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“Braving the New World”
Sovereign Wealth Fund Investment in 2010
Victoria Barbary
May 2011

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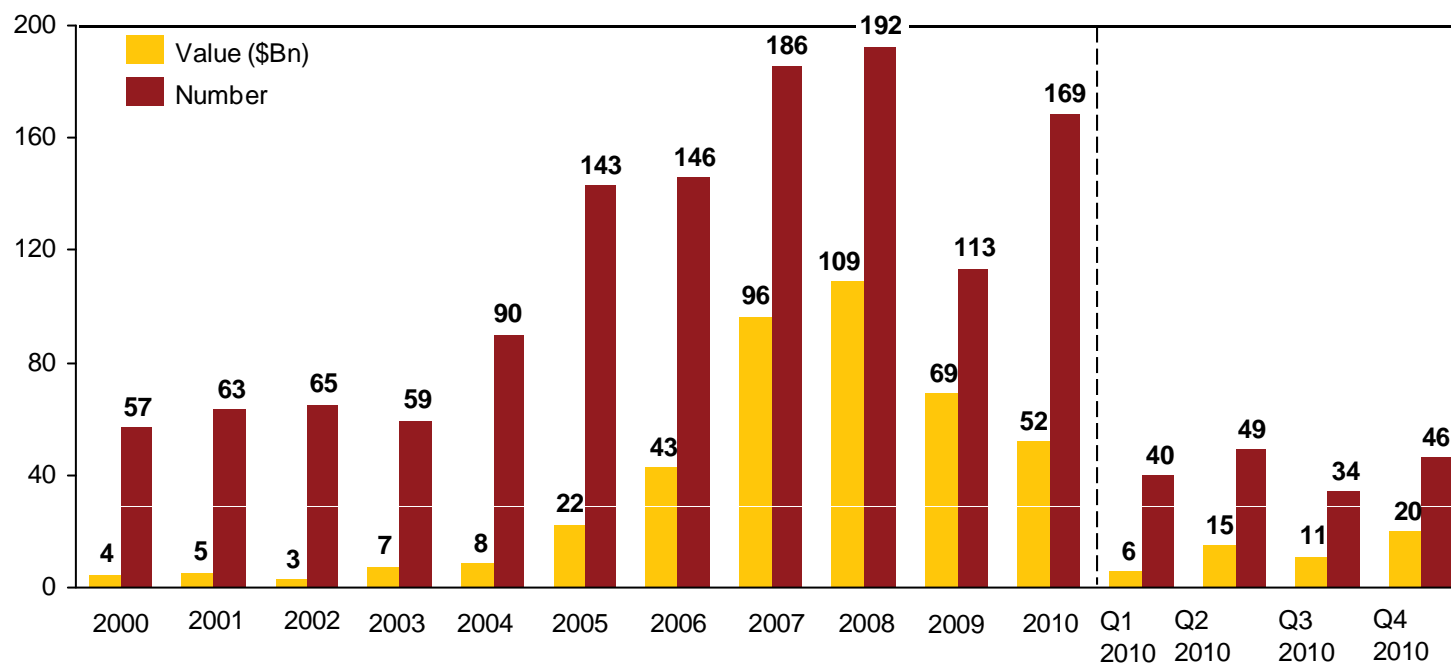
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This document provides an outline of a presentation and is incomplete without the accompanying oral commentary and discussion.

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Direct Investments by SWFs Since 2000

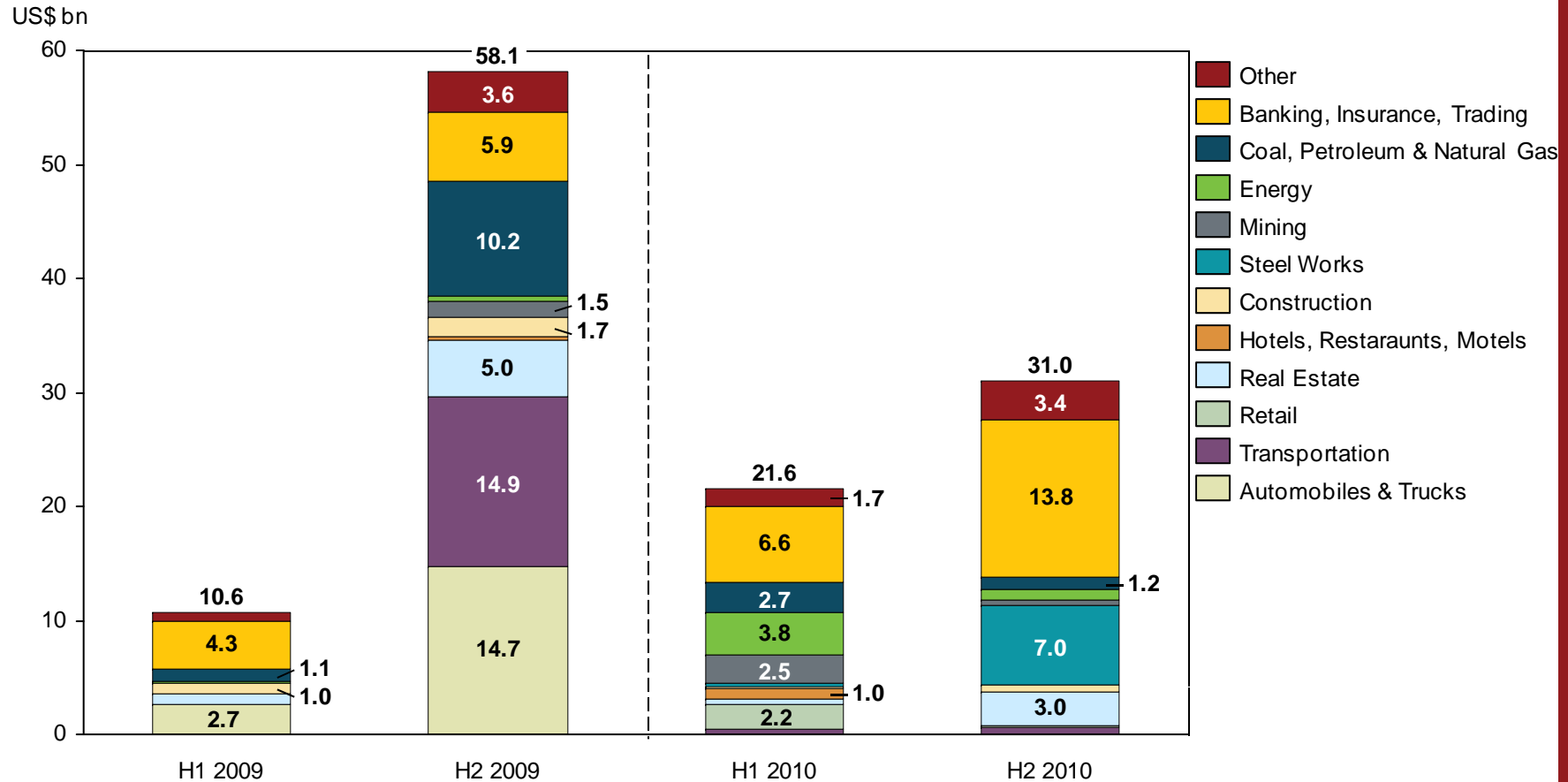
In 2010, the number of direct investments by SWFs increased by more than 50% on 2009, but the reported value of these deals shrank by nearly a quarter.



