

Enclosures

1. Return and risk characteristics
2. Presentation of the Barclays Capital Global Treasury GDP Weighted by Country index

## Enclosure 1: Return and risk characteristics

(Source: Barclays Capital, Norges Bank's calculations)

Table 1: Return characteristics of the Barclays Capital Global Treasury GDP Weighted by Country index expressed in a common currency (NOK)

|   | Barclays Global Treasury-GDP Weighted by Country | Barclays Global Treasury-GDP Weighted by Country (developed markets*) | Barclays Global Treasury-GDP Weighted by Country (emerging markets**) |
|---|--|---|---|
| Average return (geometric, annualised)    | 3,42 %   | 3,32 %  | 4,28 %  |
| Average return (arithmetic, annualised)   | 4,20 %   | 4,14 %  | 5,39 %  |
| Standard deviation                        | 9,48 %   | 9,79 %  | 9,60 %  |
| Average return / standard deviation ratio | 0,44   | 0,42  | 0,56  |
| Max monthly return                        | 10,67 %  | 11,38 %   | 9,20 %  |
| Min monthly return                        | -5,57 %  | -5,40 %   | -7,13 %   |
| Skewness***                               | 0,77   | 0,86  | 0,23  |

\*Developed markets: USD, CAD, EUR, GBP, DKK, SEK, CHF, JPY, AUD, NZD, SGD

\*\*Emerging markets: CLP, MXN, CZK, HUF, ILS, PLN, ZAR, HKD, MYR, KRW, TWD, THB

\*\*\*Skewness is a statistical measure of asymmetry in the probability distribution.

Chart 1: Historical return on the Barclays Capital Global Treasury GDP Weighted by Country index in NOK

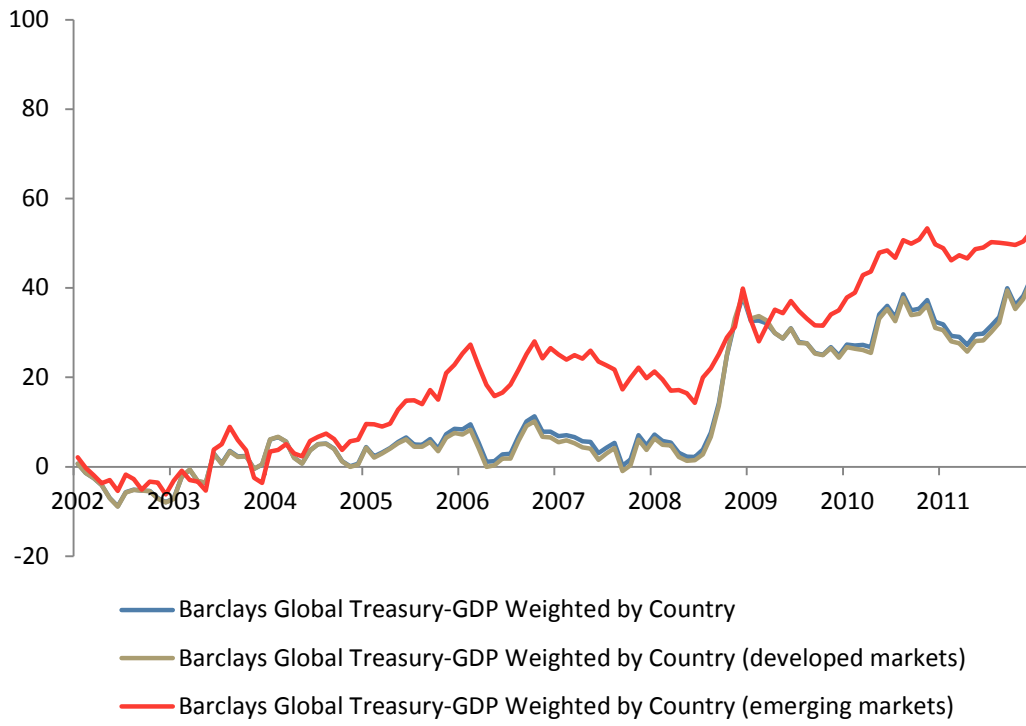


Table 2: Return characteristics of the Barclays Capital Global Treasury GDP Weighted by Country index in international currency

|   | Barclays Global Treasury-GDP Weighted by Country | Barclays Global Treasury-GDP Weighted by Country (developed markets*) | Barclays Global Treasury-GDP Weighted by Country (emerging markets**) |
|---|--|---|---|
| Average return (geometric, annualised)    | 4,89 %   | 4,74 %  | 6,32 %  |
| Average return (arithmetic, annualised)   | 5,16 %   | 5,03 %  | 7,01 %  |
| Standard deviation                        | 3,53 %   | 3,64 %  | 3,13 %  |
| Average return / standard deviation ratio | 1,46   | 1,39  | 2,24  |
| Max monthly return                        | 3,94 %   | 3,97 %  | 4,36 %  |
| Min monthly return                        | -2,49 %  | -2,53 %   | -1,80 %   |
| Skewness***                               | 0,10   | 0,05  | 0,49  |

\*Developed markets: USD, CAD, EUR, GBP, DKK, SEK, CHF, JPY, AUD, NZD, SGD

\*\*Emerging markets: CLP, MXN, CZK, HUF, ILS, PLN, ZAR, HKD, MYR, KRW, TWD, THB

\*\*\*Skewness is a statistical measure of asymmetry in the probability distribution.

