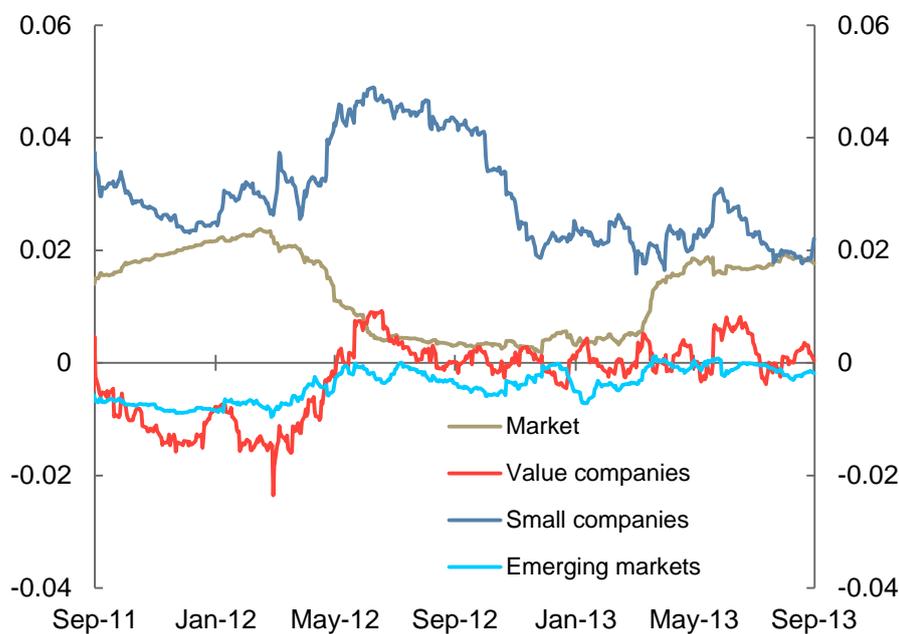


Factor exposure

NBIM measures the fund's exposure to systematic risk factors such as small companies, value stocks and credit. Risk factors are properties that most financial instruments have in varying degree, and they contribute to both the risk and return of the investments. The fund's exposure to such factors can be estimated by comparing the relative return of the fund to the returns of the factors.

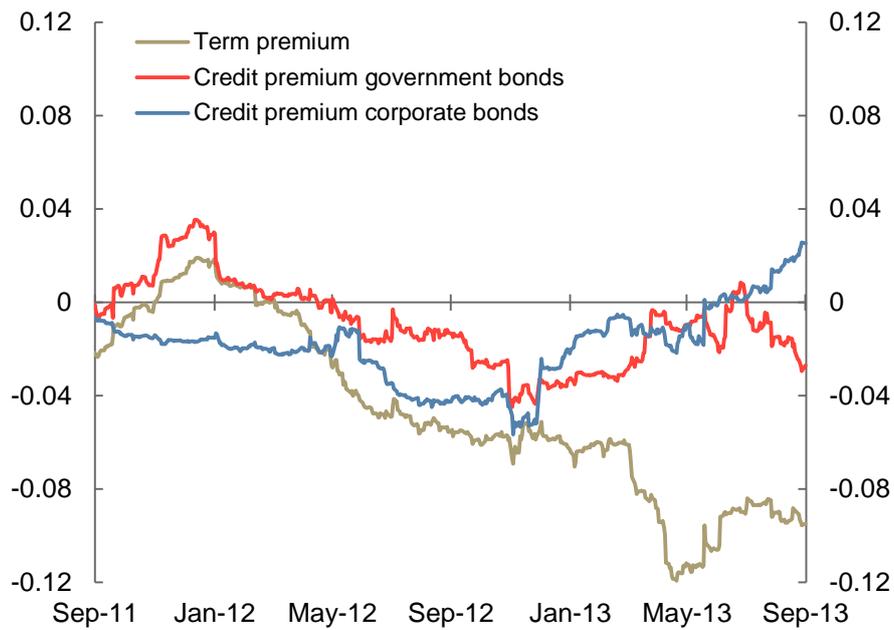
Figure 1. The equity investments' factor exposures. Coefficients



An analysis of the factor exposures in the third quarter of 2013 indicates that the fund's equity investments were more exposed to small companies than the benchmark index.

About 30 per cent of the fluctuations in the relative return on equity investments could be explained by the model at the end of the third quarter. The model's level of explainability was stable in the third quarter.

Figure 2. The fixed-income investments' factor exposures . Coefficients



The analysis of the fund's fixed income investments shows that exposure to bonds with long maturities relative to the benchmark index was lower at the end of the third quarter compared to the relative exposure at the beginning of the year. This model had a stable explainability at about 42 per cent in the quarter after being down at around 17 per cent during the first quarter.

Results from such statistical analyses are uncertain. NBIM uses a variety of supplementing approaches to analyse the fund's factor exposures.