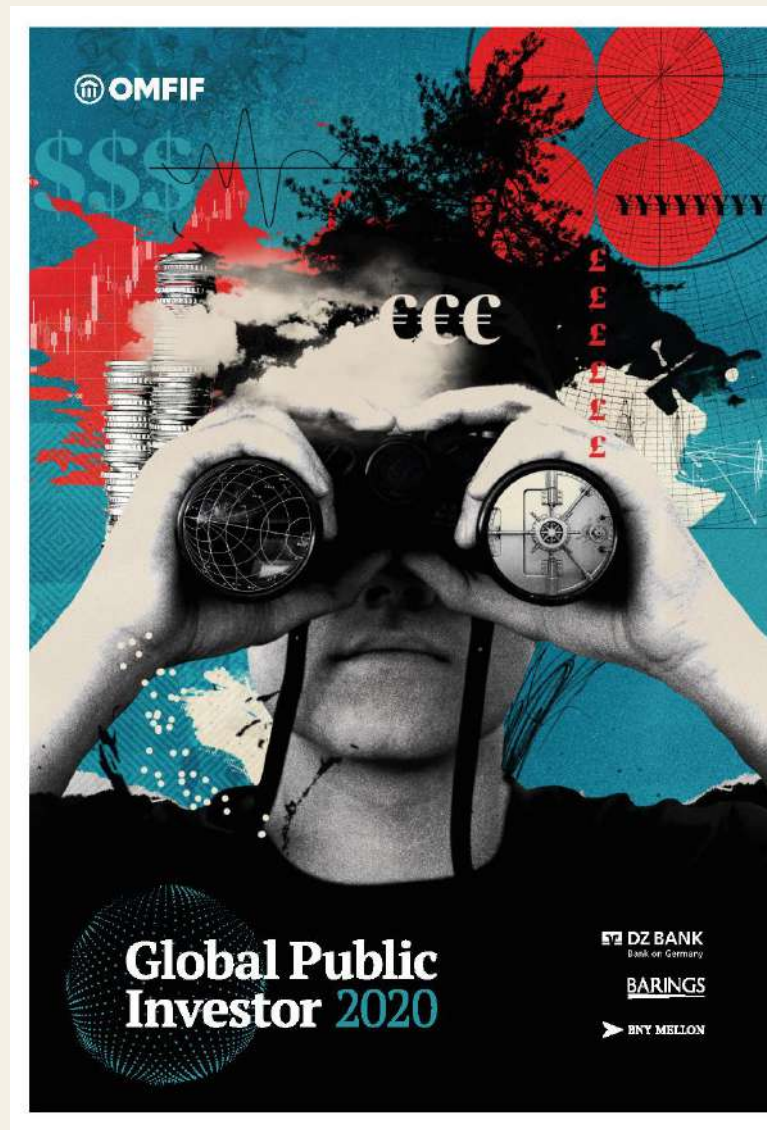


Global Public Investor 2020



The launch will begin at 13:00 (BST)



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Welcome remarks:



John Orchard
Chief Executive Officer
OMFIF

Keynote Address:

Moderator



Frank Scheidig
Global Head of Senior
Executive Banking
DZ Bank

Speaker



Ludger Schuknecht
Deputy Secretary-General, Fiscal
Policy and International Financial
and Monetary Policy
OECD

Presentation of key findings:



Danae Kyriakopoulou

Chief Economist & Director, Research
OMFIF

Global distribution of GPI assets

Total GPIs	Total AUM 2020	Total change from 2019
174 central banks	\$14.1tn (35.7%)	▲ \$614.2bn (4.6%)
489 pension funds	\$17.0tn (43.1%)	▲ \$960.3bn (6.0%)
87 sovereign funds	\$8.3tn (21.1%)	▲ \$297.1bn (3.7%)
750 GPIs	\$39.5tn (100.0%)	▲ \$1.9tn (5.0%)

North America (24.8%)

GPIs	AUM	Change from 2019
2 central banks	\$599.8bn	▼ \$66.7bn (12.5%)
210 pension funds	\$8.9tn	▲ \$369.5bn (4.3%)
15 sovereign funds	\$292.5bn	▲ \$20.1bn (7.4%)
227 GPIs	\$9.8tn	▲ \$456.3bn (4.9%)

Latin America (3.7%)

GPIs	AUM	Change from 2019
31 central banks	\$897.9bn	▼ -\$15.2bn (-1.7%)
21 pension funds	\$465.8bn	▲ \$26.0bn (5.9%)
8 sovereign funds	\$93.1bn	▼ -\$19.5bn (-17.3%)
60 GPIs	\$1.6tn	▼ -\$8.7bn (-0.6%)

Europe (20.8%)

GPIs	AUM	Change from 2019
46 central banks	\$3.3tn	▲ \$293.9bn (9.7%)
189 pension funds	\$3.0tn	▲ \$180.7bn (6.5%)
12 sovereign funds	\$1.9tn	▲ \$169.4bn (9.8%)
247 GPIs	\$8.2tn	▲ \$644.0bn (8.5%)

Asia Pacific (38.2%)

GPIs	AUM	Change from 2019, \$
39 central banks	\$7.8tn	▲ \$233.7bn (3.1%)
53 pension funds	\$4.4tn	▲ \$365.7bn (9.0%)
26 sovereign funds	\$2.9tn	▲ \$48.1bn (1.7%)
118 GPIs	\$15.1tn	▲ \$647.4bn (4.5%)

Middle East (10.7%)

