



# Government Pension Fund Global

## Annual results 2020

Press conference 28 January 2021



# Good equity market return

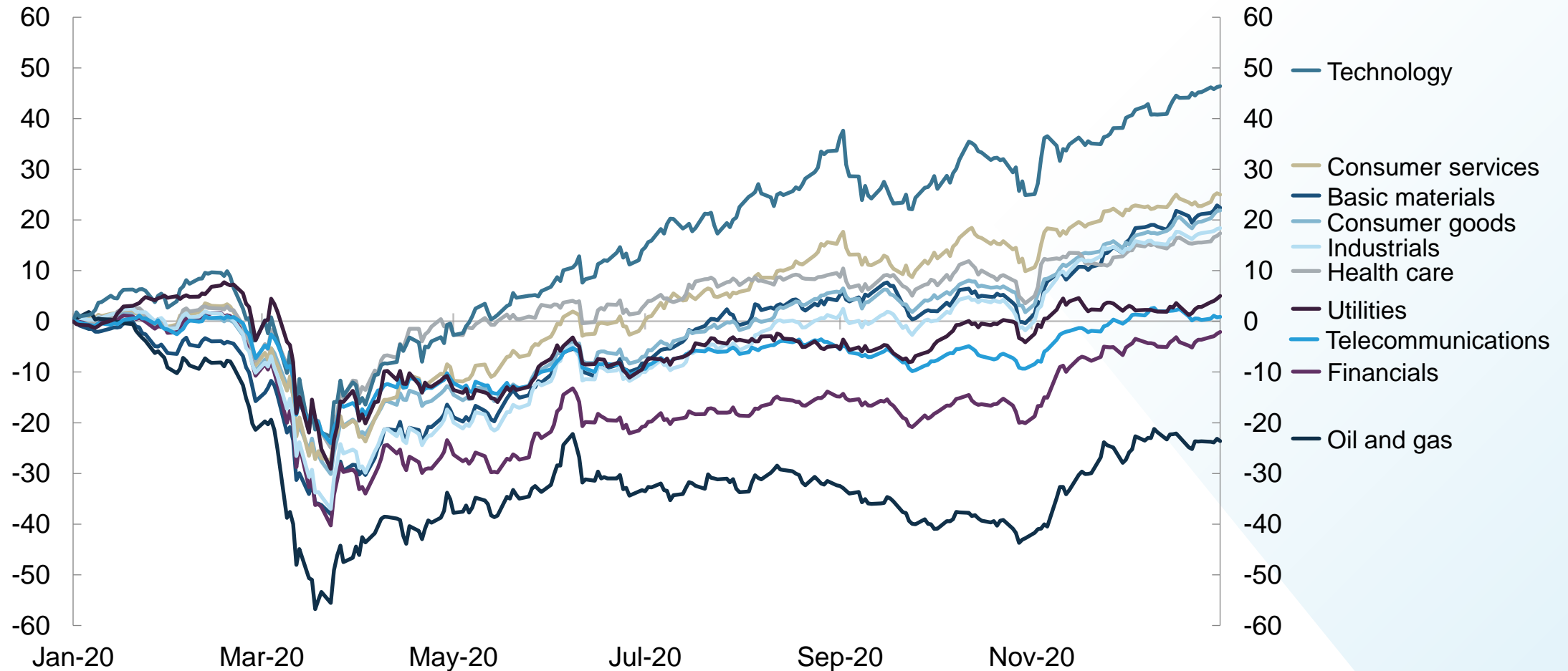
FTSE Global All Cap. Dollar. Percent.





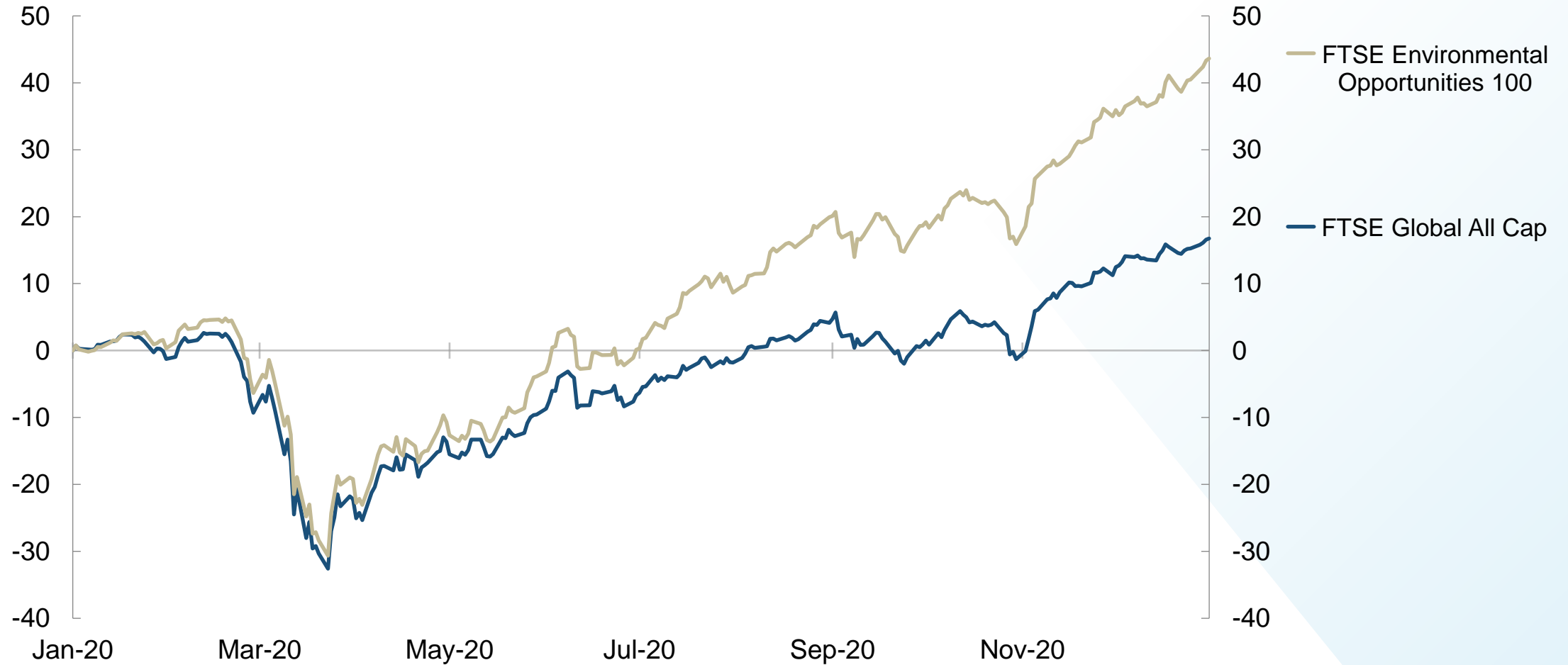
# Strong technology performance

FTSE Global All Cap. Dollar. Percent.



