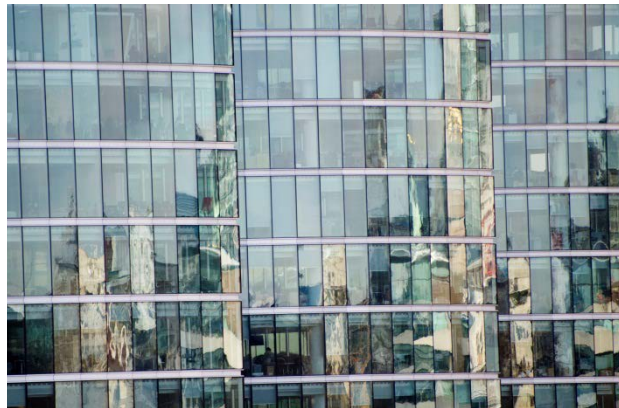
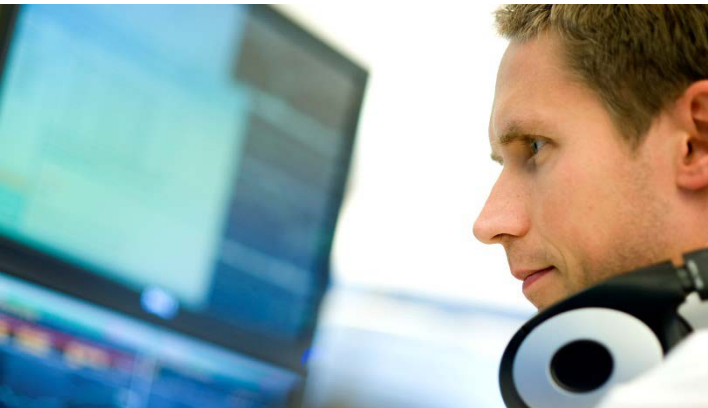


