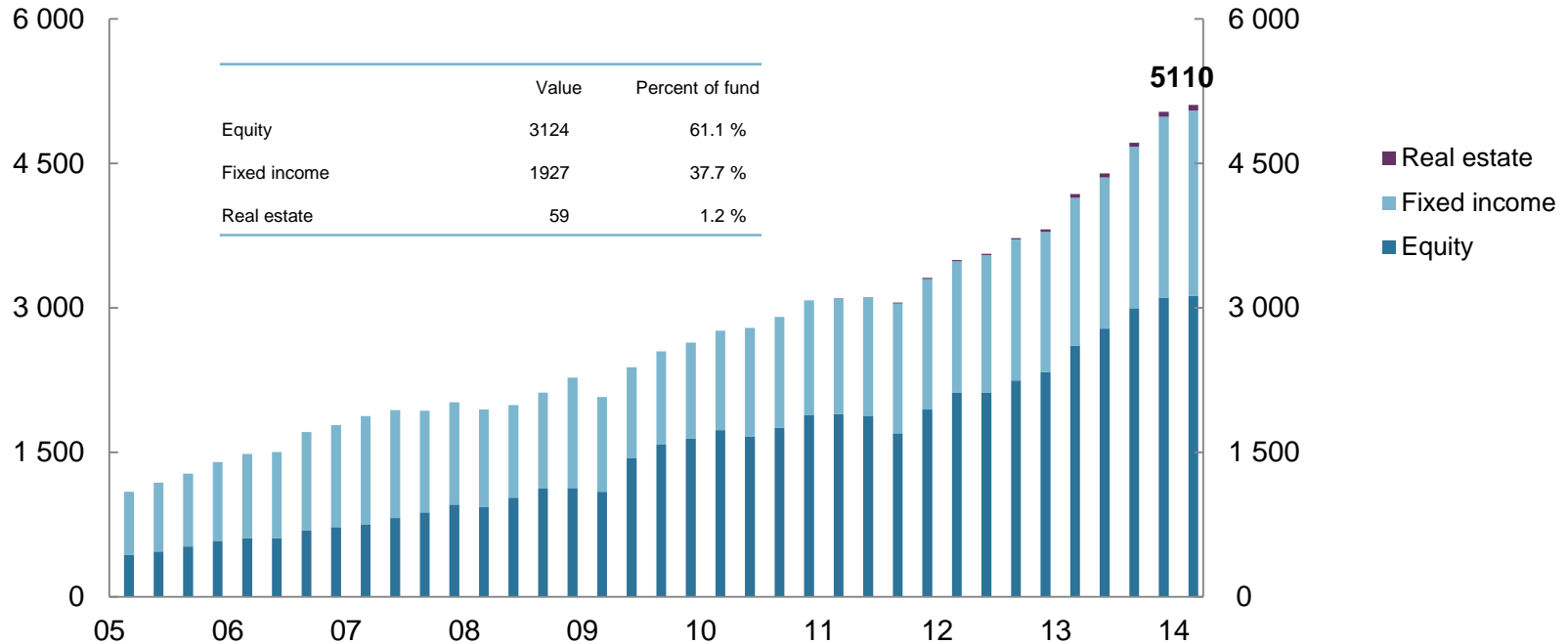
## GOVERNMENT PENSION FUND GLOBAL

### QUARTERLY REPORT

PRESS CONFERENCE  
30 APRIL 2014

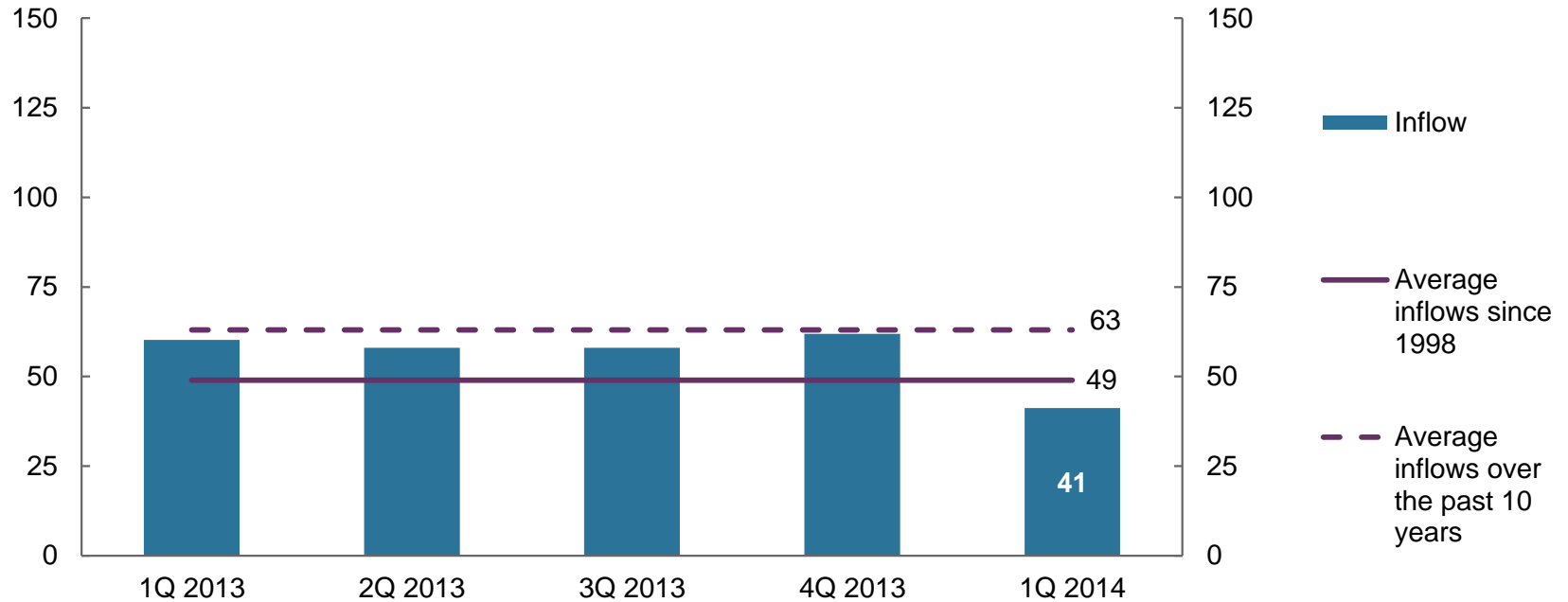
# Market value

Quarterly values. Billions of kroner. 31 March 2014



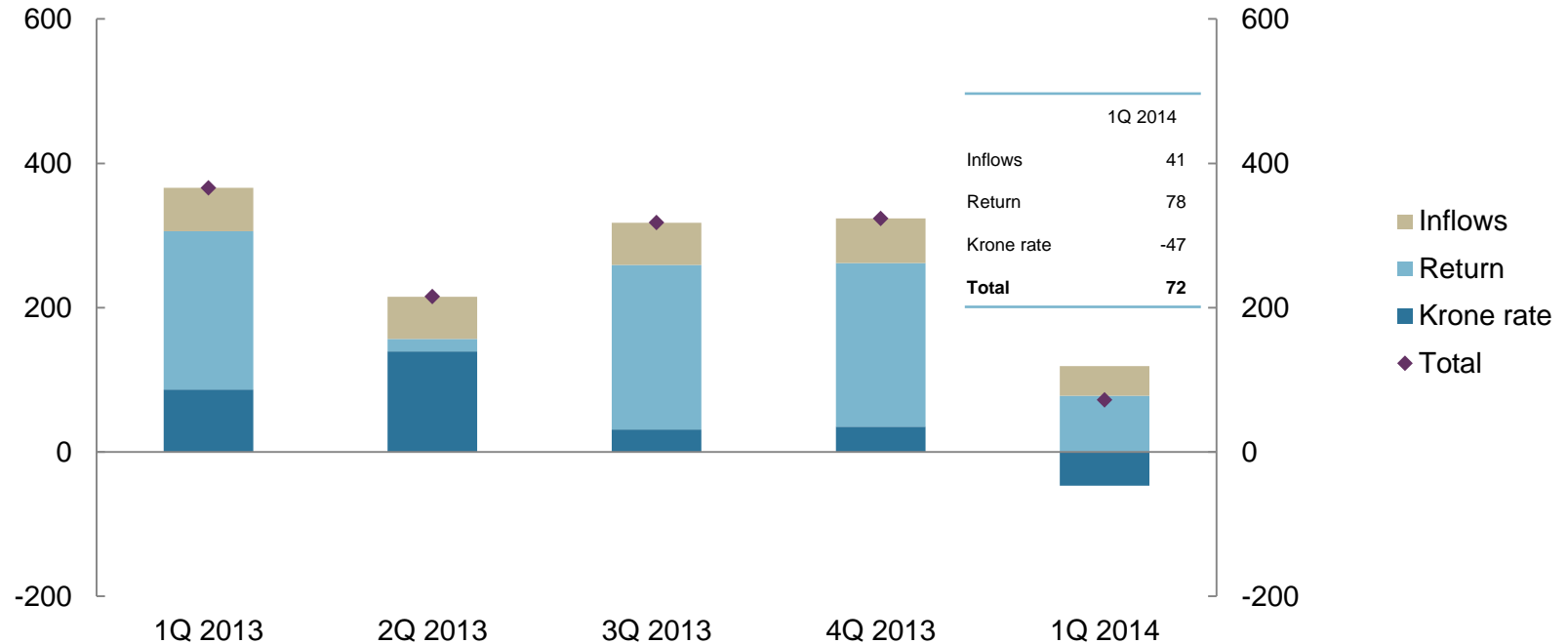
# Inflows

Billions of kroner



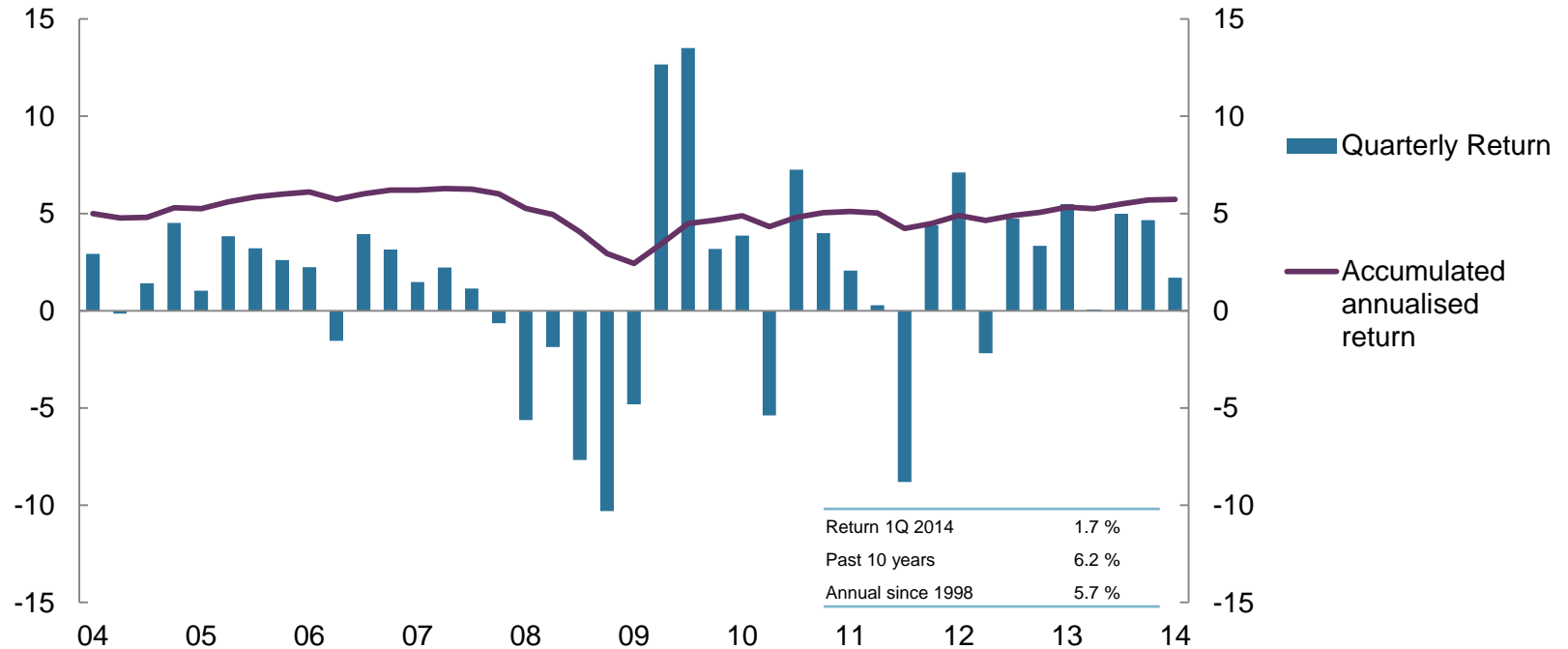
