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## The Government Petroleum Fund – key figures 2003

### Market value in NOK at 31.12.2003

- Total portfolio 845.3 billion
- Ordinary equity portfolio 359.6 billion
- Fixed income portfolio 484.1 billion
- Environmental portfolio 1.5 billion

### Transfers from the Ministry of Finance in 2003 (in NOK)

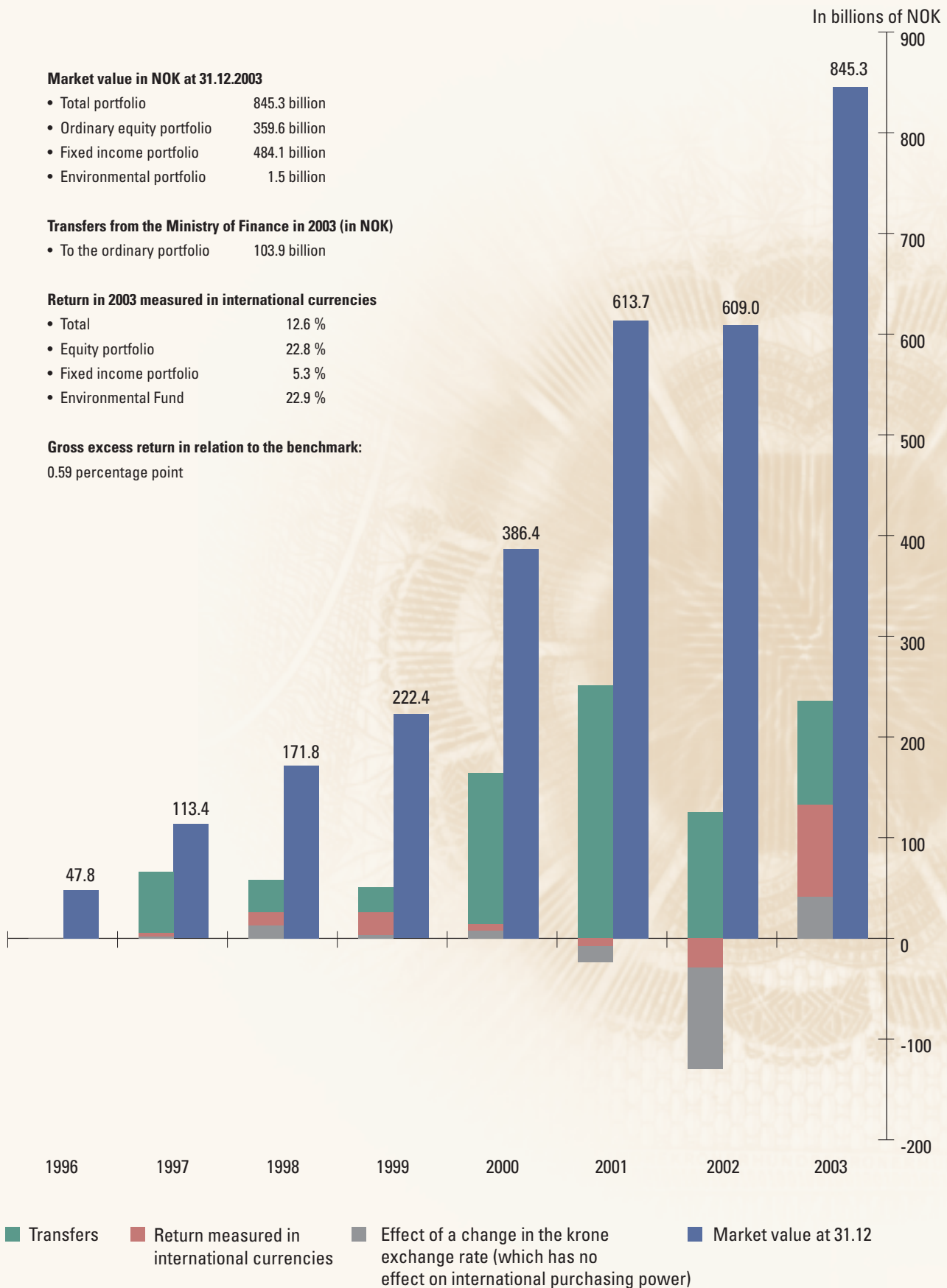
- To the ordinary portfolio 103.9 billion

### Return in 2003 measured in international currencies

- Total 12.6 %
- Equity portfolio 22.8 %
- Fixed income portfolio 5.3 %
- Environmental Fund 22.9 %

### Gross excess return in relation to the benchmark:

0.59 percentage point



## A good year

The return on the Government Petroleum Fund was 12.6 per cent (measured in international currency) in 2003. This is the Fund's highest ever return. The solid result is due to high returns on equity investments amounting to 22.8 per cent. The return on the fixed income portfolio was 5.3 per cent.

Measured in Norwegian krone, the return in 2003 was NOK 91.1 billion. Since 1997, the average annual real return after management costs has been 3.7 per cent, measured in international currency.

Substantial fluctuations in international capital markets have had an impact on the Petroleum Fund's returns ever since the Fund was established in the second half of the 1990s. Returns on equity investments have varied from 34.8 per cent (1999) to -24.4 per cent (2002). Returns on fixed income investments have fluctuated considerably less and have ranged from 9.9 per cent (2002) to -1.0 per cent (1999).

The Petroleum Fund has a long time horizon. Thus in isolation, fluctuations in annual returns are not a problem. In economic terms, it may be formulated in the opposite way: It is the risk associated with equity investments, which is reflected in the fluctuating returns, that generates a higher return for equity investments over time.

However, such fluctuations may be a problem if the willingness to take risk declines during periods of economic contraction. The strategy laid down by the Ministry of Finance for the Petroleum Fund implied quite the reverse, that when the equity market was near the trough, all new capital transfers to the Fund would be used to purchase equities. The fact that the strategy is robust to fluctuations in return is one of the Petroleum Fund's strengths.

The Ministry of Finance has defined a clear mandate for Norges Bank's management of the Petroleum Fund. Norges Bank shall seek to achieve an excess return in relation to a benchmark portfolio. The return on the Petroleum Fund was 0.59 percentage point higher than the return on the benchmark portfolio in 2003. This is the sixth consecutive year with an excess return. The total gross excess return in this period has been NOK 9.4 billion.

Management of the Government Petroleum Fund is demanding. Norges Bank places considerable emphasis on managing the Petroleum Fund in a prudent and cost-effective manner, with very strong focus on risk management and measurement of positions and performance. Management costs are low compared with the costs of managing comparable funds. There were no significant breaches of the limits and guidelines established by the Ministry of Finance in 2003.

Norges Bank wishes to provide broad information about the management of the Petroleum Fund. We hope that this annual report will contribute to achieving this objective.



Svein Gjedrem  
Central Bank Governor



Knut N. Kjær  
Executive Director, Norges Bank  
Investment Management

## The Government Petroleum Fund 1990-2003

### Key figures

At the end of 2003, the market value of the Petroleum Fund's assets was NOK 845 billion.

Chart 1 shows developments in the Fund's market value from 1997 both in NOK and in terms of the currency basket which corresponds to the composition of the Fund's benchmark portfolio. Developments in the two series of figures were quite similar up to and including 2001. In 2002, the Norwegian krone appreciated considerably against the currencies in which the Fund is invested. As a result, the increase in value measured in NOK was substantially lower. In 2003, a weaker krone exchange rate had the opposite effect. A change in the krone exchange rate affects the Fund's value in NOK but not the Fund's value for Norway measured in terms of the possibilities of purchasing foreign goods and services in the

future. The return measured in terms of foreign currency therefore provides a more correct picture of developments in the Fund's international purchasing power than figures that include the effects of a change in the krone exchange rate.

For 2003 as a whole, the return on the Petroleum Fund's portfolio was 12.6 per cent measured in terms of the Fund's currency basket.

The percentage return on the Petroleum Fund's assets since 1997 is shown in Table 1. In 1997, the Fund was invested in interest-bearing government securities, whereas since 1998, the portfolio has consisted of both equities and fixed income instruments. For the period 1997-2003, the average annual nominal returns on both the equity and fixed income portfolios have been positive, at 2.2 and 6.5 per cent respectively. For the Fund as a whole, the average annual nominal re-

turn has been 5.3 per cent, which means an annual net real return of 3.7 per cent after deductions for price inflation and management costs. Average management costs have amounted to 0.08 per cent of total assets. This is low compared with similar funds in other countries.

Chart 2 shows the annual percentage return on the equity and fixed income portfolios since 1997, measured in terms of the Fund's currency basket. In 1998, and especially in 1999 and 2003, the equity portfolio showed a high positive return, whereas the return was negative in 2000, 2001 and 2002. With the exception of 1999, returns on the fixed income portfolio have been positive.

Chart 3 shows the return since 1998 as an absolute amount, in NOK and in terms of the Fund's currency basket. After negative returns in 2001 and 2002, the trend was reversed in 2003 to a substantial

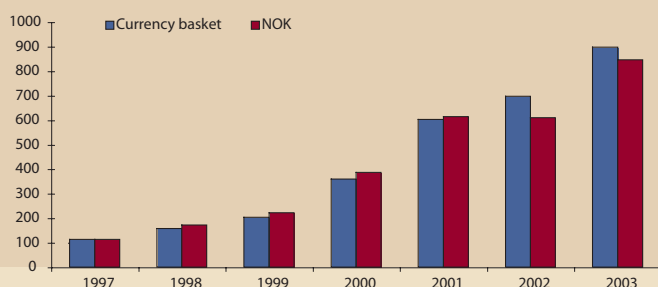
**Table 1: Annual nominal and real return on the Petroleum Fund in the period 1997-2003, measured in terms of the Fund's currency basket. Per cent**

	1997	1998	1999	2000	2001	2002	2003	1997-2003
Nominal return								
- on the equity portfolio*	-	12.86	34.81	-5.82	-14.59	-24.37	22.83	2.16
- on the fixed income portfolio	9.07	9.31	-0.99	8.41	5.04	9.90	5.26	6.51
- on the total portfolio	9.07	9.25	12.44	2.50	-2.47	-4.74	12.59	5.31
Price inflation**	1.75	0.92	1.28	2.02	1.18	1.89	1.36	1.49
Real return (geometric)	7.19	8.25	11.02	0.47	-3.61	-6.51	11.08	3.77
Management costs***	0.04	0.06	0.09	0.11	0.07	0.09	0.10	0.08
Net real return	7.15	8.19	10.93	0.36	-3.68	-6.60	10.98	3.69

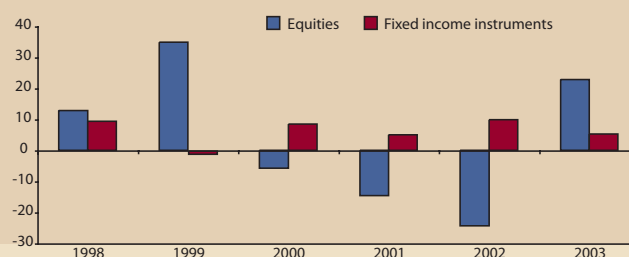
\* Including the Environmental Fund

\*\* Weighted average of consumer price inflation in the countries included in the Fund's benchmark portfolio during the year in question.

\*\*\* Costs include fees to external managers for excess return achieved. Costs in 1997 are estimated but not calculated exactly.



**Chart 1: Market value of the Petroleum Fund 1997-2003. In billions of NOK and in terms of the Fund's currency basket.**



**Chart 2: Annual return from 1998 to 2003 on the equity and fixed income portfolios, measured in terms of the Fund's currency basket. Per cent**

positive return. After 2003, the cumulative return is positive, measured both in NOK and in terms of the Fund's currency basket. The cumulative return for the entire period is NOK 96.6 billion measured in terms of the Fund's currency basket.

Chart 4 shows developments in the value of NOK 100 that was invested at the end of 1997 either in equities or in fixed income instruments. At the end of 2003, the value of the equities would have been NOK 114, reflecting a 14 per cent increase during this period. The value of the fixed income instruments would have been NOK 143, corresponding to a 43 per cent increase. The values have been measured in terms of the Fund's currency basket. Whereas the return on the fixed income portfolio has been fairly steady, the return on equities has fluctuated widely. The cumulative return since 1998 on a combined portfolio composed of the same equities and fixed income instruments as the Petroleum Fund would have been 32 per cent

### Transfers of new capital 1995-2003

The Ministry of Finance first transferred capital to the Government Petroleum Fund in May 1996 when the central government accounts for 1995 showed a surplus of NOK 2 billion. Since then, the central government accounts have shown a surplus each year and capital equivalent to the surplus projected by the Ministry of Finance has been transferred to

**Table 2: Transfers to the Government Petroleum Fund 1995-2003. In millions of NOK**

Accounting year	Actual transfers during the year*	Final allocation in the central government accounts	Share of the government's petroleum income that has been transferred to the Fund. Per cent
1995	-	1 981	5
1996	47 476	44 213	63
1997	60 900	64 019	71
1998	32 837	27 982	62
1999	24 423	26 133	59
2000	149 838	150 519	94
2001	251 189	257 017	99
2002	125 354	115 828	68
2003	103 911		64**
<b>Sum 1995-2003</b>	<b>795 929</b>	<b>687 692</b>	

\* Less management remuneration to Norges Bank  
\*\* Preliminary estimate

the Fund. When the central government accounts are final, several months into the following year, the next year's transfers to the Fund have been adjusted through corrections for the discrepancy between the amount transferred during the year and the final allocation to the Petroleum Fund.

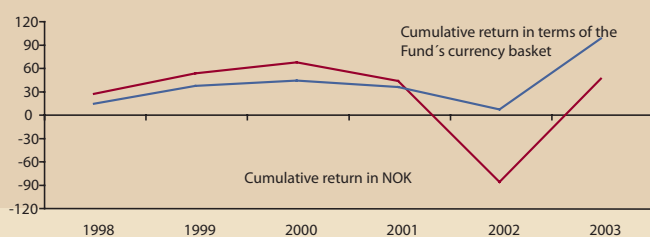
Table 2 shows that the final allocation in the central government accounts as from 1996 has varied from about NOK 26 billion for 1999 to more than NOK 250 billion for 2001. Actual transfers in 2003 amounted to NOK 104 billion. Between 1995 and 2003, a total of NOK 796 billion was transferred to the Petroleum Fund.

The table also shows the share of the central government's net cash flow from petroleum activities that has been trans-

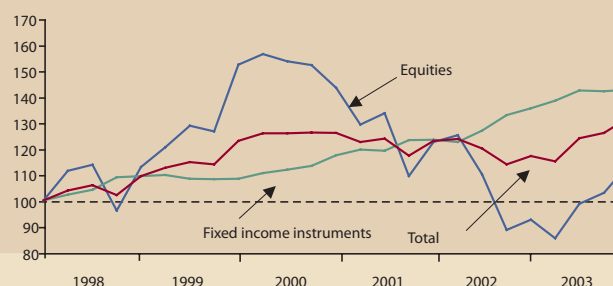
ferred to the Petroleum Fund. In 2000 and 2001, nearly the entire cash flow was transferred to the Fund, whereas the share fell in 2002 and 2003.

### Norges Bank's contribution to the return

The Ministry of Finance has defined a benchmark for the management of the Petroleum Fund. This benchmark expresses the overriding investment strategy for the Fund and makes it possible to measure Norges Bank's performance as Fund manager. Norges Bank can contribute to the Fund's return by selecting an actual portfolio which differs from the benchmark. A simple measure of Norges Bank's contribution to the return is the



**Chart 3: Cumulative return. In billions of NOK and in terms of the Fund's currency basket. 1998-2003**



**Chart 4: Index for the cumulative return on the asset classes in the Petroleum Fund 1998-2003. The Fund's currency basket at 31 December 1997=100**



**Table 3: Norges Bank's contribution to the return on the Petroleum Fund each year in the period 1998-2003 and on average for the six-year period. Percentage points**

Total	1998	1999	2000	2001	2002	2003	1998-2003
Unadjusted excess return	0.20	1.25	0.20	0.02	0.13	0.47	0.36
Gross excess return*	0.20	1.25	0.28	0.15	0.25	0.59	0.43
Value added by active management**	0.19	1.18	0.20	0.11	0.21	0.54	0.39

\* Additions for costs related to investment of new capital, extraordinary costs related to the Ministry of Finance's changes in the benchmark and taxes on dividends. Adjustment items have not been calculated for 1998 and 1999.

\*\* Gross excess return less active management costs and securities lending revenues, but including transaction costs due to ordinary indexing.

difference between the actual return and the benchmark return as calculated by the index suppliers. The first line in Table 3 shows that the excess return each year has been positive, with an average of 0.36 percentage point each year since 1998.

The management of the Petroleum Fund involves some costs which comparable funds generally do not have. These are costs related both to the investment of large volumes of new capital and to substantial changes in the composition of the benchmark. In 2003, as in 2002, there have been substantial changes in the benchmark portfolio, as non-government-guaranteed securities have replaced a large portion of the government securities in Europe and the US. The Petroleum Fund pays tax on share dividends in a number of countries. It is normal practice to make adjustments for taxes when calculating the excess return. If adjustments are made for all of these cost components, we arrive at a figure for gross excess return. This figure is easier to compare with

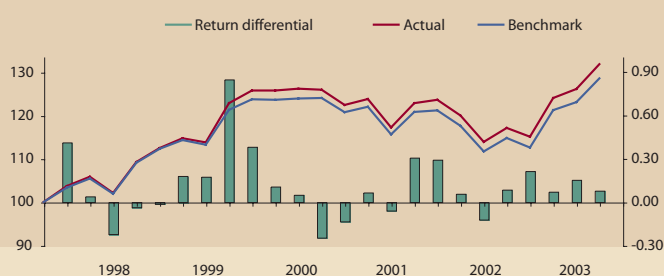
the excess return that is usually reported by other fund managers. The average gross excess return for the last six years is 0.43 percentage point (see line 2 in Table 3). This is equivalent to a total of NOK 9.4 billion for the period

Line 3 in Table 3 shows net value added by active management. This is an expression of the value added as a result of Norges Bank's management compared with an alternative where the entire portfolio follows the benchmark portfolio very closely and is managed at the lowest possible cost (index management). The calculation of net value added takes into account that even with pure index management, there are some transaction and management costs. On the other hand, deductions are made both for extra management costs related to active management and for income from securities lending which would also have been generated by passive management. These calculations are discussed in more detail in section 2.2 of the Annual Report.

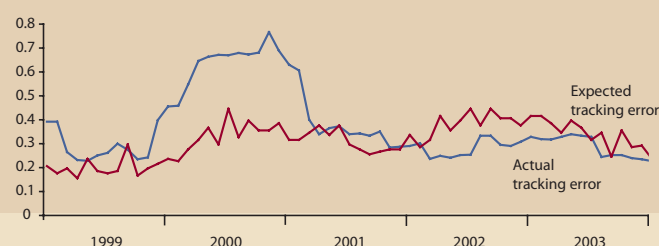
Norges Bank's net contribution to value added by active management was 0.54 percentage point in 2003. The average net contribution to the excess return over the period 1998-2003 was 0.39 percentage point. This is equivalent to NOK 8.2 billion.

Chart 5 shows the gross excess return for each quarter from 1998 onwards. Norges Bank has outperformed the benchmark in 17 of the 24 quarters since the Petroleum Fund first invested in equities. The chart also shows the cumulative actual return and the cumulative benchmark return. The difference between the two return series over the entire period adds up to a gross excess return of 3.24 percentage points.