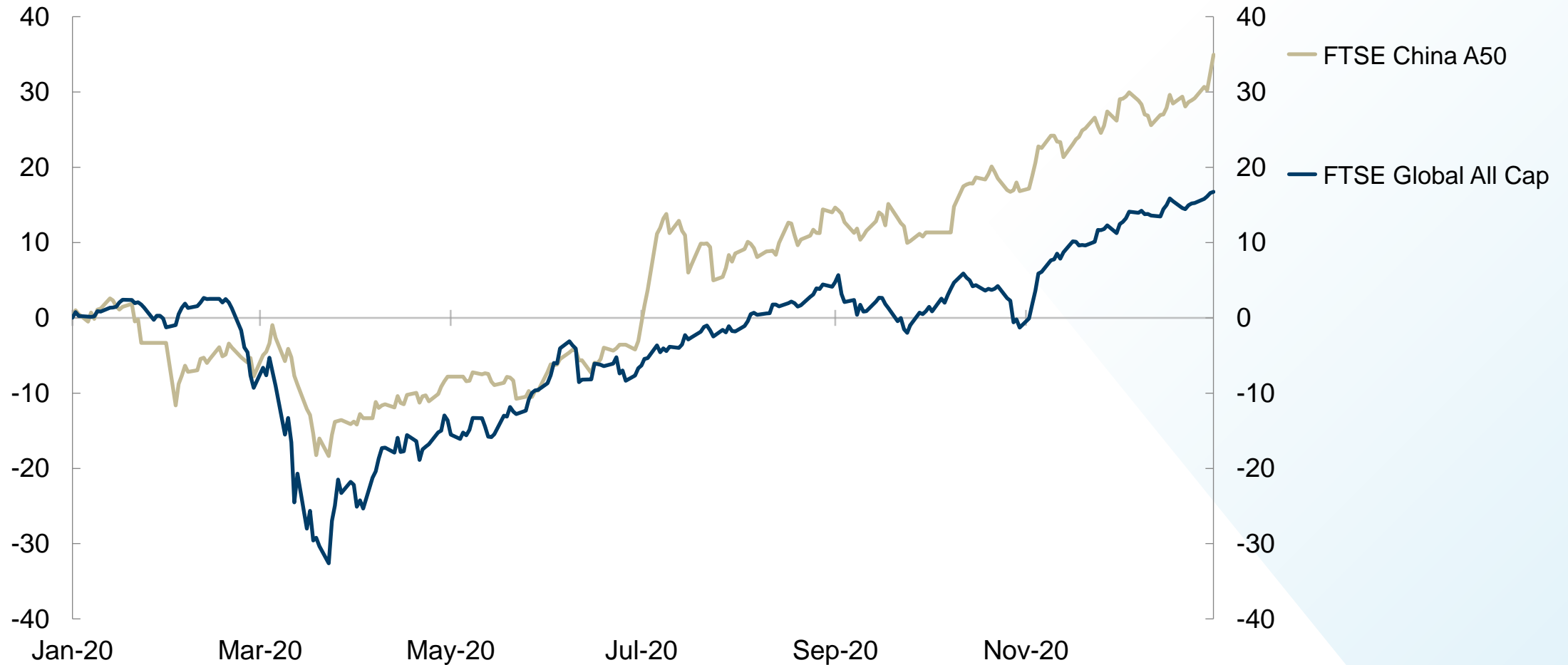
# Strong environmental index return

FTSE. Dollar. Percent.



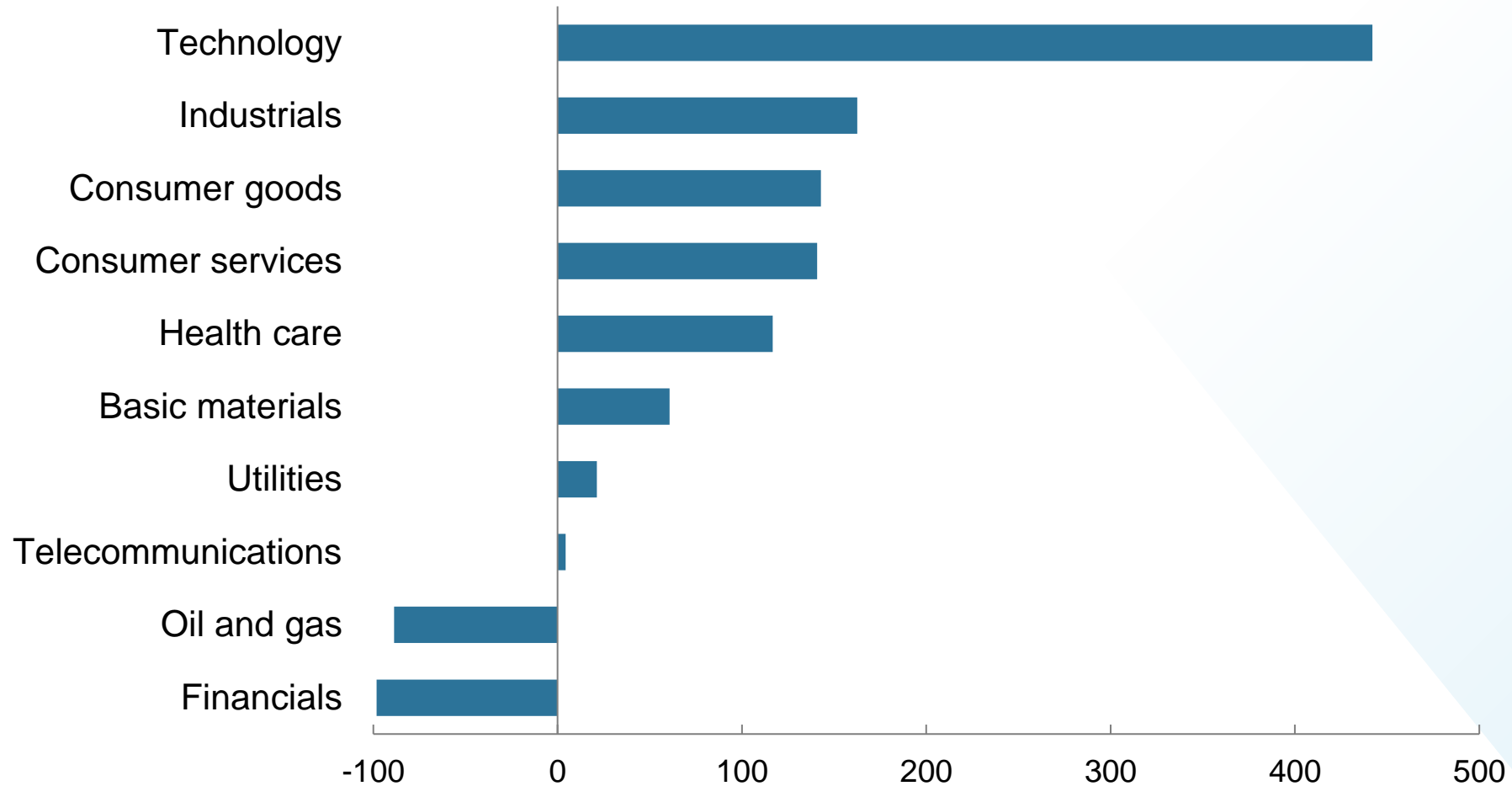
# Strong returns in China

FTSE. Dollar. Percent.