Note: Publicly available data for direct SWF equity & real estate deals, joint ventures and capital injections
 Source: Monitor-FEEM SWF Transaction Database

Value of SWF Investments by Target Sector

In 2010, SWFs returned to investments in financial services, and found investments in the commodity value chain attractive.



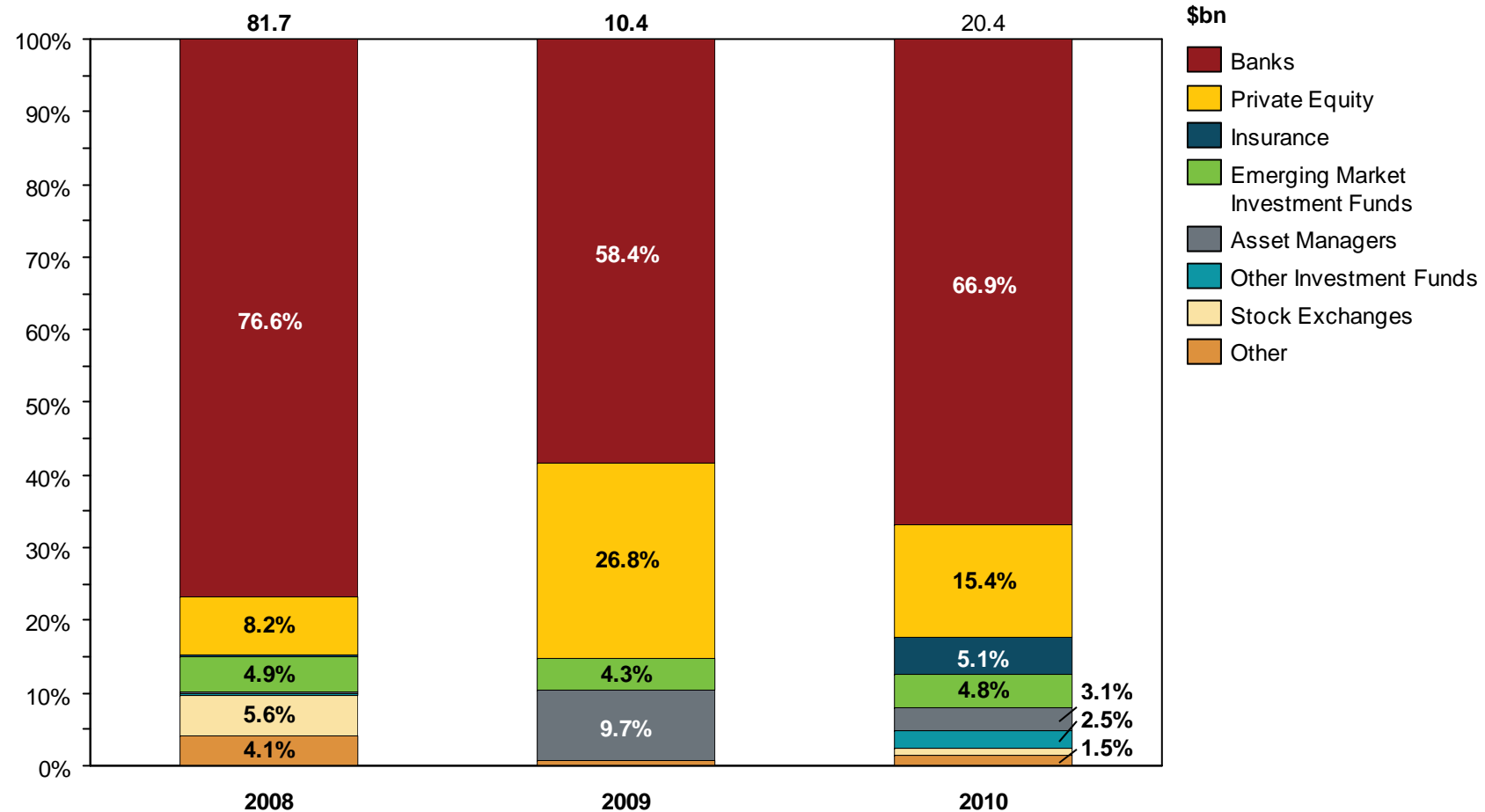
Other: Consumer Goods; Healthcare, Medical Equipment, Pharmaceutical Products; Recreation; Personal and Business Services; Printing & Publishing; Fabricated Products and Machinery; Communication; Aircraft, ships, and railroad equipment; Chemicals; Food Products; Beer and Liquor; Business equipment; Business Supplies and Shipping Container; Business Equipment ; Steel Works ;and Wholesale.