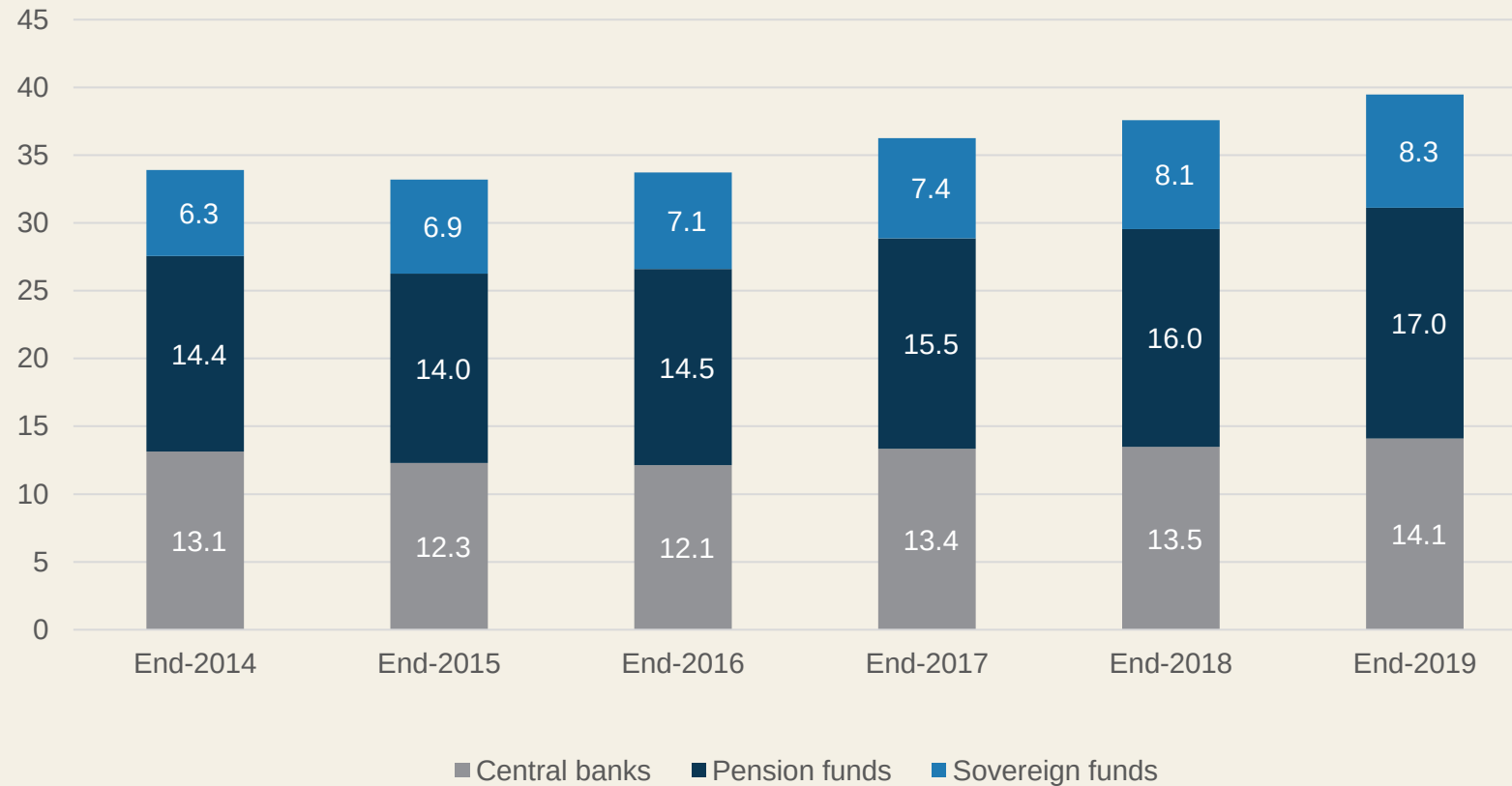
GPIs	AUM	Change from 2019
15 central banks	\$1.1tn	▲ \$33.4bn (3.2%)
4 pension funds	\$216.0bn	▲ \$15.7bn (7.8%)
13 sovereign funds	\$2.9tn	▲ \$78.0bn (2.7%)
32 GPIs	\$ 4.2tn	▲ \$ 127.1bn (3%)

Africa (1.9%)

GPIs	AUM	Change from 2019
41 central banks	\$432.7bn	▲ \$1.7bn (0.4%)
13 pension funds	\$86.3bn	▲ \$2.8bn (3.3%)
12 sovereign funds	\$242.8bn	▲ \$1.0bn (0.4%)
66 GPIs	\$761.8bn	▲ \$5.5bn (0.7%)

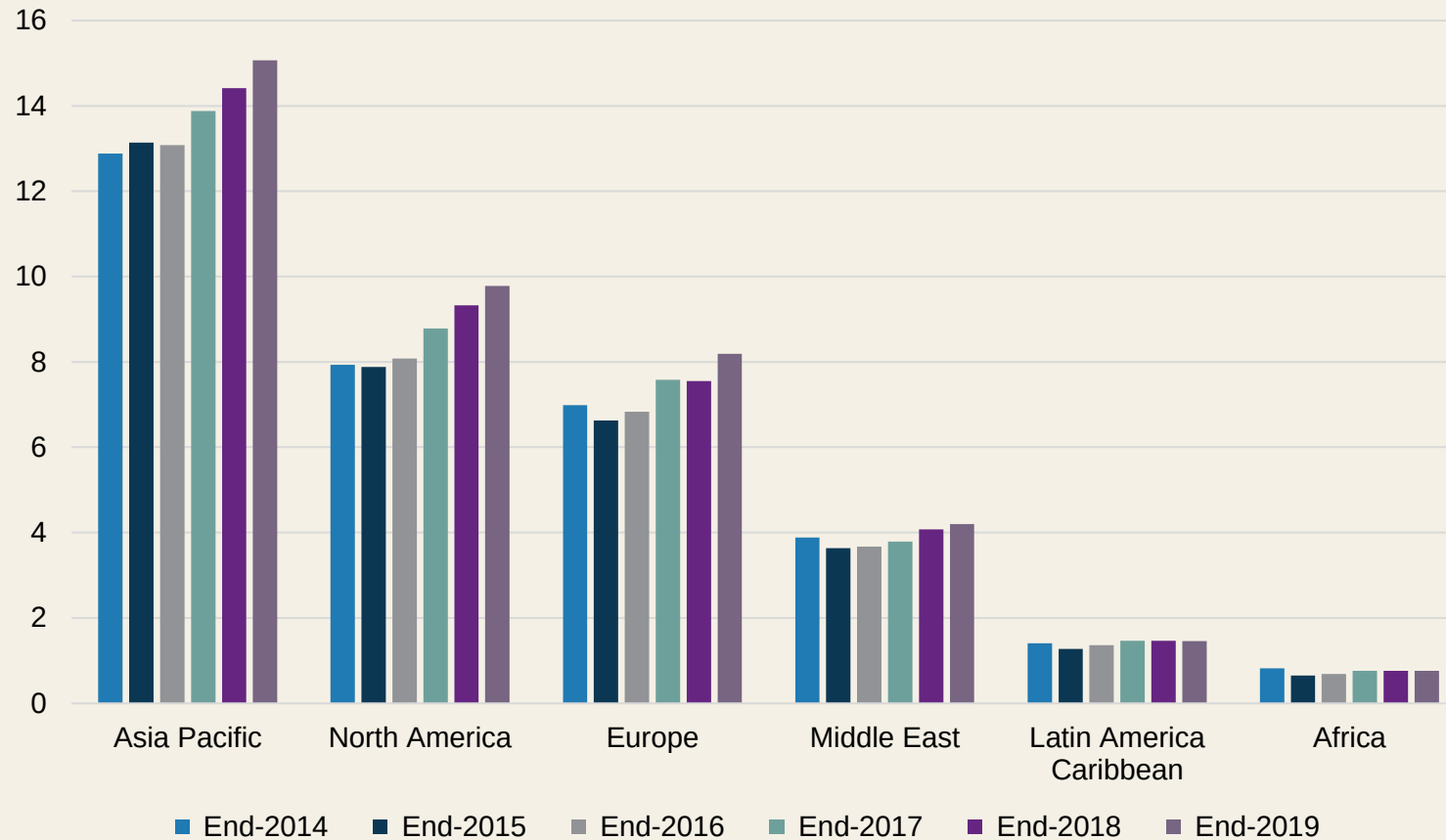
Total global public assets rise across all institution types, by a joint \$1.9tn