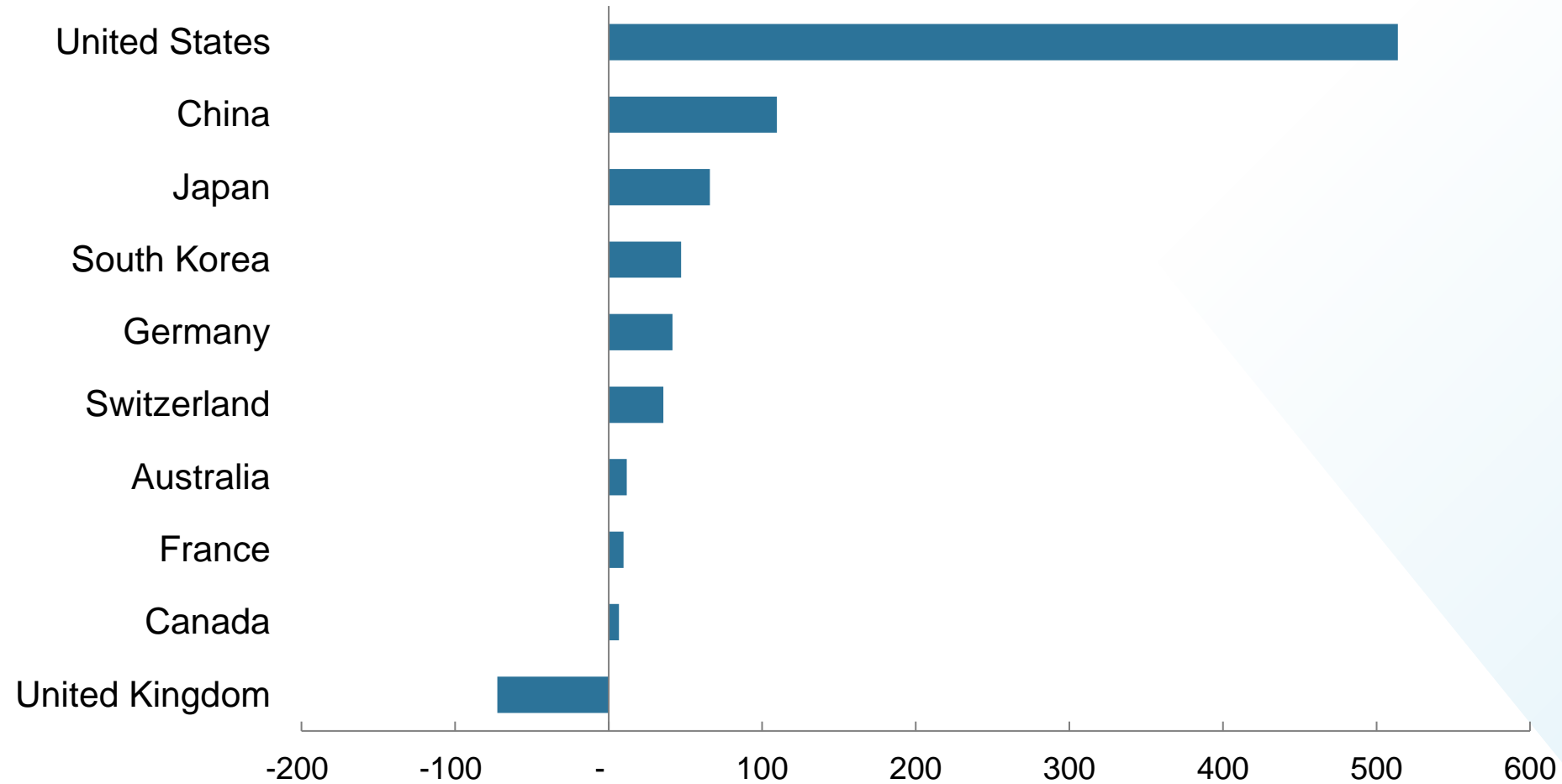
# The fund's equity return by sector

FTSE industry classification. Billion kroner.



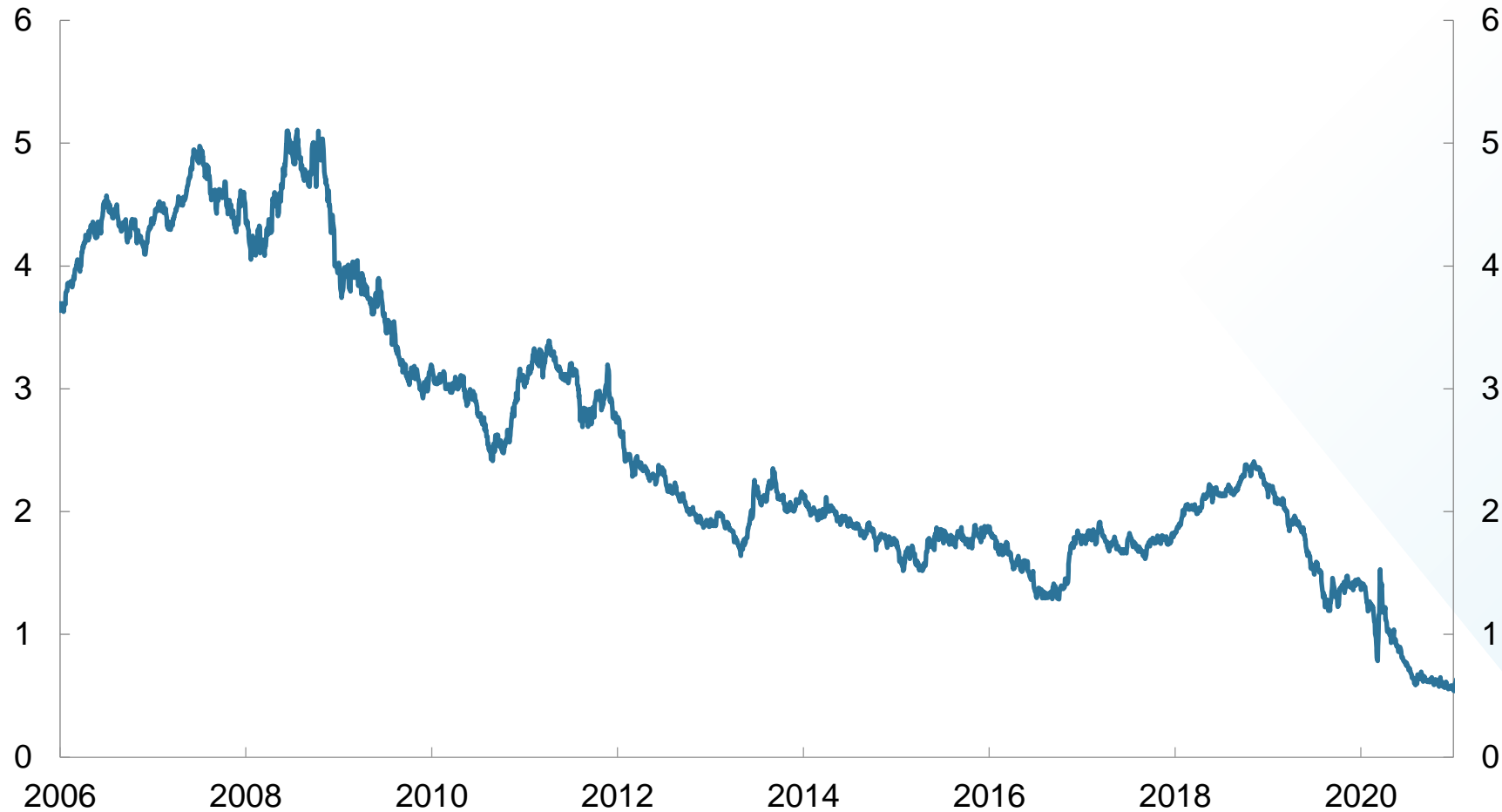
# The fund's equity return by country

Selected countries. Billion kroner.