Publicly available data for SWF equity & real estate deals, joint ventures and capital injections

Source: Monitor-FEEM SWF Transaction Database

SWF Investments in Financial Services, 2008-2010

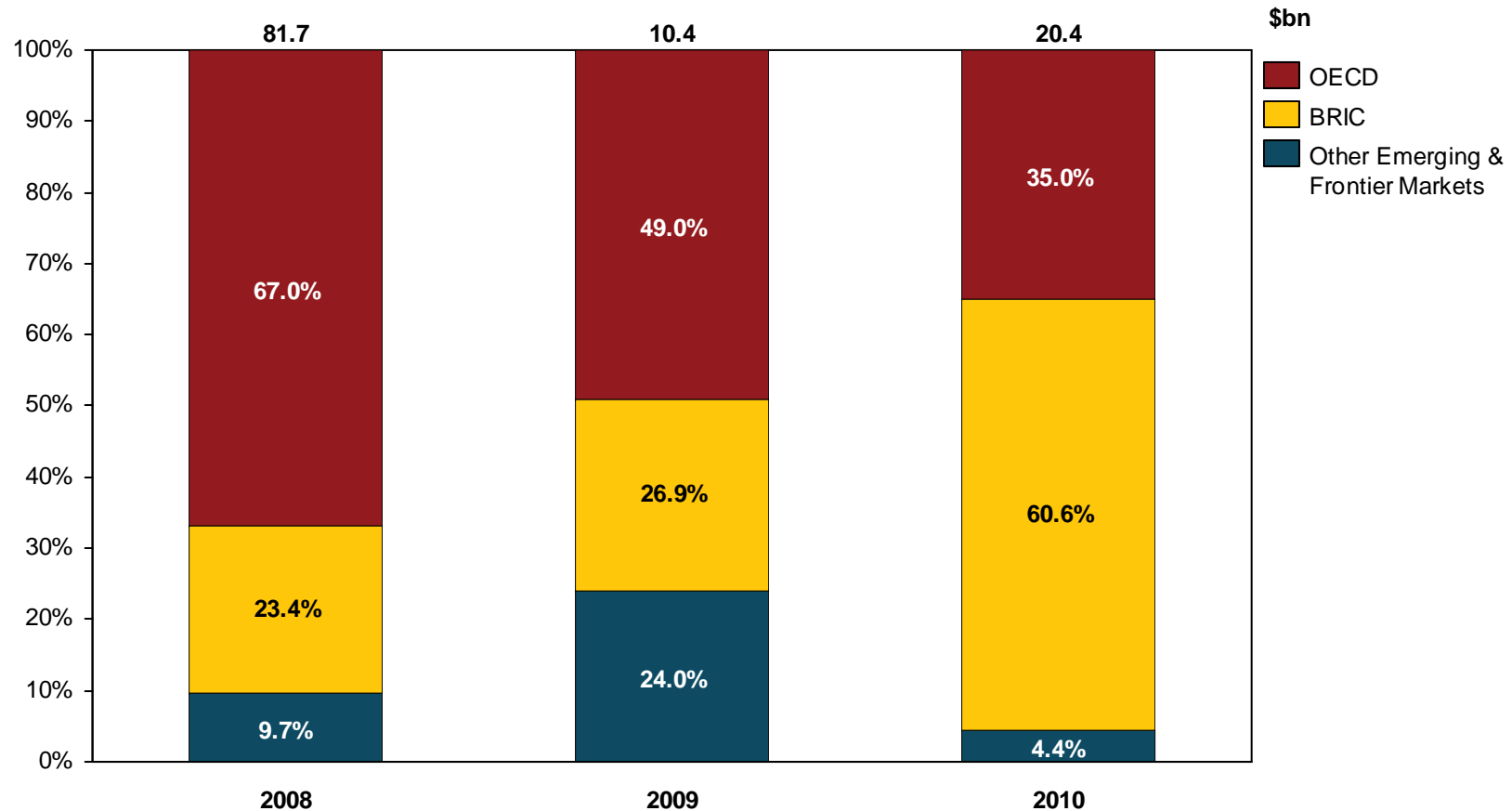
SWFs' direct investments in Financial Services are becoming more diverse



Note: Publicly available data for SWF direct investments, joint ventures and capital injections
 Source: Monitor-FEEM SWF Transaction Database