# Change in market value

Billions of kroner



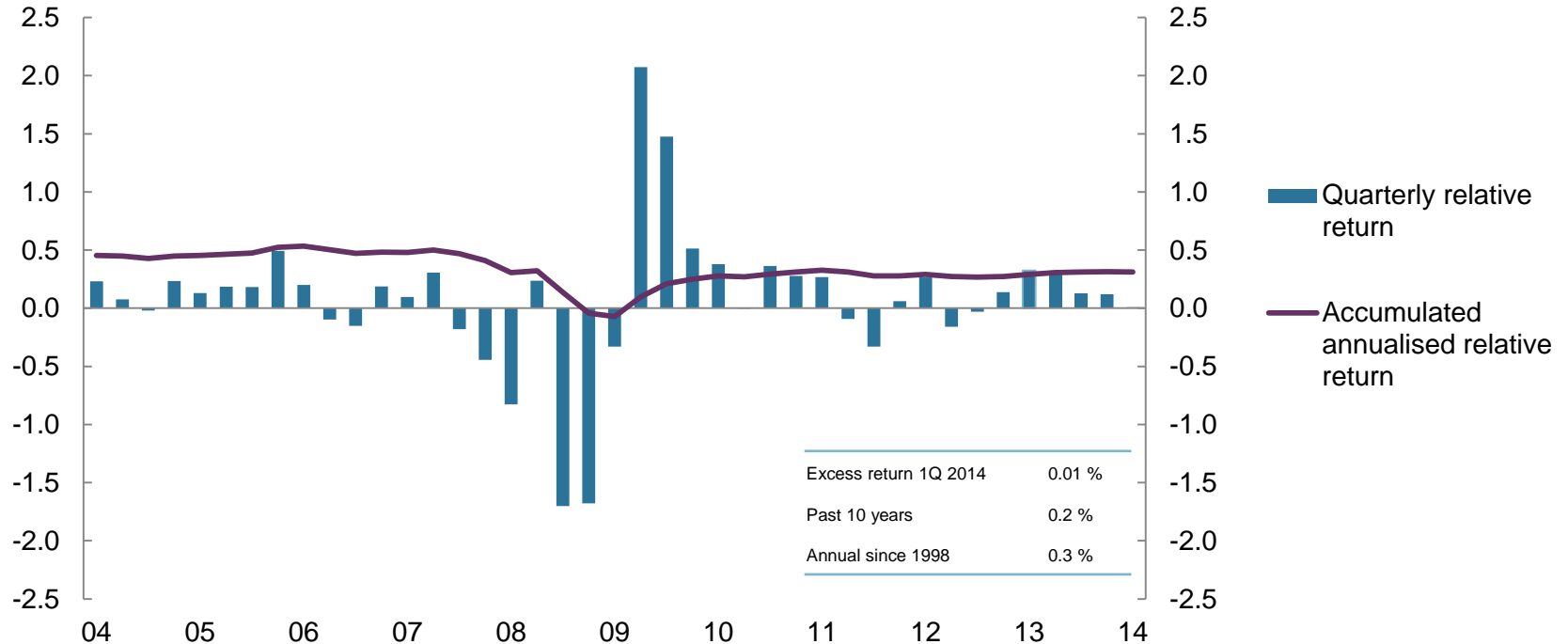
# Quarterly return

Percent



# Quarterly excess return

## Basispoints



# Changes in value since 1996

Billions of kroner

	31.03.2014	31.12.2013	31.12.2012
Market value of the fund	5 110	5 038	3 816
Gross inflow of new capital	3 344	3 302	3 060
Management costs	25	24	21
Change due to fluctuations in krone	-86	-39	-331