In order to evaluate the quality of the active management, it is also important to take into account Norges Bank's market risk in connection with achieving the excess return. Chart 6 shows developments in tracking error (see box in section 5 of the annual report) between the actual



**Chart 5: Index for cumulative actual return and benchmark return (left-hand axis) and quarterly excess return in percentage points (right-hand axis). 1998-2003**



**Chart 6: Expected and actual tracking error at the end of each month. 1999-2003. Percentage points**

portfolio and the benchmark portfolio since 1999. Two different measures of risk are used in the chart. Expected tracking error is calculated in advance on the basis of market volatility during the last few years. This risk measure has shown relatively small variations over time and during the entire period has been well below 1.5 percentage points, which is the upper limit set by the Ministry of Finance for Norges Bank's risk-taking in connection with the management of the Fund. The actual tracking error is calculated retrospectively on the basis of the variation in the actual return differential in the last 12-month period. The two measures indicate very different levels of risk-taking in 2000, when equity markets fluctuated widely, but show roughly the same level of risk-taking for the last three years.

The information ratio is a commonly used measure of the skill of an investment manager. It may be calculated as the ratio of the annual gross excess return to the actual tracking error. In other words, the information ratio shows how much excess return is achieved for each unit of risk. For the period 1998-2003, the average information ratio for the Petroleum Fund is 1.06. Norges Bank's target is a ratio that is higher than 0.25.

## Internal and external management

Chart 7 shows some key figures for the relationship between internal and external management of the Petroleum Fund in the last two years. On average, about 72 per cent of the Fund was managed internally in Norges Bank in 2003. The costs of internal management amounted to about 43 per cent of total management costs. Internal management accounted for about 42 per cent of the overall risk associated with active management.

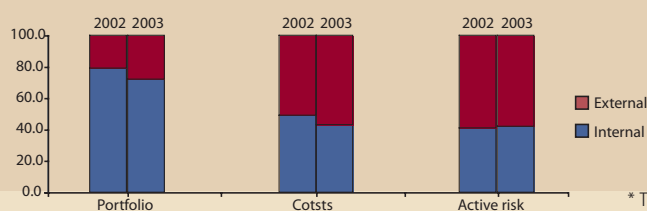
The share of external management has increased somewhat in volume from 2002 to 2003, whereas the risk-taking in external and internal management remains unchanged. Nevertheless, external managers still account for more than half of the active risk-taking, while they manage 28 per cent of the capital. External management is more expensive than internal management, partly because active management is appreciably more expensive than indexing. Another important explanation is that internal management of large portfolios may be less expensive than buying external management services in the market owing to economies of scale. Norges Bank's strategy is to allow external managers with specialised expertise to take responsibility for a large portion of the overall active risk-taking, while the Bank, through internal management, tries to take advantage of the economies of scale inherent in the Fund's size as well as to engage in active management in some areas.

Chart 8 shows that the number of external mandates has increased rapidly. At end-2003, 24 external managers had a total of 46 mandates.

## The size of the Petroleum Fund in an international perspective

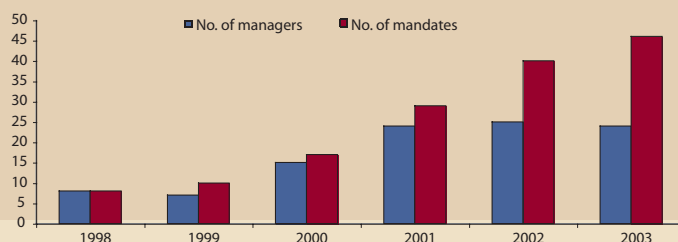
At end-2003, the market value of the Petroleum Fund's assets was NOK 845 billion. Since this is wealth, it would be misleading to compare the amount with, for example, annual government expenditure or annual value added in Norway. We can, however, look at how much of the Petroleum Fund may be used annually, without reducing the real value of the Fund. If, as in the government's fiscal rule for the use of petroleum revenues, the long-term real return is estimated at 4 per cent, this is equivalent to about 5 per cent of central government spending for 2003.

The Petroleum Fund has become a large fund, even compared with the largest international funds. In Chart 9, the Petroleum Fund is compared with the largest pension fund in the US and the two largest funds in Europe. At the end of 2003, both the largest European fund (ABP in the Netherlands) and the largest US fund (CalPERS in California), were still larger than the Petroleum Fund but the difference narrowed in 2003. On the other hand, the Petroleum Fund was about twice the size of the second largest



**Chart 7: Distribution of portfolio, management costs and active risk\* between internal and external management in 2002-2003.**  
Per cent

\* There is no absolutely correct method of calculating the distribution of active risk. The distribution in the chart is based on summation of the value at risk (VaR) of each mandate, disregarding the correlation between mandates.



**Chart 8: Number of external managers and number of external management mandates at 31 December for the years 1998-2000**



**Table 4: Petroleum Fund's ownership interests in fixed income markets at 31 December in the years 1998-2003 as a percentage of market capitalisation in the Lehman indices**

	1998	1999	2000	2001	2002	2003
<b>Government securities</b>						
Europe	0.12	0.18	0.38	0.74	0.67	0.56
Americas	0.11	0.17	0.36	0.74	0.39	0.44
Asia and Oceania	0.10	0.11	0.20	0.45	0.19	0.24
<b>Agency securities</b>						
Europe	-	-	-	-	0.57	0.56
Americas	-	-	-	-	0.29	0.29
Asia and Oceania	-	-	-	-	0.16	0.00
<b>Collateralised securities</b>						
Europe	-	-	-	-	0.45	0.56
Americas	-	-	-	-	0.08	0.07
Asia and Oceania	-	-	-	-	0.00	0.00
<b>Corporate securities</b>						
Europe	-	-	-	-	0.34	0.56
Americas	-	-	-	-	0.25	0.46
Asia and Oceania	-	-	-	-	0.00	0.00

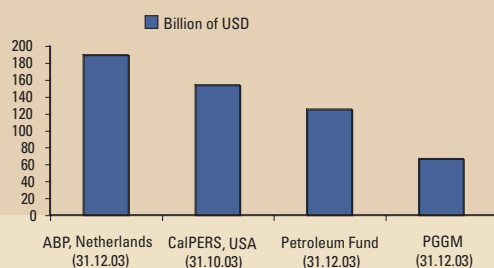
pension fund in Europe (PGGM in the Netherlands). However, the Petroleum Fund is not among the world's largest investment managers. Some funds managers handle around USD 1500 billion.

Chart 10 shows the Petroleum Fund's average ownership interest in listed companies in three geographic regions, calculated as a share of the market value of the companies in the FTSE index for the

countries in which the Petroleum Fund is invested. At end-2003, the average ownership interest in European companies, where the share is highest, was less than 0.5 per cent.

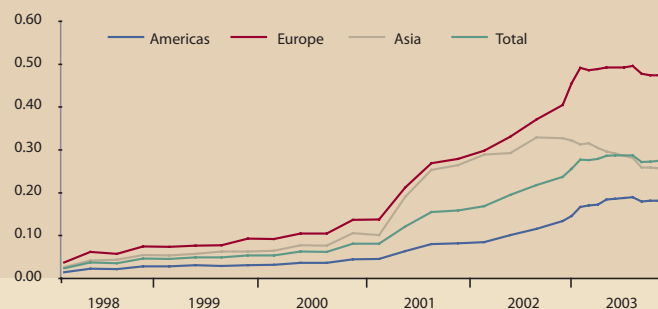
Table 4 shows the Fund's ownership interests in various fixed income markets in each of the three geographic regions, calculated as portions of the securities in the Lehman Global Aggregate index in

the currencies in which the Fund has been invested. In the government securities markets, ownership interests are highest in Europe where the Fund owned about 0.6 per cent of all outstanding securities at end-2003. The ownership interest in the US is 0.4 per cent. At year-end, the phasing in of non-government-guaranteed bonds was complete.



**Chart 9: The size of the Government Petroleum Fund compared with other large international funds. Market values in billions of USD**

Sources: The Funds web-pages and Norges Bank



**Chart 10: Petroleum Fund's ownership interests in equity markets, as a percentage of market capitalisation in the FTSE indices**

Sources: FTSE and Norges Bank



Resultatveksling  
Forsknings

## 1. Mandate

The Ministry of Finance has delegated the operational management of the Government Petroleum Fund to Norges Bank, with a mandate stipulated in a regulation and written guidelines issued by the Ministry. A management agreement, which further defines the relationship between the Ministry of Finance as delegating authority and Norges Banks as operational manager, has also been drawn up. These documents are at the back of the Annual Report.

According to the regulation, Norges Bank shall seek to achieve the highest possible return, given the restrictions implied by the regulation. The Bank's strat-

egy for achieving an excess return has been presented in earlier annual reports and is also described in feature article 2 which will be published subsequently. The Ministry of Finance is kept informed about the Bank's management activities by means of quarterly and annual reports, which are also published.

The Ministry of Finance has defined a benchmark portfolio of specific equities and fixed income instruments that reflects the delegating authority's investment strategy for the Petroleum Fund. The benchmark portfolio provides an important basis for managing the risk asso-

ciated with the operational management and for evaluating Norges Bank's management performance. The Petroleum Fund comprises both an ordinary portfolio and a separate Environmental Fund.

The equity portion of the Petroleum Fund's benchmark is based on FTSE equity indices. With effect from 1 January 2003, the rules concerning the regional distribution of equities were changed, as the two regions "the Americas" and "Asia/Oceania" were pooled into one region in the ordinary portfolio. After this change, equities listed on stock exchanges in Europe and equities listed on stock exchanges in the Americas, Asia and Oceania shall each constitute between 40 and 60 per cent of the ordinary equity portfolio. At the same time, the benchmark portfolio for equities was changed so that all companies in the new region outside Europe are now weighted according to market capitalisation. This change is being implemented in several stages. The end result will be that the Petroleum Fund's benchmark portfolio contains equal weights in companies listed on stock exchanges in the Americas and in Asia and Oceania. The Fund's ownership stake will still be somewhat higher in European companies than in companies listed on stock exchanges outside of Europe.

With effect from 19 September 2003, the Ministry of Finance changed the equity benchmark. On this date, the index supplier FTSE introduced new main indices and the Ministry decided that the Petroleum Fund's benchmark index should be based on FTSE's sub-indices which contain large and medium-sized companies. The new benchmark for the ordinary portfolio contains roughly 2200 private limited companies compared with about 1800 in the former benchmark.

The benchmark for the Fund's fixed income portfolio is based on Lehman Global Aggregate indices. In February 2002, the fixed income benchmark was expanded to include non-government-guaranteed bonds. These securities were phased in through 2002 and 2003, a process that was completed in December

### The composition of the strategic and actual benchmark portfolios at 31 December 2003

The strategic benchmark portfolio for the Petroleum Fund is composed of FTSE equity indexes for large and medium sized companies in 27 countries and of Lehman Global Aggregate fixed income indices in the currencies of the 22 countries that are approved for fixed income investments. Equities account for 40 per cent of the Petroleum Fund's strategic benchmark portfolio excluding the Environmental Fund, and fixed income instruments account for 60 per cent. In 2003, the equity portion of the benchmark consisted of securities listed in Europe (50 per cent) and in the Americas/Asia/Oceania (50 per cent). The regional distribution in the fixed income benchmark was 55 per cent in Europe, 35 per cent in North America and 10 per cent in Asia/Oceania.

Asset classes and regional weights are changed on an ongoing basis as a result of changes in market prices for the securities in the benchmark. Up to and including 2001, the weights in the benchmark were always restored to the original strategic weights in connection with the quarterly transfers of new capital to the Fund. From January 2002, the Ministry of Finance amended the guidelines so that transfers of new capital would be made monthly. The monthly transfers are to be used to bring the asset classes and regional weights back as close to the original weights as possible, providing this does not necessitate selling anything from the existing benchmark. Thus, even after the transfer of new capital, the strategic benchmark described above may differ slightly from the actual benchmark. The actual benchmark provides the basis for managing risk and measuring the performance of the Petroleum Fund.

If the actual benchmark differs substantially from the strategic benchmark over time, full rebalancing will be triggered. The actual benchmark portfolio was fully rebalanced in the first quarter of 2003.

The weights in the actual benchmark at 31 December 2003 are shown in Table 1. The weights in the fixed income benchmark apply to the foreign currency in which the securities are issued. Therefore, the weight for each country in the euro area is not listed.

When the Environmental Fund was established in 2001, the regional distribution between Europe, the Americas and Asia/Oceania in the Fund's benchmark was the same as in the ordinary portfolio. Over time, the regional weights vary with developments in market values and are never restored to the original weights.

## Documentation on the Internet

The Act relating to the Government Petroleum Fund, the Regulation on the management of the Government Petroleum Fund and guidelines issued by the Ministry of Finance are available on Norges Bank's website ([www.norges-bank.no](http://www.norges-bank.no)). All published reports concerning the management of the Petroleum Fund as well as background material relating to the Petroleum Fund's strategy and the organisation of Norges Bank's Investment Management are also available on the website.

2003. During the two-year period, the Fund purchased non-government-guaranteed bonds for a total of approximately NOK 219 billion. In May 2003, the Ministry of Finance changed the fixed income benchmark, and the benchmark for Asia/Oceania now consists only of government securities. The reason for this was that the markets for non-government-guaranteed bonds are very limited and fairly illiquid in this region. The operational management can thus be simplified without substantially influencing expected return and risk.

The Environmental Fund was established in 2001 as a separate equity portfolio in the Petroleum Fund. The Environmental Fund may be invested in the same countries as the ordinary equity portfolio, with the exception of emerging markets. In each country, the benchmark for the Environmental Fund is the same as the benchmark for the Petroleum Fund's ordinary equity portfolio, except that only companies that comply with specific requirements regarding environmental reporting or environmental management systems are included. The Ministry of Finance has defined these requirements. In accordance with these requirements, all companies in the benchmark portfolio are reviewed quarterly by an external consulting company selected

**Table 1: Benchmark at 31 December 2003 for the Petroleum Fund's ordinary portfolio (excluding the Environmental Fund). Per cent**

Currency for fixed income benchmark Country for equity benchmark	Equities		Fixed income instruments	
	Strategic benchmark portfolio	Actual benchmark portfolio	Strategic benchmark portfolio	Actual benchmark portfolio
<b>Asset class weights</b>	<b>40,0</b>	<b>42,6</b>	<b>60,0</b>	<b>57,4</b>
Belgium		0.7		
Finland		1.0		
France		7.2		
Greece		0.3		
Ireland		0.5		
Italy		2.9		
Netherlands		3.6		
Portugal		0.3		
Spain		2.7		
Germany		5.3		
Austria		0.1		
<i>Euro area countries (EUR)</i>		<i>24.5</i>		<i>47.9</i>
UK (GBP)		17.7		6.5
Denmark (DKK)		0.5		0.7
Switzerland (CHF)		5.0		0.5
Sweden (SEK)		1.6		0.8
Turkey		0.1		
<b>Total Europe</b>	<b>50.0</b>	<b>49.5</b>	<b>55.0</b>	<b>56.5</b>
US (USD)		34.8		32.4
Brazil		0.3		
Canada (CAD)		1.5		1.4
Mexico		0.2		
<b>Total Americas</b>			<b>35.0</b>	<b>33.8</b>
Australia (AUD)		2.0		0.5
Hongkong		1.0		
Japan (JPY)		8.2		8.9
New Zealand (NZD)		0.1		0.2
Singapore (SGD)		0.3		0.3
South Korea		0.9		
Taiwan		1.1		
<b>Total Asia and Oceania</b>			<b>10.0</b>	<b>9.8</b>
<b>Total Americas, Asia and Oceania</b>	<b>50.0</b>	<b>50.5</b>		

by the Ministry of Finance. The Environmental Fund did not receive any new capital allocations in 2003.

On 30 November 2001, the Ministry of Finance established a special commission to assess the Petroleum Fund's investments in relation to international law. The commission shall, at the request of the Ministry of Finance, provide an evaluation of whether the Petroleum Fund's potential investments in financial instruments issued by specific issuers may be in conflict with Norway's commitments under international law. The Ministry of Finance has excluded

one company from the Petroleum Fund's investment universe.

On 18 October 2002, the Ministry of Finance established a committee to propose ethical guidelines for the Petroleum Fund's investments. The committee submitted its recommendation on 25 June 2003. Following a public hearing, where Norges Bank has also expressed its views on the committee's recommendation, the Government is expected to submit the issue to the Storting in the Revised National Budget for 2004.

## 2. Return on the Petroleum Fund in 2003

### 2.1 Background: macroeconomic trends in 2003

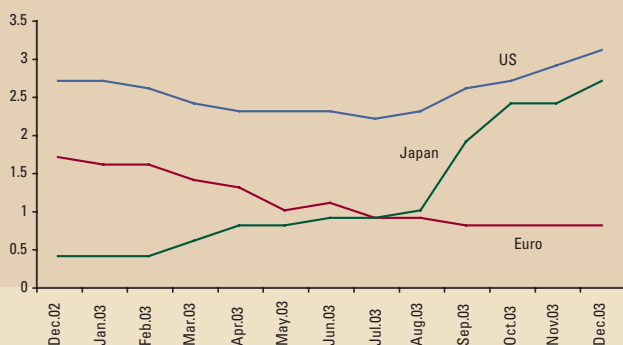
At the beginning of the year, expectations concerning economic growth in the main regions were in line with what is perceived to be the long-term growth potential for each region. However, there was considerable uncertainty regarding future economic developments. A number of analysts were concerned about the possible impact of a war in Iraq on long-term relations between the US and the rest of the world and on the oil supply and oil prices. As a result of this uncertainty, consumers and business leaders worldwide became more cautious. This led to the postponement of consumer and investment decisions.

Chart 1 shows that many economists became more pessimistic about growth in the US and Europe in the first quarter of 2003. However, after the war in Iraq began in March, attitudes changed. It quickly became clear that oil supplies would be maintained and that it would be possible to limit the conflict to Iraq. Both oil prices and US long-term interest rates fell after the war started. The decline in interest rates reflected investors' increasingly strong belief that the Fed rate would remain low for a long period. This was confirmed to a certain extent by statements from the Federal Reserve at the same time as the inflation rate in the US continued to fall. A number of Asian central banks intervened in currency markets by purchasing US dollars, contributing to strong demand for US government securities. The decline in interest rates continued until June when US 10-year yields were slightly over 3 per

### Operational tasks in the management of the Petroleum Fund

Operational tasks may be divided into four main categories:

- Investment of new capital in the market. In 2003, NOK 103.9 billion in new capital was invested in international capital markets. Norges Bank places considerable emphasis on keeping the transaction costs associated with these purchases to a minimum, and uses considerable resources on this task.
- Continuous indexing of the portfolio. A major portion of the Petroleum Fund is indexed. The index portfolio must mirror the benchmark defined by the Ministry of Finance, which is based on recognised equity and fixed income indices. These indices change constantly as companies and fixed income instruments are added and removed. In order to maintain the index portfolio, most of these changes must also be made in the actual portfolio. In view of the size of the Petroleum Fund's portfolio, it is very important to keep the costs of this indexing as low as possible. The indices are not followed slavishly. There is some active management designed to take advantage of special pricing situations. This is called enhanced indexing and involves somewhat higher operating costs than passive indexing. Thus far, however, enhanced indexing has generated better returns.
- Adjustment of the portfolio to changes in the guidelines from the Ministry of Finance. Non-government-guaranteed bonds were phased in through 2002 and 2003, a process that was complete in December 2003. In 2003, NOK 82 million was invested in these kinds of bonds. In 2003, the regional distribution of equities was changed, as the two regions "the Americas" and "Asia/Oceania" were pooled into one region. At the same time, the benchmark portfolio for equities was changed so that all companies in the new region outside Europe would be weighted according to market capitalisation. These changes are being implemented in several stages. In 2003, the Ministry also decided to make a change in the benchmark portfolio for equities that entailed a substantial increase in the number of companies in the benchmark portfolio.
- Transfer of capital to new managers or takeover of capital on the termination of mandates. Portfolios for external managers are constructed internally by Norges Bank to keep transaction costs to a minimum and to permit measurement of the portfolio return from day one. Norges Bank also takes over portfolios from external managers as soon as their mandates have been terminated and restructures them for the next external or internal manager.