Geography of SWF Investments in Financial Services, 2008-2010

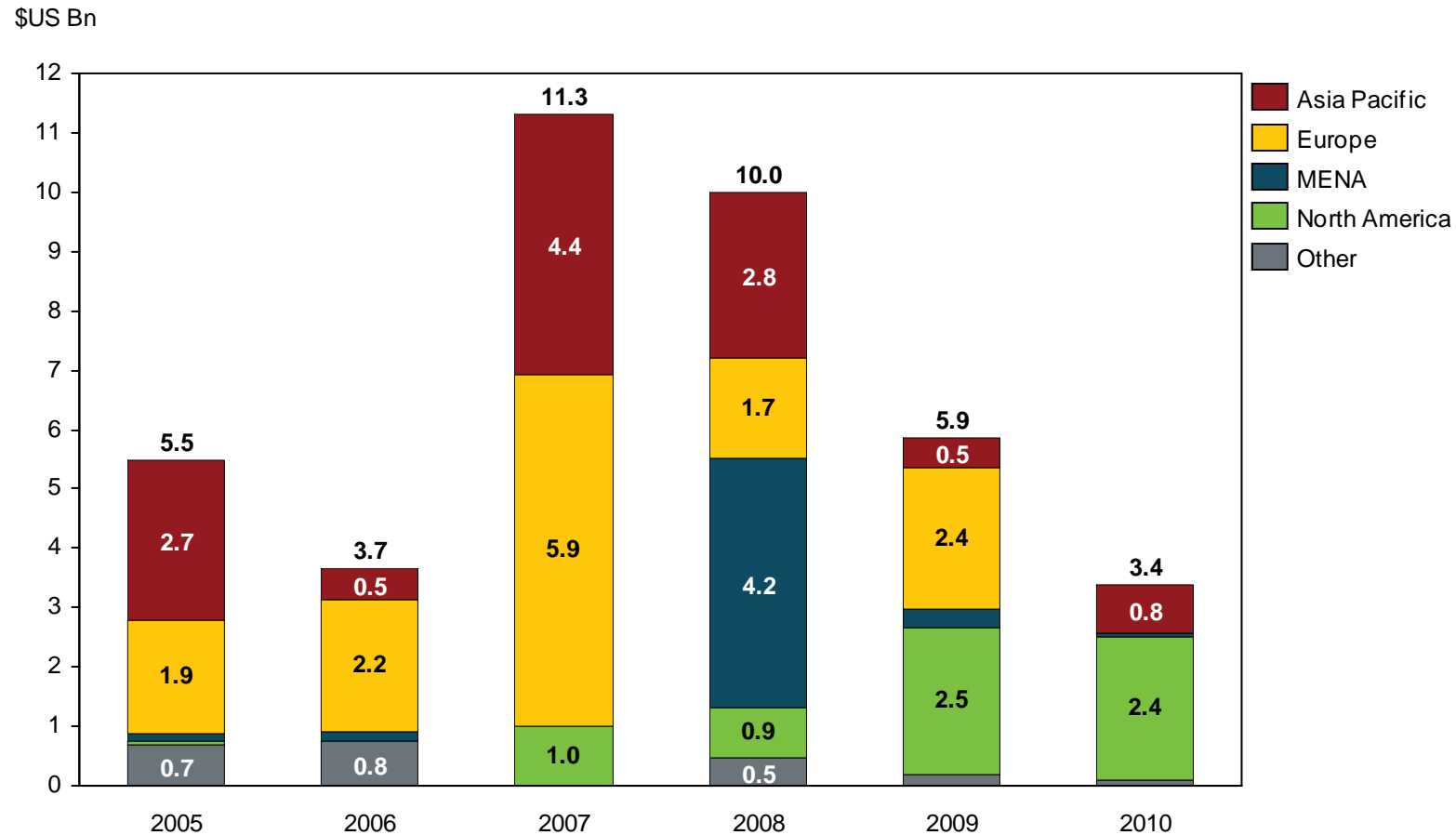
Emerging markets are becoming more important destinations for SWF investment in financial services



Note: Publicly available data for SWF direct investments, joint ventures and capital injections
 Source: Monitor-FEEM SWF Transaction Database