Accumulated return	1 877	1 799	1 107

# Key figures

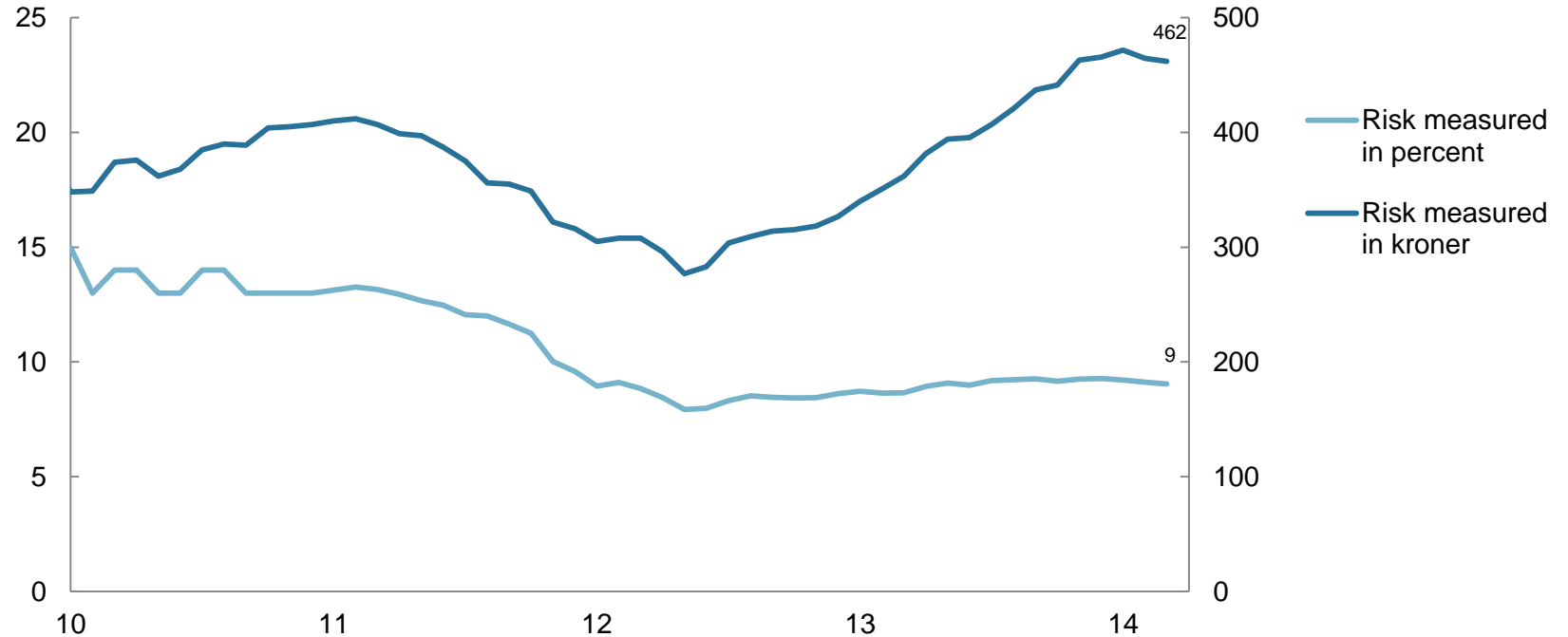
Measured in international currency basket. Percent

	Last 12 months	Last 10 years	Since 01.01.1998
Gross annual return on fund	11.82	6.18	5.72
Annual price inflation	1.23	2.12	1.89
Annual management costs	0.07	0.09	0.09
Annual net real return	10.39	3.88	3.66