# Continued decrease in bond yields

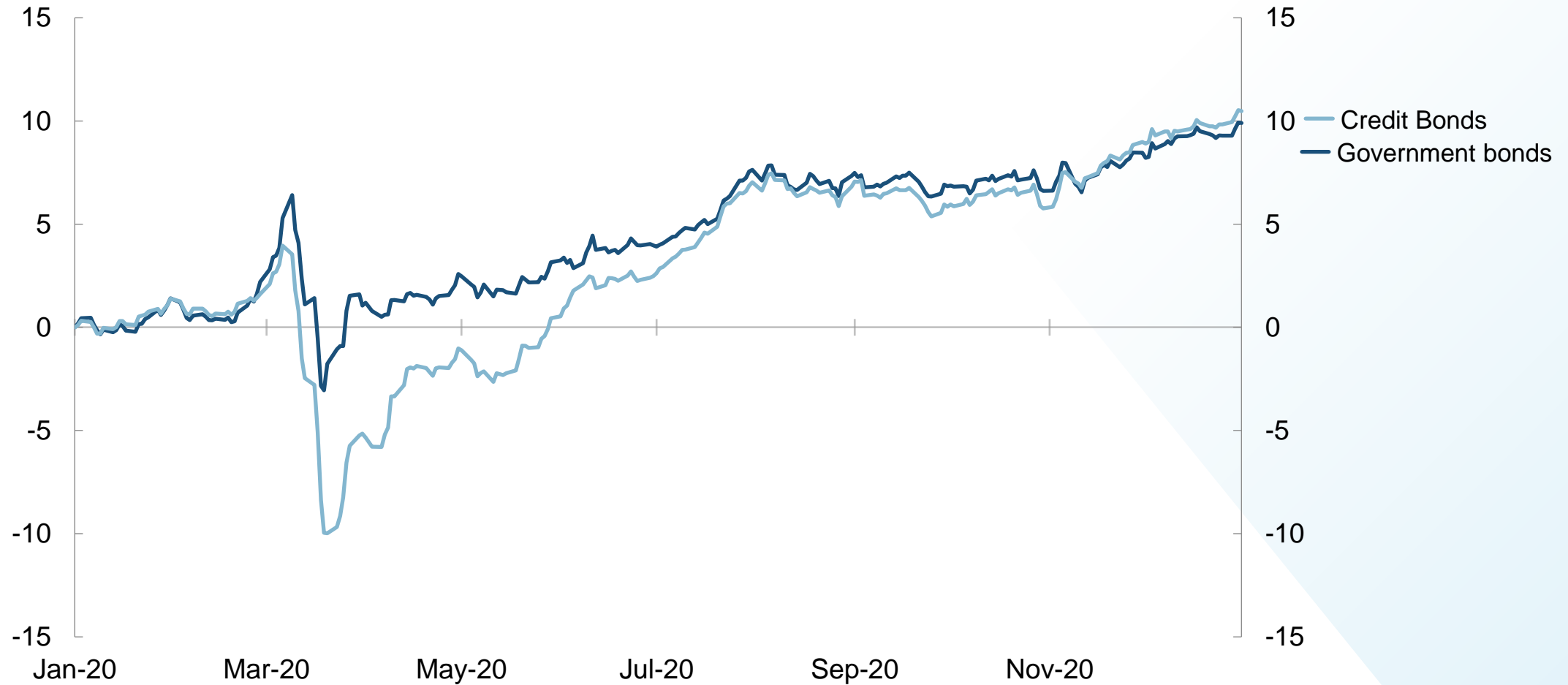
Yield on benchmark index. Percentage points.





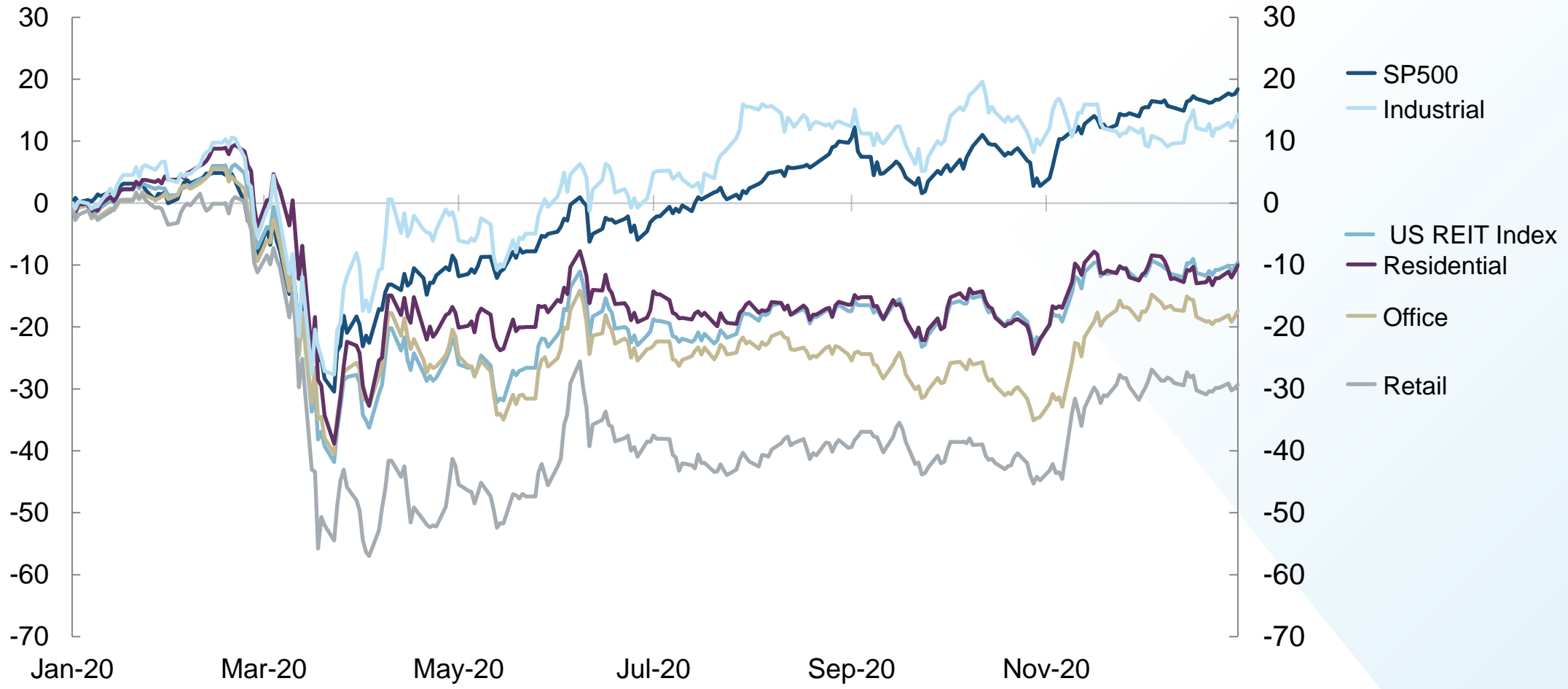
# Bond return by sector

Dollar. Percent.