GOVERNMENT PENSION FUND GLOBAL
PRESS CONFERENCE - 25 October 2013

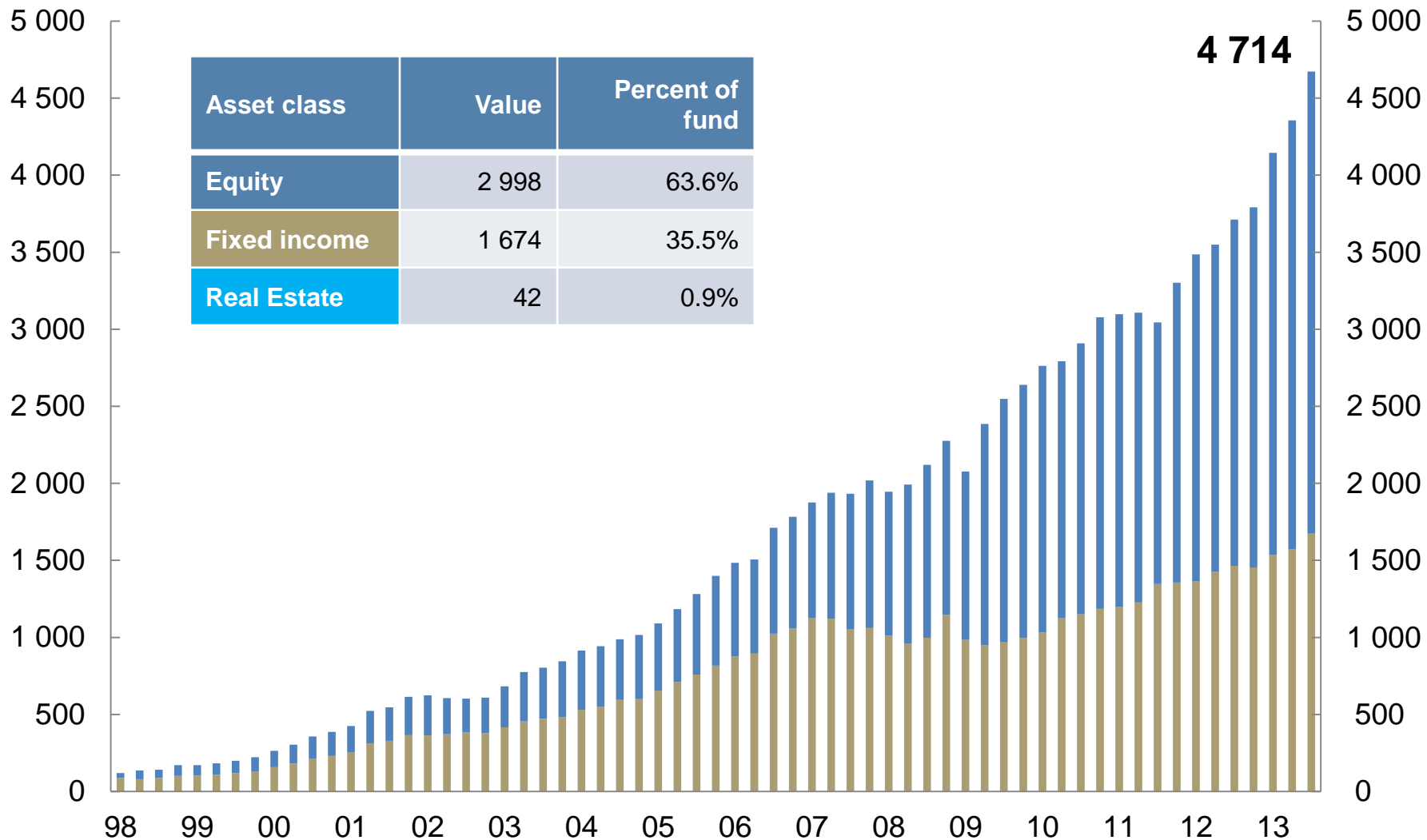


3rd Quarter
2013



Market value

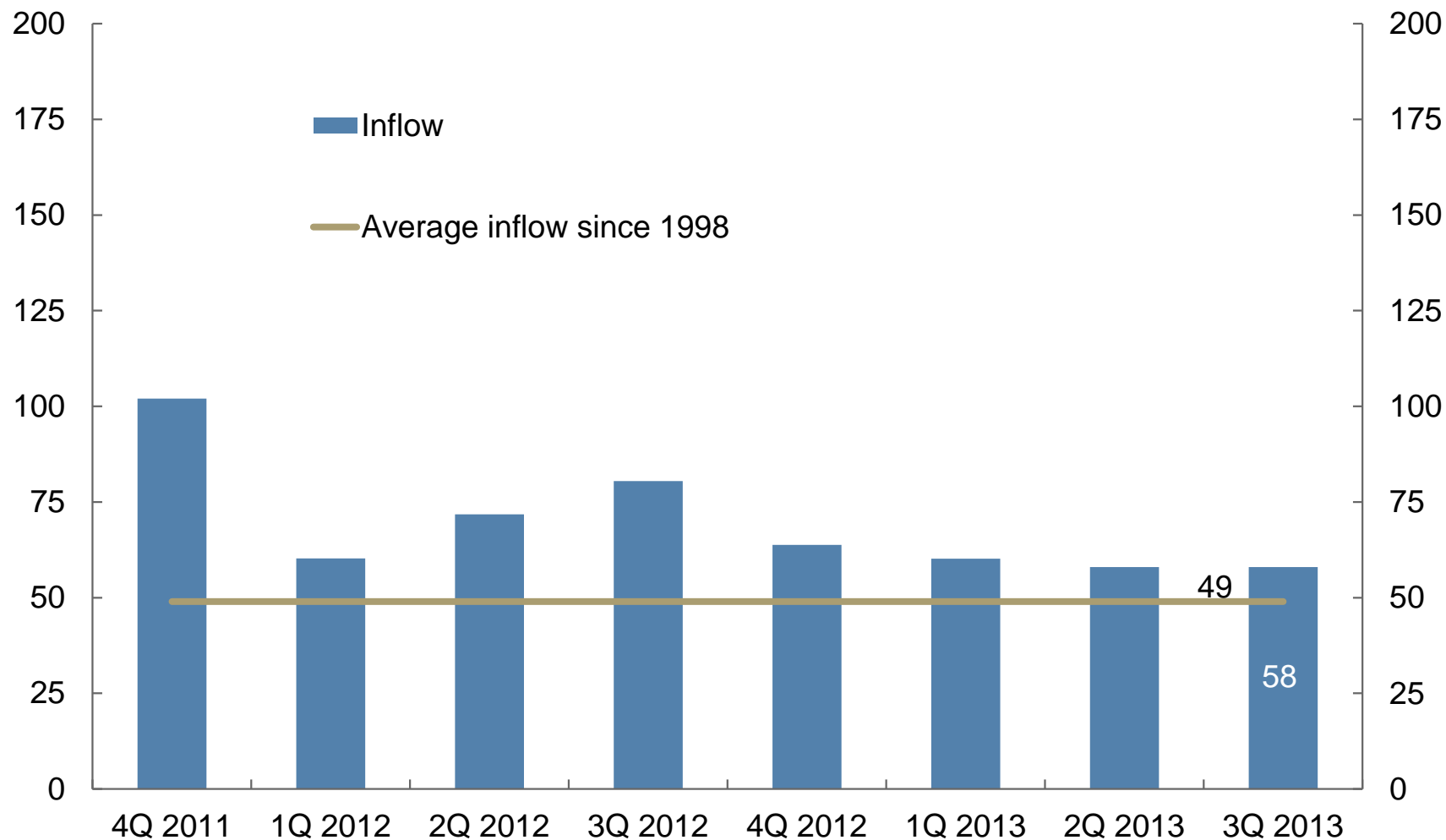
Quarterly values. Billions of kroner. 30 September 2013