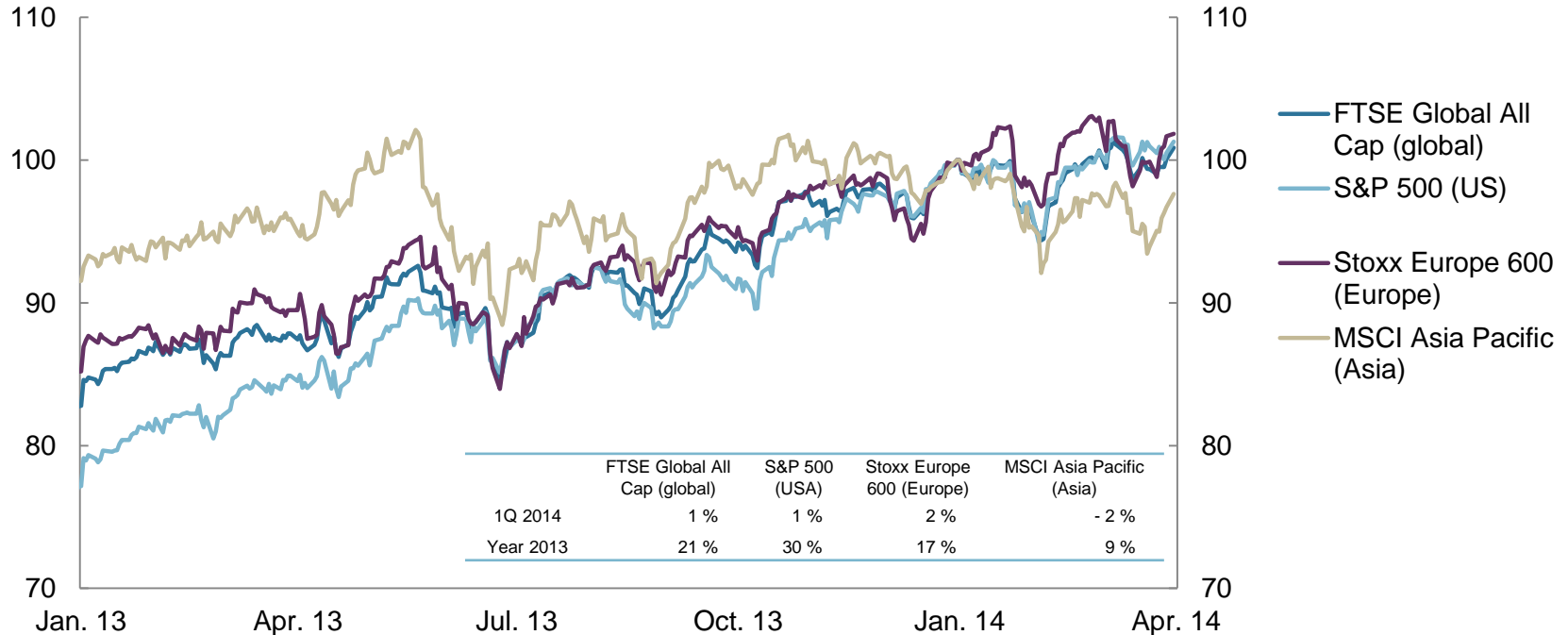
# Expected absolute volatility of the fund

Percent (left axis) and billions of kroner (right axis)



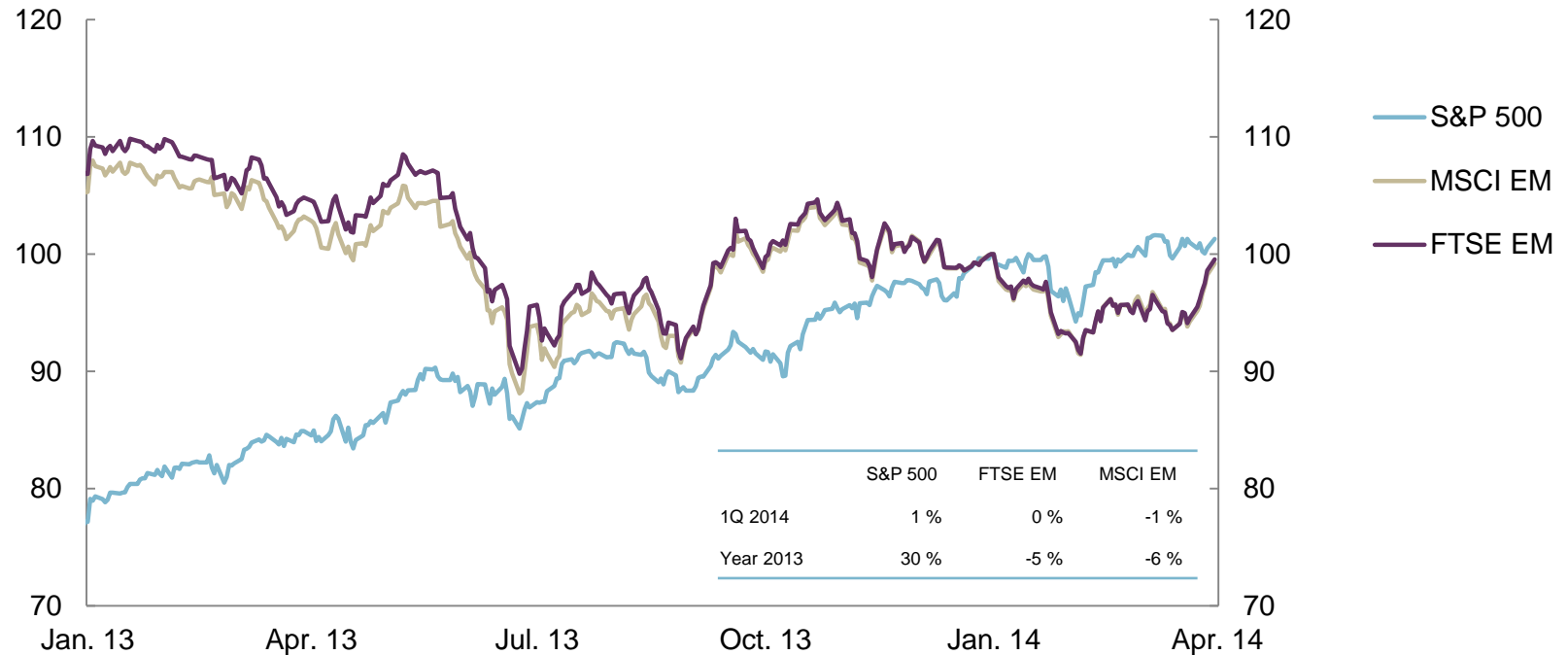
# Developments in equity markets

Measured in USD (Stoxx in EUR). Indexed (31.12.2013 = 100)