**Chart 1: Consensus expectations of GDP growth in 2003 in the main markets, measured at different times through the year. Per cent**

Sources: Consensus Economics Inc.



**Table 2: The market value of the Petroleum Fund's sub-portfolios in 2003. In millions of NOK**

	31.12.2002	31.03.2003	30.06.2003	30.09.2003	31.12.2003
Equities in the ordinary portfolio	229 834	264 400	318 915	329 446	359 648
Environmental Fund	1 159	1 133	1 335	1 389	1 517
Fixed income portfolio	378 017	416 440	455 273	472 465	484 141
<b>Total portfolio</b>	<b>609 010</b>	<b>681 973</b>	<b>775 523</b>	<b>803 299</b>	<b>845 306</b>

cent. A similar interest rate level has not been seen in the US since 1958.

The low interest rate level fuelled strong growth in the US economy through the last half of the year. Sales of new and resale homes picked up, as did furniture, electronics and car sales.

Strong consumer demand in the US surprised many economists who expected that households would save a higher share of their income than was actually the case. Contributions to consumers' income came primarily from government transfers and tax cuts. The business sector also took advantage of tax stimuli by increasing investment. Company investment also rose because of improved earnings and because some investment had been postponed after the stock market decline in 2001.

Strong demand for consumer and capital goods resulted in rapid destocking which in turn led to an increase in new manufacturing orders. A weaker dollar, especially in relation to the euro, also provided a stimulus to US manufacturing. Strong demand in the US did not lead to an increase in the current account deficit in general, however, although the deficit vis-a-vis China rose steadily. At year-end, the US had a larger trade deficit vis-à-vis China than vis-à-vis Japan. This is partly attributable to China's development into a very competitive manufacturer. Another contributing factor is that China's currency is tied to the US dollar. China is not only a significant exporter of goods to the rest of the world, especially the US, but is also an increasingly important source of demand for commodities and capital goods from the rest of the world.

GDP growth in Japan in 2003 is ex-

pected to exceed 2.5 per cent. Public investment and private consumption have not contributed substantially to growth. Developments in retail trade have been sluggish despite some improvement in the labour market. Household demand for credit has been weak and the savings ratio has fallen substantially in the last few years. This partly reflects a difficult labour market but also a rise in the number of pensioners. The Government has sought to change the policy of the 1990s whereby demand was stimulated by means of large public works projects. As a result, the public sector has not contributed to GDP growth in recent years. Growth in Japan has been tied to the export sector and to investment by companies that have experienced demand growth.

Growth in Europe has been mixed. The UK, Ireland and Spain are among the countries that have experienced the strongest growth, while Germany and Italy are among the countries with low growth. Steady demand for labour in the

service sector has buoyed consumption in the UK, Ireland and Spain. Credit growth and demand have remained steady as a result of low interest rates in relation to wage growth and steadily increasing house prices. Consumers in Germany have been far more cautious, partly because unemployment has increased and partly because of the debate on reductions in various welfare benefits. A stronger euro, especially against the US dollar, has also put a damper on activity in many export companies.

Many of the strong economic trends from 2002 and 2003 have continued. Household consumption, especially of consumer durables, has continued to rise in the US and the UK. In the US, this trend has continued despite a persistently difficult labour market in 2003. Lower interest rates, tax cuts and sharply increasing house prices have more than offset the negative impulses from the labour market. Companies have continued to reduce costs in 2003, especially labour costs. In spite of an increase in invest-

**Table 3: Transfers to the Petroleum Fund's international portfolio in 2003. In billions of NOK**

	To the ordinary equity portfolio	To the fixed income portfolio	Total amount to the Petroleum Fund
31. January	19.6		19.6
28. February	14.4		14.4
31. March		9.3	9.3
30. April	0.2	9.7	9.9
31. May	5.9	1.3	7.1
30. June		6.1	6.1
31. July		5.9	5.9
31. August		8.0	8.0
30. September		8.0	8.0
31. October		7.5	7.5
30. November		8.1	8.1
<b>Total for 2003</b>	<b>40.0</b>	<b>63.9</b>	<b>103.9</b>



**Table 4: The return on the Petroleum Fund's ordinary portfolio for each quarter and for 2003 as a whole. Per cent**

	Return measured in terms of the benchmark's currency basket		Return measured in NOK		
	Actual portfolio	Benchmark portfolio	Actual portfolio	Benchmark portfolio	Excess return
Q1	-1.69	-1.88	4.71	4.51	0.19
Q2	7.73	7.70	10.11	10.08	0.03
Q3	1.68	1.55	0.76	0.63	0.13
October	1.76	1.68	2.33	2.25	0.08
November	0.38	0.38	-1.70	-1.70	0.00
December	2.35	2.38	2.63	2.66	-0.03
Q4	4.55	4.49	3.24	3.19	0.05
<b>2003 as a whole</b>	<b>12.58</b>	<b>12.14</b>	<b>19.94</b>	<b>19.47</b>	<b>0.47</b>
+ Adjustment for extraordinary costs and taxes					0.12
<b>= Gross excess return</b>					<b>0.59</b>

ment at the end of the year, companies are still cautious about new investment. The strong economic growth in Asia, and especially in China, has received far more attention than earlier from economists and investors. The size and rapid growth of Asian economies have global consequences for everything from commodity prices and freight rates to currency movements and inflation.

## 2.2. Return on the Petroleum Fund

At the end of 2003, the market value of the Petroleum Fund's international portfolio was NOK 845.3 billion. This was an increase of NOK 236.3 billion since the beginning of the year. Besides the transfer of NOK 103.9 billion from the Ministry of Finance, the most important reasons for the increase were high returns on equity investments and appreciation of the currencies in which the Fund is invested in relation to the Norwegian krone. However, changes in the krone exchange rate have no effect on the Fund's international purchasing power.

Table 2 shows the size of the sub-portfolios at different times in 2003.

During the year, the Ministry of Finance transferred NOK 103.9 billion to the Fund's krone account, and the equivalent of this capital was transferred immediately to the Fund's portfolio of international securities. Table 3 shows that most of the transfers in the first part of the year were invested in the equity market, whereas all new capital since June 2003 has been invested in fixed income instruments. The distribution of transfers between the two sub-portfolios is designed to maintain the Fund's equity and fixed income shares at 40 and 60 per cent respectively. As a result of this guideline, the Fund normally buys securities when prices have fallen.

Transfers through the year are based on an estimate of government net cash flow from petroleum activities. A correction will be made in the following year for the difference between the budget estimate and actual outcome. In 2002, the transfer was NOK 3.9 billion too high,

and the Ministry of Finance took this into account when fixing the amounts to be transferred for 2003.

In 2003, the return on the Petroleum Fund's ordinary portfolio (i.e. excluding the Environmental Fund) was 12.6 per cent, measured in terms of the currency basket which is defined by the country weights in the benchmark. In absolute figures, the return measured in terms of the currency basket was NOK 91.1 billion (excluding an increase in value of NOK 41.3 billion due to the depreciation of the krone). Table 4 shows that the return was negative in the first quarter, but positive in the last three quarters of the year. The fluctuations in the return figures generally followed developments in the most important equity markets.

The last column of Table 4 shows the difference between the actual return and the return on the benchmark as calculated by the index supplier. The return differential for the whole year was 0.47 percentage point. However, this difference

**Table 5: Contributions to gross excess return in 2003. Percentage points**

	External management	Internal management	Total
Equities	0.20	0.06	0.26
Fixed income instruments	0.14	0.18	0.33
<b>Total Petroleum Fund</b>	<b>0.34</b>	<b>0.23</b>	<b>0.59</b>

**Table 6: Net value added by active management. Percentage points**

<b>Gross excess return</b>	<b>0.59</b>
+Transaction costs associated with indexing	0.04
- Extra costs of active management	0.06
- Lending revenues associated with passive management	0.03
<b>= Value added through active management</b>	<b>0.54</b>

does not provide a correct picture of the excess return that Norges Bank achieves by its management of the Fund. Even if Norges Bank were to follow the benchmark portfolio exactly (indexing), the actual return would not be identical to the benchmark return calculated by the index supplier.

In the management of the Petroleum Fund, extraordinary transaction costs accrue when new capital is to be invested in markets and when the Ministry of Finance changes the Fund's benchmark portfolio. The Petroleum Fund also pays tax on share dividends in a number of countries. None of these cost components are deducted when the index supplier calculates the return on the benchmark portfolio. Due to the large transfers of new capital, extraordinary transaction costs and tax expense may comprise substantial amounts and can thus have a considerable impact on measurement of management performance. In Table 4, as in previous annual reports, adjustments have been made for tax on dividends and transaction costs in connection with changes in the fixed income benchmark. These components amounted to a total of 0.12 per cent of the total portfolio. After these adjustments, the gross excess return resulting from Norges Bank's management of the Petroleum Fund in 2003 was 0.59 percentage point.

This gross excess return amounted to about NOK 3.6 billion. Of this amount, estimated extraordinary transaction costs associated with the fixed income portfolio are estimated at about NOK 421 million, and the tax costs associated with the equity portfolio at about NOK 339 million. Transaction costs in connection with the Ministry of Finance's changes in the regional distribution of the equity benchmark and costs due to changes in the FTSE benchmark portfolio have not been taken into account. These costs are estimated at 0.14 per cent of the equity portfolio in 2003 and have accrued mainly in connection with internal equity management.

## Methodology for calculating returns<sup>1</sup>

The calculation of returns is based on international standards. The return on the Petroleum Fund's portfolios is calculated according to the market value principle, i.e. the opening and closing values of the portfolios are valued at the relevant market prices at the beginning and end of the period. Interest expenses and revenues, dividends, withholding tax, changes in securities holdings and prices are accounted for on an accruals basis when calculating returns. Income and expenses relating to unsettled transactions are recognised on the trade date. The return is compared with the return on the benchmark portfolio. The return differential is defined here as an arithmetic difference between the returns on the actual portfolio and the benchmark portfolio.

Normally, transfers of capital to the Petroleum Fund and between the Fund's equity and fixed income portfolios are only made on the last business day of each month. The return for each month can then be calculated easily by looking at changes in market value. The geometrical return is used for longer periods, such as quarterly and annual return and return so far this year. This means that the return indices for each sub-period are multiplied. This return is thus a time-weighted return on the returns for the individual months.

The return is calculated in both NOK and local currency. The total re-

turn in NOK is calculated on the basis of the total market value of each individual currency, measured in NOK. WM/Reuters exchange rates<sup>2)</sup> are used for converting local currencies to NOK.

The NOK return on the benchmark portfolio is calculated as the geometrical difference between the return in NOK and the return in local currency, measured in terms of the currency distribution in the benchmark portfolio. This indicates how much the Norwegian krone has appreciated or depreciated measured against the benchmark portfolio's currency distribution.

Returns are calculated in separate models and then reconciled with the accounting system. Differences between the returns calculated in the models and those in the accounts are a result of different assessment principles, for example in the treatment of money market investments and tax withholdings that have not been repaid. In the accounts, allocations are also made to cover remuneration to Norges Bank.

<sup>1</sup> An article available on Norges Bank's website provides more details about the calculation of returns. See "Performance measurement methodology" published in 2000.

<sup>2</sup> WM/Reuter Closing Spot Rates, fixed at 4 pm London time.

Table 5 shows that both equity and fixed income management made a positive contribution to the excess return in 2003. External managers made the most substantial contribution to the equity portfolio, while external and internal managers made very similar contributions to the fixed income portfolio.

The gross excess return is comparable with the excess return reported by other managers. However, it does not provide a true measure of Norges Bank's net contribution to portfolio performance. The Petroleum Fund could have been managed passively, with a portfolio that was always kept very close to the benchmark.

## Securities lending

Norges Bank has entered into securities lending agreements. This is a part of normal portfolio management. The purpose of these agreements is to achieve an excess return on securities that are deposited in Norges Bank's custodian institutions. International banks and financial undertakings borrow securities for a fee. Norges Bank receives cash or non-cash collateral (high-grade fixed income instruments) as security for such loans. Collateral in the form of cash is reinvested in instruments with low credit risk in accordance with agreed guidelines.

Norges Bank has a lending agreement for equities and fixed income instruments with J.P. Morgan Chase Bank and two lending agreements for fixed income instruments, one with State Street Bank & Trust and one with Dresdner Bank AG. All of these agreements contain provisions that safe-

guard Norges Bank's interests if the party borrowing the securities is unable to return them or the collateral provided for the loan is not sufficient to cover the loss.

In 2003, Norges Bank's income on equities lending was NOK 205 million. The contribution to the return was 6.8 basis points of the equity portfolio. An average of about 10 per cent of the equity portfolio was on loan.

The income from the two lending programmes for fixed income instruments totalled NOK 74 million. The contribution to the return was 1.7 basis points of the fixed income portfolio. An average of about 15 per cent of the fixed income portfolio was on loan. Income from other lending activities relating to fixed income instruments accounted for an additional NOK 33 million.

Instead, Norges Bank has chosen to engage in active management, which involves higher costs, but also yields higher returns. The value added by active management, which is calculated in Table 6, is a measure of the net contribution of this choice to the Fund's return in 2003.

Passive indexing involves a minimum of operating costs associated with management of the Petroleum Fund. Normal operating costs associated with indexing may be calculated on the basis of the costs of a group of comparable funds (see box in Section 7). For the Petroleum Fund, these normal management costs associated with indexing can be estimated at 0.04 per cent of the total portfolio.

The estimate is a cautious one as it is lower than the median cost figure for the peer group. In 2003, total management costs amounted to 0.10 per cent, i.e. the costs associated with active management are estimated at 0.06 per cent.

With passive indexing, transaction costs would have accrued in addition to operating costs when the composition of the benchmark was changed. One of the world's largest index managers, Barclays Global Investors, has calculated the normal annual transaction costs of following the equity index used by the Petroleum Fund at 0.07 per cent of the equity portfolio, or 0.03 per cent of the Fund's total portfolio. The costs of following the fixed income index have not been calcu-

**Table 7: Return on the Petroleum Fund's total portfolio in 2003 measured in various benchmark currencies. Per cent**

Return measured in terms of:	Total portfolio (incl. Environmental Fund)
Benchmark portfolio's currency basket	12.59
Import-weighted currency basket	10.92
USD	24.92
EUR	3.93
NOK	19.96

lated in the same way, but Norges Bank estimates them at 0.02 per cent, or 0.01 per cent of the Fund's total portfolio. Thus, normal annual transaction costs of maintaining index management amount to about 0.04 per cent of the total portfolio.

On the other hand, with passive management there would also have been some revenues from lending the securities in the portfolio. In 2003, revenues from securities lending amounted to 0.04 per cent of the total portfolio, 0.03 percentage point of which could also have been achieved by passive management.

With these adjustment items, the net value added by active management in 2003 is calculated at 0.54 percentage point. This amounts to about NOK 3.2 billion.

Table 7 shows the return on the Petroleum Fund's total portfolio in different currencies. Including the Environmental Fund, the return measured in terms of the currency basket was 12.59 per cent, whereas measured in NOK it was 19.96 per cent. The difference is due to a 6.54 per cent appreciation of the currency basket against the Norwegian krone in 2003. Calculated in euros, the return was 3.93 per cent, whereas the return in USD was 24.92 per cent. This is because USD depreciated against most other currencies in 2003.

### 3. Fixed income management

#### 3.1 Developments in fixed income markets

In 2003, yields on government securities with maturities of about 10 years rose approximately 0.4 percentage point in the US, the UK and Japan. In the euro countries, 10-year yields remained virtually unchanged. With the exception of Japan, yield levels in all the main regions ranged from 4.25 to 4.75 per cent. At the end of 2003, 10-year yields in Japan were at 1.35 per cent.

Chart 2 shows that 10-year yields exhibited a falling trend in the first part of the year but rose in the second half of the year.

Economists' inflation forecasts for the main markets varied only slightly through 2003. Forecasts for the US varied from 2.1 per cent to 2.5 per cent, while forecasts for the euro area hovered around 2 per cent through the year. Forecasts for Japan ranged from -0.5 per cent to -0.8 per cent until the summer when forecasts edged up to -0.2 per cent at year-end. Actual inflation in the US fell from just over 2 per cent at the beginning of 2003 to just under 2 per cent at year-end. The rise in prices slowed for most goods and services in the US. The price decline was most pronounced for consumer durables, especially cars and computer equipment. This is because productivity growth has been very strong in these sectors of US manufacturing. Competition from imported goods is also intense in this part of the economy.

The rise in prices for services has also been falling, though not at the same rate as for consumer durables. Price inflation

#### The phasing in of non-government-guaranteed bonds

As of February 2002, the Ministry of Finance changed the benchmark portfolio for fixed income instruments. The benchmark, which originally contained only government securities, was expanded to include other fixed income instruments issued by agencies, international organisations and private companies as well as collateralised securities. The phasing-in process took place through 2002 and 2003 and was completed in December 2003.

The phasing in of non-government-guaranteed-bonds resulted in purchases amounting to about NOK 219 billion, of which NOK 82 billion in 2003. Fixed income instruments issued by private companies accounted for seventy-five per cent of the total purchases of non-government-guaranteed-bonds in 2003, collateralised securities accounted for 20 per cent and fixed income instruments issued by interna-

tional organisations accounted for the rest.

The phasing-in process has resulted in extraordinary transaction costs. These costs apply especially to the purchase of fixed income instruments issued by private companies because each debt issue is considerably smaller than government debt issues and is thus less liquid. The extraordinary transaction costs relating to the total purchase of non-government-guaranteed-bonds through the entire phasing-in period has been estimated at approximately NOK 900 million, NOK 420 million of which applies to 2003.

At the end of 2003, the entire phasing-in process designed to achieve a distribution between government securities and non-government-guaranteed-bonds equivalent to market capitalisation weights had been completed.

in the service sector is more closely tied to wage growth, since labour is the main input factor in products from this group. A weak labour market in recent years has contributed to low wage growth. A weaker dollar has not yet resulted in any substantial rise in import prices. This partly reflects that a large share of imports to the US come from Asian countries which have generally kept their currencies stable against the US dollar.