Assets under management of GPI 750, by institution type, \$tn



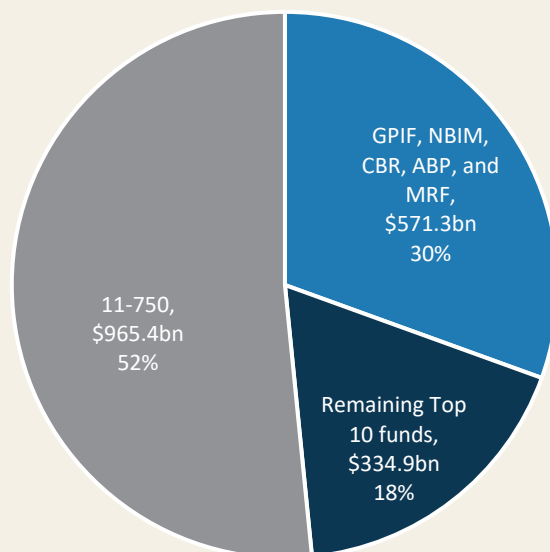
European GPIs biggest winners, Chinese fund holdings fall

Assets under management of GPI 750, by region, \$tn



Five funds responsible for almost a third of total increase

Increase in total assets, 2018-19, \$bn and % of total



Biggest fallers ▼

Top five GPIs by absolute decrease in assets

Rank	GPI Rank	Change on 2019	Institution	Country	Region	Type	AUM \$bn	% change on 2019	\$bn change on 2019
1	40	▼ -6	Civil Service Retirement System	US	NA	PF	222.4	-10.7%	-26.7
2	148	▼ -40	Central Bank of Argentina	Argentina	LA	CB	44.8	-31.8%	-20.9
3	26	▼ -2	Banco Central do Brasil	Brazil	LA	CB	356.9	-4.8%	-17.8
4	120	▼ -27	Bank of Algeria	Algeria	AF	CB	61.5	-21.8%	-17.1
5	27	► 0	National Social Security Fund	China	AP	SF	323.4	-3.7%	-12.4

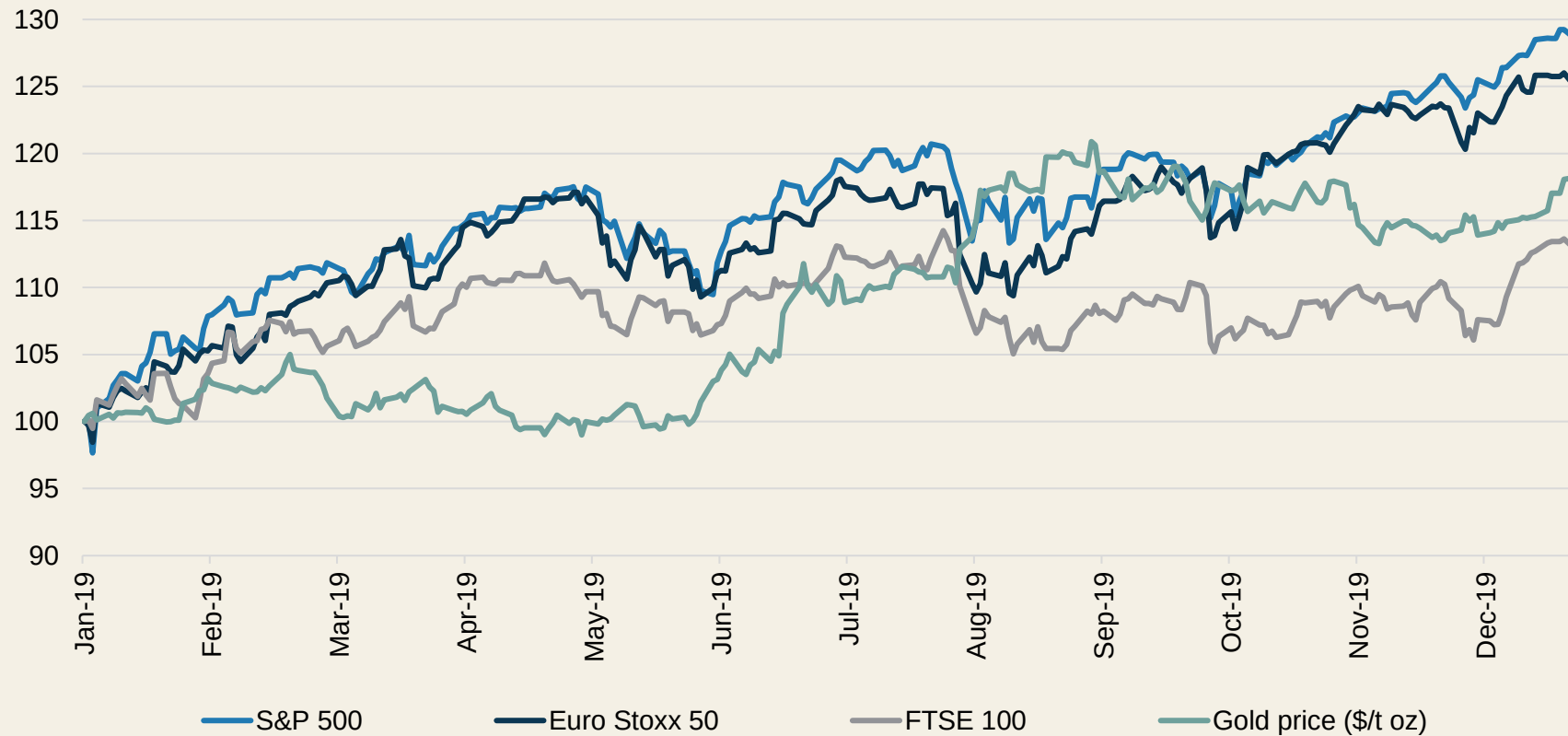
Highest climbers ▲

Top five GPIs by absolute increase in assets (excludes ten largest GPIs)

Rank	GPI Rank	Change on 2019	Institution	Country	Region	Type	AUM \$bn	% change on 2019	\$bn change on 2019
1	14	▲ 2	Central Bank of the Russian Federation	Russia	EU	CB	554.4	18.3%	85.9
2	12	▲ 2	Stichting Pensioenfonds ABP	Netherlands	EU	PF	578.4	16.9%	83.5
3	29	▲ 7	Investment Corporation of Dubai	UAE	ME	SF	305.3	30.6%	71.4
4	66	▲ 57	National Welfare Fund	Russia	EU	SF	124.0	113.4%	65.9
5	15	▲ 3	US Monetary Authorities	US	NA	CB	514.5	14.5%	65.3