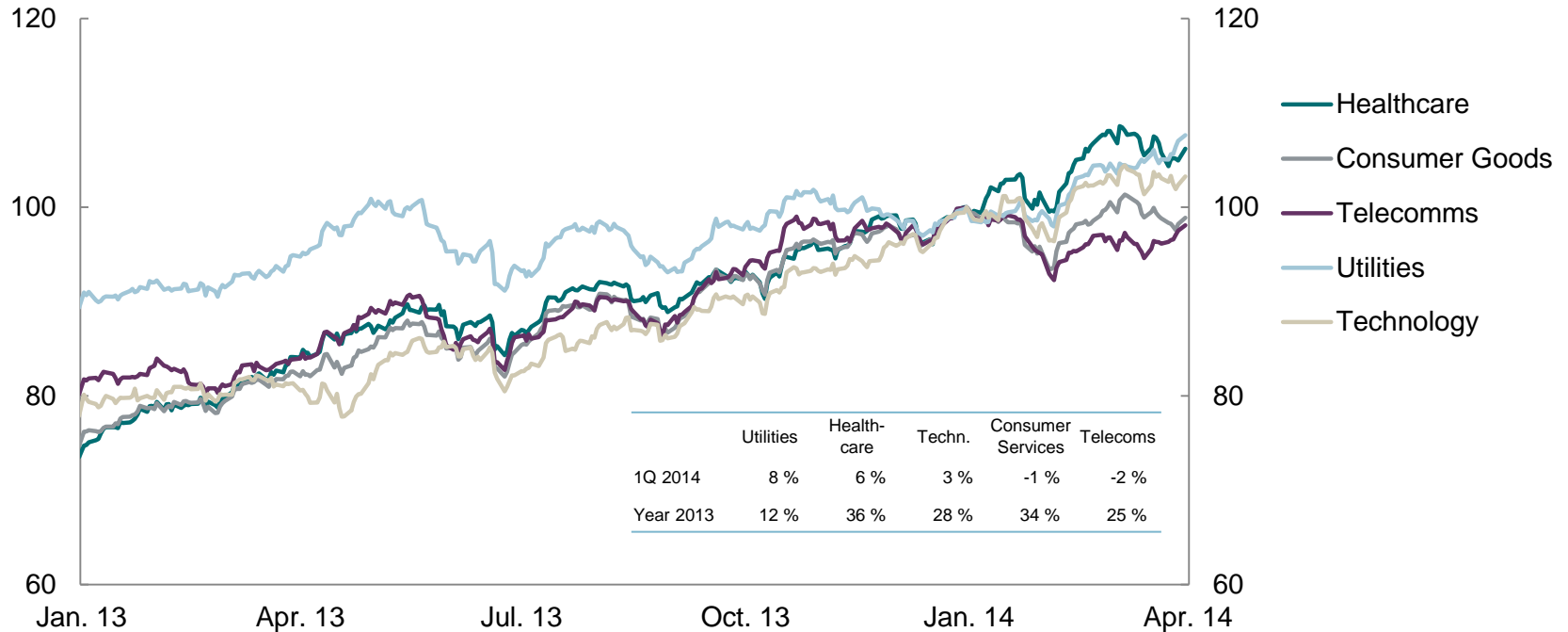
# Developments in emerging equity markets

Measured in USD. Indexed (31.12.2013 = 100)



# Developments in equity sectors

FTSE Global All Cap-index. Measured in USD. Indexed (31.12.2013 = 100)