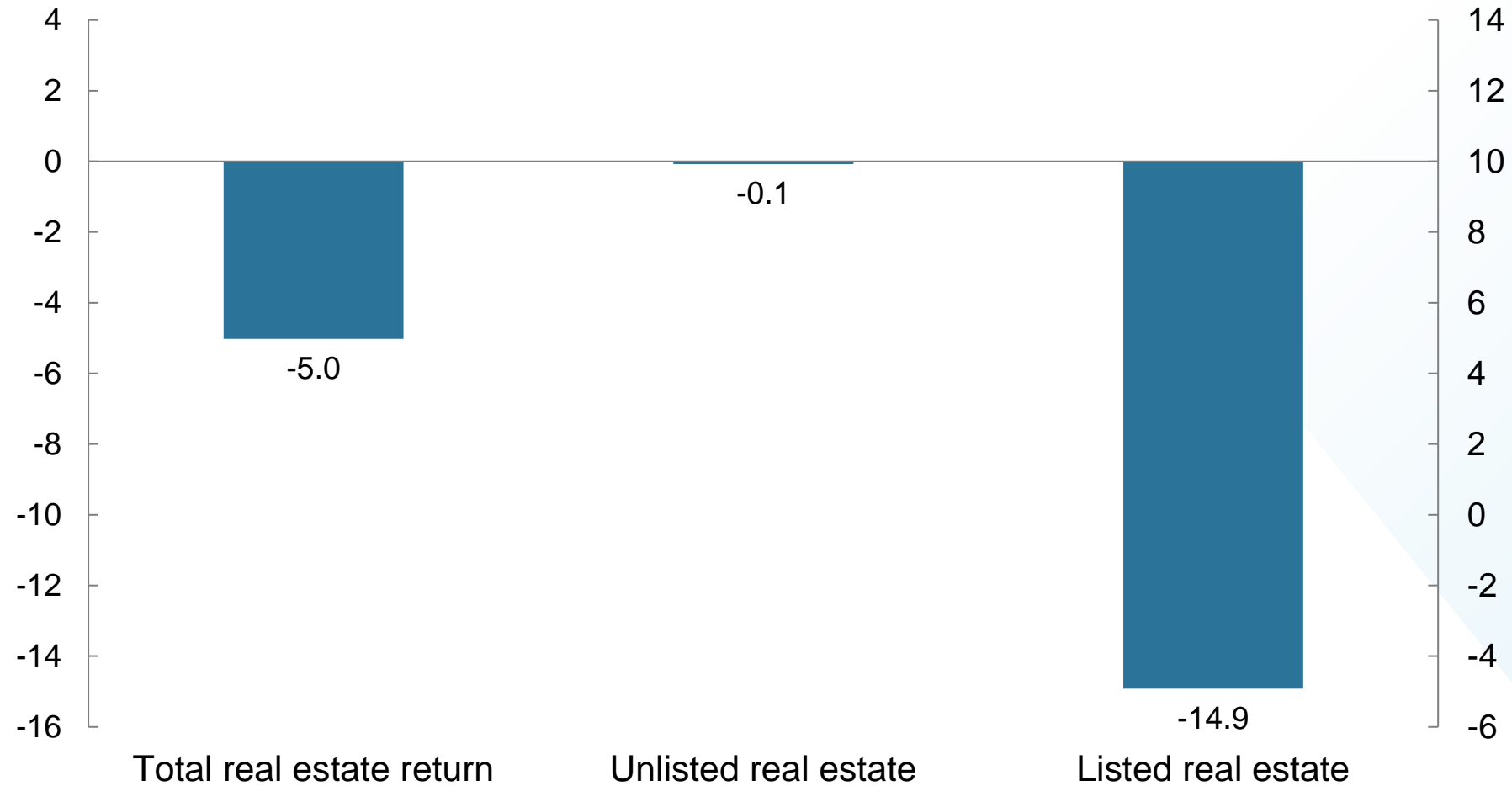
# Real estate markets

Listed real estate markets and SP500. EPRA indices. Dollar. Percent.



# Negative return on real estate

Measured in the fund's currency basket. Percent.





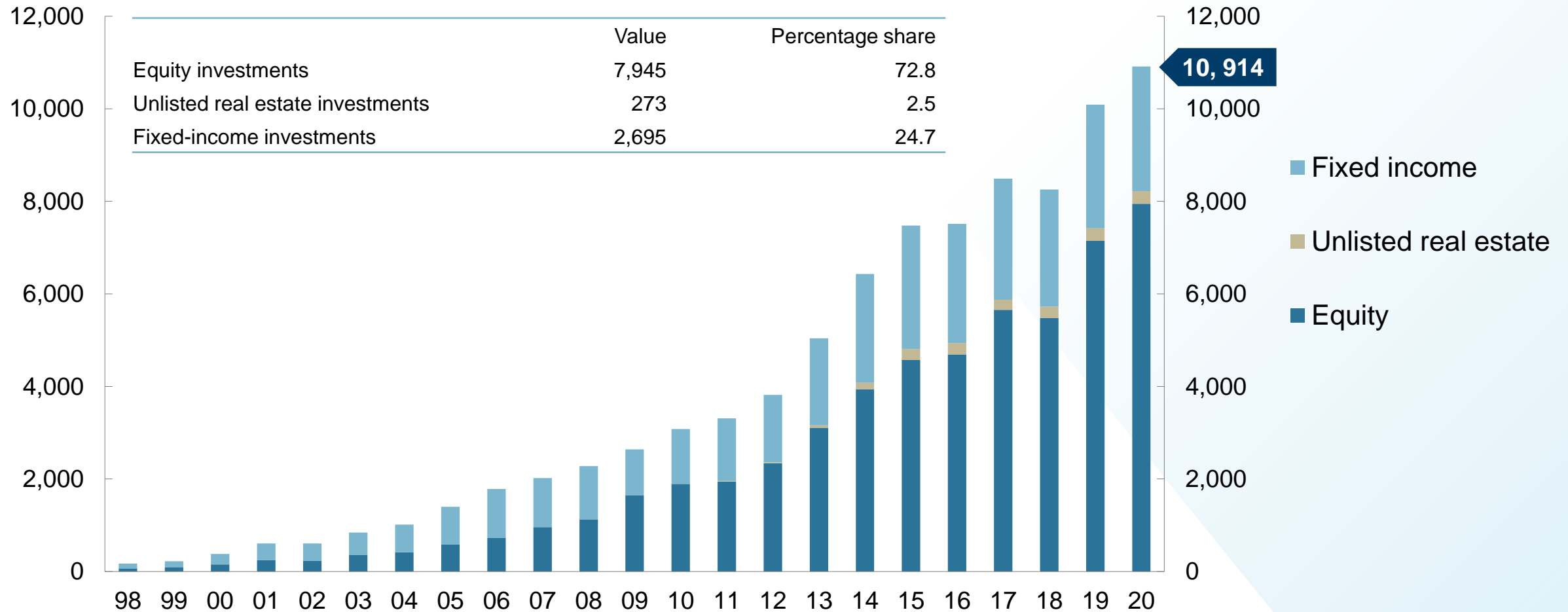
# Highlights 2020

- The return was 10.9 percent in 2020
  - Equity 12.1 percent
  - Unlisted real estate -0.1 percent
  - Fixed income 7.5 percent
- The return on the fund was 1,070 billion kroner
- The return on the fund was 0.27 percentage point higher than the return on the benchmark index
- The market value of the fund increased to 10,914 billion kroner
- Asset allocation at the end of the year
  - Equity 72.8 percent
  - Unlisted real estate 2.5 percent
  - Fixed income 24.7 percent



# 10,914 billion kroner in the fund

Market value as at 31.12.2020. Billion kroner.