Source: NBIM

Change in market value: Inflows

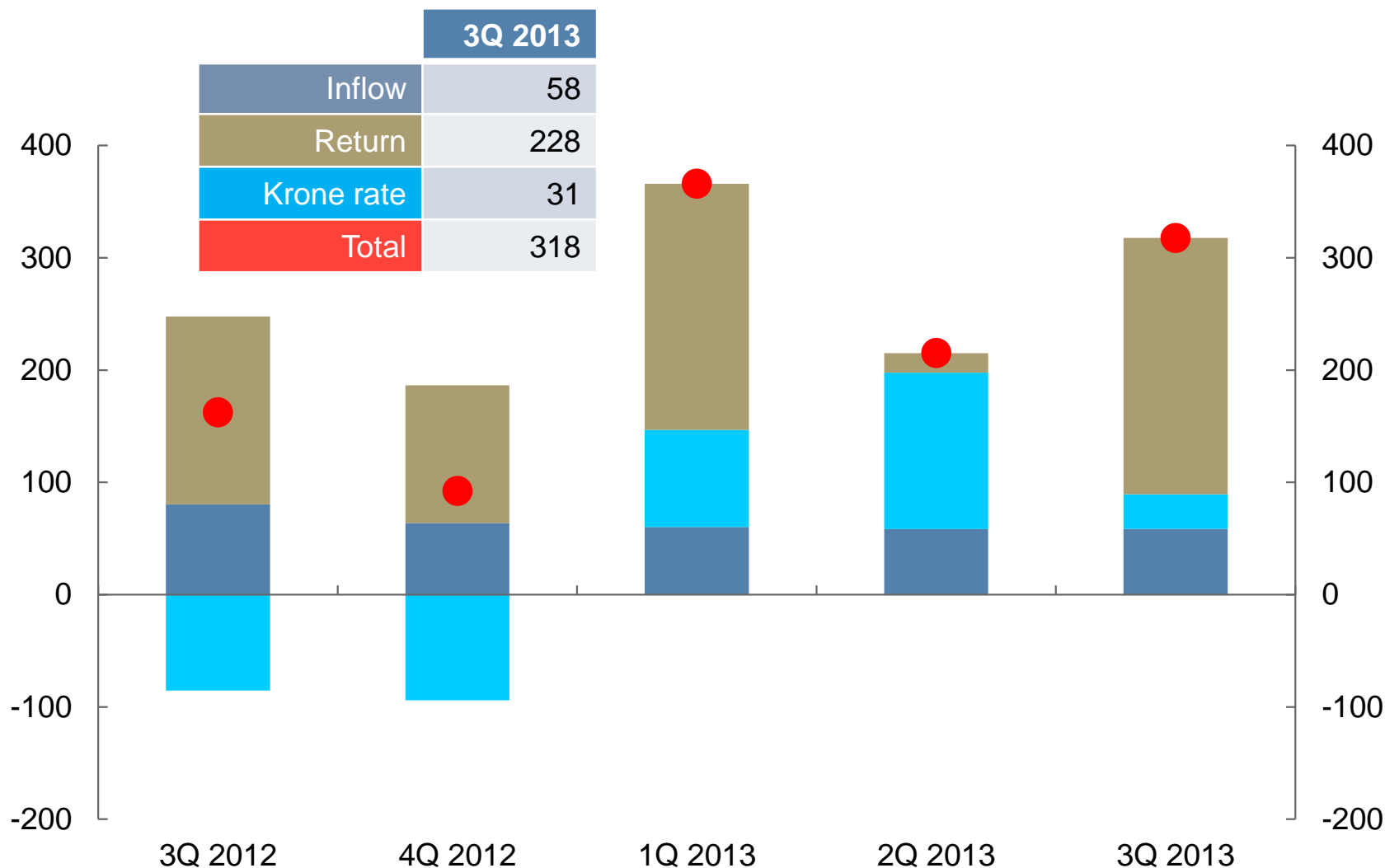
Billions of kroner



Source: NBIM

Change in market value

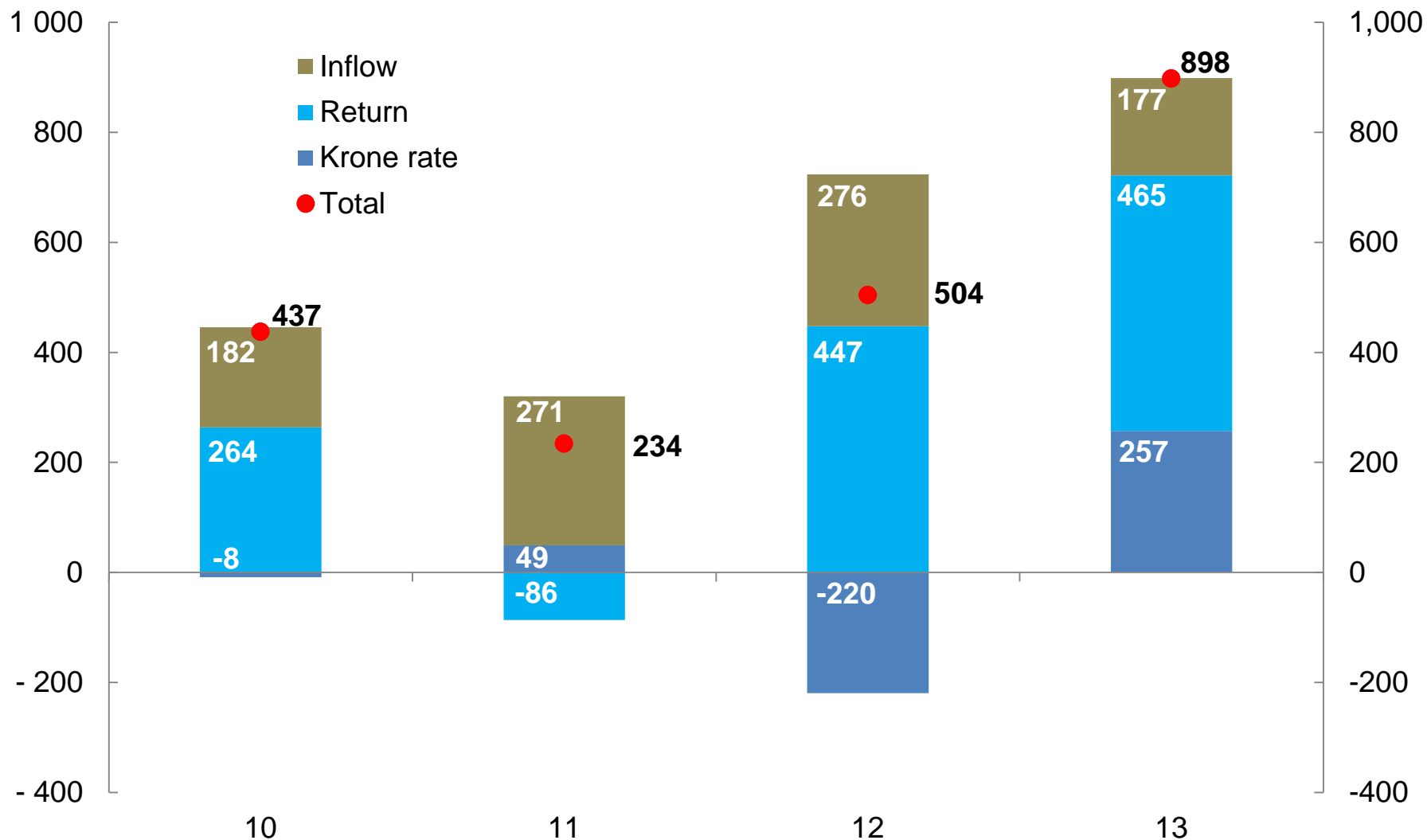
Billions of kroner.



Source: NBIM

Change in market value

Billions of kroner. (2013 = 1Q – 3Q)



Source: NBIM

Changes in value since 1996

Billions of kroner

	3Q 2013	2Q 2013
Market value of the fund	4 714	4 397
Gross inflow of new capital	3 239	3 180
Management costs	23	22
Change due to fluctuations in krone	-74	-105
Accumulated return	1 572	1 344