These Asian countries have a large

trade surplus vis-à-vis the US. In addition, dollars have flowed into these countries, especially China, to finance a high level of direct investment. This in combination with currency interventions, where central banks have purchased dollars for local currency, has resulted in a considerable dollar surplus in Asian central banks. The central banks have largely purchased US government securities. Therefore, even with low yields, it has not been difficult to find buyers who are

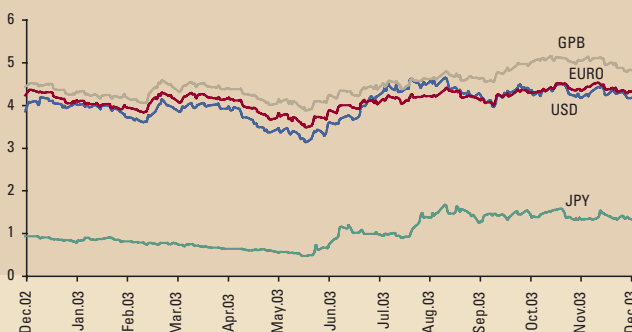


Chart 2: Developments in the most important fixed markets in 2003. Yields on 10-year government securities. Per cent per year

Source: JP Morgan

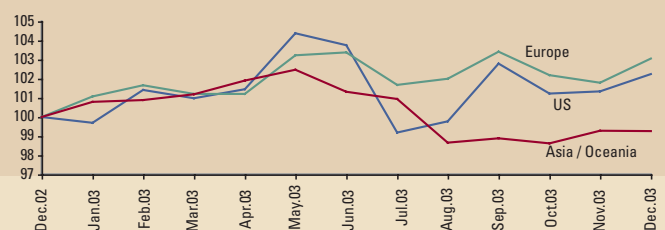


Chart 3: Movements in Lehman Global Aggregate's government securities indices in the main markets in 2003 (31.12.2002 = 100)

Source: Lehman Live

## External fixed income managers as at 31 December 2003

At the end of the year, nine external fixed income managers with twelve mandates managed a total of NOK 43 billion.

Global fixed income and foreign exchange mandates:

- Bridgewater Associates Inc
- Morgan Stanley Investment Management
- Pareto Partners

Mandates for mortgage-backed securities in the US:

- Hyperion Capital Management Inc.
- Lincoln Capital Management Company
- Merrill Lynch Investment Management

- Putnam Advisory Company LLC
- State Street Global Advisors
- TCW Asset Management Company

The risk level has been agreed separately for each mandate. The fixed income and foreign exchange mandates are global mandates and have virtually the same investment universe as the internal fixed income management. The other mandates are for mortgage-backed securities in the US. From 2002, this market constitutes a considerable portion of the Petroleum Fund's benchmark portfolio. However, the risk properties of these fixed income instruments are different from the risk properties of ordinary fixed income instruments, and Norges Bank has therefore chosen to leave the management of US mortgage-backed securities to external managers.

willing to finance the steadily increasing federal deficit in the US.

Chart 3 shows that returns on government bond investments in Asia/Oceania were negative during the year, whereas returns on comparable investments in the US and Europe were between 2 and 3 per cent.

The difference between yields on credit securities and yields on government securities has narrowed sharply in 2003 (cf. Chart 4). This partly reflects companies' substantial cost reductions in

the last few years. Increased demand for companies' products combined with lower costs has boosted corporate earnings. Higher earnings combined with a low level of investment have improved most companies' cash flow. Increased cash flow means greater security for lenders and lower yield spreads in the market. Credit spreads have narrowed steadily through the year in spite of fluctuations in equity and fixed income markets.

Chart 5 shows the currency distribu-

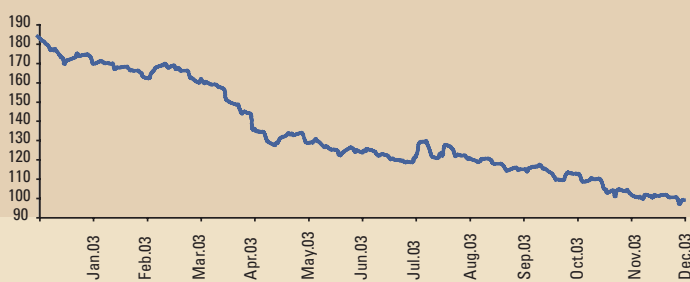
tion of contributions to the fixed income return measured against the basket of currencies in which the Petroleum Fund is invested. The largest positive contribution came from investments in the euro countries. Contributions from the other currency areas were small. The negative contribution from investments in USD is due to the depreciation of this currency against the other currencies in the basket.

Chart 6 shows that the return on fixed income instruments in 2003 was slightly more than half of the average level prevailing over the last 24 years. Early in the 1980s, inflation rates and interest rates were unusually high. Both inflation rates and interest rates have been much lower in the last twenty years. Therefore, nominal returns on fixed income instruments must be expected to be lower on average in the period ahead than they were early in the period.

### 3.2 Management of fixed income investments

The market value of the Petroleum Fund's fixed income portfolio rose in 2003 from NOK 378 billion to NOK 484 billion at year-end. NOK 64 billion in new capital was transferred to the portfolio during the year. The increase in value was a result of both positive returns in fixed income markets and a weaker Norwegian krone in relation to the investment currencies.

The inclusion of non-government-guaranteed bonds in the Petroleum Fund in 2003 has led to considerable changes



**Chart 4: The difference between yields on credit securities\* and government securities (credit spread) in the US in 2003. Percentage points**

\* Companies with credit rating AAA from S&P  
Source: Lehman Live



**Chart 5: The individual countries' contributions to fixed income returns measured in terms of the currency basket in 2003. Per cent**

**Table 8: Fixed income returns for each quarter and for the year 2003. Per cent**

	Measured in terms of the benchmark's currency basket		Measured in NOK		
	Actual portfolio	Benchmark portfolio	Actual portfolio	Benchmark portfolio	Excess return**
Q1	2.17	2.10	8.82	8.74	0.08
Q2	2.77	2.61	5.04	4.88	0.16
Q3	-0.15	-0.18	-1.05	-1.08	0.03
Q4	0.40	0.29	-0.85	-0.96	0.11
<b>2003 as a whole</b>	<b>5.26</b>	<b>4.87</b>	<b>12.14</b>	<b>11.73</b>	<b>0.41</b>
Adjustment items*					<b>0.10</b>
<b>Gross excess return</b>					<b>0.52</b>

\* The costs of reducing the weight of Asia/Oceania and phasing in non-government-guaranteed bonds  
\*\* The return differential is calculated as an arithmetic difference, i.e. in percentage points

in the composition of the fixed income portfolio. Great emphasis has been placed on phasing in non-government-guaranteed bonds in a cost-effective manner. Transaction costs have been systematically measured against estimated benchmark costs.

About 90 per cent of the fixed income portfolio has been managed internally in Norges Bank. There are two types of management. On the one hand, there is indexing and active management that is

directly related to the indexing task. The objective of this enhanced indexing is to maintain a portfolio that is very close to the benchmark, while taking advantage of special pricing situations to achieve an excess return. In the fixed income portfolio, three sub-portfolios are indexed: government guaranteed bonds, fixed income instruments issued by private companies and collateralised securities. The three sub-portfolios are indexed internally, with the exception of securitised

bonds in the US, which are managed externally.

On the other hand, there is more traditional active management, with positions that seek to take advantage of systematic price differences among fixed income instruments with almost identical properties, or with positions that will yield an excess return if yield curves or exchange rates move in a particular direction.

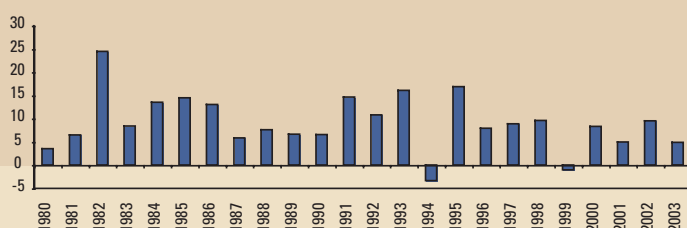
## 4. Equity management

### 4.1 Developments in equity markets

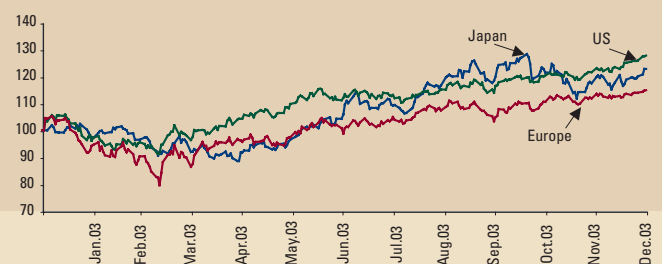
After three years of declining prices, global equity markets reversed in 2003. The annual return on the Petroleum Fund's benchmark portfolio was 22.3 per cent, following weak developments in the first quarter of the year. Europe was the re-

gion with the weakest overall share performance, with a 14.9 per cent rise, while share price performance was best in the US, where equity markets rose by 27.8 per cent. These return figures are measured in terms of the Petroleum Fund's currency basket.

The upswing reflects an improvement in corporate earnings in the last two years. Earnings growth has been particularly strong in sectors such as metals and oil due to rising commodity prices. This reflects strong growth in demand from the rapidly growing Chinese economy.



**Chart 6: The return in fixed income markets 1980-2003 with the Petroleum Fund's benchmark portfolio, measured in terms of the currency basket. Per cent per year**



**Chart 7: Price performance in the FTSE equity indices in the major markets in 2003 (31 December 2002 = 100)**

Source: FTSE



**Performance of the FTSE Equity World Index in 2003, measured against USD and the Fund's currency basket. Per cent. Main sectors and the 10 largest sub-sectors**

Sector	USD	Currency basket
<b>Commodities</b>	<b>32.72</b>	<b>19.63</b>
- of which oil and gas	28.79	16.08
<b>Process industries</b>	<b>44.46</b>	<b>30.21</b>
<b>General industrials</b>	<b>41.50</b>	<b>27.54</b>
<b>Cyclical consumer goods</b>	<b>36.21</b>	<b>22.78</b>
<b>Non-cyclical consumer goods</b>	<b>19.04</b>	<b>7.29</b>
- of which pharmaceuticals and biotechnology	16.89	5.36
<b>Cyclical services</b>	<b>31.54</b>	<b>18.56</b>
- of which retail trade	30.83	17.92
- of which media and photo	29.41	16.64
<b>Non-cyclical services</b>	<b>26.77</b>	<b>14.26</b>
- of which telecommunications	26.77	14.27
<b>Utilities</b>	<b>29.62</b>	<b>16.83</b>
<b>Financial services</b>	<b>39.34</b>	<b>25.59</b>
- of which banks	44.22	30.00
- of which insurance companies	29.30	16.55
- of which financial institutions	36.27	22.82
<b>Information technology</b>	<b>48.91</b>	<b>34.22</b>
- of which hardware	66.17	49.78
- of which software and computer services	25.79	13.38

Earnings growth has also been strong in the financial sector as a result of low losses on loans and increased activity in capital markets. Demand for products from companies in the IT sector has also been rising. Earnings growth in 2003 has been stronger in North America and Japan than in Europe.

At the beginning of 2003, equity markets were characterised by considerable uncertainty regarding economic and political developments worldwide. The war in Iraq, the SARS epidemic in Asia, fear of terrorism and fear of deflation in the US were key elements. All of this came in addition to several bankruptcies and scandals in large US companies, which weakened confidence in the equity markets.

Equity markets picked up in March, an improvement that was triggered by several positive events. The situation in the Middle East had become less tense and no new outbreaks of SARS were reported after the summer of 2003. Reduced political risk boosted expectations of stronger economic growth and subsequently higher corporate earnings. Expectations of more robust growth were also stimulated by an expansionary fiscal and monetary policy in the US. These expectations resulted in a considerable rise in equity prices, particularly for companies in the IT sector, process industries and capital goods. In the second half of 2003, this development was amplified as earlier expectations were underpinned by strong economic key fig-

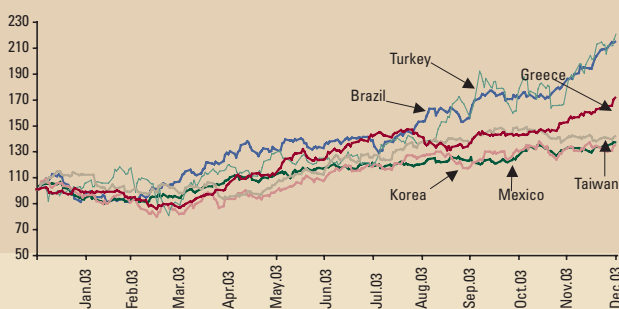
ures for investment and output. Reported corporate earnings were higher than analysts' expectations.

Equity returns in several of the emerging markets in which the Petroleum Fund is invested were far higher than returns in developed markets. Emerging markets are characterised by considerable volatility resulting from changes in investors' assessment of risk associated with the investments, at the same time as most of these markets have a relatively large number of cyclically sensitive companies.

Table 9 shows that developments were positive in all main sectors in 2003. Developments were most positive in the IT sector, process industries and the banking sector, whereas developments were weaker in sectors that are not sensitive to cyclical changes such as pharmaceuticals and biotechnology.

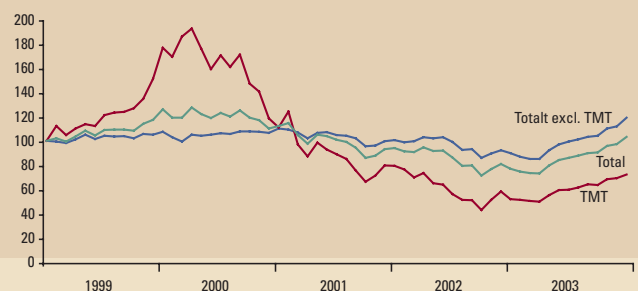
Chart 9 illustrates the significance of the technology, media and telecommunications (TMT) sectors for the equity indices over the past four years. Equity prices in the TMT sectors rose sharply from 1999 until early summer 2000 and then fell even more sharply. Developments in equity prices in the TMT sectors have been on a par with the other sectors in the FTSE global index in 2003.

Chart 10 shows that in 2003 equity markets in all countries made a positive contribution to the Petroleum Fund's equity return measured against the currency basket. The largest positive contribution came from the US, where the Petroleum Fund has the most substantial equity in-



**Chart 8: Price performance in the FTSE equity indices in the emerging markets in which the Petroleum Fund was invested in 2003, measured against the US dollar.**

Source: FTSE



**Chart 9: The FTSE All-World Equity Index. 1999-2003. Total and for the technology, media and telecommunications (TMT) sector. 31 December 1998 = 100**

Source: FTSE

vestments. However, weak developments in the dollar against other currencies in the basket reduced the contribution from the US.

Chart 11 shows that 2003 returns were good, but not extraordinary. The three previous years stand out in terms of negative returns.

**4.2 The Fund’s equity investments**

The market value of the Petroleum Fund’s equity portfolio rose in 2003 from NOK 231 billion to NOK 361 billion at year-end. The figures also include the environmental portfolio. The increase was due to outstanding returns in equity markets and the depreciation of the Norwegian krone in relation to the currencies in which the Fund is invested. NOK 40 billion in new capital was also transferred to the equity portfolio through the year.

In 2003, the portion of the equity portfolio under external management varied from 35 to 45 per cent. At year-end, 41 per cent was under external management. Regional mandates for active management accounted for most of this, although the portion representing specialist mandates for individual sectors is growing. External managers are responsible for approximately 66 per cent of the risk-taking in the equity portfolio.

Norges Bank Investment Management is responsible for indexing the equity portfolio. The purpose of index management is partly to reduce management costs and partly to better exploit opportunities for excess returns by managing the index portfolios actively (enhanced in-

**External equity managers at 31 December 2003**

At the end of the year, 15 external equity managers with 34 mandates managed capital equivalent to NOK 148 billion.

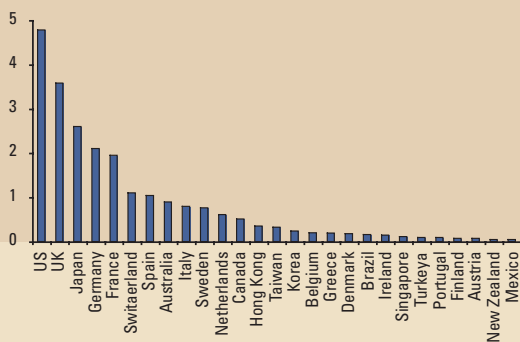
Regional mandates:

- Alpha Investment Management Pty Ltd.
- BlackRock International Ltd.
- Capital International Ltd.
- Fidelity Pensions Management
- Gartmore Investment Ltd.
- JP Morgan Investment Management Inc.
- Merrill Lynch Investment Managers
- Schroder Investment Management Ltd.
- Sparx Asset Management Co. Ltd.

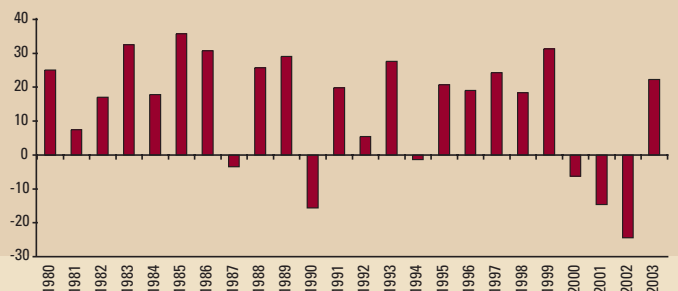
Sector mandates:

- Alliance Capital Management LP
- Credit Suisse First Boston
- Deutsche Asset Management Ltd.
- Franklin Advisors Inc.
- Schroder Investment Management
- Wellington Management Company LCP
- WH Reaves & Co, Inc.

All the external equity mandates are active mandates, where the objective is to achieve the highest possible return in relation to a benchmark portfolio. Benchmark portfolios and risk limits have been defined for each management mandate. Some of the mandates are regional mandates with benchmark portfolios composed of the companies included in the FTSE index in a geographic region or a country, such as Europe, the UK, the US and Japan. Benchmark portfolios composed of companies that are too small to be included in the FTSE index (Small Cap) have been allocated to other regional mandates. A number of managers also have sector mandates where the objective is to take advantage of the managers’ specialist expertise in important business sectors, including finance, technology, health, energy, oil and gas, mining and capital goods.



**Chart 10: Individual countries’ contributions to equity returns measured against the currency basket in 2003. Per cent**



**Chart 11: Equity market returns 1980-2003 with the equity benchmark portfolio, measured against the Petroleum Fund’s currency basket. Per cent**

dexing). It is important to tailor the portion of the portfolio that is to be indexed and the portion that is to be managed actively.

At the end of 2003, NOK 213 billion of the equity portfolio was under internal management. Of this, 41.4 per cent was managed actively, while 55.6 per cent was indexed with cautious use of active strategies to take advantage of special pricing situations in the market to achieve excess returns (enhanced indexing). The remaining funds were in transition portfolios awaiting transfer to external managers. Overall, the scope of active management in 2003 increased from 57 per cent of the equity portfolio at the beginning of the year to 66.7 per cent at year-end.

Table 10 shows that in 2003 the return on the Petroleum Fund's ordinary equity portfolio was 22.84 per cent, measured in terms of the Fund's currency basket. The return was negative in the first quarter and positive in the last three quarters of the year. This reflects general price movements in equity markets through the year.

The actual return on the equity portfolio alone was 0.69 percentage point, or 69 basis points higher than the adjusted benchmark return. The adjustment made was for tax on dividends received. About 75 per cent of the contribution to excess return was attributable to external management, while 25 per cent was attribut-

able to internal management in Norges Bank. These figures do not take into account internal managers' transaction costs in connection with restructuring portfolios for external managers. In addition, external managers are responsible for a considerable portion of the risk-taking, and as a result risk-adjusted excess return is higher for internal managers than for external managers.