# Change in market value

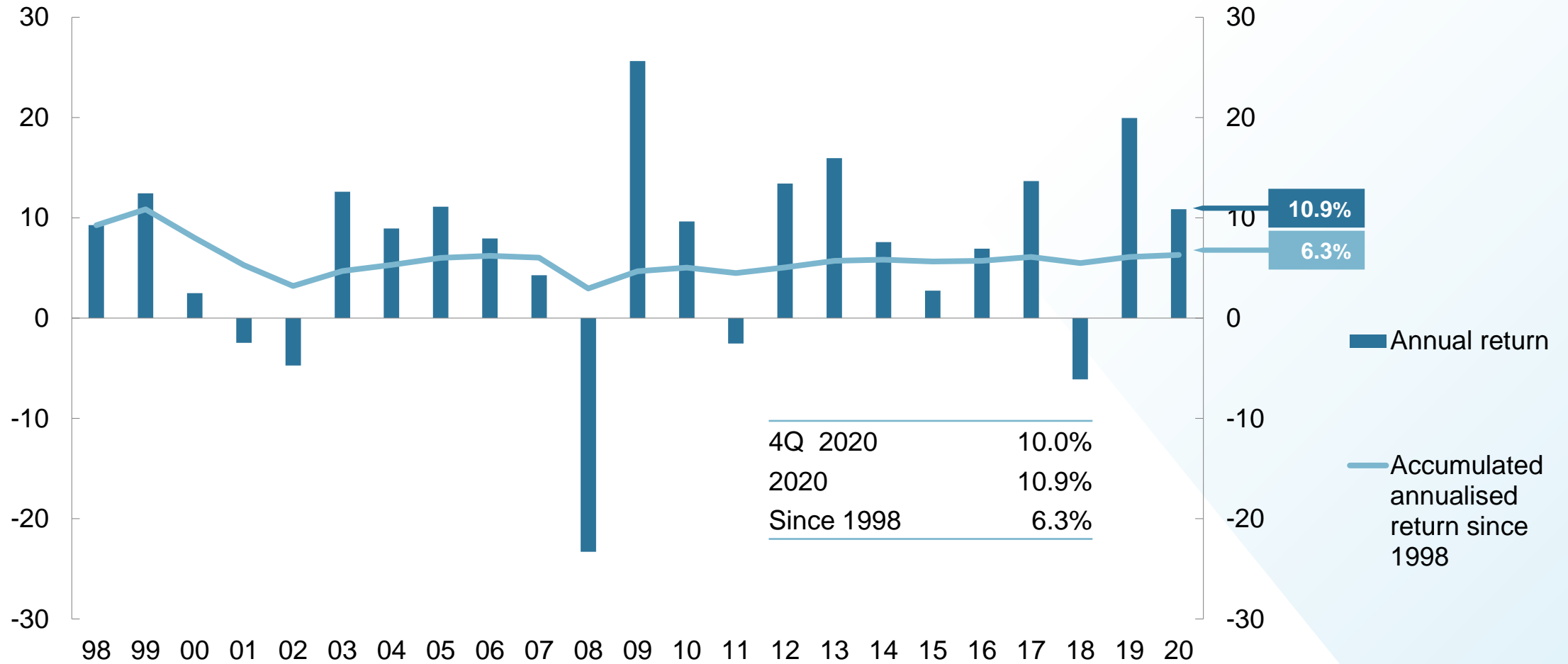
Billion kroner.



\*Outflow is including management costs

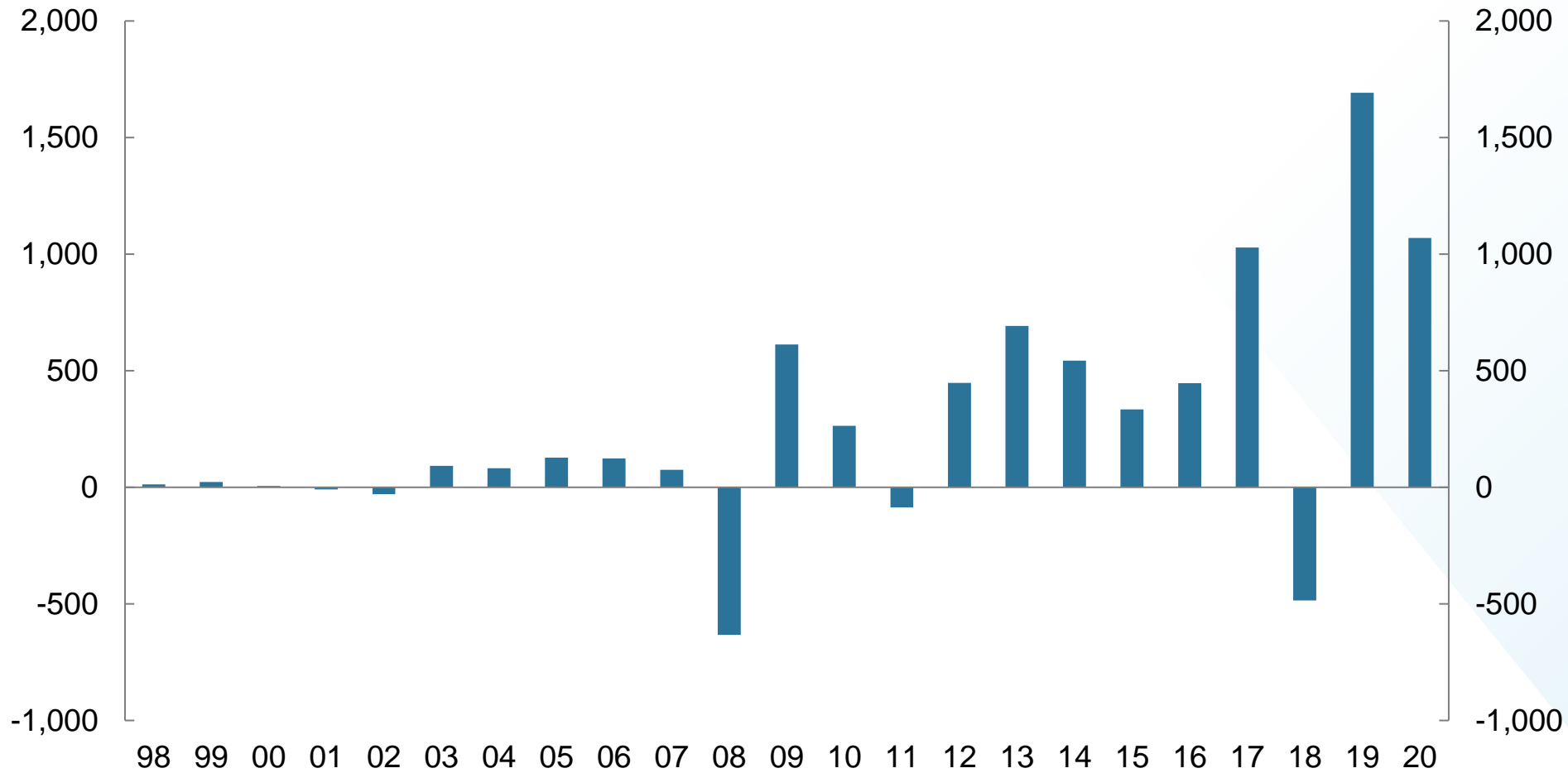
# 10.9 percent return in 2020

Measured in the fund's currency basket. Percent.