Booming stock market and rising gold price contribute to increases

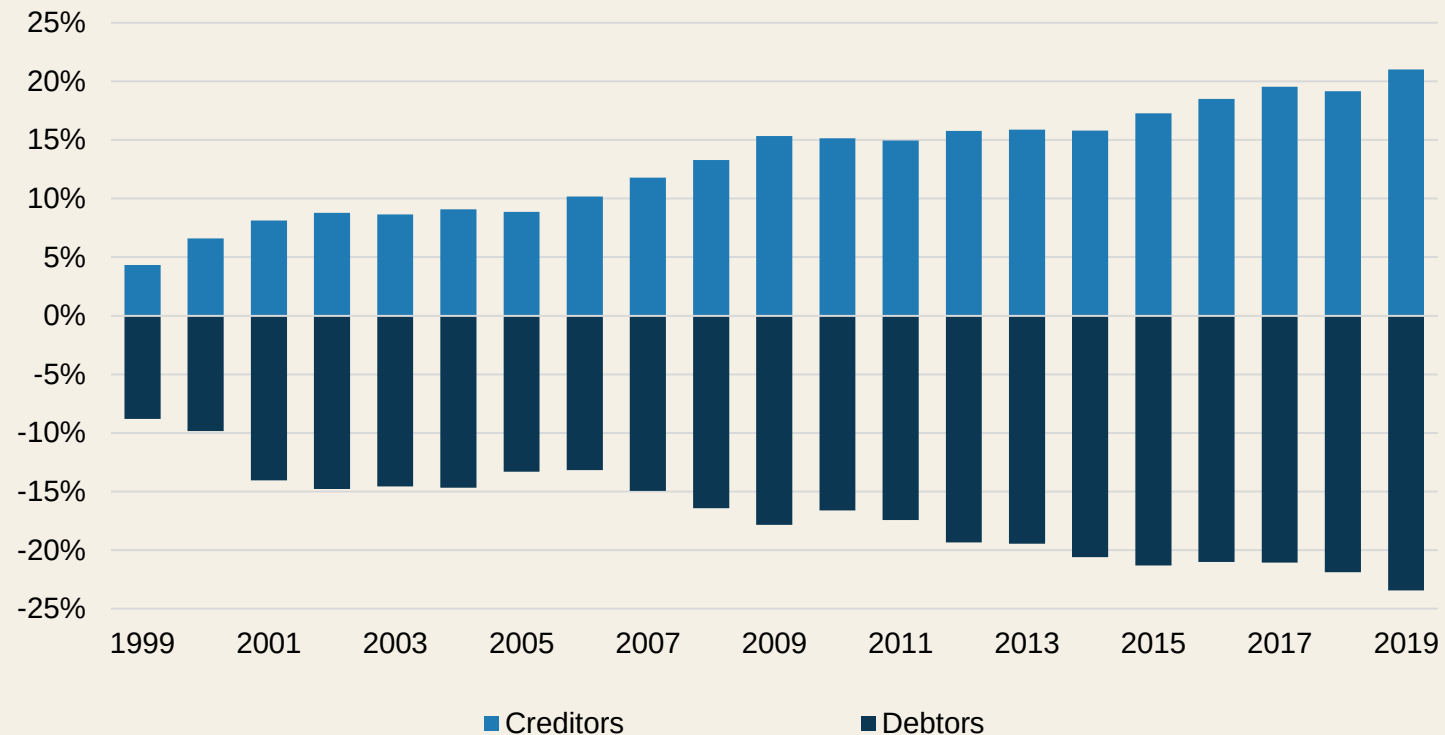
Jan 2019=100



Source: Refinitiv Eikon, OMFIF analysis

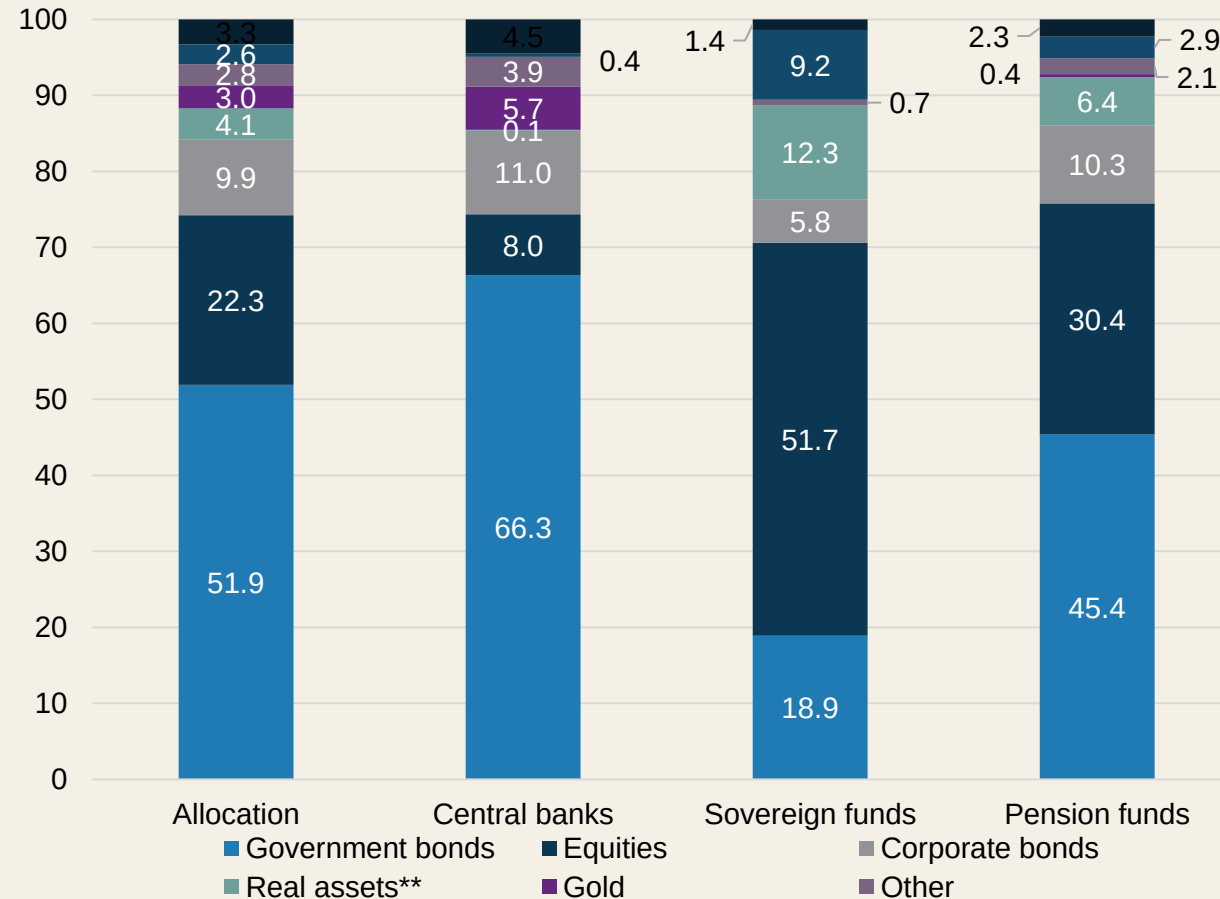
But US bull market also takes global imbalances to new heights