Chart 2: Historical return on Barclays Capital Global Treasury GDP Weighted by Country index in local currency

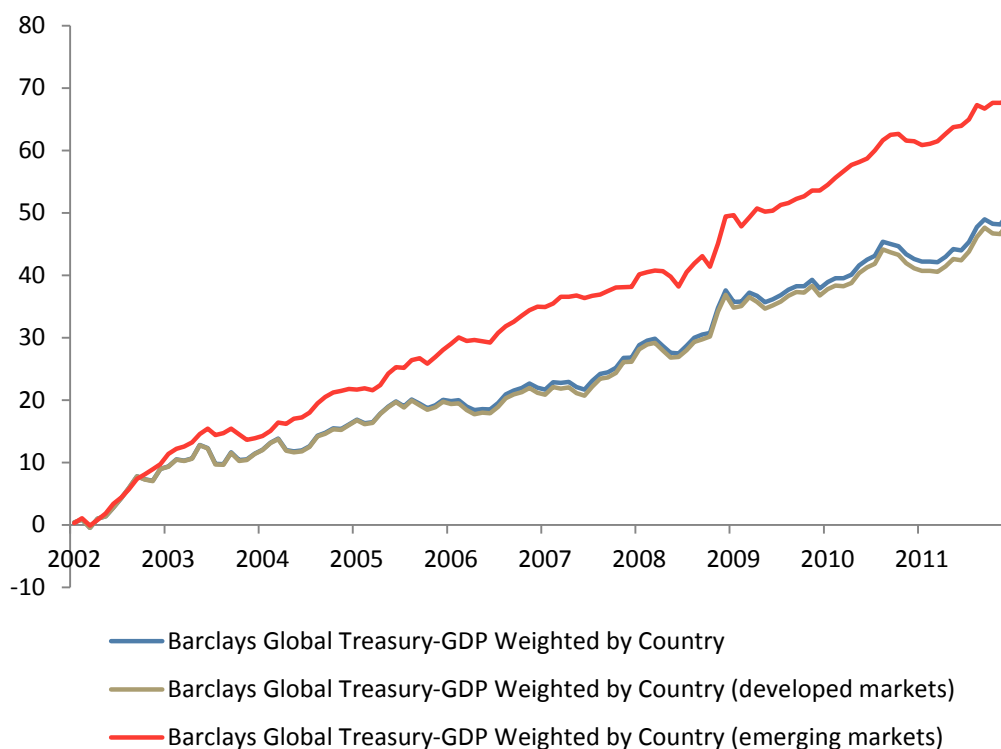


Table 3/Chart 3: Return characteristics of the Barclays Capital Global Treasury GDP Weighted by Country index in international currency adjusted for risk-free short-term interest rate

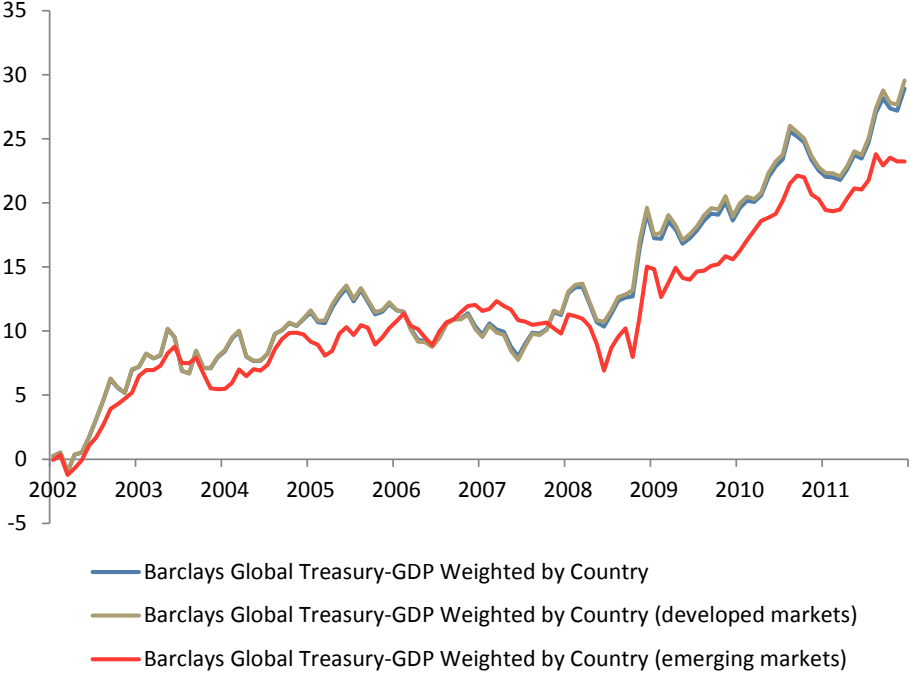
Tables 1 and 2 show a substantial improvement in the trade-off between return and risk when emerging markets are included. It is customary to adjust for the “risk-free” alternative as expressed by short-term interest rates. Emerging markets then produce a smaller improvement in the index’s risk-adjusted return. The difference is due to short-term interest rates.