In Table 10, adjustments have not been made for transaction costs in connection with the implementation of new regional weights in the benchmark portfolio or in connection with the inclusion of large and medium-sized companies in the benchmark portfolio. These costs are estimated at 0.14 per cent of the equity portfolio in 2003. The excess return includes income from equities lending amounting to NOK 205 million or 0.07 per cent of the equity portfolio.

In 2003, the return on the Environmental Fund was 22.89 per cent measured in terms of the Fund's currency basket (see Table 11). This was 0.04 percentage point lower than the return on the Fund's benchmark portfolio. The Environmental Fund is managed as a pure index portfolio, and the managers do not employ strategies to achieve excess return or enhanced indexing. The benchmark return on the Environmental Fund was 0.20 percentage point higher than the return on a comparable benchmark portfolio where companies had not been

excluded on the basis of environmental criteria. This is largely because equity price performance in the TMT sectors, which constitute a large share of the Environmental Fund, was stronger than performance in traditional sectors (see the discussion of market developments above). Since the Environmental Fund was established in January 2001, the benchmark return has been 2.34 per cent lower than the return on an equivalent equity index where environmental criteria are not applied. This largely reflects the sectoral composition of the Fund's portfolio.

#### 4.3 Exercise of voting rights

In accordance with the Regulation on the Management of the Government Petroleum Fund, Norges Bank shall not exercise ownership rights linked to shares unless this is necessary in order to safeguard the financial interests of the Fund. Norges Bank has developed voting guidelines which are available on Norges Bank's website. Norges Bank's voting procedures and routines are described in more detail in a separate feature article which will be published soon on Norges Bank's website. In contracts with external managers, Norges Bank has delegated the right to exercise ownership rights according to guidelines which are in accordance with the regulation from the Ministry of Finance.

**Table 10: The return on the Petroleum Fund's ordinary equity portfolio for each quarter and for 2003 as a whole. Per cent**

	Return measured in terms of the benchmark's currency basket		Return measured in NOK		
	Actual portfolio	Benchmark portfolio	Actual portfolio	Benchmark portfolio	Excess return *
Q1	-7.76	-8.07	-1.75	-2.08	0.33
Q2	15.56	15.75	18.12	18.31	-0.19
Q3	4.24	3.96	3.30	3.02	0.28
Q4	10.55	10.58	9.17	9.20	-0.04
<b>2003 as a whole</b>	<b>22.84</b>	<b>22.33</b>	<b>30.87</b>	<b>30.33</b>	<b>0.54</b>
Adjustments for tax on dividends received					0.15
<b>Gross excess return</b>					<b>0.69</b>

\*The return differential is calculated as an arithmetic difference, i.e. in percentage points

## Transfers between sub-portfolios in 2003

Transfers (transitions) are made between portfolios when new capital is to be transferred to a mandate, when capital is to be withdrawn from a mandate or when it is necessary to change the portfolio structure. In 2003, Norges Bank made 62 such transfers, totalling NOK 153.8 billion, within the Petroleum Fund's equity portfolio.

Thirty-nine transfers totalling NOK 67.2 billion involved external managers, while 23 transfers totalling NOK 86.6 billion were made between internal sub-portfolios. These transfers cost an average of about 0.235 per cent or 23.5 basis points of the amount transferred. The cost of transferring new capital to the equity portfolio, 0.7 basis points of the amount transferred, came in addition.

In a letter to the Ministry of Finance dated 12 February 2003, Norges Bank explained that the internal guidelines for exercising ownership rights had been revised and that in future, the Bank, in accordance with the prevailing regulation, planned to be somewhat more active than previously in exercising ownership rights. In addition, Norges Bank recommended a change in the regulation's provisions since the current wording can be understood to restrict the exercise of ownership rights. A possible reformulation of this part of the regulation might read as follows: *Norges Bank shall exercise ownership rights when this is considered necessary to safeguard financial interests.* This wording does not imply that Norges Bank shall exercise ownership rights in every case where protecting financial interests is involved, but priority must be given to using resources in those cases that are considered most important. The Ministry of Finance discussed this matter in the Revised Nation-

al Budget 2003 and is expected to return to the proposal in connection with the Storting's deliberations on the Ethics Committee's recommendation (cf. paragraph 1 of the annual report).

For the internally managed portfolios, Norges Bank began voting in the first quarter of 2003. Since voting is meant to contribute to safeguarding the financial interests of the portfolio, voting decisions have been delegated to the internal portfolio managers in Norges Bank Investment Management. So far, the focus has been on the largest companies in the portfolio. Voting rights have been exercised on the basis of financial assessments of what is best for the long-term return on the Petroleum Fund. The purpose has not been to be active in many cases, but to focus activity on the large companies.

In 2003, annual general meetings were held at about 2000 companies that are in the internally managed portfolios. So far, Norges Bank Investment Management

has chosen to focus the exercise of voting rights on the largest 150 companies in the portfolio (which comprise more than 50 per cent of the portfolio's value) as well as on cases that are financially important. NBIM voted at 39 annual general meetings. A total of 514 items were on the agenda at these meetings. NBIM voted for 37 per cent of the proposals and against 4 per cent. In all markets, a shareholder must vote on all items on the agenda once the shareholder has chosen to take a position on any matter. NBIM has thus cast an abstaining vote for 58 per cent of the items.

All external managers have active mandates with a limited investment universe and will generally have fewer companies in their portfolios than Norges Bank has in its internally managed portfolios.

Table 12 shows the distribution of voting items at the meetings.

Of the 514 items voted on in 2003, NBIM voted against a proposal from the

**Table 11: Return on the Environmental Fund in 2003. Per cent**

	Return measured in terms of the benchmark portfolio's currency basket		Return measured in NOK		
	Actual portfolio	Benchmark portfolio	Actual portfolio	Benchmark portfolio	Excess return
Q1	-8.20	-8.16	-2.22	-2.18	-0.04
Q2	15.32	15.29	17.87	17.84	0.03
Q3	4.99	5.05	4.04	4.10	-0.06
Q4	10.57	10.52	9.19	9.14	0.05
<b>2003 as a whole</b>	<b>22.89</b>	<b>22.93</b>	<b>30.92</b>	<b>30.97</b>	<b>-0.04</b>
Adjustment for tax on dividends received					0.14
<b>Gross excess return</b>					<b>0.10</b>
Please note: Ordinary benchmark with country weights as in the Environmental Fund		22.74		30.77	0.20 (Environmental Fund's benchmark return minus ordinary benchmark return)

board of directors in 23 cases. In most cases, NBIM voted for the board's recommendation. NBIM voted against the board's proposal in the following cases:

- **Routines/operations:** In some cases, NBIM voted against the proposed auditor due to conflict of interests.
- **Board related:** Proposals to re-elect the chairman of the board because in some cases, the individual concerned was also the managing director of the company.
- **Salaries:** Most of the proposals that NBIM voted against involved option plans. NBIM voted against option plans linked to historical results or plans that led to relatively large dilutions for existing owners and pension bonuses for board members and auditors.
- **Capital structure:** NBIM voted against proposals for new share issues that implied a significant dilution of existing shareholders' ownership interest. NBIM also voted against proposals to pay dividends that were considered to be too low in relation to earnings.

**Table 12: Voting 2003 /voting items**

	Number of items		For	Against	Abstain
<b>Norges Bank</b>					
Routine/operations	22 %	115	61	4	50
Board related	49 %	250	38	1	211
Salaries	12 %	63	33	10	20
Capital structure	12 %	64	55	5	4
Reorganisation	2 %	12	2	0	10
Anti-takeover mechanisms	1 %	3	0	3	0
Shareholder proposals	1 %	7	3	0	4
		<b>514</b>	<b>192</b>	<b>23</b>	<b>299</b>
<b>External</b>					
Routine/operations	18 %	1609	1579	13	17
Board related	49 %	4296	4215	38	43
Salaries	16 %	1378	1263	47	68
Capital structure	11 %	981	956	23	2
Reorganisation	5 %	407	286	121	0
Anti-takeover mechanisms	0 %	10	3	7	0
Shareholder proposals	1 %	107	20	84	3
		<b>8788</b>	<b>8322</b>	<b>333</b>	<b>133</b>

- **Anti-takeover mechanisms:** NBIM voted against proposals to give the board of directors a general power of attorney to issue shares in the event of a takeover bid, i.e. a proposal concerning countermeasures in the event of an attempted takeover.

The spread of items on which Norges Bank and the external managers voted is

very similar. The external managers have voted against board proposals to about the same extent as the internal managers. However, the external managers have voted against the management on reorganisation issues more often than the internal managers. The external portfolios do not completely mirror the internal portfolios.

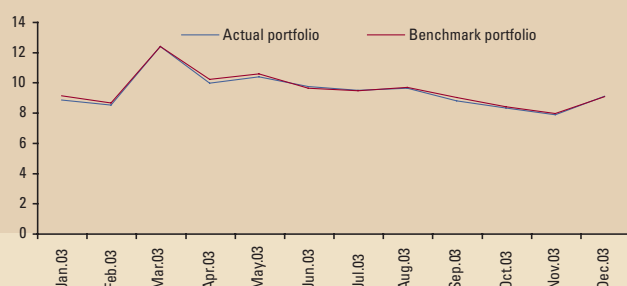
## 5. Risk

Chart 12 shows the Fund's absolute market risk in 2003, measured as the expected volatility of the return. The level fluctuates with the volatility of the markets, but through the year there is little difference between the risk in the actual portfolio and the risk in the benchmark. At

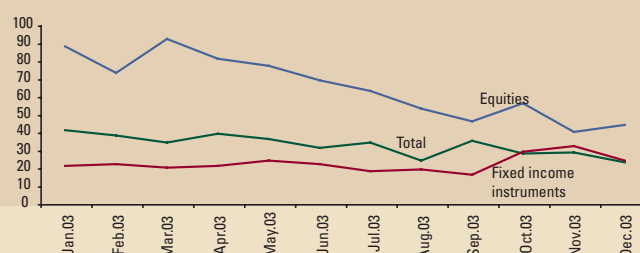
year-end, the actual portfolio had an absolute market risk, measured in NOK, of 9.0 per cent, which was very similar to the benchmark risk. This figure means that given the volatility of markets at that time, normal market variations could lead to the return being either 9 percent-

age points higher or 9 percentage points lower than expected in two of three years.

Absolute market risk is chiefly determined by the benchmark portfolio defined by the Ministry of Finance. The Ministry has also set a limit for the track-



**Chart 12: Absolute market risk in the Petroleum Fund's actual portfolio and in the benchmark at the end of each month in 2003. Per cent**



**Chart 13: Expected tracking error at each month-end in 2003. In basis points (hundredths of a percentage point)**

**Table 13: The fixed income portfolio as at 31 December 2003, by credit rating. Percentage of market value**

Moody's		Standard&Poor's	
Rating	Per cent of total	Rating	Per cent of total
Aaa	55.05	AAA	50.96
Aa	16.98	AA	25.30
A	19.90	A	13.02
Baa	6.64	BBB	7.81
Ba	0.13	BB	0.14
Lower	0.00	Lower	0.00
No rating	1.31	No rating	2.77

ing error associated with management, i.e. how much the actual portfolio can deviate from the benchmark. This tracking error shall always be less than 1.5 percentage points (150 basis points) (see box). Chart 13 shows that in 2003 the tracking error fell gradually from 40 to about 30 basis points for the total portfolio.

At the beginning of the year, the tracking error associated with equity management was considerably higher than the tracking error associated with fixed income management. The difference during the year narrowed, due in part to reduced volatility in equity markets. The higher tracking error in equity markets reflects that equity markets fluctuate more than fixed income markets, so that there is more risk associated with an active equity management position than with an active fixed income position of the same size. It also reflects that a larger share of the equity portfolio has been managed actively. Another measure of risk-taking in management is the share of the equity and fixed income portfolios consisting of securities that are not in the benchmark portfolio. The share of such securities in the equity portfolio remained stable at about 20 per cent in 2003, while the active share in the fixed

## Expected tracking error

The Ministry of Finance uses *expected tracking error* to measure the market risk associated with the management of the Petroleum Fund. This measure is defined as the expected value of the standard deviation of the difference between the annual returns on the Fund and the benchmark. When deviations from the benchmark are controlled by setting an upper limit for expected tracking error, it is highly probable that the actual return will lie within a band around the return on the benchmark. The lower the limit for tracking error, the narrower the band will be. An expected tracking error of 1.5 percentage points or 150 basis points means that in two out of three years, the actual return on a portfolio that remains unchanged over time will not deviate from the benchmark return by more than plus/minus 1.5 percentage points, assuming that the risk limit is fully utilised.

**Table 14: Risk exposure limits stipulated by the Petroleum Fund Regulation**

Section	Risk	Limits	Actual				
			31.12.02	31.03.03	30.06.03	30.09.03	31.12.03
§ 4	Market risk	Maximum 1.5 percentage point tracking error	0.4	0.3	0.3	0.4	0.2
§ 5	Asset distribution	Fixed income 50-70%	62.2	61.2	58.8	58.9	57.4
		Equities 30-50%	37.8	38.8	41.2	41.1	42.6
§ 6	Currency distribution equities	Europe 40-60%	49.6	49.4	49.1	47.7	49.2
		Americas/Asia/Oceania 40-60 %	50.4	50.6	50.9	52.3	50.8
		Emerging markets < 5% of equity portfolio	2.5	2.4	2.2	2.6	2.7
§ 7	Currency distribution fixed income	Europe 45-65%	58.0	55.6	54.9	55.6	56.6
		Americas 25-45%	32.9	34.5	35.7	34.6	33.8
		Asia/Oceania 0-20%	9.1	9.9	9.4	9.8	9.6
§ 7	Interest rate risk	Modified duration 3-7	5.3	5.3	5.5	5.3	5.4
§ 11	Ownership interest	Maximum 3% of a company	2.6	2.9	2.5	2.7	2.6

income portfolio was lower.

Table 13 shows the composition of the bond portfolio (fixed income portfolio excluding cash) based on Moody's and Standard and Poor's (S&P) credit ratings. In the table, government securities and government-guaranteed bonds without credit ratings have been given the credit rating of the issuing country. According to the Ministry of Finance's guidelines for credit risk, the Petroleum Fund may not normally be invested in securities with a credit rating lower than Baa from Moody's, BBB from S&P or BBB from Fitch. Nevertheless, up to 0.5 per cent of the fixed income portfolio may be invested in securities with a rat-

ing of Ba from Moody's, BB from S&P or BB from Fitch. All fixed income instruments have a credit rating from at least one of these agencies.

The fixed income portfolio contains long-term securities as well as fixed income instruments with shorter maturities, all of which have a credit rating of P-1 from Moody's and A-1 from Standard & Poor's.

Table 14 provides an overview of the risk limits stipulated in the Ministry of Finance's Regulation on the Management of the Government Petroleum Fund and guidelines for the ordinary portfolio, and of actual exposure during the year. The figures show that exposure was



within the limits at the end of each quarter.

Three breaches of guidelines laid down by the Ministry of Finance were reported in earlier quarterly reports for 2003. These breaches were committed by external managers and are not regarded as grave.

In the fourth quarter, it was discovered that one external manager had invested in

a US unit investment trust as part of his cash management. The instrument is an Exchange Traded Fund and replicates the S&P 500 index in the same manner as equity futures. The investment raises questions regarding the interpretation of the guidelines for the Petroleum Fund. The Regulation on the Management of the Government Petroleum Fund stipulates that equity investments shall be made ei-

ther in equity instruments or in derivatives of equity instruments. The investment in question was in units in a securities fund which, strictly speaking, is not an equity instrument. Although the instrument bears a strong resemblance to futures, it is not a derivative. Norges Bank chose to sell the holding in question.

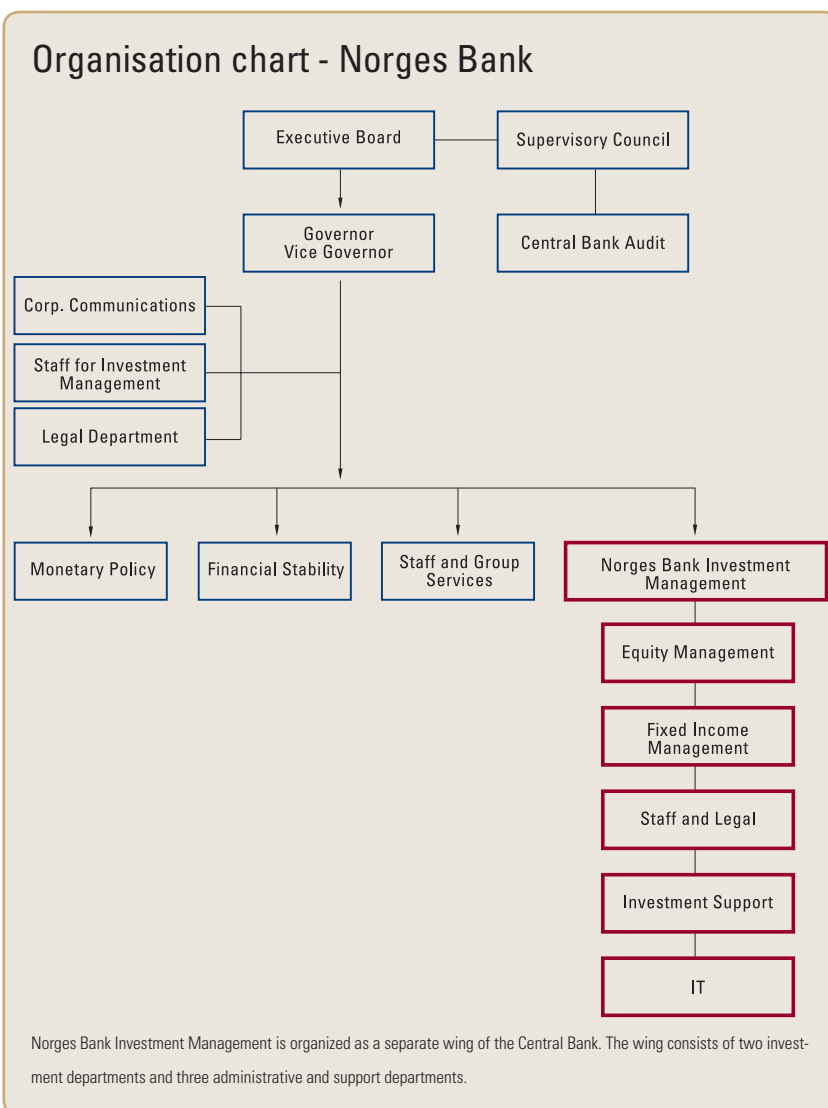
## 6. Organisation of management

The management of the Petroleum Fund is carried out by Norges Bank Investment Management, which is a separate wing of Norges Bank.

The Executive Board of Norges Bank has the ultimate responsibility for operations. Norges Bank's Supervisory Council is the Bank's supervisory body. Norges Bank's Audit Department, Central Bank Audit, reports to the Supervisory Council and is responsible for operational auditing and also audits the quarterly and annual reports of the Petroleum Fund. The Office of the Auditor General is responsible for the final audit of the Petroleum Fund and bases its work in part on material from Central Bank Audit.