Net international investment positions, creditors vs debtors, % of global GDP



Gains most prominent for GPIs that have diversified into equities

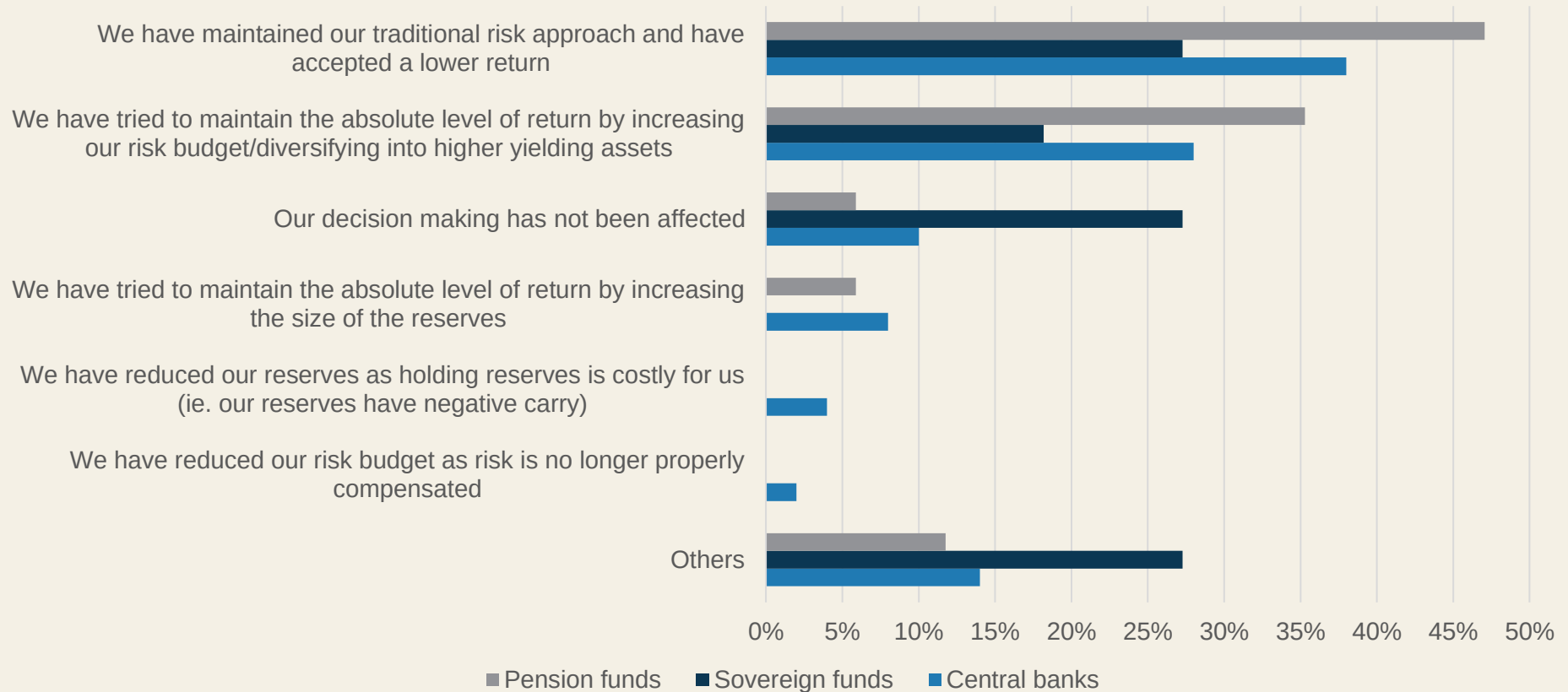
Comparison of asset composition of GPIs covered in allocation analysis, % of total portfolio



** Includes real estate, infrastructure and private equity

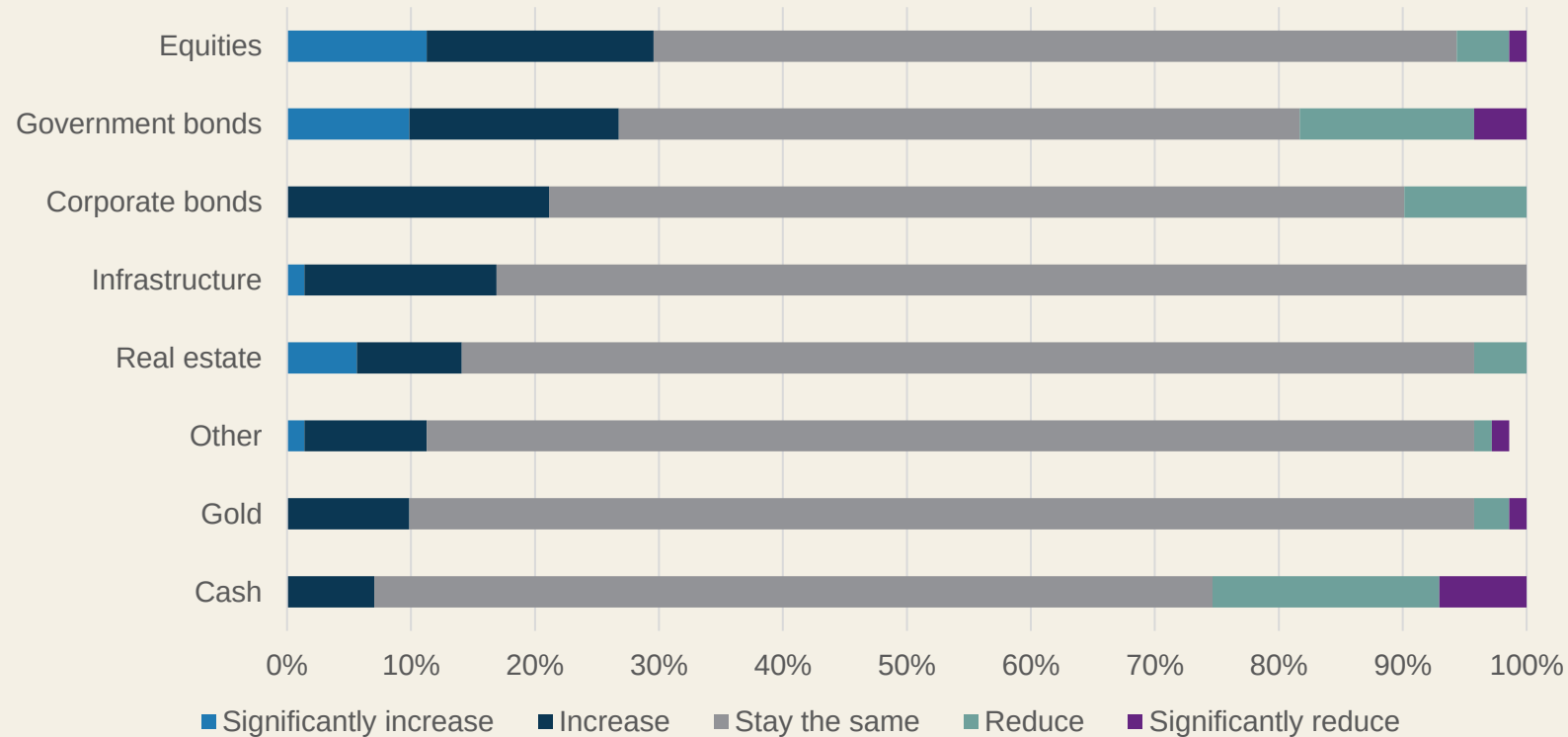
This has primarily been motivated by low yields on traditional assets

‘How has the low level of yields on traditional reserves assets in recent years affected your decision-making?’, % of responses