|  | Barclays Global Treasury-GDP Weighted by Country | Barclays Global Treasury-GDP Weighted by Country (developed markets*) | Barclays Global Treasury-GDP Weighted by Country (emerging markets**) |
|--|--|---|---|
| <b>Average return (geometric, annualised)</b>  | 2,69 %   | 2,73 %  | 2,32 %  |
| <b>Average return (arithmetic, annualised)</b> | 2,93 %   | 2,99 %  | 2,35 %  |
| <b>Standard deviation</b>                      | 3,55 %   | 3,67 %  | 3,13 %  |
| <b>Sharpe ratio</b>                            | 0,82   | 0,82  | 0,75  |
| <b>Max monthly return</b>                      | 3,79 %   | 3,86 %  | 3,86 %  |
| <b>Min monthly return</b>                      | -2,61 %  | -2,65 %   | -2,22 %   |
| <b>Skewness***</b>                             | 0,15   | 0,11  | 0,33  |

\*Developed markets: USD, CAD, EUR, GBP, DKK, SEK, CHF, JPY, AUD, NZD, SGD

\*\*Emerging markets: CLP, MXN, CZK, HUF, ILS, PLN, ZAR, HKD, MYR, KRW, TWD, THB

\*\*\*Skewness is a statistical measure of asymmetry in the probability distribution.



## Enclosure 2: Presentation of the Barclays Capital Global Treasury GDP Weighted by Country index

|                            |       | GDP Weights  | Global Treasury-<br>GDP Weighted<br>by Country | Aaa         | Aa          | A           | Baa        |
|----------------------------|-------|--------------|--|-------------|-------------|-------------|------------|
| Australia                  | AUD   | 1,7          | 2,7  | 2,7         |             |             |            |
| Canada                     | CAD   | 2,9          | 3,5  | 3,5         |             |             |            |
| Chile                      | CLP   | 0,3          | 0,4  |             |             | 0,4         |            |
| Czech Republic             | CZK   | 0,3          | 0,5  |             | 0,5         |             |            |
| Denmark                    | DKK   | 0,6          | 0,7  | 0,7         |             |             |            |
| Eurozone                   | EUR   | 24,7         | 28,4   | 17,8        | 4,7         | 5,3         | 0,6        |
| Hong Kong                  | HKD   | 0,4          | 0,5  |             | 0,5         |             |            |
| Israel                     | ILS   | 0,3          | 0,5  |             |             | 0,5         |            |
| Japan                      | JPY   | 9,9          | 12,4   |             | 12,4        |             |            |
| South Korea                | KRW   | 2,1          | 2,2  |             |             | 2,2         |            |
| Malaysia                   | MYR   | 0,4          | 0,5  |             |             | 0,5         |            |
| Mexico                     | MXN   | 1,9          | 2,4  |             |             |             | 2,4        |
| New Zealand                | NZD   | 0,2          | 0,3  |             | 0,3         |             |            |
| Poland                     | PLN   | 0,8          | 1,1  |             |             | 1,1         |            |
| United Kingdom             | GBP   | 5,2          | 5,5  | 5,5         |             |             |            |
| South Africa               | ZAR   | 0,6          | 0,8  |             |             | 0,8         |            |
| Singapore                  | SGD   | 0,3          | 0,5  | 0,5         |             |             |            |
| Sweden                     | SEK   | 0,9          | 1,1  | 1,1         |             |             |            |
| Switzerland                | CHF   | 0,9          | 1,2  | 1,2         |             |             |            |
| Thailand                   | THB   | 0,5          | 0,7  |             |             | 0,7         |            |
| United States              | USD   | 29,6         | 34,0   | 34,0        |             |             |            |
|                            |       | <b>84,5</b>  | <b>100,0</b>                                   | <b>67,0</b> | <b>18,5</b> | <b>11,6</b> | <b>3,0</b> |
| China                      | CNY** | 7,1          |  |             |             |             |            |
| Brazil                     | BRL** | 2,5          |  |             |             |             |            |
| India                      | INR** | 2,2          |  |             |             |             |            |
| Russia                     | RUB** | 2,1          |  |             |             |             |            |
| Turkey                     | TRY** | 0,9          |  |             |             |             |            |
| Indonesia                  | IDR** | 0,8          |  |             |             |             |            |
|                            |       | <b>15,5</b>  |  |             |             |             |            |
|                            |       | <b>100,0</b> |  |             |             |             |            |
| <b>Share of global GDP</b> |       | <b>91,5</b>  |  |             |             |             |            |

\* Five-year average GDP (fixed 2005 prices) to 2011 (source: US Department of Agriculture).

\*\*CNY, BRL, INR, RUB, TRY and IDR are not included in the Barclays Capital Global Treasury GDP Weighted by Country index.