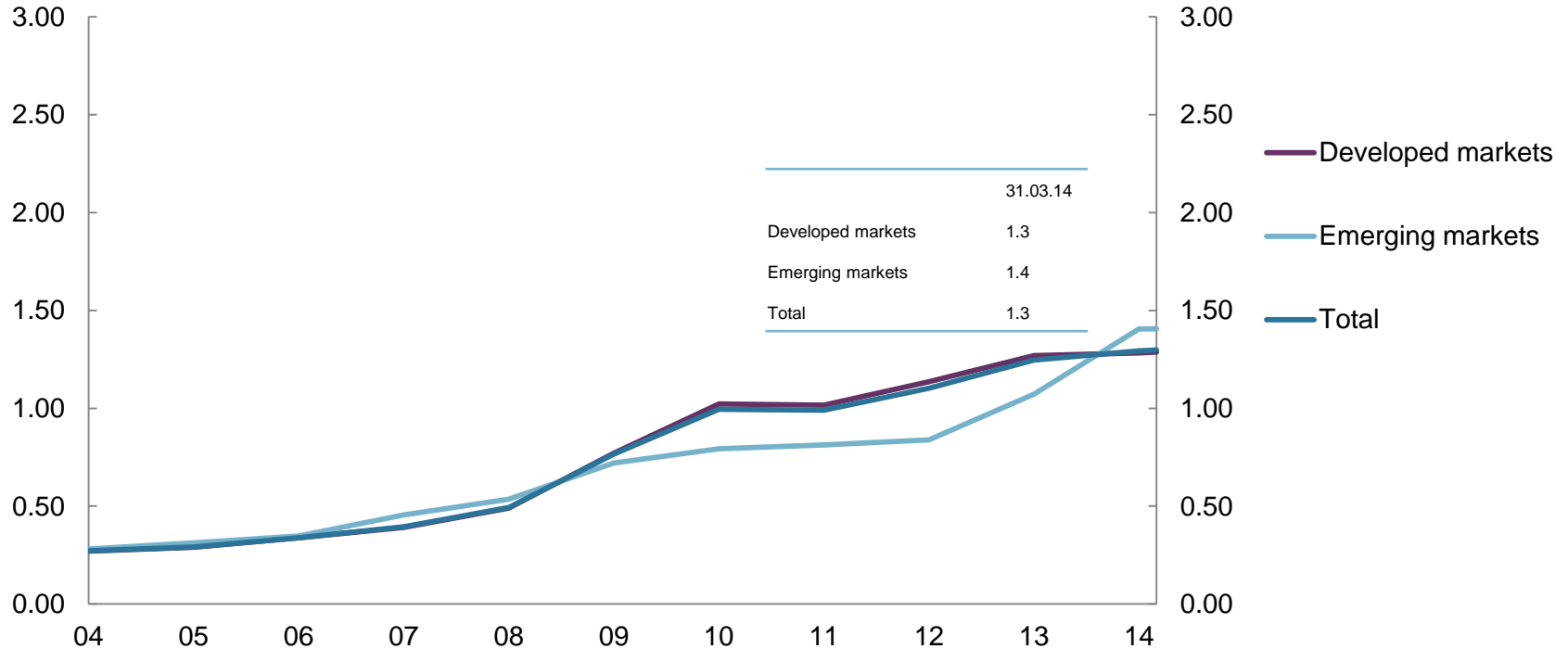


Source: FTSE



# Fund's ownership stake in equity markets

Percent\*



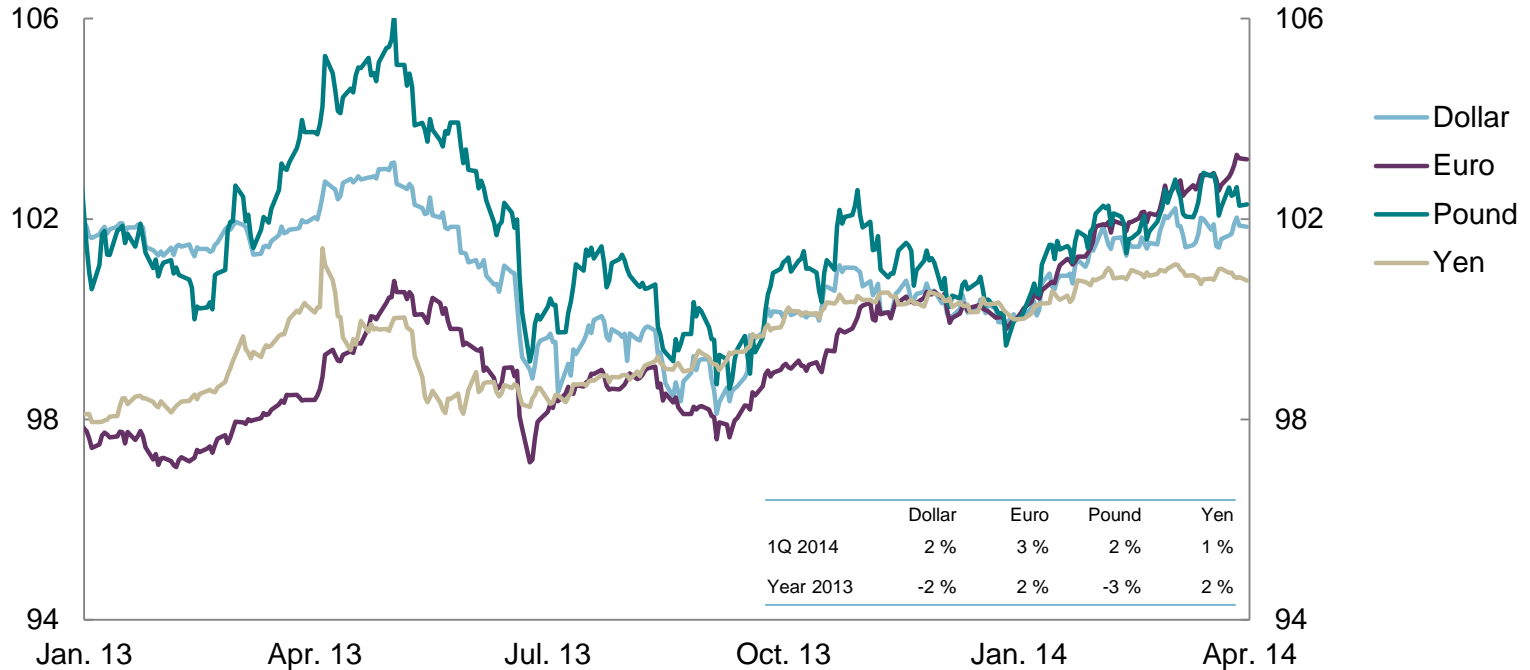
\* Calculated relative to the FTSE Global All Cap (free float adjusted)