In 2003, the consulting company Mercer Investment Consulting was commissioned by the Ministry of Finance to evaluate Norges Bank's management of the Petroleum Fund. Mercer's report was published in connection with the Revised National Budget for 2003 and is available on the Ministry's website.

In addition to the Petroleum Fund, Norges Bank Investment Management also manages the Petroleum Insurance Fund on assignment from the Ministry of Petroleum and Energy, and the bulk of Norges Bank's foreign exchange reserves. At end-2003, the total portfolio



under management amounted to just over NOK 1000 billion.

Norges Bank Investment Management has separate business lines for equity management and fixed income management, and also a management unit responsible for management, control and administrative support functions. The Chief Investment Officer of Equities and Tactical Asset Allocation and the Chief Investment Officer of Fixed Income are responsible for all investments and performance, strategic planning and cost control within their respective areas. Performance is measured as net value added by management compared with the benchmark portfolios defined by the principals. Management is responsible for administrative policy, risk and return measurement, accounting and compliance with the investment guidelines for all the management units.

At end-2003, Norges Bank Investment

Management had 119 permanent employees including three employees with a full-time temporary appointment. In the course of the year, 8 new permanent employees joined the organisation, and 4 left. Norges Bank Investment Management has offices in New York and London. A presence in the most important capital markets provides valuable access to information that may be used in management and also makes it easier to monitor external managers. At end-2003, Norges Bank's offices abroad had 21 employees.

Norges Bank acknowledges that managing the Government Petroleum Fund requires active use of wage incentives and human resource policy measures. The labour market for individuals with financial and investment management experience is characterised by high wage levels and variable performance-based incentives in combination with an ex-

traordinary demand for focused work effort. The Bank's management performance will be closely tied to its ability to recruit, develop and retain highly qualified personnel.

Part of the salary of 55 employees with responsibility for the results of investment decisions is based on management performance. The criteria relate mainly to net excess return achieved during the past year, broken down by individual and group. Some employees also build up performance-based pay on the basis of results achieved over a three-year period. In 2003, the highest salary attained was NOK 2 837 000. The salary of the Executive Director of Norges Bank Investment Management was NOK 1 994 602. Norwegian employees working temporarily at Norges Bank's offices abroad receive accommodation allowances, etc. according to rates set by the Norwegian Ministry of Foreign Affairs.

## 7. Management costs

The costs of managing the Petroleum Fund in 2003 are presented in Table 15. Fees to external managers and external settlement and custodian institutions are invoiced separately for each of the funds managed by Norges Bank. The other operating costs are overheads shared by all

the funds managed by Norges Bank Investment Management (see Section 6). The shared overheads are distributed between the three funds by means of a set of internal prices. These overheads include the direct costs of Norges Bank Investment Management and the costs of

support functions provided by other parts of Norges Bank. These latter costs are calculated according to the guidelines applying to business operations in Norges Bank.

The Management Agreement between the Ministry of Finance and Norges Bank

**Table 15: Management costs in 2003. (In thousands of NOK and basis points of the average portfolio)**

	2003		2002	
	In thousands of NOK	Basis points	In thousands of NOK	Basis points
Internal costs, equity management	169 285		145 563	
Costs of equity custodians and settlement	65 842		47 520	
<b>Total costs, equity management</b>	<b>235 127</b>	<b>7.8</b>	<b>193 083</b>	<b>7.9</b>
Internal costs, fixed income management	161 849		136 305	
Costs of fixed income custodians	38 824		22 309	
<b>Total costs, fixed income management</b>	<b>200 673</b>	<b>4.6</b>	<b>158 614</b>	<b>4.2</b>
Minimum fees to external managers	235 648		141 491	
<i>Performance-based fees to external fixed-income managers</i>	<i>89 452</i>		<i>66 647</i>	
<b>Total costs, external management</b>	<b>325 100</b>	<b>19.3</b>	<b>208 138</b>	<b>17.1</b>
<b>Total management costs</b>	<b>760 900</b>	<b>10.4</b>	<b>559 835</b>	<b>9.0</b>
<b>Total management costs, excluding performance-based fees</b>	<b>671 448</b>	<b>9.1</b>	<b>493 188</b>	<b>8.0</b>

establishes the principles for Norges Bank's remuneration for managing the Petroleum Fund's portfolios. Remuneration for 2003 shall cover the Bank's actual costs, provided that they do not exceed 0.10 per cent (or 10 basis points) of the average market value of the Fund. Fees to external managers for excess return achieved are also covered. Agreements concerning performance-based fees, which are in accordance with principles approved by the Ministry of Finance, have been concluded with the majority of external active managers.

The costs associated with the Petroleum Fund in 2003 amounted to a total of 9.1 basis points, against 8.0 basis points in 2002, excluding performance-based fees to external managers. The increase in costs is largely connected with minimum fees to external managers and is partially attributable to more specialised external management. The purpose of this management is to outperform the benchmark, while maintaining a low level of risk through market risk diversification. This specialised management employs more complex instruments which in turn require a more sophisticated infrastructure for information processing than less complex management.

The increase also reflects that the portfolio has been invested in a larger number and more complex instruments than earlier. For example, the portion of non-government-guaranteed securities increased further in 2003. As a result, it has been necessary to further develop rou-

tines and information systems for dealing with credit risk and to establish risk measurement systems that can handle securities with options.

Excluding management fees, the costs associated with equity management amounted to 7.8 basis points of the average equity portfolio in 2003. This was lower than the 7.9 basis points the previous year. The corresponding figure for fixed income management was 4.6 basis points for 2003, an increase from 4.2 basis points in 2002.

Performance-related fees to external managers amounted to NOK 89.5 million (5.3 basis points of the portfolios that were managed externally). The amounts are determined by the managers' total excess return.

Management costs for the entire portfolio amounted to NOK 761 million in 2003. Costs may be apportioned to internal and external management by using allocative keys for shared overheads and custodian costs. External management accounted for an estimated 57 per cent of costs, whereas about 23 per cent of the Fund's portfolio is managed externally. The unit cost of internal management was approximately 0.05 percentage point, which is about a fourth of the unit cost of external management. The fact that index management is largely handled internally is only part of the explanation. Internal management is also the least expensive when it is compared with the same type of active management.

## Cost comparisons with other funds

The Ministry of Finance has asked Norges Bank to deliver cost figures to the Canadian consulting firm Cost Effectiveness Measurement Inc., (CEM) which has a database containing cost figures for capital management in more than 150 pension funds. From this database, CEM selects a peer group with on average the same total assets as the Petroleum Fund. The costs of this peer group are used as a basis for assessing the costs of managing the Petroleum Fund.

The most recent analysis from CEM, regarding management in 2002, shows that the management costs of the Petroleum Fund were lower than the average costs of the peer group, after taking into account differences in portfolio composition.

## 8. Reporting of accounts

At end-2003, there was a total of NOK 844 587 million in the Petroleum Fund's NOK account, when the accounting return and accrued management remuneration for 2003 had been taken into account. Table 16 shows the distribution of instruments in the Petroleum Fund's international portfolio. The market valuation of the securities is used in the accounts. Market values in foreign currency are converted to NOK at market rates quoted on WM Reuters London at 4 pm on 31 December 2003. The value recorded in the accounts deviates somewhat from the market value listed in Table 3 above. This is because remuneration for

management has not been deducted from this figure, and different assessment principles are used on some points (see the box on methodology for calculating returns).

Pursuant to the Regulation on the Management of the Government Petroleum Fund, Norges Bank's net book return on the Fund's international portfolio shall be transferred to the Fund's NOK account. The return in 2003 consists of the components listed in Table 17. The book return is based on the same accounting principles as Norges Bank's accounts, which means that the value of securities is set at current market value. Income and ex-

penses in foreign currency are converted to NOK according to the exchange rate on the transaction date and are recognised as they are earned or accrued, according to the accruals principle.

The book return in 2003 was positive at NOK 131 641.2 million. Most of the return was attributable to substantial capital gains, particularly on equity investments, but also due to profit on foreign exchange. The exchange gains are due to the depreciation of Norwegian krone in 2003 against the average of currencies in which the Fund is invested. Remuneration for management in 2003 was estimated at NOK 760.9 million.

**Table 16: The Petroleum Fund's portfolio at 31 December 2003. In thousands of NOK**

	31.12.02	31.03.03	30.06.03	30.09.03	31.12.03
Short-term assets, incl. deposits in foreign banks	9 601 368	20 692 635	4 032 013	8 373 828	20 159 575
Money market investments in foreign financial institutions against collateral in the form of securities	188 229 945	197 996 075	231 690 203	247 242 425	287 041 828
Borrowing from foreign financial institutions against collateral in the form of securities	-209 803 763	-250 821 420	-302 943 078	-261 330 966	-298 603 119
Foreign fixed income securities	395 800 784	457 498 503	533 085 800	484 665 659	482 341 421
Foreign equities	226 368 144	257 992 236	312 247 142	325 244 242	354 346 887
Adjustments on forward contracts	-1 162 105	-1 339 518	-2 541 871	-821 946	72 774
<b>Total portfolio before remuneration for management</b>	<b>609 034 373</b>	<b>682 018 511</b>	<b>775 570 209</b>	<b>803 373 243</b>	<b>845 359 367</b>
Accrued management remuneration	-559 835	* -184 505	* -342 232	* -528 286	* -772 595
<b>Total portfolio</b>	<b>608 474 539</b>	<b>681 834 006</b>	<b>775 227 977</b>	<b>802 844 957</b>	<b>** 844 586 771</b>

\*NOK 11 695 thousand is management remuneration for previous years.

\*\*Off the balance sheet, financial futures with a total market value of NOK 47 628.0 million had been purchased and financial futures with a market value of NOK 35 942.4 million had been sold at 31 December 2003. Options on futures with a total market value of NOK 4 331.3 million had been purchased and options on futures worth NOK 4 323.7 million had been sold. Interest rate swaps with a total market value of NOK 175 545.4 million had been purchased and interest rate swaps worth NOK 175 568.5 million had been sold. Equity swaps with a total market value of NOK 13.5 million were purchased and equity swaps worth NOK 13.3 million were sold. Foreign exchange with a total contract value of NOK 25 395.5 million had also been bought and sold forward.

**Table 17: Book return on the Petroleum Fund's international portfolio at 31 December 2003. In thousands of NOK**

Book return	31.12.02	31.03.03	30.06.03	30.09.03	31.12.03
Interest income	18 705 159	4 989 924	9 552 586	14 891 853	19 560 414
Dividends	4 428 514	1 576 118	4 308 049	5 917 817	6 996 199
Exchange rate adjustment	-104 109 677	43 969 450	63 075 338	55 310 312	45 985 725
Unrealised loss/gain on securities	-25 803 150	-17 228 000	27 211 534	30 903 736	55 786 976
Realised gain on securities	-19 934 100	-3 642 108	-3 806 719	-2 963 386	633 103
Brokers' commissions	-877	-6 926	-11 413	-18 009	-16 458
Result of forward exchange trading	4 681	-903	-766	-1 004	-976
Gain/loss on futures	-2 039 610	35 782	992 812	1 460 431	2 039 765
Gain on options	7 240	-5 141	39 566	136 155	135 947
Gain/loss on equity swaps	-	-	-	-	257
Gain/loss on interest rate swaps	-1 268 378	-44 921	-1 255 634	370 281	1 292 862
<b>Book return on investments</b>	<b>-130 010 197</b>	<b>29 643 276</b>	<b>100 105 353</b>	<b>106 008 187</b>	<b>132 413 815</b>
Accrued management remuneration	-559 835	-184 505	-342 232	-528 286	-772 595
<b>Net return</b>	<b>-130 570 032</b>	<b>29 458 771</b>	<b>99 763 121</b>	<b>105 479 901</b>	<b>131 641 219</b>

The report on the management of the Government Petroleum Fund was approved by the Norges Bank Executive Board on 4 February 2004

# Auditor's report

## Statement to the Ministry of Finance

Pursuant to the Act of 8 February 1918 relating to the National Audit Administration, the Auditor General's Office is responsible for auditing the Government Petroleum Fund. The Auditor General's Office bases its audit partly on the audit carried out by Central Bank Audit. The annual accounts of the Government Petroleum Fund are presented in Report no. 3 to the Storting, and the Auditor General's Office makes a final decision regarding the Government Petroleum Fund's accounts in its 1 July audit submission to the Ministry of Finance.

The Government Petroleum Fund's NOK account and Norges Bank's investments for the Fund are included in Norges Bank's annual accounts, which are audited by Central Bank Audit. Pursuant to the Management Agreement between the Ministry of Finance and Norges Bank, Central Bank Audit verifies the quarterly and annual reports on management which are submitted by Norges Bank according to guidelines laid down by the Ministry.

The following statement has been made by Central Bank Audit to the Ministry of Finance:

### **NORGES BANK'S MANAGEMENT OF THE GOVERNMENT PETROLEUM FUND – ANNUAL REPORT 2003**

We have audited Norges Bank's annual financial statements concerning the management of the Government Petroleum Fund as of 31 December 2003, which show a recorded value at year-end of NOK 844.6 billion. The Executive Board of Norges Bank is responsible for the financial statements. Pursuant to the Management Agreement between the Ministry of Finance and Norges Bank, our responsibility is to express an opinion as to whether the Fund's annual report has been submitted in accordance with the regulation and guidelines issued by the Ministry. Our audit covers the reporting of the accounts presented in Section 8 of the annual report. We have also audited the management information in the tables in Sections 1-7 concerning return, management, costs and risk exposure, and the figures relating to these matters in the annual report.

We have conducted our audit in accordance with instructions issued by Norges Bank's Supervisory Council and with good auditing practice in Norway. We submit our statement in accordance with auditing standard RS 800 of the Norwegian Institute of State Authorised Public Accountants – "Auditors' report on special purpose audit engagements". Good auditing practice requires that we plan and perform the audit so as to obtain reasonable assurance that the annual report is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, an assessment of the accounting and calculation principles applied and an evaluation of the overall annual report presentation. We have verified that the accounting information provided is consistent with Norges Bank's financial statements for 2003, which we have audited. Our report on Norges Bank's financial statements for 2003 was submitted on 4 February 2004. To the extent required by good auditing practice and our auditing instructions, our audit also includes a review of Norges Bank's asset management and of the accounting and internal control systems for the Fund. We believe that our audit provides a reasonable basis for our opinion.

In our opinion

- The accounting information in the annual report provides an accurate representation of the Government Petroleum Fund's assets and return as of 31 December 2003, in accordance with the annual financial statements of Norges Bank.
- Management information in the annual report provides an accurate representation of the management of the Government Petroleum Fund, in accordance with principles laid down by the Ministry.
- Norges Bank's management has fulfilled its duty of producing proper and clearly set out registration and documentation of accounting and management information in accordance with the Management Agreement.
- In 2003, the Fund was managed in compliance with the regulation and guidelines laid down by the Ministry.

Oslo, 4 February 2004

Svenn Erik Forsstrøm  
Statsautorisert revisor  
(State Authorised Public Accountant (Norway))

Mats Leonhard Pedersen  
Statsautorisert revisor  
(State Authorised Public Accountant (Norway))

Note: This translation from Norwegian has been prepared for information purposes only.

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Documentation section



## Management mandate

### Act relating to the Government Petroleum Fund

*Adopted on 22 June 1990. Amended by Act no. 2 of 16 January 2004*

§ 1. The Act shall regulate the deployment and investment of a fund intended to safeguard long-term interests through the use of petroleum revenues.

§ 2. The Fund's income consists of the cash flow from petroleum activities, which is transferred from the central government budget, the return on the Fund's capital and net financial transactions associated with petroleum activities.

The cash flow is the sum of

- total tax revenues and royalty deriving from petroleum activities collected pursuant to Act no. 35 of 13 June 1975 relating to Taxation of Offshore Petroleum Resources and Act no. 11 of 22 March 1985 relating to Petroleum Activities
- revenues deriving from tax on CO<sub>2</sub> emissions due to petroleum activities on the continental shelf
- revenues deriving from the State's direct financial interest in petroleum activities, defined as operating income and other income less operating expenses and other direct expenses
- central government revenues from net surplus agreements associated with certain production licenses
- dividends from Statoil ASA
- transfers from the Petroleum Insurance Fund
- central government revenues deriving from the removal or alternative use of installations on the continental shelf
- any government sale of stakes representing the State's direct financial interest in petroleum activities

less

- - central government direct investment in petroleum activities
- - central government expenses in connection with the Petroleum Insurance Fund
- central government expenses in connection with the removal or alternative use of installations on the continental shelf

- any government purchase of stakes as part of the State's direct financial interest in petroleum activities

Net financial transactions associated with petroleum activities are the sum of:

- gross revenues from government sale of shares in Statoil ASA
- less
- government capital contributions to Statoil ASA and the company/companies promoting the State's interests in petroleum activities

§ 3. The Fund's capital may only be used for transfers to the central government budget pursuant to a resolution by the Storting (Norwegian Parliament). The Fund's capital may not be used in any other way, nor may it be used to provide credit to the central government or to private sector entities.

§ 4. The Fund's capital shall be invested in the same manner as the central government's other assets.

§ 5. The Fund may not raise loans. The Fund itself has no rights or obligations vis-à-vis private sector entities or public authorities. The Fund cannot be subjected to legal proceedings and may not institute legal proceedings.

§ 6. The Ministry of Finance shall manage the Fund.

§ 7. The King may issue provisions to supplement this Act and concerning its implementation, including provisions relating to the establishment of the Fund, its management, etc.

§ 8. This Act comes into force on the date decided by the King.

### Regulation relating to the Management of the Government Petroleum Fund

*Laid down by the Ministry of Finance on 3 October 1997 and last amended on 18 December 2003*

#### § 1. Management of the Government Petroleum Fund

FundNorges Bank manages the Government Petroleum Fund on behalf of the Ministry of Finance. The Bank may use other managers. Such managers must have adequate internal ethical guidelines for their own activities.

Norges Bank shall submit reports on the management of the Government Petroleum Fund in accordance with the guidelines set out by the Ministry of Finance.

#### § 2. Placement of the Fund

The Government Petroleum Fund shall be placed in a separate account in the form of NOK deposits in Norges Bank. Norges Bank shall invest this capital separately in its own name in financial instruments and cash deposits denominated in foreign currency.

A specific amount of the investments in foreign currency, stipulated by the Ministry of Finance, shall be invested separately in equity instruments pursuant to detailed guidelines set out by the Ministry (the Environmental Portfolio). The other capital (the ordinary portfolio) shall be invested in accordance with Sections 5 to 8 of this Regulation.

Norges Bank shall seek to achieve the highest possible return on investments denominated in foreign currency within the limits set out in the regulation and the guidelines issued pursuant to this regulation.

#### § 3. Accounting return on the Government Petroleum Fund

The value of the Petroleum Fund's krone account is set at the combined value of the environmental portfolio and the ordinary portfolio. Norges Bank's book return on the environmental portfolio plus the ordinary portfolio, less remuneration to Norges Bank, shall be added to the Petroleum Fund's krone account on 31 December every year.

#### § 4. Benchmark and relative risk

Following consultation with Norges Bank, the Ministry of Finance shall establish benchmark portfolios for the environmental portfolio and the ordinary portfolio. The Ministry shall set maximum limits for the expected return differentials between investments in the environmental portfolio and the ordinary portfolio and their respective benchmark portfolios, measured in the form of tracking error.