SWF investment in Real Estate 2005-2010

Since 2005, SWF investment in property has largely followed global market trends

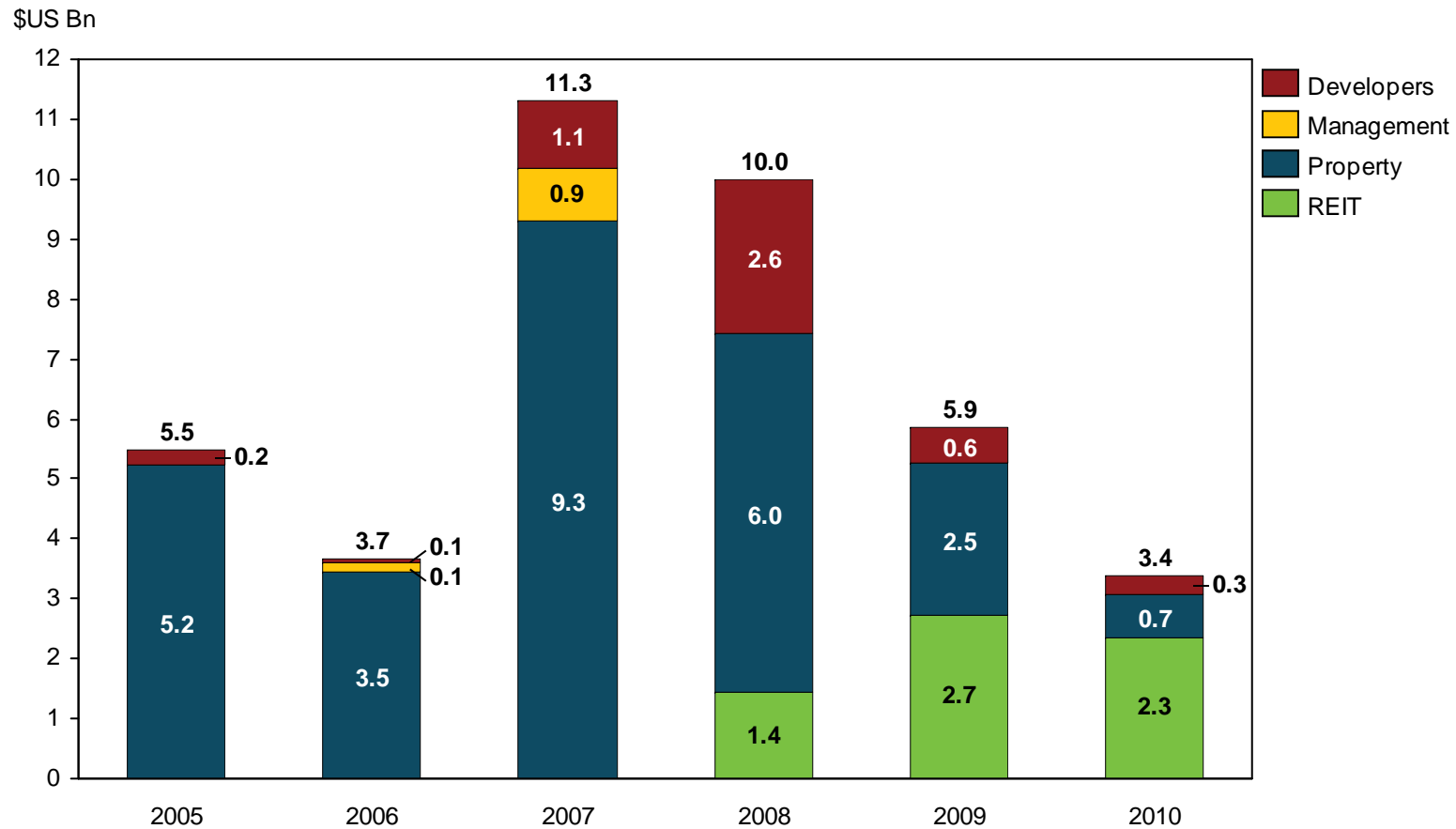


Note: Publicly available data for direct SWF equity & real estate deals, joint ventures and capital injections

Source: Monitor-FEEM SWF Transaction Database

SWF investment in Real Estate 2005-2010

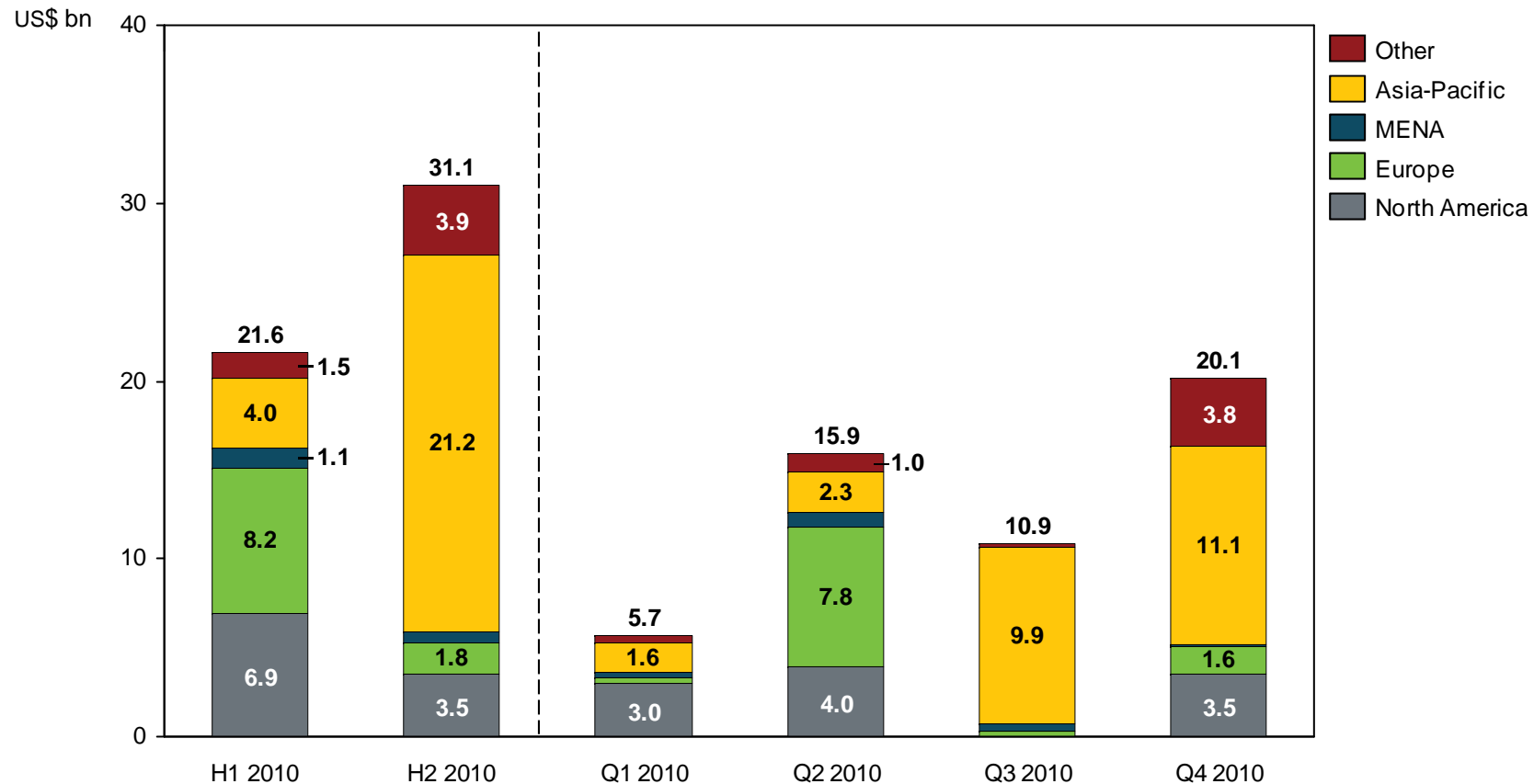
Breaking SWF real estate property purchases down by asset class, however, exposes the effect of the Global Financial Crisis



Note: Publicly available data for direct SWF equity & real estate deals, joint ventures and capital injections
 Source: Monitor-FEEM SWF Transaction Database

Value of SWF Investments by Target Region

Asia was the most attractive market for SWFs in 2010.