# 1,070 billion kroner in return in 2020

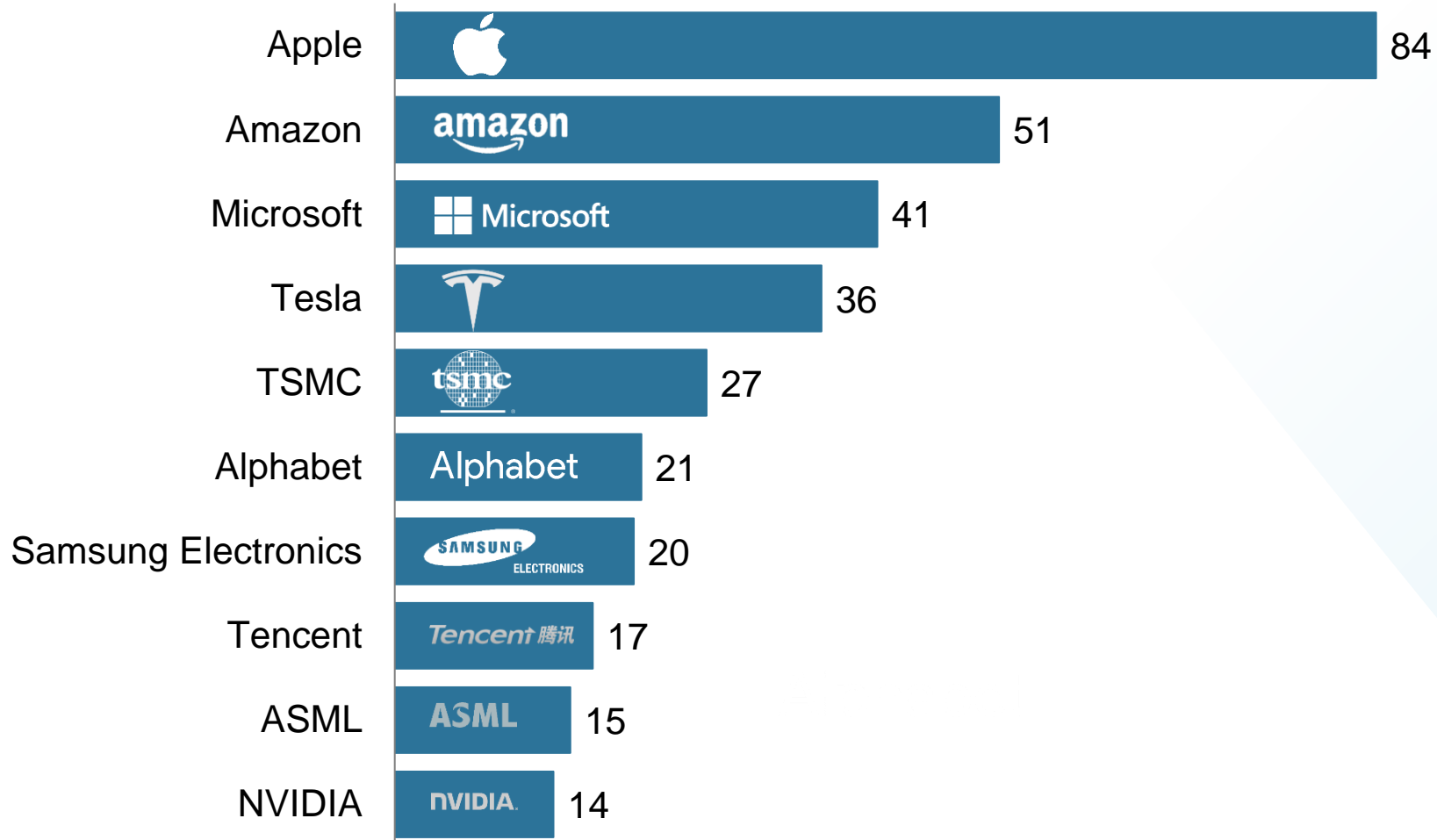
Billion kroner.





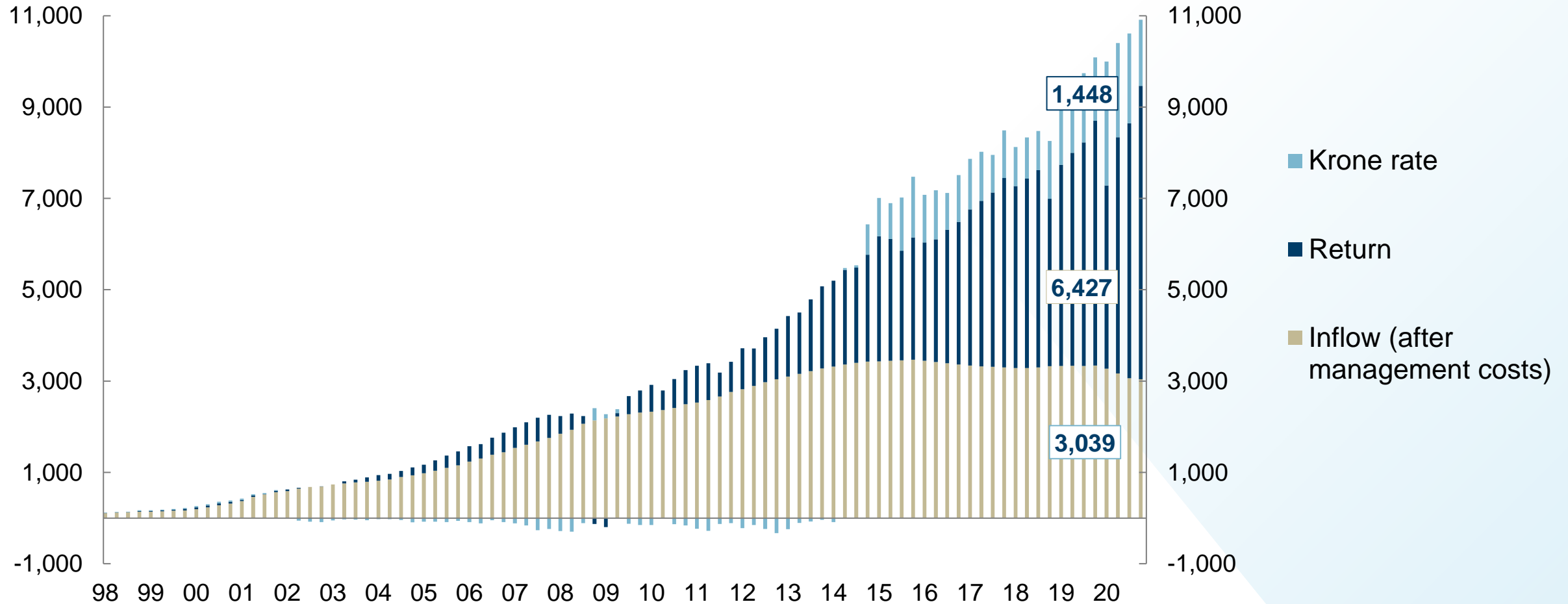
# Top 10 single contribution to absolute return

Billion kroner.



# 6,427 billion kroner in total return

As at 31.12.2020. Billion kroner.