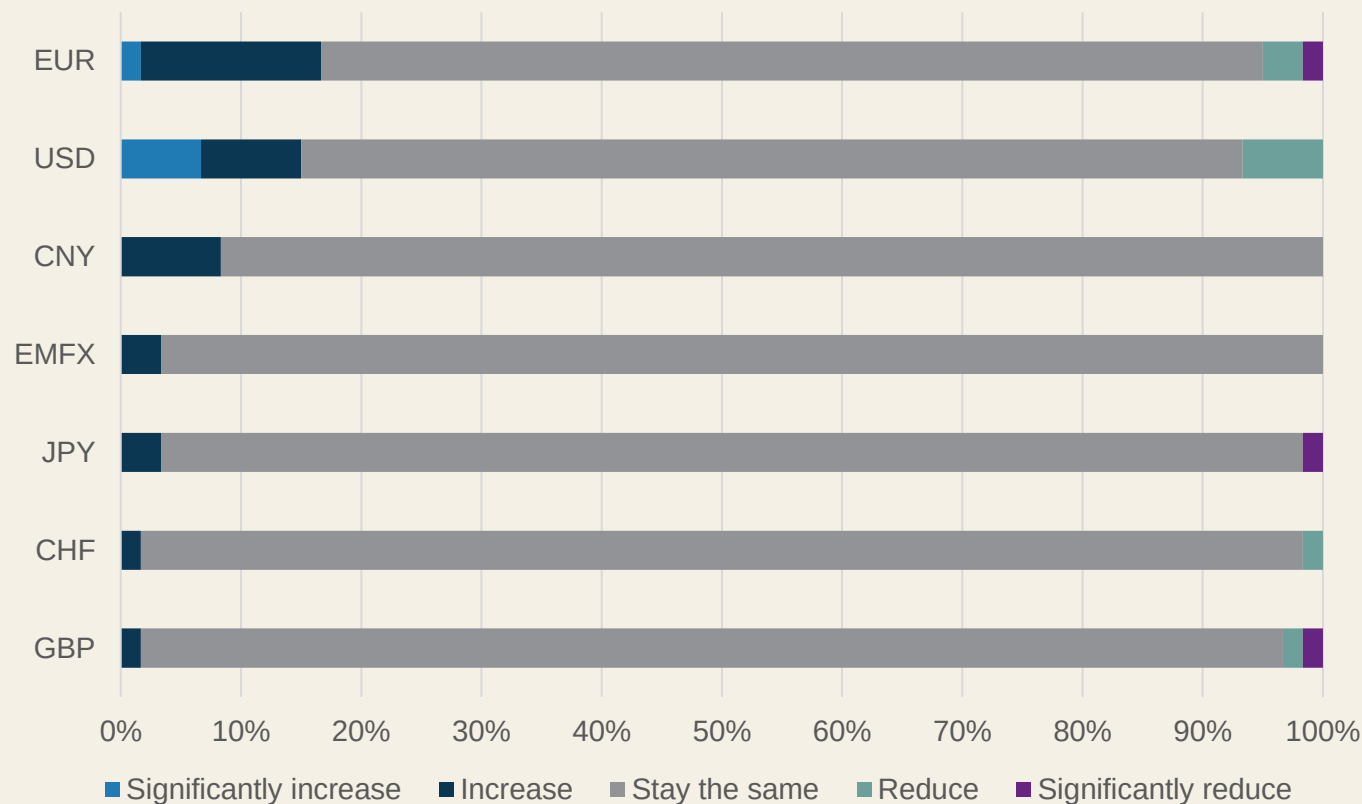
But looking ahead, flight to safety is expected

'In the next 12-24 months do you plan to increase, reduce or maintain your allocation?', % of responses



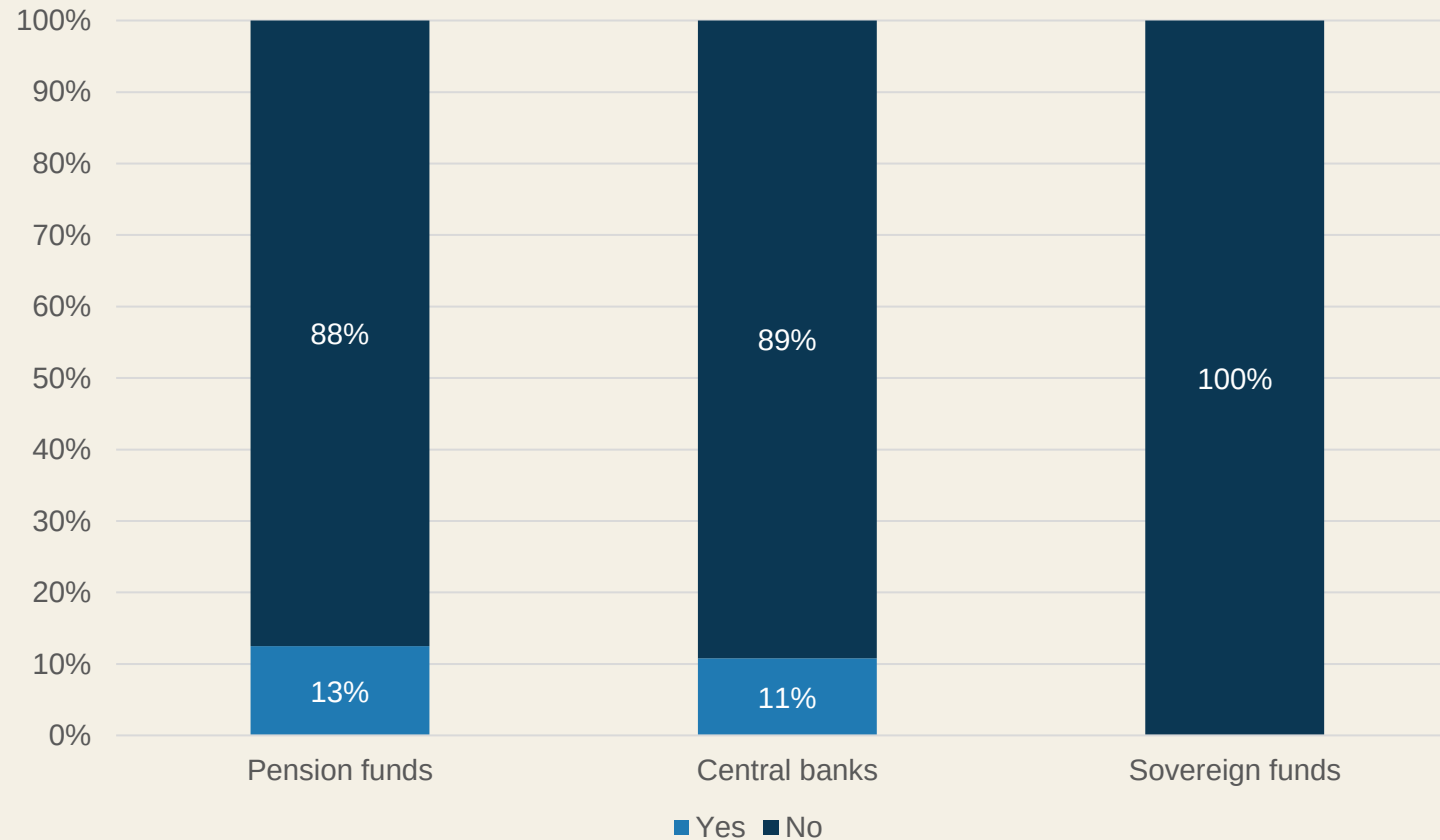
Global economic uncertainty raises dollar popularity