Kilde: NBIM

Key figures

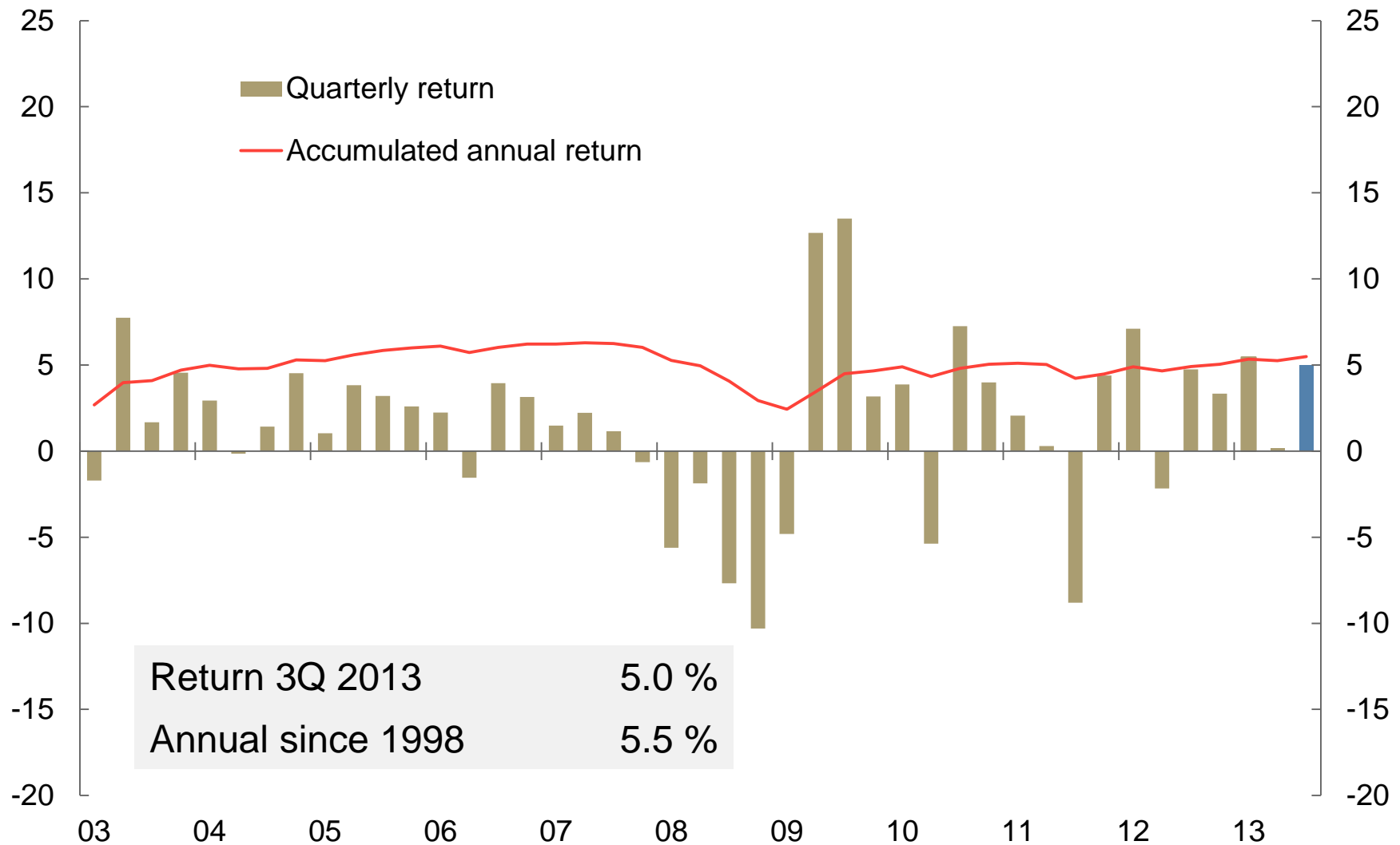
Fund's total investments. Measured in international currency basket. Percent

	Last 12 months	Last 10 years	Since 01.01.1998
Return on fund	14.47	6.29	5.49
Annual price inflation	1.38	2.15	1.91
Annual management costs	0.06	0.10	0.09
Annual net real return	12.85	3.96	3.41