#### § 5. Asset mix

The ordinary portfolio shall be invested in accordance with the following asset distribution:

Fixed income instruments	50 - 70%
Equity instruments	30 - 50%

When calculating the asset distribution in accordance with the first paragraph, investments in derivatives shall be calculated as if they were invested directly in the underlying instruments. In accordance with the first paragraph, the asset distribution must be calculated on the basis of the entire ordinary portfolio excluding derivatives.

#### § 6. Currency and market distribution

The ordinary equity portfolio shall be invested according to the following currency and market distribution:

Europe	40 - 60%
The Americas, Middle East/ Africa, Asia and Oceania	40 - 60%

The ordinary portfolio may be invested in equity instruments listed on stock exchanges in the following countries and regions:

Europe: Austria, Belgium, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, the Netherlands, Poland, Portugal, Spain, Sweden, Switzerland, Turkey and the UK

The Americas: Brazil, Canada, Mexico, the US and Chile

Asia and Oceania: Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Taiwan and Thailand

Middle East and Africa: Israel and South Africa

Total investments in equity instruments in Turkey, Brazil, Chile, China, the Czech Republic, Hungary, India, Indonesia, Israel, Malaysia, Mexico, the Philippines, Poland, South Africa, South Korea, Taiwan and Thailand shall not exceed 5 per cent of the combined investments in equity instruments, measured by currency or market share.

The ordinary fixed income portfolio shall be invested according to the following currency and market distribution:

Europe	45 - 65%
The Americas and the Middle East/Africa	25 - 45%
Asia and Oceania	0 - 20%

The ordinary portfolio may also be invested in fixed income instruments issued in the currency of one of the following countries or regions:

Europe: Austria, Belgium, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, the Netherlands, Poland, Portugal, Spain, Sweden, Switzerland, and the UK

The Americas: Canada, the US and Mexico

Africa: South Africa

Asia and Oceania: Australia, Hong Kong, Japan, New Zealand, Singapore and South Korea

#### § 7. Interest rate risk

Modified duration on the total portfolio of fixed income instruments and related derivatives shall be between 3 and 7.

#### § 8. Credit risk

Finansdepartementet fastlegger rammer for kreditttrisikoen i den ordinære porteføljen.

#### § 9.

The Ministry of Finance shall nominate a commission which, at the request of the Ministry of Finance, shall provide an evaluation of whether the Fund's potential investments in financial instruments issued by specified issuers may be in conflict with Norway's commitments under international law. When requested by the Ministry or the commission, Norges Bank shall secure factual information from the specified enterprises.

The Ministry of Finance may change the Fund's investment options by excluding financial instruments issued by specified issuers if investment in such instruments may be in conflict with Norway's commitments under international law.

The commission shall consist of three members and shall be highly qualified in international law.

The commission shall organise secretariat functions. The Ministry of Finance may issue detailed rules for the commission, its activities and its organisation.

#### § 10. Risk systems and risk management

Norges Bank shall ensure that satisfactory risk systems and control routines exist for the instruments to be used in the management of the Fund. Derivatives may be used provided that the financial exposure does not exceed the exposure that would have resulted from investing directly in the underlying instruments.

#### § 11. Equity ownership

Investments may not be made in such a way that the environmental portfolio and ordinary portfolio combined exceed 3 per cent of the equity capital in a single company or 3 per cent of the voting shares in a single company. Norges Bank shall not exercise ownership rights linked to shares unless this is necessary in order to protect the financial interests of the Fund.

## Guidelines for the Government Petroleum Fund's environmental portfolio

*Laid down by the Ministry of Finance on 21 August 2003 with effect from 19 September 2003 pursuant to section 2 of the Regulation of 3 October 1997 relating to the Management of the Government Petroleum Fund.*

1. The environmental portfolio is to be established on 31 January 2001, with capital of NOK 1 billion. Changes in the amount invested may be made pursuant to specific decisions. The portfolio forms part of the Government Petroleum Fund and is to be managed by Norges Bank.

2. The environmental portfolio is to be invested exclusively in equity instruments listed on stock exchanges in the following countries and regions:

Europe: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Portugal, Spain, Sweden, Switzerland and the UK

The Americas: Canada and the US

Asia and Oceania: Australia, Hong Kong, Japan, New Zealand and Singapore

3. The benchmark portfolio for the Environmental Portfolio consists of those companies in the FTSE indices for the countries listed above which fulfil specific requirements regarding environmental reporting or environmental management systems. Companies that are considered to have little negative impact on the environment are also included, even if they do not comply with the reporting and certification requirements. The British consulting company Ethical Investment Research Service (EIRIS) has been commissioned by the Ministry of Finance to identify these companies.

4. At the time of establishment, the regional distribution of the benchmark portfolio for the environmental portfolio is set at 50 per cent in Europe, 30 per cent in North America and 20 per cent in Asia/Oceania. The country weights with-

in each region are determined by the market value of the companies that fulfil the criteria. Within each country, the approved companies are weighted in proportion to their market value. The regional weights in the environmental portfolio will not be rebalanced, but will vary with developments in market value in the regions.

5. The environmental portfolio's investment universe and the benchmark portfolio are identical with two exceptions: First, companies that are removed from the benchmark portfolio may remain in the environmental portfolio for a further three months. Second, investments may be made in companies that EIRIS or FTSE has decided to include before the companies are actually added to the benchmark portfolio.

6. The upper limit for the expected tracking error for the environmental portfolio in relation to its benchmark portfolio is 1 percentage point.

7. Norges Bank is to report on the management of the environmental portfolio at the same time as it reports on the management of the Petroleum Fund in general. The Bank shall assist in gathering and processing data for use in evaluating the environmental portfolio after three years of operations.

8. The benchmark portfolio is to be constructed on the basis of the FTSE GEIS (Global Equity Index Series) with sub-indices for large and medium-sized companies, but excluding sub-indices for small companies, and a list from EIRIS of companies that fulfil the environmental criteria. On behalf of the Ministry of Finance, EIRIS is responsible for sending the list of companies that fulfil the environmental criteria to Norges Bank and the index providers simultaneously.

## Management Agreement between the Ministry of Finance and Norges Bank

*The Ministry of Finance and Norges Bank entered into the following Management Agreement on 12 February 2002*

### 1. The contents of the agreement, etc.

The State, represented by the Ministry of Finance, has delegated to Norges Bank the responsibility for the operational management of the Government Petroleum Fund. The management of the Fund is subject to Act no. 36 of 22 June 1990 on the Government Petroleum Fund with the appurtenant regulations, as well as other decisions and guidelines that have been or may be adopted by the Ministry of Finance. This agreement, together with the regulations and decisions mentioned, governs the relationship between the Ministry of Finance and Norges Bank in connection with the management of the Fund.

All notifications that affect this agreement shall be in writing and signed. Such notifications shall be communicated to Norges Bank Investment Management and to the Economic Policy Department of the Ministry of Finance.

### 2. Obligations of Norges Bank

#### 2.1 Norges Bank's responsibilities

Norges Bank shall manage the Fund in accordance with the law, the financial management regulation for the central government, regulations and other decisions and guidelines that apply to the Fund (cf Clauses 1 and 3.1). Matters of special importance shall be submitted to the Ministry of Finance.

Quarterly and annual reports on the management of the Fund, to be drawn up by Norges Bank in accordance with guidelines laid down by the Ministry (cf Section 1 of the regulation), shall be approved by Central Bank Audit. Norges Bank shall without undue delay notify the Ministry of significant changes or expected significant changes in the Fund's assets. Norges Bank shall provide the Ministry of Finance with information as requested by the Ministry, including information in machine-readable form to companies that assist the Ministry in evaluating Norges Bank's management of the Government Petroleum Fund.

Norges Bank is liable for paying damages to the State for losses arising as a result of negligence or intent on the part of the Bank, external managers or external service providers operating under an agreement with the Bank (cf Clause 2.2, first paragraph of the agreement).

### 2.2 Management of the Fund

Norges Bank may use external managers and external service providers in the management of the Fund. Norges Bank is party to agreements with such service providers, and shall supervise their activity on behalf of the Fund.

The Ministry of Finance shall be informed of the choice of external service providers of major importance to management and the basis for the selection. The Ministry shall receive copies of the annexes relating to remuneration in new management agreements entered into by Norges Bank with external managers in connection with the management of the Fund. Remuneration to external managers shall be such that the Petroleum Fund retains the major part of increases in the excess return. The Ministry of Finance may require Norges Bank to submit to the Ministry all contracts entered into in connection with the management of the Fund.

### 2.3 Amendments to regulations, guidelines etc

At the request of the Ministry of Finance, Norges Bank shall provide the Ministry with advice regarding amendments to the framework conditions for management, including regulations, decisions and guidelines laid down by the Ministry. Norges Bank may also submit its own proposals for such changes in the framework conditions as the Bank considers advisable.

### 2.4 Withdrawal of financial instruments

At the request of the Ministry of Finance or the commission, as specified in Section 9 of Regulation no. 1078 of 3 October 1997, Norges Bank shall secure information about specified issuers, and supply the commission with this information.

If the Ministry of Finance makes decisions to exclude particular financial instruments from the Government Petroleum Fund's investment universe, Norges Bank shall be given a period of at least four weeks in which to unwind any such positions the Fund might have.

Norges Bank shall notify the Ministry of Finance when a position has been unwound. The Ministry of Finance shall consider whether to announce the assessments of the commission and the Ministry of Finance on a case-to-case basis (cf. the Royal Decree of 30 November 2001). If management considerations indicate the necessity, the Ministry shall endeavour to postpone announcement until it has been notified that a position has been unwound.

### 2.5 Information

Norges Bank shall provide information concerning the Fund's management to the public, in accordance with the Public Information Act and the Public Administration Act and detailed guidelines issued by the Ministry of Finance.

## 3. The obligations of the Ministry of Finance

### 3.1 Regulations, guidelines, etc

Norges Bank shall have the opportunity to express its view before any changes are made to regulations, decisions or guidelines on management, and shall be notified in due time for changes to be made in the portfolio.

### 3.2 Remuneration

Remuneration shall be subject to Annex 1 to this agreement. Changes in the method for calculating remuneration for the following calendar year may be requested by either party before 1 December of each year.

Remuneration is drawn from the Fund's gross return before the net return is transferred to the Fund's krone account on 31 December of each year. Norges Bank shall submit its remuneration calculations to the Ministry of Finance as early as possible and no later than one week before finalising the accounts.

### 3.3 Crediting

If relevant, the Ministry of Finance transfers capital from the Treasury to the Fund's krone account in Norges Bank. The deadline for notifying Norges Bank and the final amount credited in NOK shall be in accordance with the prevailing "Guidelines for rebalancing the Petroleum Fund".

### 3.4 Amounts debited

The Ministry of Finance shall inform Norges Bank of any drawings on the Fund in due time for the Bank to make

any portfolio adjustments. The Ministry of Finance will inform Norges Bank of the account to which the transfer is to be credited.

### 3.5 Taxation

The Ministry of Finance shall contribute to providing the documentation necessary to clarify the tax position of capital from the Fund that has been invested abroad.

## 4. Amendments and entry into force, etc.

### 4.1 Amendments

The agreement shall be revised when changes to laws or regulations, decision or guidelines so require. This agreement and the annex thereto may not otherwise be amended without the written approval of both parties.

### 4.2 Entry into force and termination, etc

This agreement enters into force on 1 January 2002. If neither of the parties has given written notification by 31 December in a given year that the agreement is to be terminated as from 31 December of the following year, the agreement will continue to apply one year at a time until such notification is given.

The Ministry of Finance issues further specified rules and instructions in connection with the termination of the management assignment, including severance pay and other remuneration to Norges Bank in connection with the termination. Clause 3.1 applies accordingly.

## Annex 1:

### Remuneration for management of the Government Petroleum Fund in 2003

The remuneration shall cover the costs incurred by Norges Bank in connection with the management of the Fund. However, costs in excess of 10.0 basis points of the Fund's average market value shall not be covered. Calculation of the average amount shall be based on the market value of the Petroleum Fund's portfolio measured in NOK at the beginning of each month in 2003. In addition to recovering costs up to the upper limit, Norges Bank shall receive remuneration for the portion of the fee to external managers that is due to the excess returns achieved.



# Holdings of equities at 31 December 2003

Europe		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)	
<b>AUSTRIA</b>				Christian Dior SA	185 458	0.249	GFK AG	33 593	0.639
Erste Bank der Oesterreichischen Sparkassen AG		257 848	0.515	Cie de Saint-Gobain	393 555	0.347	Hannover Rueckversicherungs AG	84 064	0.291
EVN AG		7 150	0.055	Cie Generale D'Optique Essilor International SA	191 137	0.531	HeidelbergCement AG	31 469	0.110
IMMOFINANZ Immobilien Anlagen AG		430	0.004	Ciments Francais	12 124	0.068	Heidelberger Druckmaschinen	15 188	0.069
OMV AG		303 465	1.125	CNP Assurances	179 778	0.368	Henkel KGaA	110 294	0.148
RHI AG		4 067	0.153	Credit Agricole SA	1 628 535	0.694	Hornbach Holding AG	10 580	0.254
Telekom Austria AG		416 610	0.987	Dassault Systemes SA	70 179	0.203	Hypo Real Estate Holding	80 795	0.343
Verbund - Oesterreichische Elektrizitaetswirtschafts AG		5 492	0.023	Eiffage	33 955	0.290	Infinion Technologies AG	577 787	0.839
Wienerberger AG		34 234	0.294	Elior	61 258	0.751	KarstadtQuelle AG	5 897	0.029
				Eurazeo	25 846	0.133	Linde AG	77 749	0.179
				Fimalac	96 878	1.040	MAN AG	52 028	0.170
<b>BELGIUM / LUXEMBOURG</b>				France Telecom	1 517 620	0.327	Merck KGaA	218 123	0.402
AGFA-Gevaert NV		84 241	0.319	Gecina SA	288	0.001	Metro AG	203 326	0.208
Almanij NV		9 866	0.013	Groupe Danone	549 288	0.367	MG Technologies AG	131 801	0.721
Arcelor		113 261	0.173	Groupe Partouche	29 981	0.743	MLP AG	6 857	0.049
Bekaert SA		83	0.001	Guyenne et Gascogne SA	88 148	1.688	Mobilcom AG	26 437	0.349
Colruyt SA		54 198	0.218	Imerys SA	26 844	0.121	Muenchener Rueckversicherungs AG	965 917	0.510
Delhaize Group		74 130	0.234	IPSOs	16 580	0.378	Porsche AG	94 690	0.133
Dexia		1 533 076	1.059	JC Decaux SA	14 364	0.058	ProSieben SAT.1 Media AG	49 957	0.226
Electrabel		187 835	0.164	Kaufman & Broad SA	40 057	1.597	Puma AG Rudolf Dassler Sport	21 330	0.107
Fluxys		6 233	0.106	Kleppierre	76 251	0.420	RWE AG	269 413	0.184
Fortis		1 665 042	0.930	Lafarge SA	331 796	0.330	SAP AG	998 407	0.280
Groupe Bruxelles Lambert SA		224 118	0.426	Lagardere S.C.A.	112 310	0.208	Schering AG	212 425	0.314
Interbrew		64 339	0.083	L'Oreal SA	787 154	0.211	Siemens AG	2 118 063	0.443
KBC Bancassurance Holding		72 749	0.068	LVHM Moet Hennessy Louis Vuitton SA	387 689	0.162	Software AG	11 005	0.280
Mobistar SA		53 495	0.229	M6-Metropole Television	16 442	0.056	Suedzucker AG	53 308	0.241
Nationale A Portefeuille		169	0.001	Medidep SA	7 504	0.357	ThyssenKrupp AG	122 504	0.181
Recticel SA		10 573	0.613	Michelin (C.G.D.E.)	253 869	0.567	T-Online International	98 087	0.090
RTL Group SA		11 096	0.018	Natexis Banques Populaires	149	0.000	TUI AG	45 230	0.174
SES GLOBAL		100 001	0.252	Neopost SA	84 464	0.816	Viva Media AG	1 936	0.152
Solvay SA		59 562	0.120	Orpea	17 933	0.727	Volkswagen AG	255 072	0.199
UCB SA		121 715	0.323	Pernod-Ricard	147 832	0.284	Wella AG	67 567	0.153
Umicore		20 272	0.180	Peugeot SA	293 342	0.351			
VAN DE Velde		7 062	0.329	Pinault-Printemps-Redoute	171 958	0.218	<b>GREECE</b>		
				Publicis Groupe	37 439	0.089	Alpha Bank A.E.	64 687	0.160
<b>DENMARK</b>				Rallye SA	64 138	0.472	Aspis Pronia General Insurance SA	150	0.031
AP Moller - Maersk A/S		212 652	0.095	Renault SA	849 498	0.641	Coca Cola Hellenic Bottling Co SA	27 175	0.080
Bryggerigruppen		38 946	1.408	Rexel SA	13 544	0.069	Commercial Bank Of Greece	398	0.003
Carlsberg A/S		33 981	0.183	Sagem SA	27 169	0.101	Cosmote Mobile Communications SA	97 005	0.320
Coloplast A/S		20 968	0.151	Sanofi-Synthelabo SA	1 861 824	0.502	EFG Eurobank Ergasias SA	207 088	0.492
Danisco A/S		34 395	0.221	Schneider Electric SA	399 549	0.394	EYDAP Athens Water Supply & Sewage Co SA	1 860	0.031
Danske Bank A/S		265 950	0.234	Societe Assurances Generales de France	2 317	0.003	Hellenic Petroleum SA	10 749	0.060
DSV DE Sammenslut Vogn A/S		37 768	0.596	Societe BIC SA	29 811	0.176	Hellenic Technodomiki Tev SA	37 352	0.813
Group 4 Falck A/S		21 611	0.174	Societe des Bains de Mer et du Cercle des Etrangers a Monaco	530	0.019	Hellenic Telecommunications Organization SA	93 043	0.198
H Lundbeck A/S		103 436	0.397	Societe Fonciere Financiere et de Participations FFP	34 327	0.325	National Bank of Greece SA	106 361	0.230
ISS A/S		249 491	1.699	Societe Generale	551 394	0.211	OPAP SA	251 738	0.796
Jyske Bank		148 594	1.134	Societe Television Francaise 1	153 801	0.305	Piraeus Bank SA	33 690	0.203
NEG Micon A/S		2 662	0.093	Sodexo Alliance SA	59 119	0.182	Public Power Corp	199 960	0.522
Novo-Nordisk A/S		634 540	0.660	Suez SA	348 651	0.258	Technical Olympic SA	20 670	0.426
Novozymes A/S		38 636	0.210	Thales SA	147 644	0.377	Titan Cement Co SA	28 461	1.898
Ostasiatiske Kompagni		32 856	0.536	Thomson	134 627	0.337	Vodafone-Panafon SA	36 495	0.319
Sydbank A/S		58 243	0.856	Total SA	2 999 162	0.381			
TDC A/S		223 187	0.417	Unibail	30 522	0.104	<b>IRELAND</b>		
Topdanmark A/S		842	0.010	Valeo SA	47 072	0.213	Allied Irish Banks Plc	283 918	0.311
Vestas Wind Systems A/S		23 909	0.209	Veolia Environnement	146 403	0.199	Anglo Irish Bank Corp PLC	43 461	0.124
William Demant Holding		14 179	0.090	Vinci SA	191 616	0.412	Bank of Ireland	478 304	0.533
<b>FINLAND</b>				Vivendi Universal SA	1 427 351	0.820	CRH Plc	529 065	0.687
Alma Media Corp		36 065	0.974	Wanadoo	58 923	0.071	DCC Plc	45 812	0.614
Amer Group		16 545	0.229	Wendel Investissement	0	0.000	DePfa Holding PLC	434 803	1.290
Citycon Oyj		24 633	1.779				Elan Corp Plc	22 696	0.126
Elisa Oyj		151 539	1.212	<b>GERMANY</b>			Fyffes Plc	6 341	0.127
Fortum Oyj		103 362	0.173	Adidas-Salomon AG	145 737	0.395	Greencore Group PLC	0	0.000
Jaakko Poyry Group Oyj		53 672	2.082	Allianz AG	1 304 376	0.422	Iaws Group Plc	12 095	0.121
Kone OYJ		37 191	0.152	Altana AG	136 406	0.246	Independent News & Media PLC	66 817	0.552
Metso Oyj		18 981	0.171	AMB Generali Holding AG	41 533	0.154	Irish Life & Permanent Plc	54 938	0.190
Nokia OYJ		2 407 560	0.440	AWD Holding AG	44 283	0.487	Kerry Group Plc	36 512	0.154
Nokian Renkaat OYJ		38 378	0.704	AXA Konzern AG	1 179	0.016	Paddy Power Plc	22 900	0.799
OKO Bank		78 404	1.027	BASF AG	702 497	0.334	Ryanair Holdings plc	360 788	0.860
Outokumpu OYJ		109 735	0.673	Bayer AG	356 275	0.243	United Drug Plc	45 008	1.097
Sampo Oyj		220 252	0.555	Bayerische Hypo-und Vereinsbank AG	54 121	0.063			
Stora Enso Oyj		231 860	0.368	Bayerische Motoren Werke AG	530 380	0.257	<b>ITALY</b>		
Tietoerator Oyj		37 039	0.233	Beiersdorf AG	57 744	0.083	ACEA SpA	59 915	0.648
UPM-Kymmene Oyj		399 779	0.587	Celesio AG	61 062	0.218	AEM SpA	13 374	0.059
<b>FRANCE</b>				Commerzbank AG	68 908	0.086	Alleanza Assicurazioni SpA	355 682	0.570
Accor		478 705	0.790	Continental AG	244 273	0.703	Assicurazioni Generali SpA	604 736	0.265
Air France		4 275	0.019	DAB Bank AG	25 293	0.630	Autogrill SpA	28 384	0.117
Air Liquide		495 737	0.421	DaimlerChrysler AG	1 086 612	0.342	Autostrada Torino-Milano SpA	30 495	0.360
Alcatel SA		308 123	0.272	Degussa AG	9 118	0.019	Autostrade SpA	81 020	0.118
April Group		15 109	0.313	Deutsche Bank AG	503 606	0.155	Banca Antonveneta SpA	43 126	0.120
Atos Origin		18 503	0.086	Deutsche Boerse AG	416 747	1.010	Banca Carige SpA	232	0.001
Autoroutes du Sud de la France		67 292	0.131	Deutsche Lufthansa AG	55 505	0.130	Banca Fideuram SpA	39 560	0.101
Aventis SA		1 373 804	0.355	Deutsche Post AG	191 557	0.125	Banca Intesa SpA	299 669	0.175
AXA		1 011 954	0.388	Deutsche Telekom AG	1 652 064	0.309	Banca Lombarda SpA	9 556	0.036
BNP Paribas		2 326 181	0.613	Douglas Holding AG	37 960	0.525	Banca Monte dei Paschi di Siena SpA	30 598	0.048
Bouygues		595 465	0.760	E.ON AG	917 572	0.303	Banca Nazionale del Lavoro SpA	184 016	0.514
Cap Gemini SA		118 002	0.311	Fresenius AG	279 779	1.357	Banca Popolare di Lodi Scrl	16 448	0.079
Carrefour SA		796 052	0.302	Fresenius Medical Care AG	290 024	0.693	Banche Popolari Unite Scrl	56 309	0.144
Casino Guichard Perrachon SA		12 157	0.018	Fuchs Petrolub AG	10 664	0.346	Banco Popolare di Verona e Novara Scrl	200 685	0.479