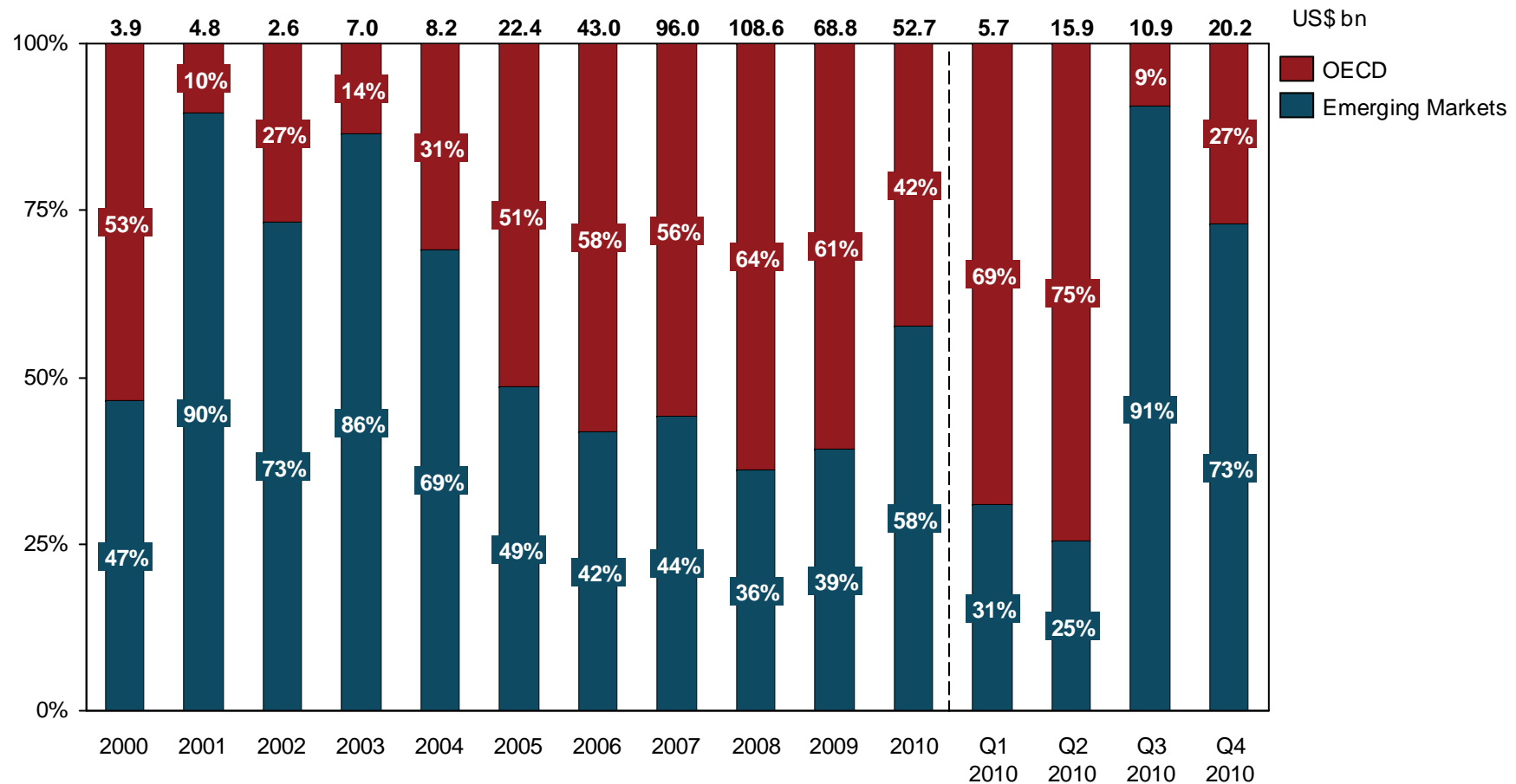
Other: Latin America, Sub-Saharan Africa, and Asia (Non-Pacific).

Publicly available data for direct SWF equity & real estate deals, joint ventures and capital injections