Source: NBIM

Quarterly return

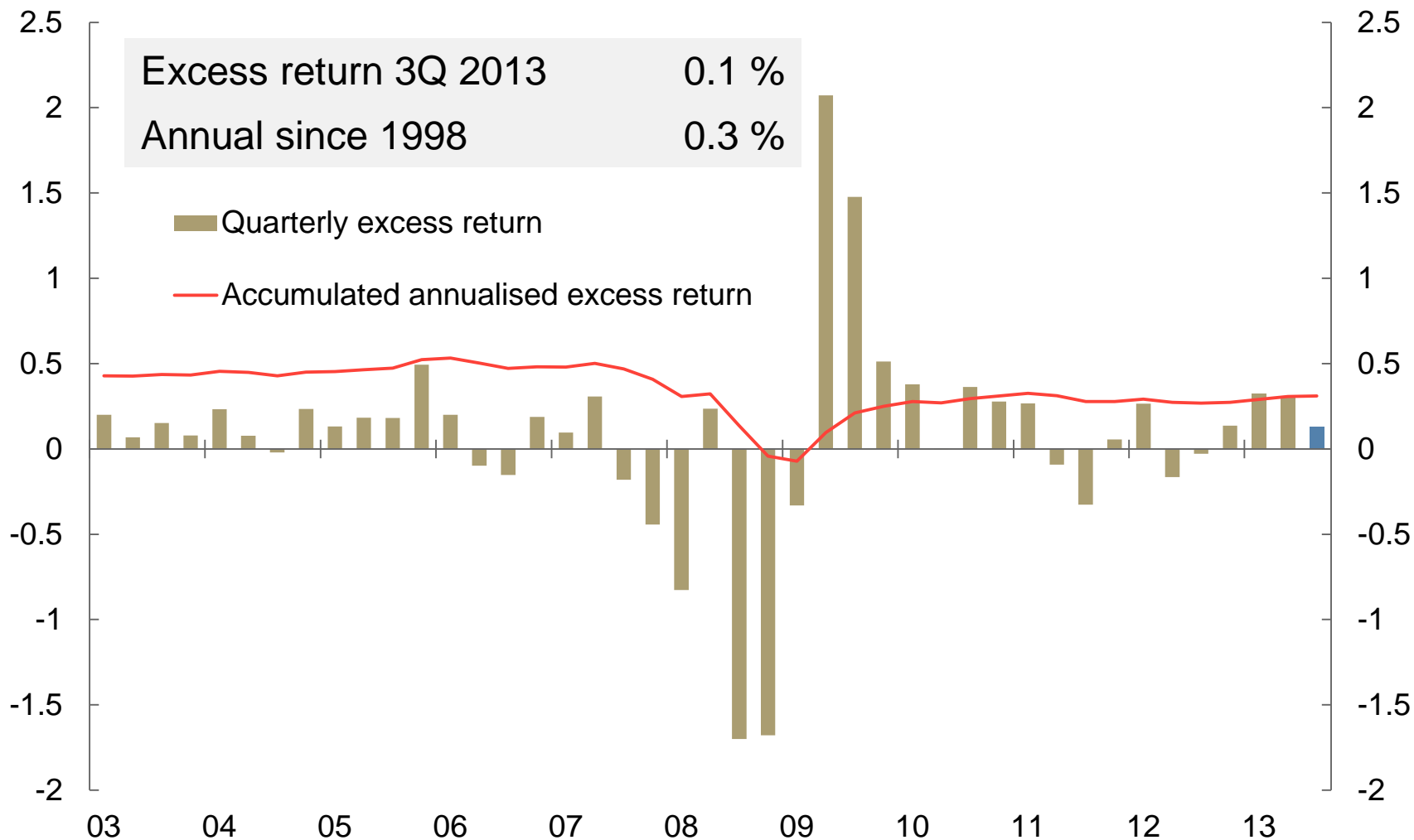
Percent



Source: NBIM

Quarterly excess return*

Prosentpoeng

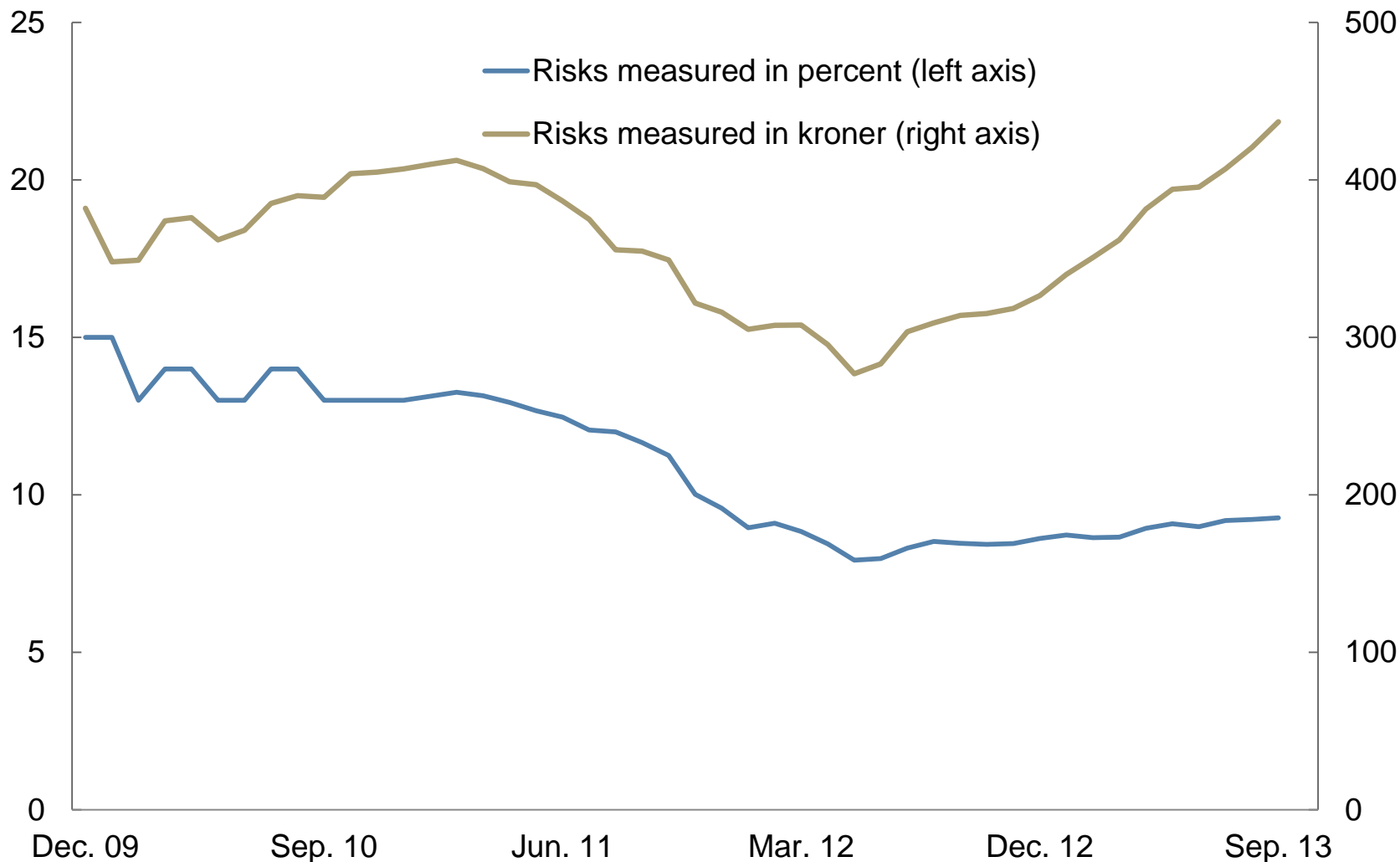


* Excluding real estate investments

Source: NBIM

Expected absolute volatility of the fund