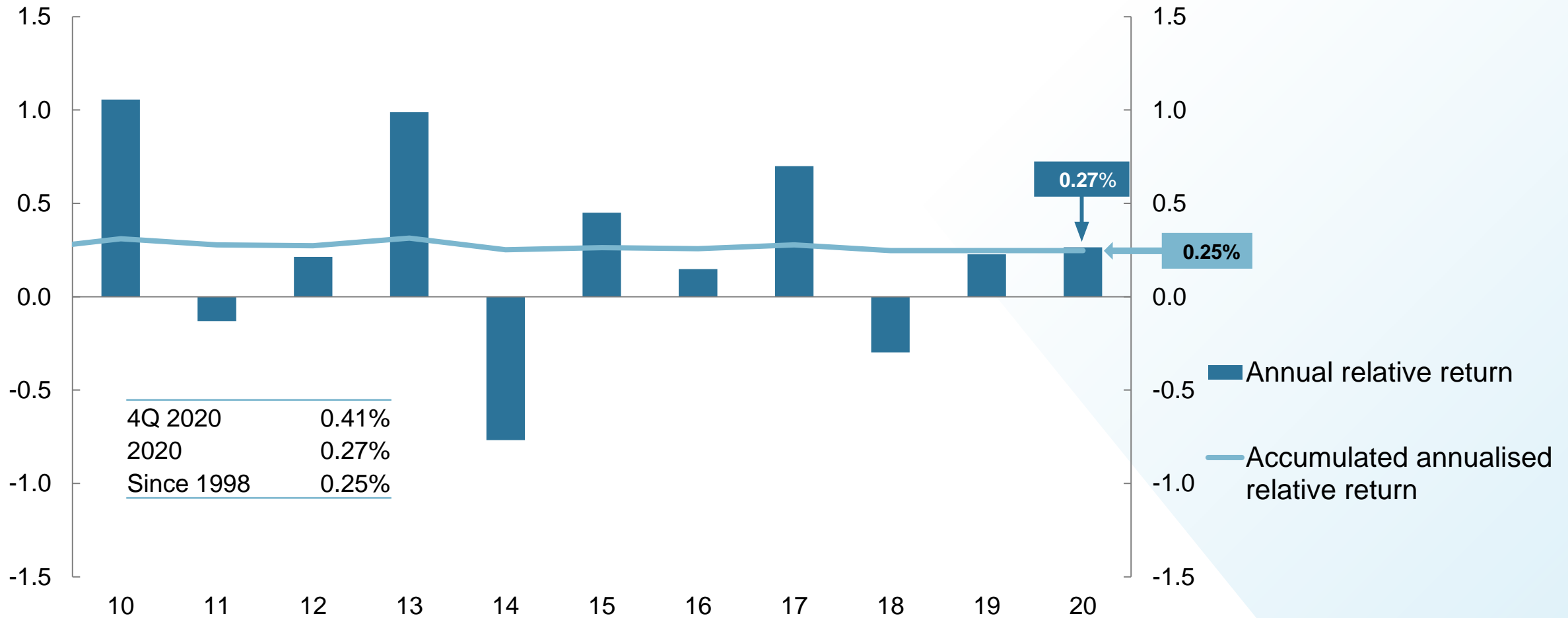
# The fund's real return

Key figures measured in the currency basket. Annualised. Percent.

	2020	Last 10 years	Since 1.1.1998
Return on fund	10.86	7.95	6.29
Annual inflation	0.59	1.54	1.72
Annual management fees	0.05	0.06	0.08
Annual net real return	10.16	6.25	4.42

# Positive relative return

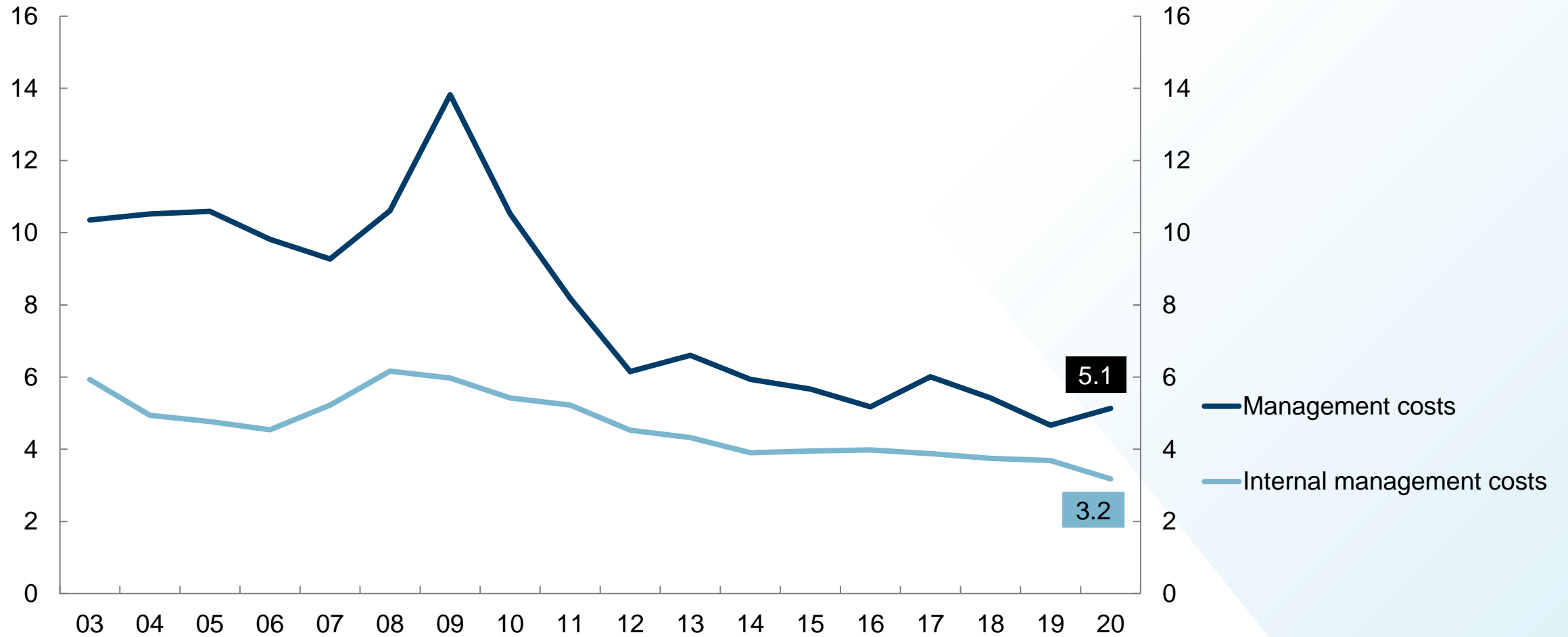
Annual relative return of the fund. Percentage points.





# Low internal management costs

Management costs. Basis points.



# Costs

Millions of kroner.

	2020	2019
Personnel costs	1,408	1,448
Other internal costs	1,887	1,962
External management costs	2,010	902
<b>Management costs</b>	<b>5,305</b>	<b>4,312</b>

# Investment strategies 2020

Contribution to relative return. Basis points.

	Equity management	Fixed-income management	Real estate management	Allocation	Total
Fund Allocation	-3	-1	-64	1	-67
Reference portfolio	-24	-1		1	-24
Real estate			-64		-64
Unlisted real estate			-25		-25
Listed real estate			-39		-39
Environmental related mandates	20	0			20
Allocations	0	1		0	1
Security selection	59	12			71
Internal security selection	37	12			49
External security selection	22				22
Asset management	12	11		0	23
Asset positioning	7	10		0	17
Securities lending	3	1			4
<b>Total</b>	<b>68</b>	<b>22</b>	<b>-64</b>	<b>1</b>	<b>27</b>

# Investment strategies since 2013

Contribution to relative return. Basis points.

	Equity management	Fixed-income management	Real estate management	Allocation	Total
Fund Allocation	-5	-8	-7	2	-17
Reference portfolio	-5	-8		0	-12
Real estate			-7		-7
Unlisted real estate			-2		-2
Listed real estate			-5		-5
Environmental related mandates	4	0			4
Allocations	-4	0	0	2	-2
Security selection	17	2			18
Internal security selection	6	2			8
External security selection	11				11
Asset management	10	8		0	18
Asset positioning	7	7		0	14
Securities lending	5	1			6
<b>Total</b>	<b>22</b>	<b>2</b>	<b>-7</b>	<b>3</b>	<b>20</b>



# Upcoming reports

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