Source: Monitor-FEEM SWF Transaction Database

Value of SWF Deals by Location of Target: OECD vs. Emerging Markets

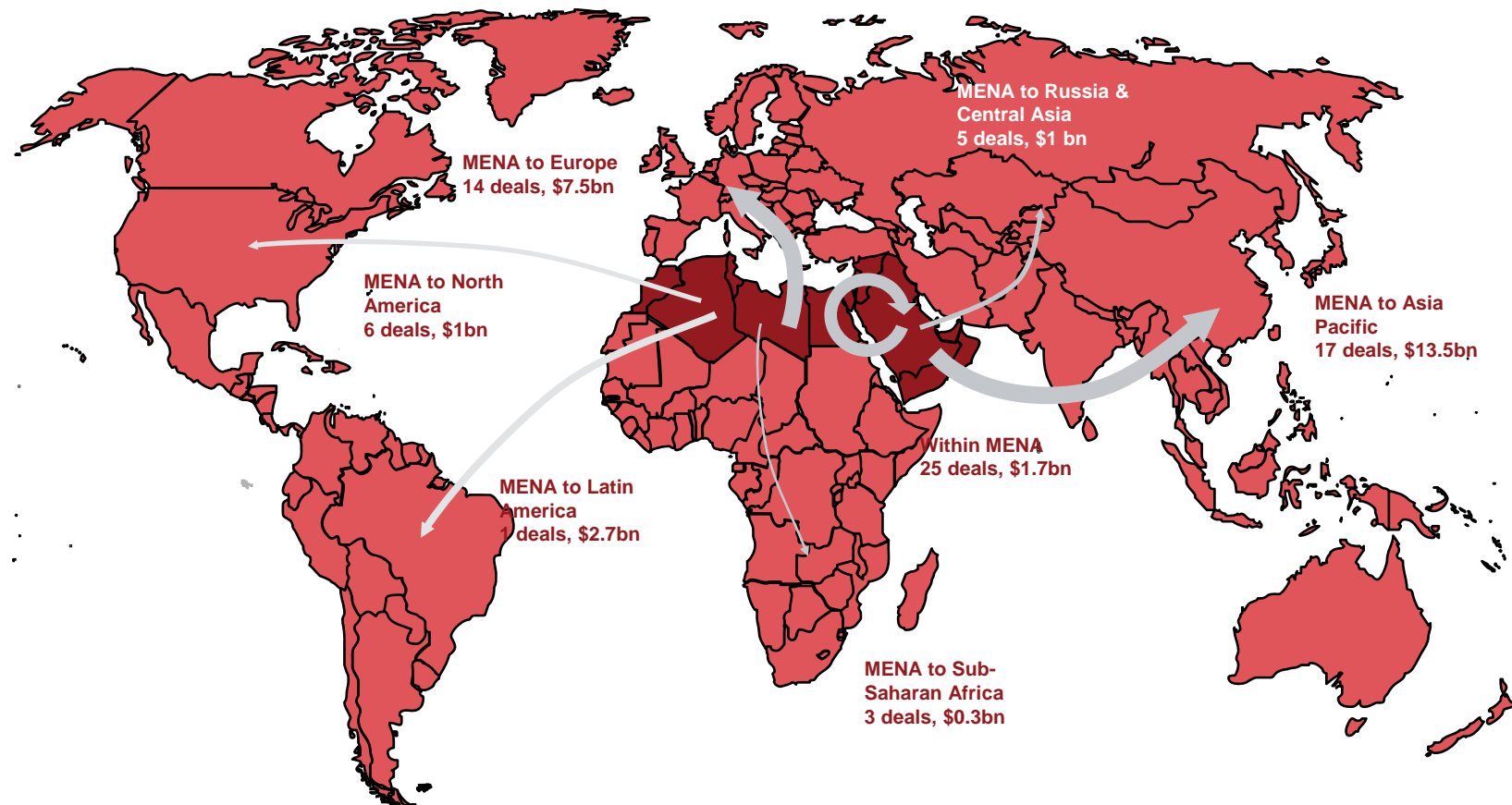
Reversing the trend of the last half-decade, SWFs turned their eyes to emerging markets in 2010.



Note: Publicly available data for SWF equity & real estate deals, joint ventures and capital injections
Source: Monitor-FEEM SWF Transaction Database

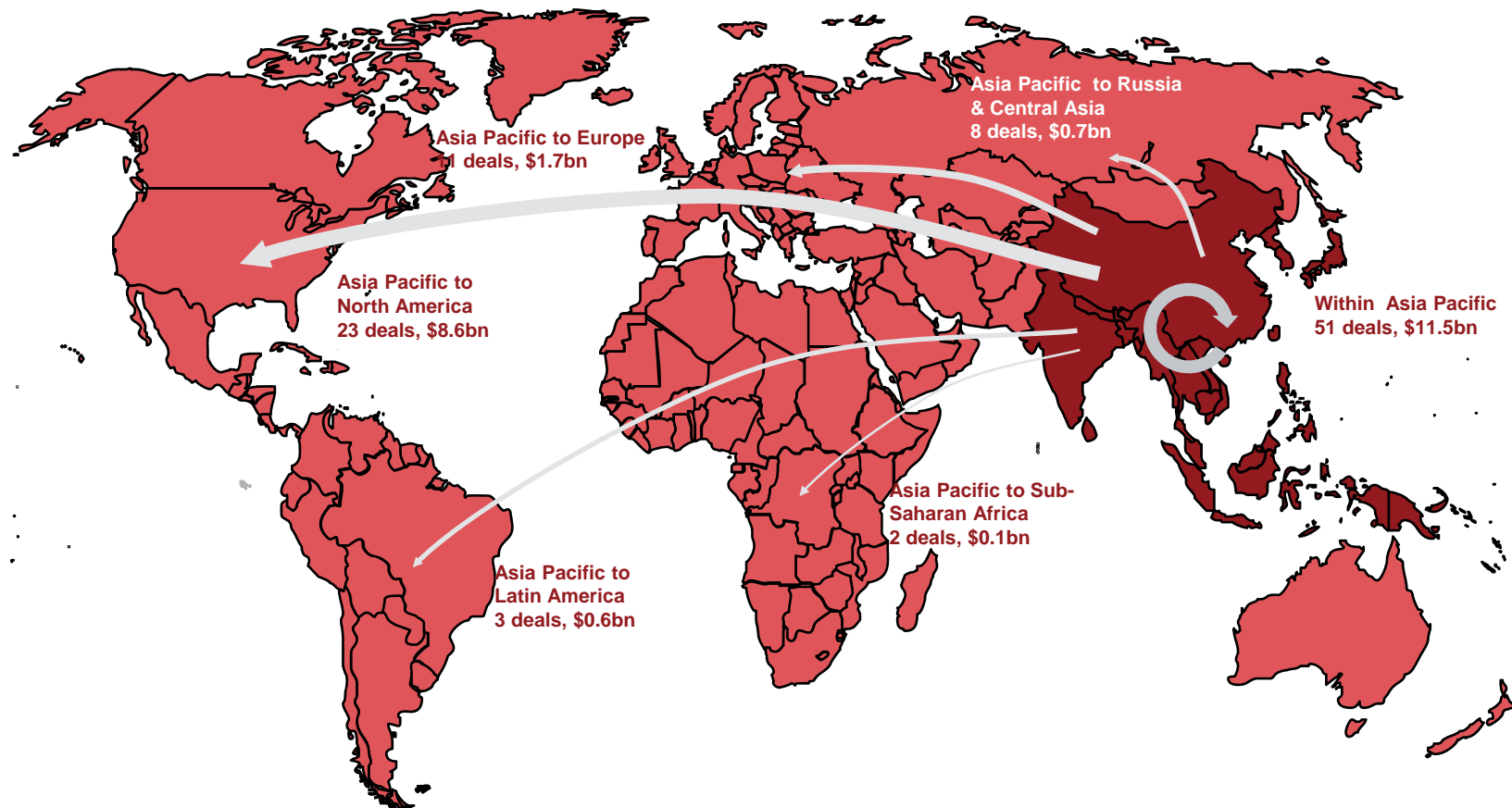
Investment Flows: Middle Eastern SWF investments in 2010