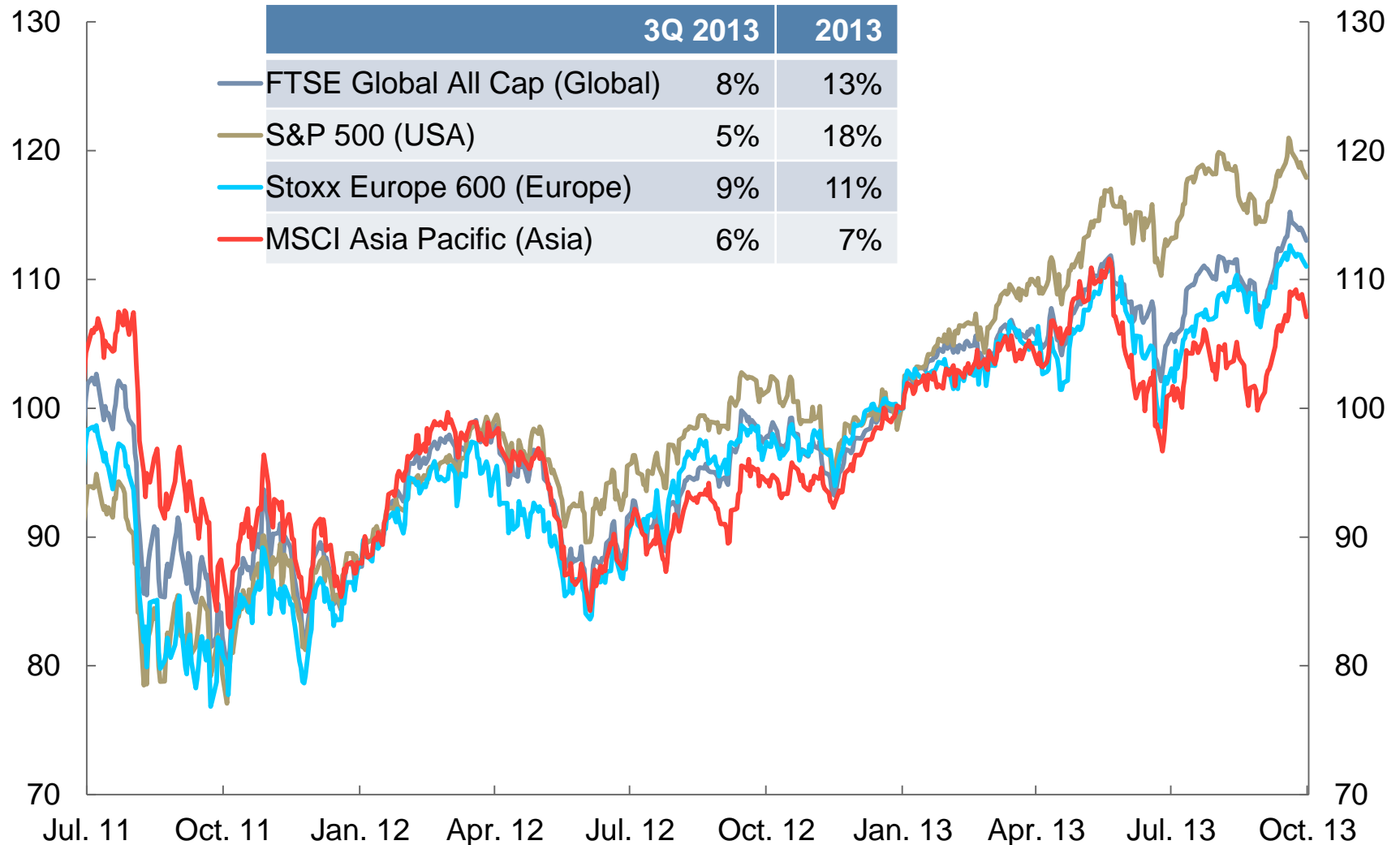
Percent and billions of kroner



Source: NBIM

Price developments in regional equity markets

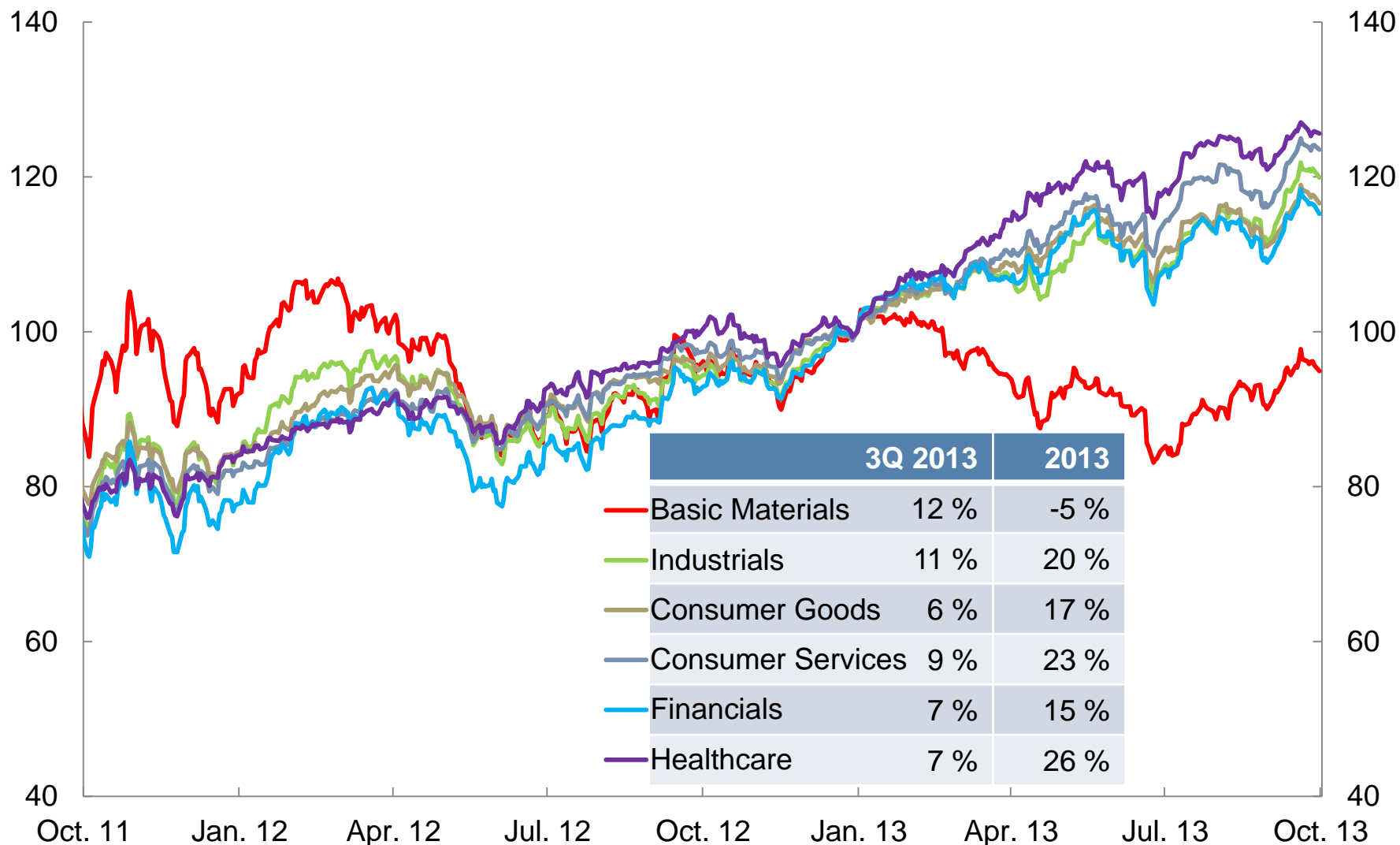
Measured in dollars and euros (Stoxx). Indexed (31.12.2012 = 100)