Source: FTSE, Norges Bank Investment Management



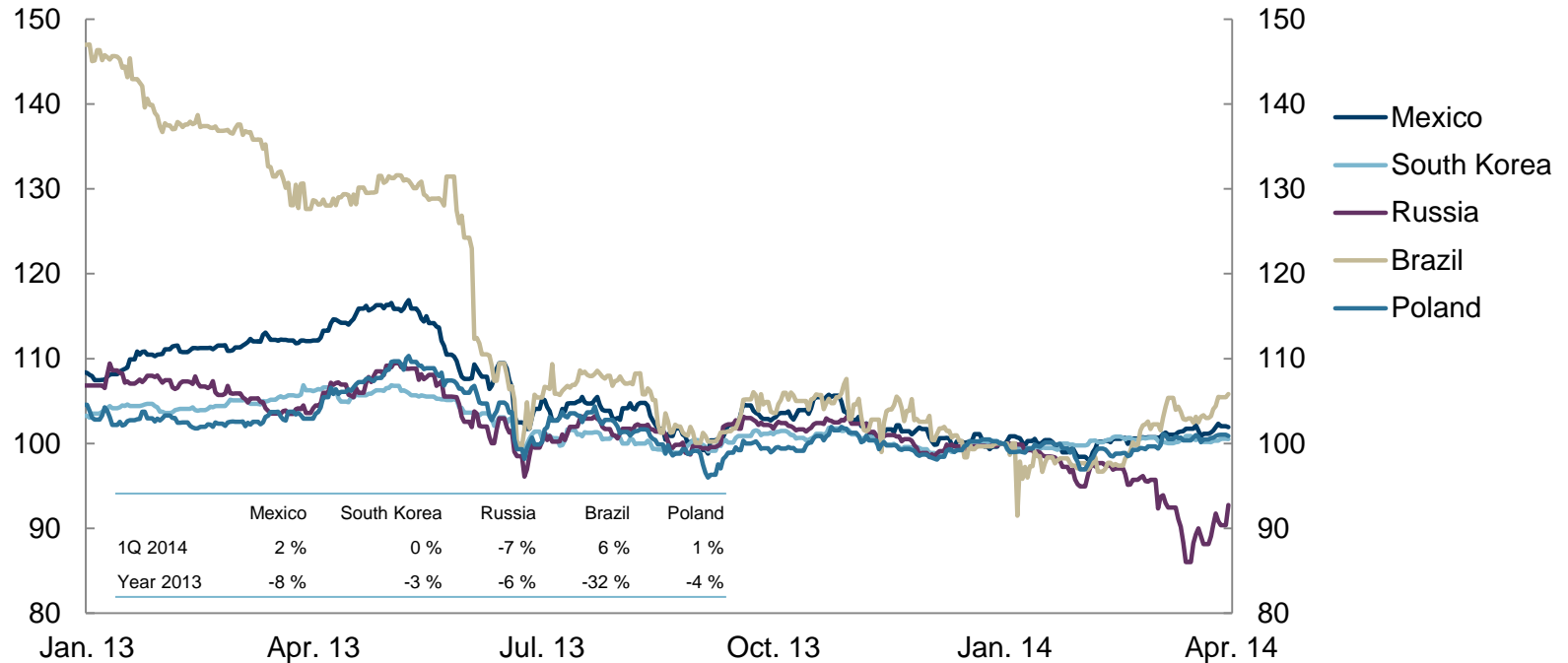
# Developments for bonds

Barclays Global Aggregate Index. Measured in local currencies. Indexed



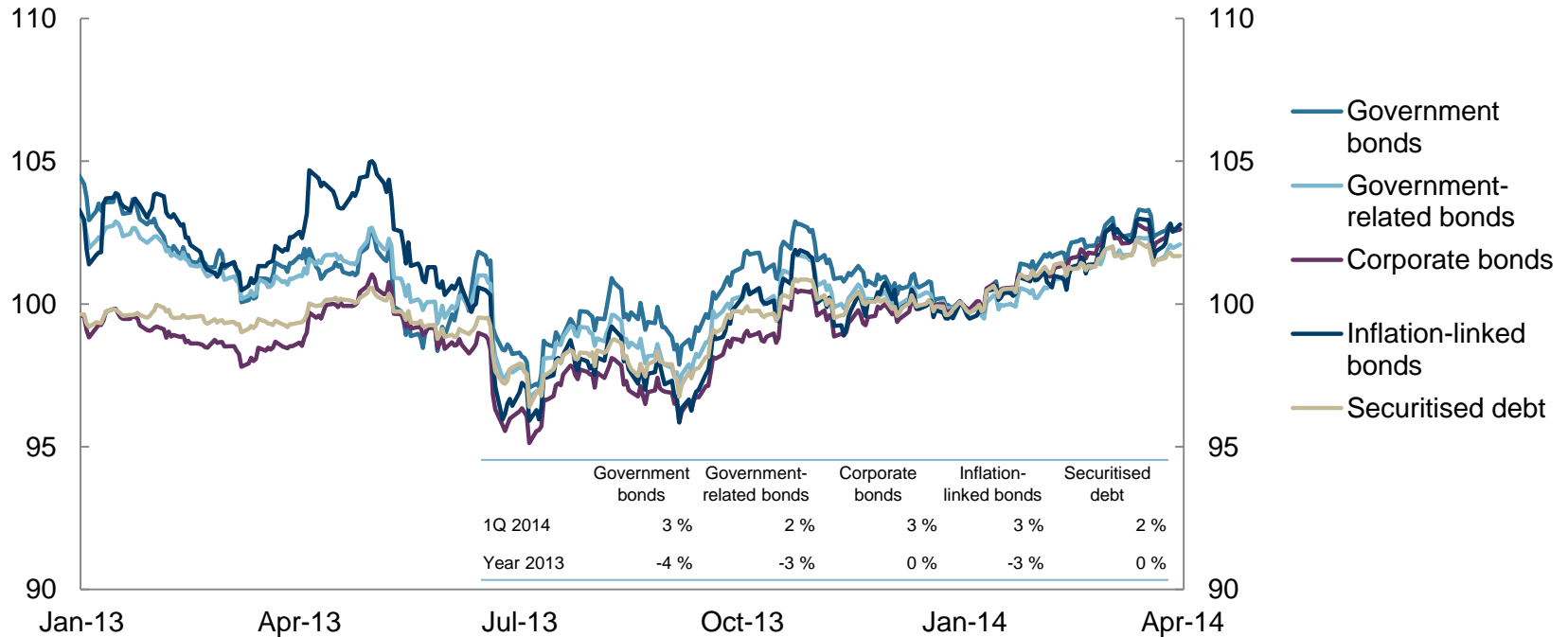
# Bonds in emerging markets

10-year government bonds. Measured in local currencies. Indexed 31.12.2013 = 100



# Developments in fixed-income sectors

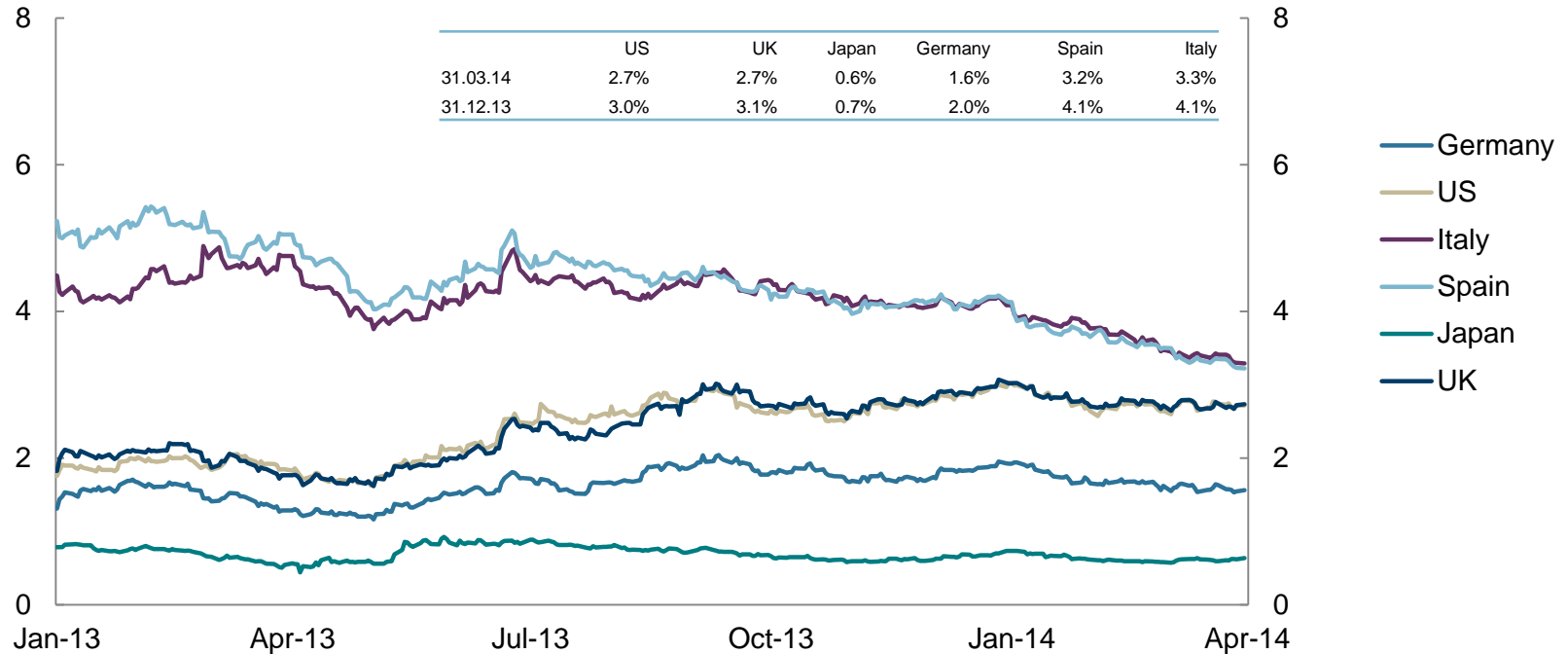
Measured in USD. Indexed





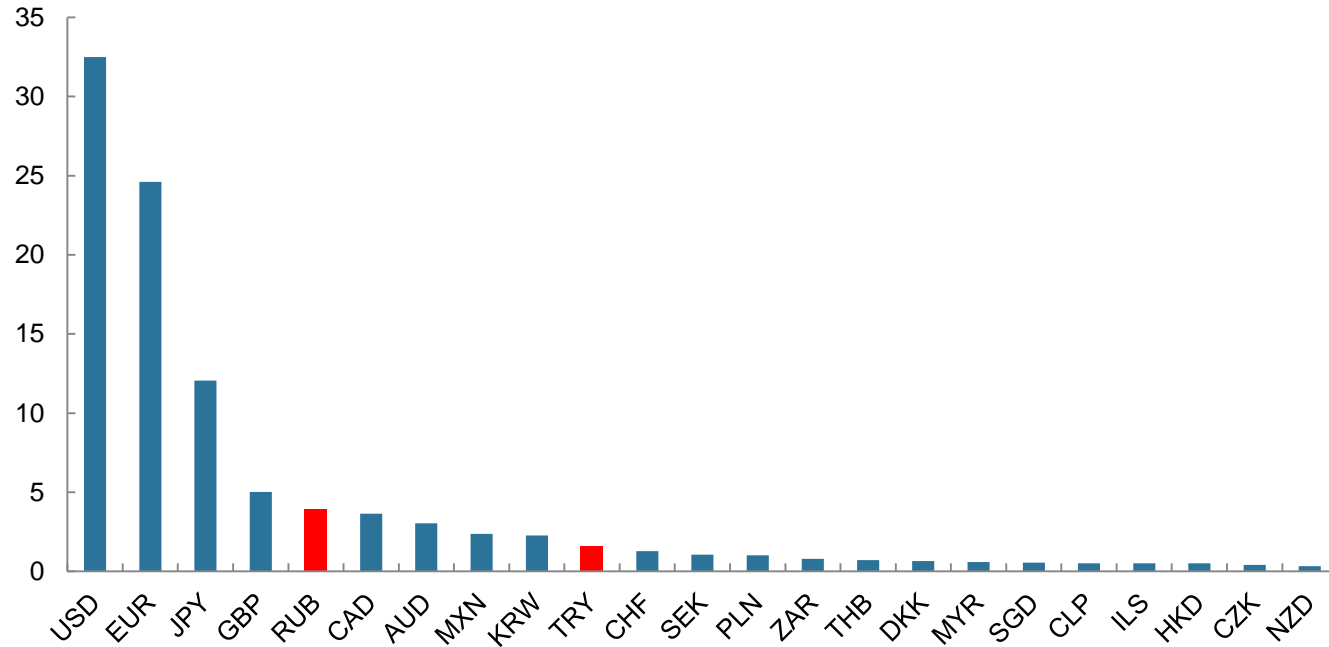
# 10-year government bond yields

Percent



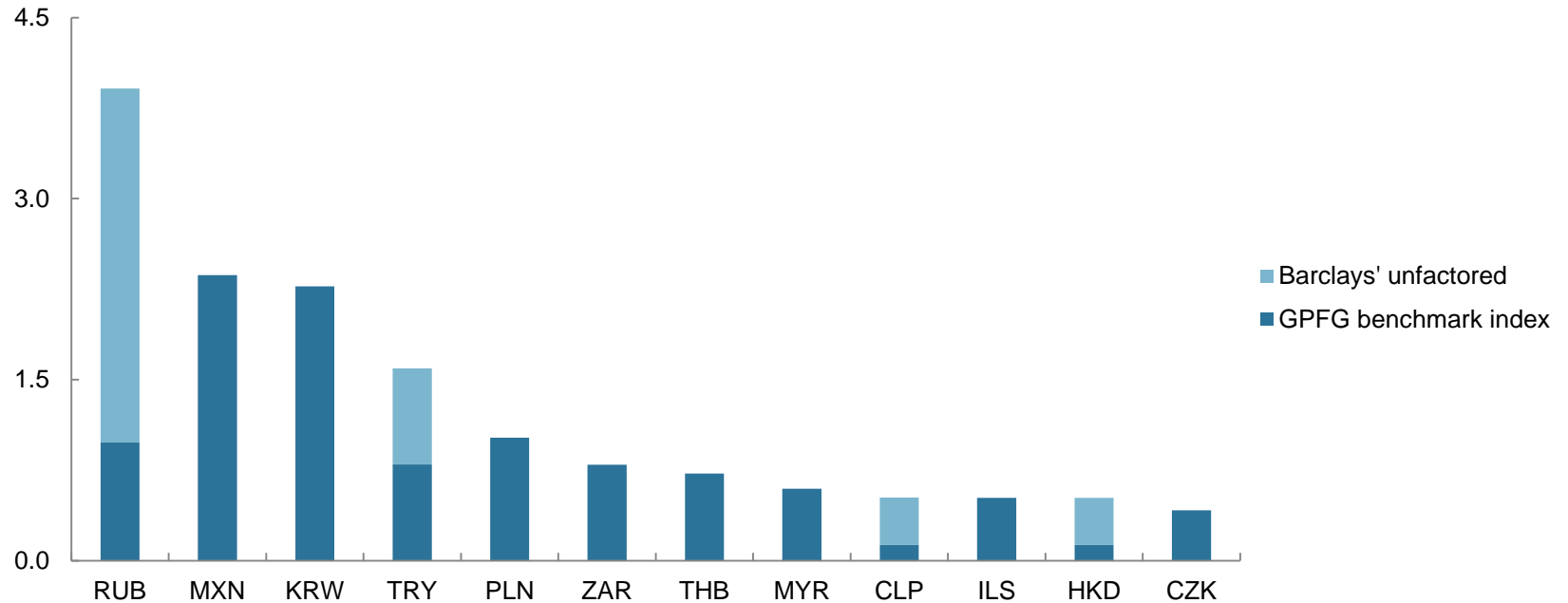
# Fixed-income investments I

Barclays Global Treasury-GDP Weighted by Country index.  
31 March 2014. Percent



# Fixed-income investments II

Barclays Global Treasury-GDP Weighted by Country index.  
31 March 2014. Percent



# New real estate investments in the US

Local partners: MetLife and Prologis

## Two office buildings

- Invested: USD 480m



555 East 12<sup>th</sup> Street  
Washington, D.C., USA



425 Market Street  
San Francisco, USA

## 66 industry- and logistics entities

- Invested: USD 450m



Utah Airfreight: San Francisco, CA

# Joint research project

## Responsible investment

- Background: collect data and identify possible links between sustainability and mining
- Cooperation with Columbia University and MSCI (amongst others)
- The project is part of a broader initiative to facilitate more investment-relevant information



Pictures: World Gold Council and Columbia University

# Voting and company dialogue

First quarter 2014

- We voted in 1343 general meetings in the first quarter
- Company dialogues also on environmental and social issues
- Covered oil pollution and environmental issues in the Niger Delta and environmental damage from mining-related activities in Ghana (amongst others)
- Continued work on board nominations
- Meeting of the Advisory Committee for our ownership work



# Highlights

- Return of 1.7 percent in the first quarter of 2014
- Equity investments returned 1.5 percent, fixed income 2.0 percent and real estate 2.0 percent
- The return was in line with markets
- The market value of the fund rose by 72 billion kroner to 5 110 billion kroner





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30 APRIL 2014



NORGES BANK  
INVESTMENT MANAGEMENT