Middle Eastern Funds rediscovered Asia in 2010, and invested heavily in Europe.



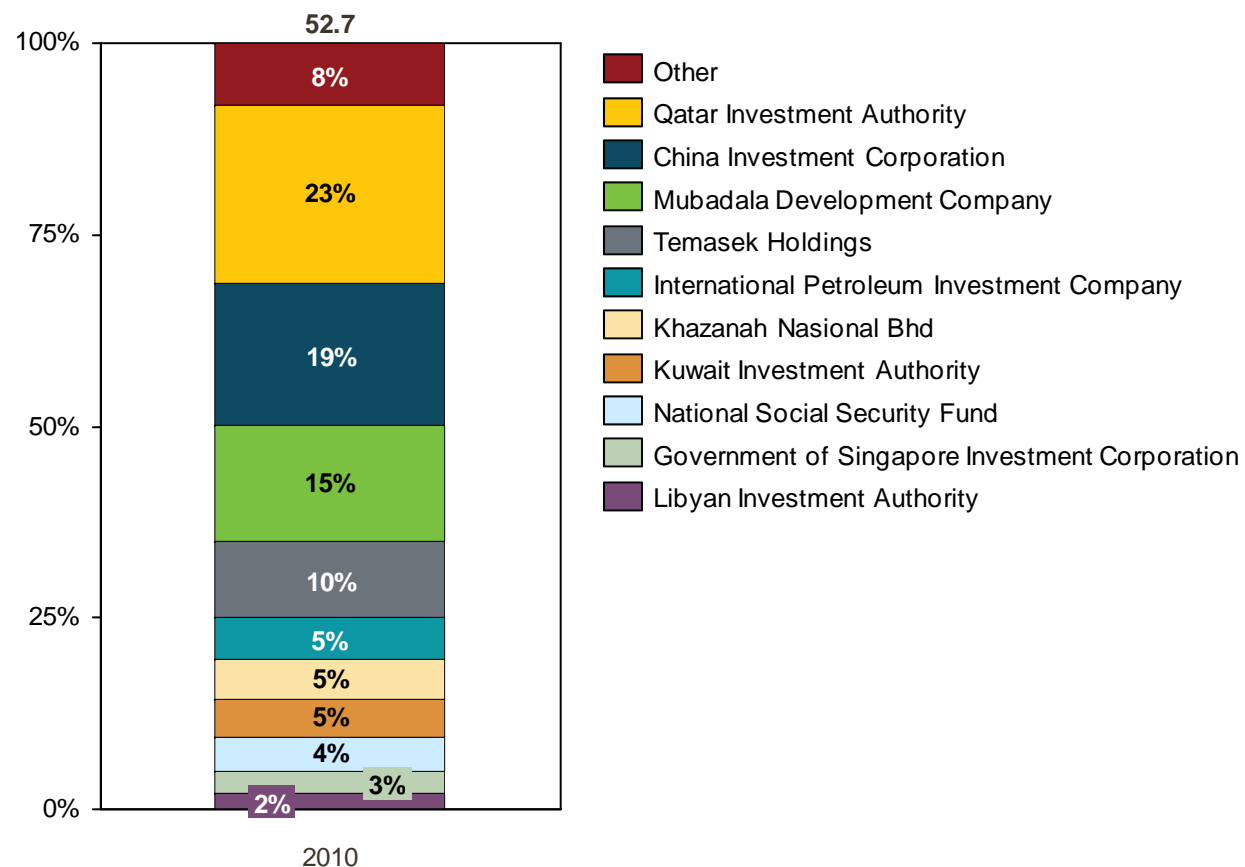
Investment Flows: Asia-Pacific SWF investments in 2010

By contrast, Asian SWFs sought out investments in North America, as well as looking to Asia.



Biggest spending funds of 2010

QIA and CIC accounted for over 40 percent of our SWFs' annual direct investment expenditure



Other: Future Fund; National Pension Reserve Fund; Government Pension Fund-Global; Abu Dhabi Investment Authority; Korea Investment Corporation; New Zealand Superannuation Fund; Abu Dhabi Investment Council; State Oil Fund of the Republic of Azerbaijan; State General Reserve Fund; Oman Investment Fund; and Istithmar World PJSC.

Note: Publicly available data for direct SWF equity & real estate deals, joint ventures and capital injections

Source: Monitor-FEEM SWF Transaction Database