Source: Bloomberg

Price moves in stock sectors

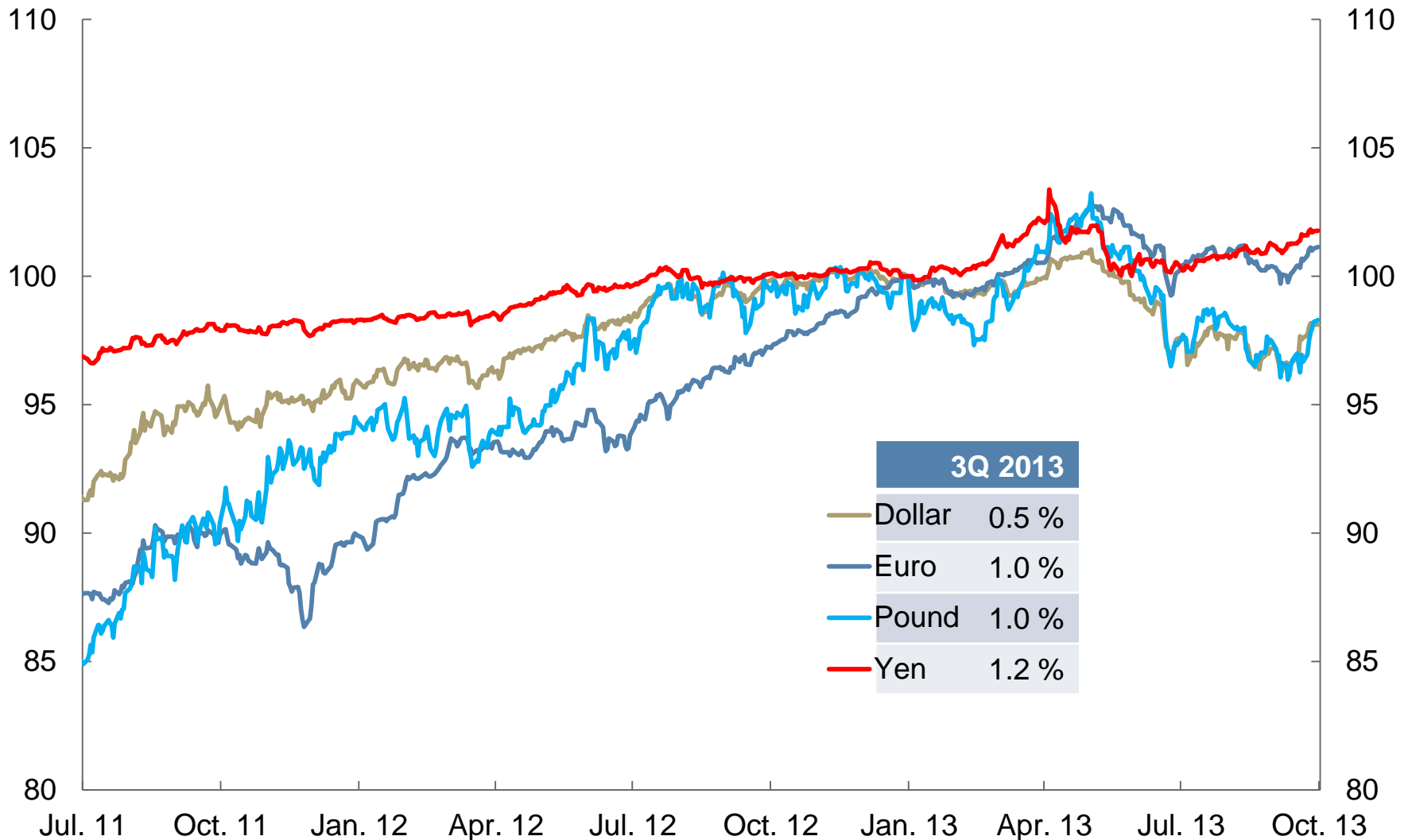
FTSE Global All Cap-index. Measured in USD. Indexed (31.12.2012 = 100)



Source: FTSE

Price development of major currencies

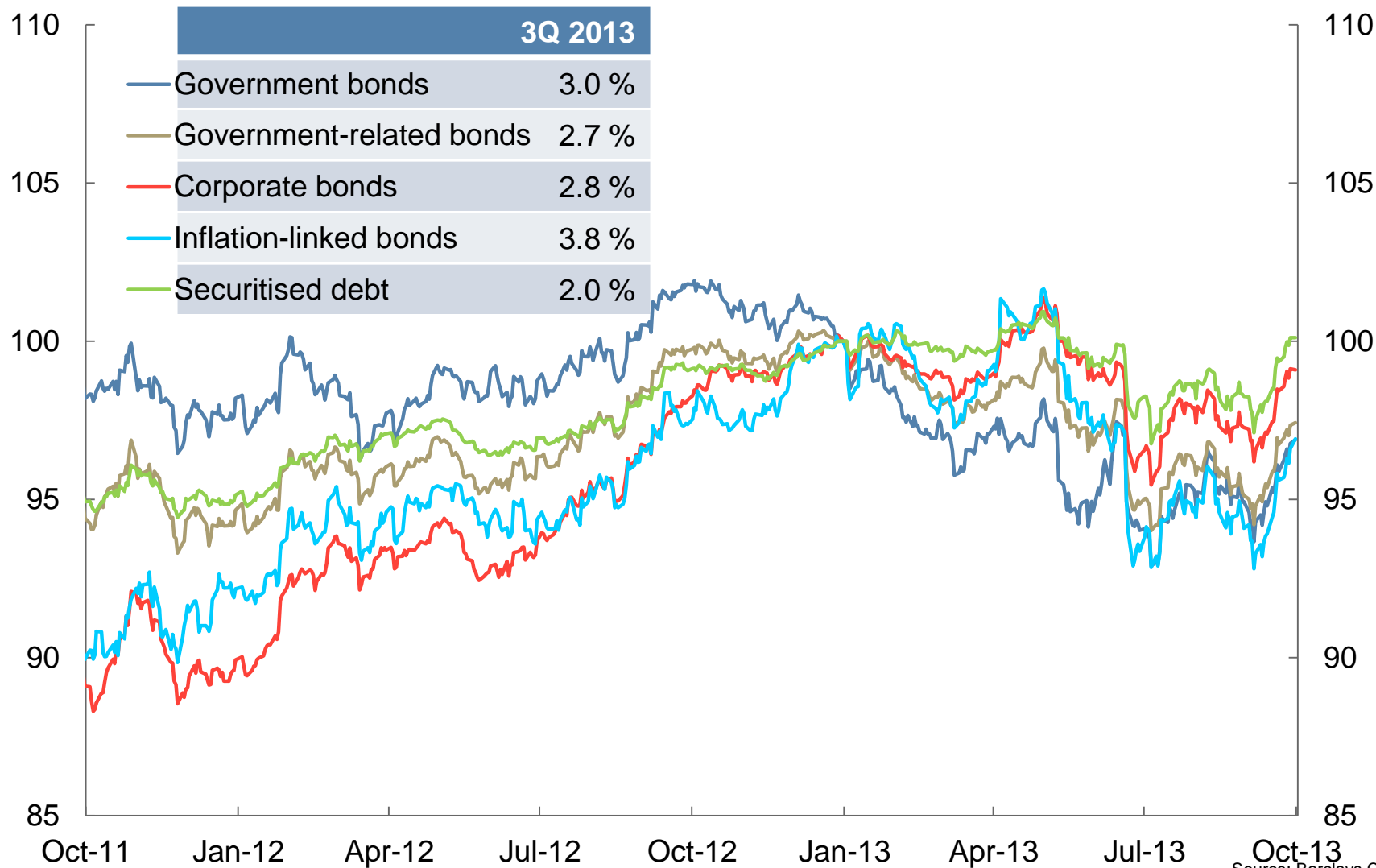
Barclays Global Aggregate Index. Measured in local currencies. Indexed (31.12.2012 = 100)