'In the next 12-24 months do you plan to increase, reduce or maintain your exposure?', % of responses



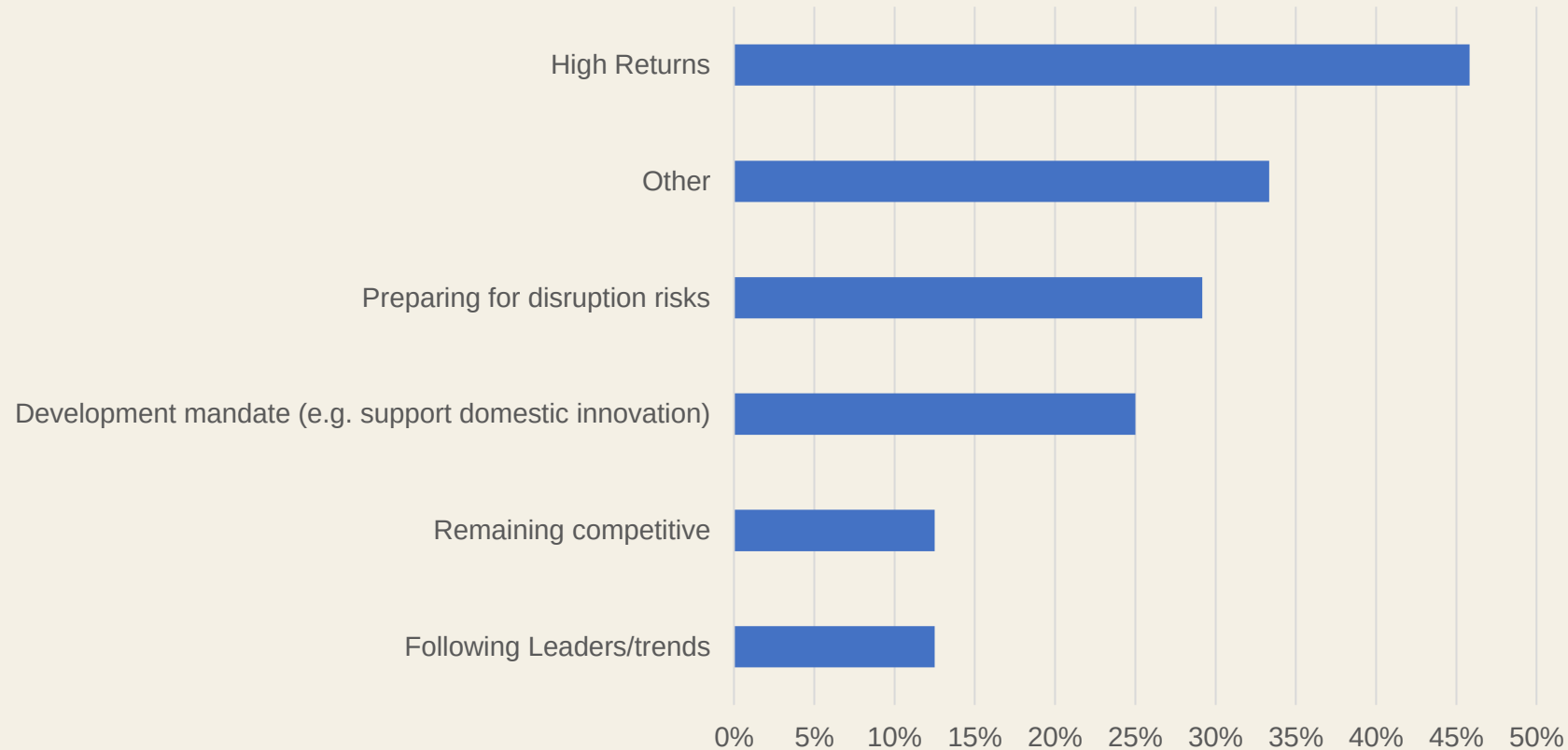
Overall little appetite for digital currency baskets

‘Would you be open to using a sovereign digital basket of currencies/SDR in a greater share of your reserves?’, % of responses



Weighting safety and risk (1): GPIs seek returns in technology investments

‘What has been the motivation behind any potential investments in the technology sector?’, % of responses



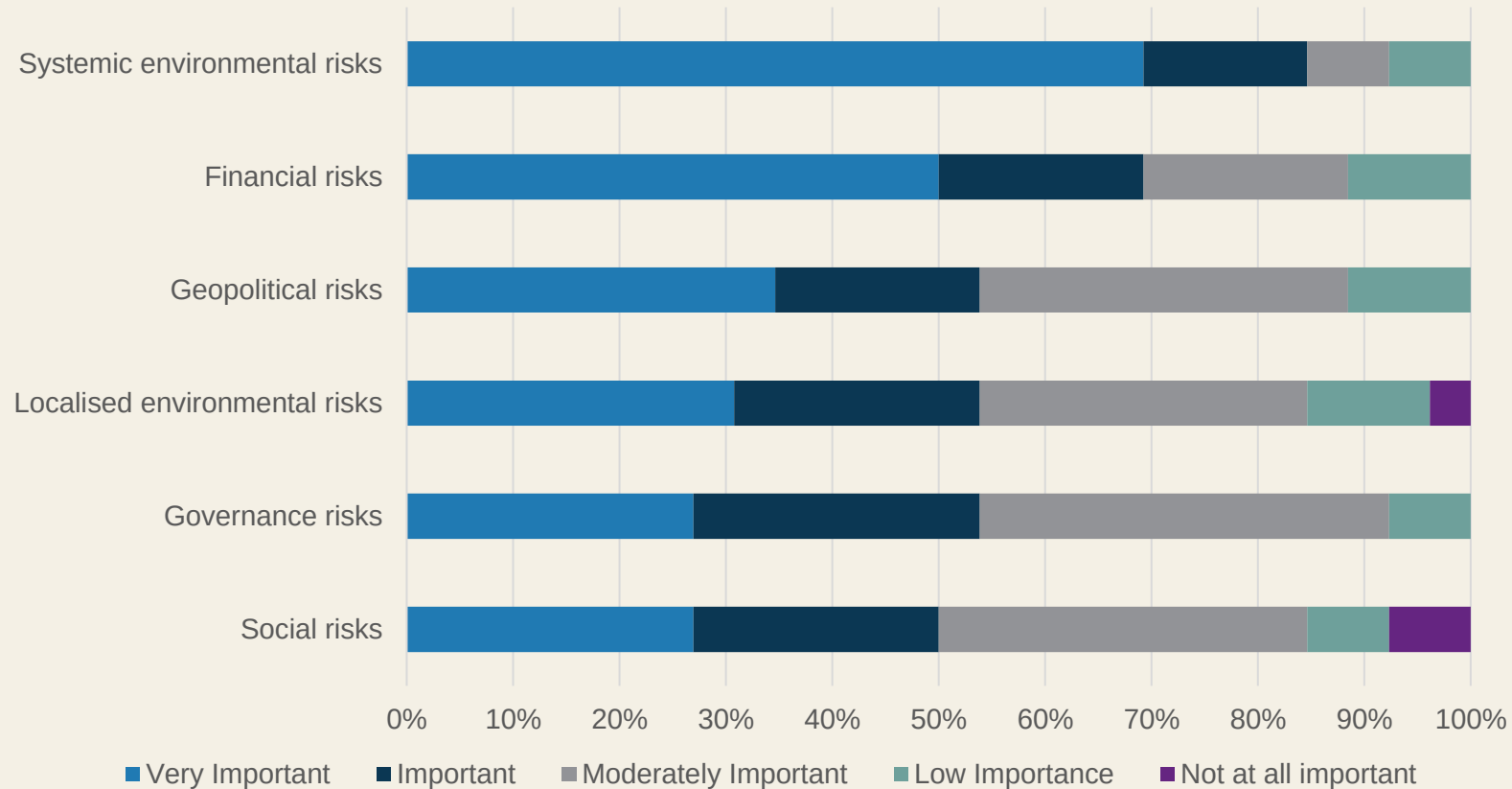
Weighting safety and risk (2): GPIs seek to understand foreign markets