Source: Barclays Capital

Price developments in fixed-income sectors

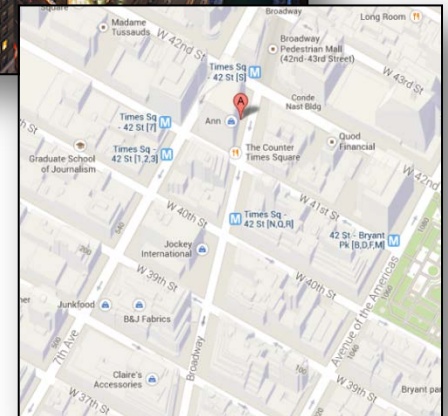
Barclays Global Aggregate Index. Measured in USD. Indexed (31.12.2012 = 100)



Source: Barclays Capital

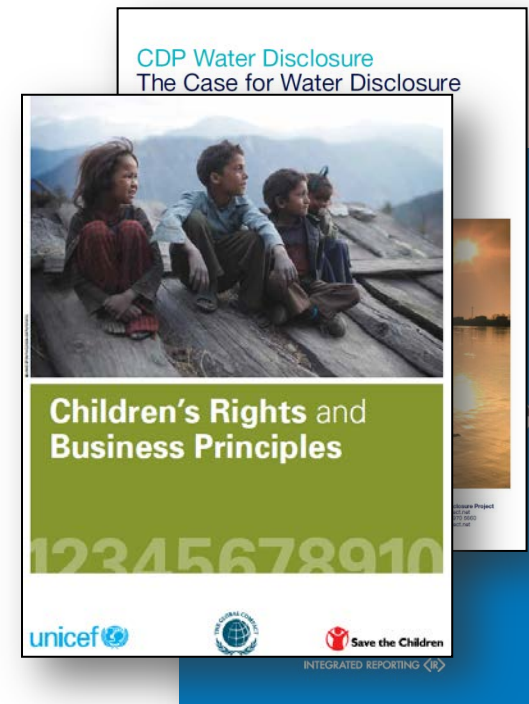
New real estate investment in the 3rd quarter

- Joint venture agreement to purchase an office property in New York (Times Square Tower)
 - Partnership with Boston Properties, Inc.
 - The property is valued at \$ 1.52 billion dollars, equivalent to 9.26 billion kroner
 - NBIM's 45 per cent interest is valued at \$ 684 million, Boston Properties retained a 55 per cent interest
 - Boston Properties will manage the building on behalf of the partnership



Supporting the development of international principles and standards

- Supporting UNICEF's Children's Rights and Business Principles
- Letter to the International Integrated Reporting Council
- Dialogue with CDP Water Disclosure



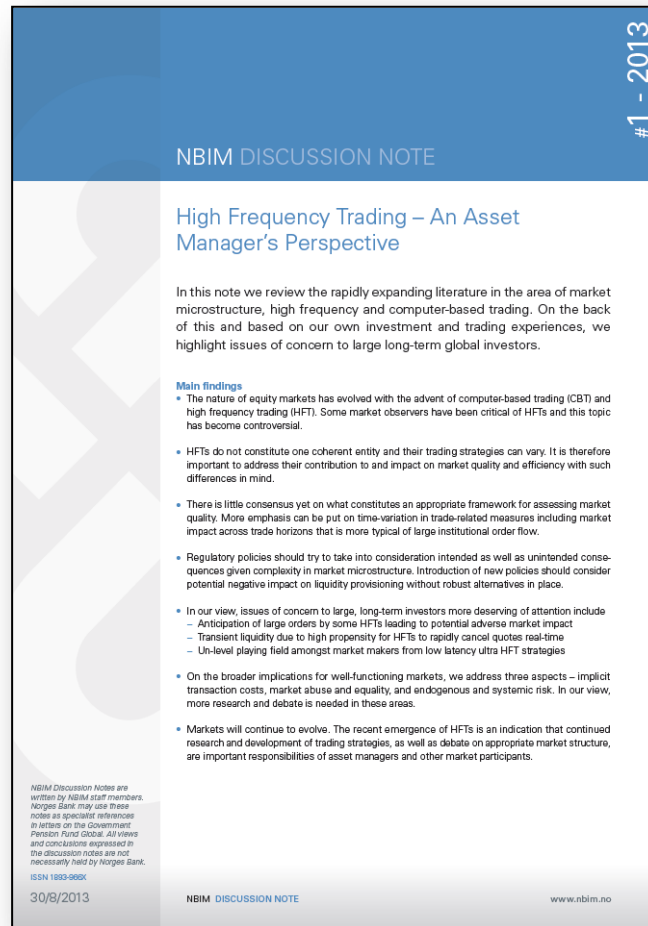
17 discussion notes published since 2012

- The Value Effect
- Modelling the implied tail risk of foreign exchange
- Corporate governance
- Well-functioning financial markets
- A Survey of the Small-firm Effect
- Board appointment practices – an international overview
- Risks and Rewards of Inflation-Linked
- The Structure of Inflation-Linked Bond Markets
- Capturing Systematic Risk
- Alternatives to a Market-value-weighted Index
- Risks and Rewards in Emerging Equity Markets
- Economic Growth and Equity Returns
- The History of Rebalancing of the Fund
- Empirical Analysis of Rebalancing Strategies
- Return Predictability and Implications for Rebalancing
- Time-varying expected returns and investor heterogeneity: foundations for rebalancing
- High Frequency Trading – An Asset Manager's Perspective



NBIM discussion note

«High Frequency Trading (HFT) – An Asset Manager’s Perspective»



- Electronic trading has not simplified trading in equities
- HFT challenges market transparency
- Transaction costs have not fallen

Highlights of the third quarter

- Fund return 5 percent
- Equity returns 7.6 percent
- Excess return 0.1 percentage points
- The market value of the fund rose by 318 billion kroner to 4 714 billion kroner



NBIM

Norges Bank Investment Management