Number of institutions with offices or representation, 2019



GPIs rediscover public ethos (1): Focus on sustainability

‘How do you rank the following risks as material to your investment in the horizon of the next 10 years?’, % of responses



GPIs rediscover public ethos (2): Public engagement through art

Categorisation of central bank collection origins, by source of first object(s), selected institutions

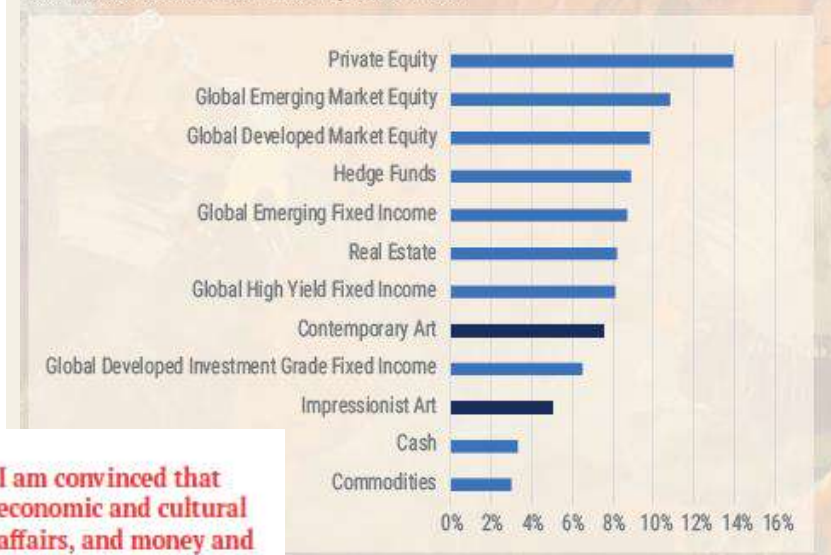
Purchases for decoration	Italy, Netherlands, UK
Purchases for collection	Austria, Belgium, Canada, Colombia*, ECB, Germany, Greece, Hungary, Trinidad and Tobago, Turkey
Commissioned art	Spain
Gift/donations	Canada, Colombia*, US
Inherited/Transferred from other institution	France **, Iran
Foreclosures	Brazil

Categorisation of central bank collection origins, by time period, selected institutions

Pre-20th century	Spain, France
1910-1929	Colombia, Greece, Netherlands
1930-1949	Canada, Italy, Turkey
1950-1969	Costa Rica, Germany, Iran, South Africa, Trinidad & Tobago
1970-1989	Austria, Bahamas, Belgium, Brazil, Philippines, US
1990-2009	ECB, Morocco
post-2010	Hungary

4. Art performs similar to fixed income in long-term asset class returns

Estimated annualised returns, 1985-2018



'I am convinced that economic and cultural affairs, and money and literature and poetry, are much more closely linked than many people believe.'

Jean-Claude Trichet, president (2003-11), European Central Bank

GPIs rediscover public ethos (3): Supporting government pandemic responses

Selected examples of sovereign fund responses to the Covid-19 crisis

1. Government drawing on sovereign fund reserves to finance Covid-19 response or sovereign fund buying local currency to support its value and provide funds to government: **Azerbaijan, Chile, Nigeria, Norway**
2. Central bank transferring funds to sovereign fund to enable flexible investments: **Saudi Arabia**
3. Sovereign funds directly supporting struggling industries, e.g. airlines: **Singapore, Malaysia, United Arab Emirates, Turkey**
4. Sovereign funds issuing bonds to fight the pandemic: **Italy, France**
5. Creation of special pandemic-focused vehicles and funds: **US, Ireland**
6. Donations/investments in healthcare: **Russia, Malaysia**



Chapter 1

A new world economy



Chapter 2

Evolving currency system



Chapter 3

Global flows



Chapter 4

Central bank – sovereign fund co-operation



Chapter 5

Sovereign funds issuing debt



Chapter 7

Sovereign funds' technology investments



Chapter 8

Sustainable investment



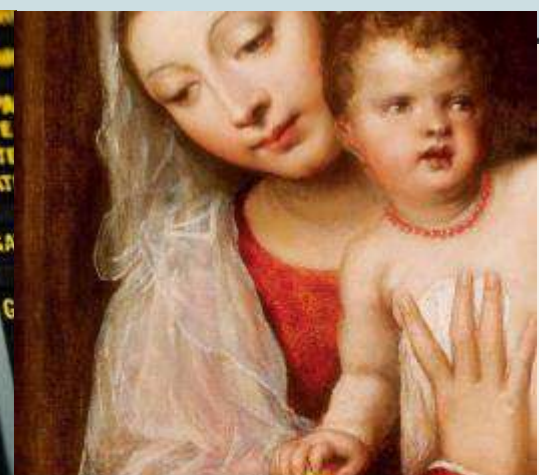
Chapter 9

Responsible infrastructure



Chapter 11

World GPI centres



Chapter 10

Central bank art collections

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Keynote Address:

Speaker



Anshula Kant

Managing Director and CFO
The World Bank Group

Panel discussion:

Speakers



Sevinc Acar
Investment Director
PGGM



Christopher Smart
Chief Global Strategist and Head
Barings Investment Institute



Luigi Federico Signorini
Deputy Governor
Banca d'Italia



Martin Wieland
Head of Market
Intelligence Division
Bundesbank

Moderator



David Marsh
Chairman
OMFIF

First Respondent



Didier Borowski
Head of Global Views
Amundi

Closing remarks:



Frances Barney

Managing Director and Head of
Global Risk Solutions
BNY Mellon

**Thank you for
joining.**

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