## Holdings of equities at 31 December 2003

Europe	Market value (NOK 1000)		Ownership stake (per cent)		Market value (NOK 1000)		Ownership stake (per cent)	
	Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)
Benetton Group SpA	14 113	0.102	Acerinox SA	49 891	0.239	Nestle SA	2 072 267	0.304
Bulgari SpA	67 649	0.368	ACS Actividades Cons y Serv	317 403	0.816	Nobel Biocare Holding AG	109 625	0.645
Buzzi Unicem SpA	74 632	0.605	Altadis SA	707 891	1.292	Novartis AG	3 338 596	0.438
Capitalia SpA	84 912	0.196	Amadeus Global Travel Distribution	30 374	0.116	Pargesa Holding SA	426	0.001
Cassa di Risparmio di Firenze SpA	131 776	1.028	Antena 3 Television SA	36 079	0.226	Phoenix Mecano AG	17 214	0.731
Edison SpA	1 954	0.004	Banco Bilbao Vizcaya Argentaria SA	1 328 428	0.443	Roche Holding AG	2 242 134	0.367
Enel SpA	304 957	0.110	Banco de Sabadell SA	8 585	0.029	Schindler Holding AG	171 224	0.777
ENI-Ente Nazionale Idrocarburi SpA	1 879 436	0.364	Banco Espanol de Credito SA	88 975	0.159	Serono SA	247 587	0.324
Ergo Previdenza SpA	51 543	1.644	Banco Popular Espanol SA	290 650	0.321	SGS SA	60 131	0.183
Fiat SpA	65 927	0.140	Banco Santander Central Hispano SA	619 441	0.162	Swatch Group AG	371 834	0.792
FinereoGroup SpA	7 228	0.043	Bankinter SA	75 134	0.352	Swiss Life Holding	176 414	0.663
Finmeccanica SpA	79 491	0.178	Cementos Portland Valderrivas SA	26 622	0.242	Swiss Reinsurance	719 987	0.492
Fondriaria-Sai SpA	11 943	0.057	Cia de Distribucion Integral Logista SA	54 789	0.573	Swisscom AG	871 230	0.592
Gruppo Editoriale L'Espresso SpA	17 770	0.100	Cia Espanola de Petroleos	1 429	0.002	Syngenta AG	159 353	0.349
Ifil SpA - Finanziaria di Partecipazioni	30 934	0.129	Corp Financiera Alba	26 776	0.201	Synthes-Stratec Inc	344 480	0.477
Italcementi SpA	77 924	0.388	Corp Mapfre SA	88 715	0.506	Temenos Group AG	9 703	0.379
Italmobiliare SpA	32 653	0.314	Endesa SA	278 504	0.206	UBS AG	2 719 569	0.546
Luxtottica Group SpA	35 654	0.068	Fomento de Construcciones Y Contratas SA	227 037	0.697	Valora Holding AG	55 503	0.837
Mediaset SpA	141 019	0.146	Gas Natural SDG SA	73 144	0.102	Vontobel Holding AG	16 677	0.190
Mediobanca SpA	26 159	0.046	Grupo Ferrovial SA	70 233	0.211	Zurich Financial Services AG	479 788	0.348
Mediolanum SpA	33 914	0.087	Iberdrola SA	417 092	0.356			
Merloni Elettrodomestici SpA	19 797	0.142	Inditex SA	335 184	0.394			
Parmalat Finanziaria SpA	763	0.101	Inmobiliaria Colonial	16 629	0.183	<b>TURKEY</b>		
Pirelli & C SpA	40 321	0.163	NH Hoteles SA	22 168	0.240	Ak Enerji Elektrik Uretim	1 331	0.063
RCS MediaGroup SpA	25 826	0.144	Prosegur Cia de Seguridad SA	35 820	0.522	Akbank TAS	6 839	0.016
Riunione Adriatica di Sicurtà SpA	424 984	0.551	Red Electrica de Espana	40 832	0.278	Akcansa Cimento AS	2 242	0.066
Saipem SpA	43 089	0.178	Repsol YPF SA	543 446	0.339	Anadolu Efes Biracilik Ve Malt Sanayii AS	8 999	0.094
Sanpaolo IMI SpA	21 069	0.013	Sociedad General de Aguas de Barcelona SA	44 824	0.303	Arcelik	8 431	0.056
Seat Pagine Gialle SpA	53 916	0.102	Sogetable SA	161 685	0.544	Aygaz AS	1 090	0.027
Snam Rete Gas SpA	54 710	0.099	Telefonica SA	2 189 370	0.439	Dogan Sirketler Grubu Hldgs	5 736	0.072
Sol SpA	17 841	0.655	Terra Networks SA	17 316	0.069	Enka Insaat ve Sanayi AS	6 642	0.039
Telecom Italia Media SpA	11 614	0.109	Union Fenosa SA	81 615	0.216	Eregli Demir ve Celik Fabrikalari TAS	8 860	0.096
Telecom Italia SpA	1 018 077	0.348	Zardoya-Otis SA	25 950	0.095	Ford Otomotive Sanayii AS	5 474	0.041
TIM SpA	325 529	0.103				Hurriyet Gazeteci	4 498	0.076
UniCredito Italiano SpA	931 835	0.401	<b>SWEDEN</b>			KOC Holding AS	10 446	0.033
			Assa Abloy AB	151 521	0.509	Tofas Turk Otomobil Fabrik	4 211	0.023
<b>NETHERLANDS</b>			Atlas Copco AB	152 277	0.312	Trakya CAM Sanayii	2 446	0.067
ABN AMRO Holding NV	666 281	0.258	Autoliv Inc	14 242	0.060	Tupras Turkiye Petrol Rafine	5 571	0.038
Aegon NV	706 764	0.478	Biacore International AB	7 718	0.507	Turk Sise VE CAM Fabrikalari	2 507	0.059
Akzo Nobel NV	196 199	0.268	Electrolux AB	132 164	0.274	Turkcell Iletisim Hizmet AS	4 223	0.012
Arcadis NV	14 244	0.906	Eniro AB	41 508	0.386	Turkiye Garanti Bankasi AS	2 633	0.016
ASML Holding NV	277 802	0.418	ForeningsSparbanken AB	431 507	0.620	Vestel Elektronik Sanayii	4 690	0.101
Beter BED	4 456	0.727	Gambio AB	73 979	0.393	Yapi VE Kredi Bankasi	2 842	0.024
Boskalis Westminster	16 704	0.363	Hennes & Mauritz AB	200 219	0.152			
CSM	112 909	1.009	Holmen AB	52 430	0.269	<b>UK</b>		
DSM NV	60 981	0.193	Industrivarden AB	55 487	0.261	3i Group Plc	446 146	0.988
Eurocommercial Properties NV	56 450	1.105	Investor AB	91 218	0.182	Abbey National PLC	314 123	0.337
Euronext NV	42 930	0.209	JM AB	18 259	0.661	Abbot Group Plc	8 358	0.275
European Aeronautic Defense and Space Co	387 350	0.306	Nordea AB	61 605	0.042	AEA Technology Plc	15 560	0.896
Grolsch NV	22 768	0.700	OMHEX AB	24 217	0.249	Aegis Group Plc	35 701	0.269
Gucci Group NV	43 017	0.074	Proffice AB	903	0.072	Aggreko Plc	37 367	0.771
Heineken NV	458 638	0.452	Rottmeros AB	7 202	0.492	Alba Plc	22 848	0.609
ING Groep NV	1 369 331	0.412	Sandvik AB	144 185	0.243	Alexon Group Plc	17 447	0.810
James Hardie Industries NV	82 609	0.536	Scania AB	17 468	0.046	Alfred McAlpine Plc	60 795	1.709
KLM-Koninklijke Luchtvaart Mij NV	61 607	1.303	Securitas AB	299 473	0.905	Alliance & Leicester Plc	165 809	0.331
Koninklijke Ahold NV	316 802	0.406	Skandia Forsakrings AB	94 210	0.367	Alliance Trust PLC/The	12 536	0.078
Koninklijke Philips Electronics NV	1 386 542	0.543	Skandinavska Enskilda Banken AB	138 986	0.200	Alliance Unichem Plc	98 172	0.455
New Skies Satellites NV	31 373	0.543	Skanska AB	55 955	0.218	Allied Domecq Plc	160 228	0.278
Numico NV	313 079	1.003	SKF AB	66 640	0.225	Alvis Plc	18 436	0.809
Nutreco Holding NV	64 112	1.003	Ssab Svenskt Stal AB	27 988	0.230	Amdocs Ltd	30 754	0.095
OPG Groep NV	40 113	0.900	Svenska Cellulosa AB	126 852	0.194	Amersham PLC	203 219	0.316
Ordina NV	33 457	1.223	Svenska Handelsbanken	530 895	0.543	Amvescap Plc	113 279	0.290
PinkRoccade NV	20 823	1.068	Swedish Match AB	51 728	0.215	Anglo American Plc	838 832	0.390
Reed Elsevier NV	393 650	0.652	Tele2 AB	97 258	0.182	Antofagasta Plc	30 412	0.121
Rodamco Europe NV	2 958	0.008	Telefonaktiebolaget LM Ericsson	635 410	0.324	ARM Holdings Plc	20 394	0.130
Royal Dutch Petroleum Co	3 560 971	0.487	TeliaSonera AB	58 121	0.035	Associated British Foods Plc	153 153	0.275
Royal KPN NV	1 136 951	0.865	TV 4 AB	23 748	0.874	Associated British Ports Holdings Plc	55 153	0.313
STMMicroelectronics NV	998 272	0.605	Volvo AB	215 553	0.239	AstraZeneca Plc	2 153 988	0.388
TPG NV	244 508	0.327				Aviva Plc	938 308	0.704
Trader Classified Media NV	22 593	0.328	<b>SWITZERLAND</b>			AWG PLC	30 938	0.341
Unilever NV	611 533	0.247	ABB Ltd	726 112	0.890	Babcock International Group	20 723	0.980
Van der Moolen Holding NV	9 734	0.436	Adecco SA	212 715	0.264	BAE Systems Plc	189 786	0.310
VNU NV	673 477	1.293	Baloise Holding Ltd	13 839	0.088	Balfour Beatty Plc	23 420	0.212
Wegener NV	67 558	2.554	Bank Sarasin & Compagnie AG	21 647	0.351	Barclays PLC	1 581 805	0.402
Wolters Kluwer NV	104 974	0.348	Barry Callebaut AG	49 422	0.750	BBA Group Plc	58 496	0.432
			BKW FMB Energie AG	72 147	0.529	Bellway Plc	16 483	0.178
<b>PORTUGAL</b>			Ciba Specialty Chemicals AG	91 958	0.257	Bespak Plc	14 664	0.933
Banco BPI SA	6 891	0.037	Clariant AG	35 898	0.234	BG Group Plc	590 891	0.496
Banco Comercial Portugues SA	70 586	0.142	Compagnie Financiere Richemont AG	756 500	0.848	BHP Billiton PLC	456 920	0.313
Banco Espirito Santo SA	3 225	0.010	Converium Holding AG	66 159	0.462	BOC Group Plc	206 363	0.408
Brisa-Auto Estradas de Portugal SA	43 850	0.163	Credit Suisse Group	1 697 657	0.577	Boots Group PLC	551 705	0.836
Cimpor Cimentos de Portugal SA	14 429	0.062	Forbo Holding AG	19 016	0.766	Bovis Homes Group Plc	46 939	0.704
Electricidade de Portugal SA	222 050	0.418	Givaudan	247 674	0.880	BP PLC	6 199 567	0.522
Impresa SGPS	0	0.000	Helvetia Patria Holding	34 212	0.507	BPB Plc	149 086	0.735
Portugal Telecom SGPS SA	404 329	0.478	Holcim Ltd	317 444	0.508	BPP Holdings PLC	16 977	0.828
PT Multimedia Servicos de Tele-			Julius Baer Holding AG	75 962	0.304	Bradford & Bingley PLC	141 838	0.609
comunicacoes e Multimedia SGPS SA	9 007	0.043	Kuehne & Nagel International AG	92 696	0.461	Brambles Industries PLC	206 755	1.176
			Liechtenstein Landesbank	56 200	0.530	British Airways Plc	99 851	0.345
			Lindt & Spruengli AG	49 312	0.395	British American Tobacco Plc	463 911	0.239
<b>SPAIN</b>			Logitech International SA	9 026	0.066	British Energy Plc	490	0.149
Abertis Infraestructuras SA	90 309	0.169	Lonza Group AG	45 902	0.231	British Land Co Plc	42 273	0.122
Acciona SA	42 249	0.162				British Sky Broadcasting PLC	635 491	0.391



## Holdings of equities at 31 December 2003

Europe	Market value (NOK 1000)		Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)	
	Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)
British Vita Plc	26 737	0.475	ITNET Plc	14 339	0.543	Signet Group PLC	67 677	0.322		
BT Group PLC	916 747	0.474	J Sainsbury Plc	266 548	0.375	Singer & Friedlander Group	18 579	0.389		
Bunzl Plc	72 177	0.312	James Fisher & Sons Plc	924	0.059	Slough Estates Plc	16 722	0.077		
Business Post Group Plc	23 813	0.707	Jardine Lloyd Thompson Group PLC	23 918	0.190	Smith & Nephew PLC	152 375	0.294		
BAA Plc	293 599	0.473	JIB Sports Plc	12 621	0.190	Smith WH Plc	25 973	0.341		
Cable & Wireless PLC	137 477	0.363	John David Group PLC	3 069	0.328	Smiths Group PLC	135 468	0.309		
Cadbury Schweppes Plc	642 743	0.631	John Laing PLC	21 378	0.549	Somerfield Plc	65 985	0.805		
Caledonia Investments PLC	17 685	0.212	Johnson Matthey Plc	80 111	0.320	Speedy Hire PLC	8 694	0.446		
Canary Wharf Group Plc	38 617	0.205	Johnston Press PLC	29 105	0.186	Spirent Plc	16 729	0.251		
Capita Group Plc	60 908	0.318	Kelda Group Plc	80 085	0.366	St Ives Group PLC	85 308	1.767		
Capital & Regional PLC	33 770	1.115	Keller Group Plc	15 613	0.923	Standard Chartered Plc	632 358	0.488		
Capital Radio Plc	12 262	0.259	Kesa Electricals PLC	249 113	1.509	Stanley Leisure Plc	51 968	0.867		
Carillion Plc	21 509	0.548	Kidde Plc	28 739	0.273	SVB Holdings PLC	8 685	0.433		
Carlton Communications Plc	50 490	0.273	Kingfisher PLC	299 511	0.372	Tate & Lyle Plc	191 544	1.039		
Carnival PLC	293 216	0.516	Laird Group Plc	29 124	0.626	Taylor Woodrow Plc	32 961	0.179		
Carphone Warehouse Group PLC	12 308	0.077	Land Securities Group PLC	42 557	0.077	Tesco Plc	901 355	0.404		
Cattles Plc	100 359	0.765	Legal & General Group PLC	273 353	0.350	THUS Group PLC	28 165	0.585		
CD Bramall Plc	2 031	0.099	Liberty International Plc	41 929	0.163	Tibbett & Britten Group Plc	13 023	0.544		
Centrica Plc	332 258	0.308	Lloyds TSB Group Plc	901 157	0.296	Tomkins Plc	97 445	0.393		
Cesky Telekom AS	45 228	0.188	LogicaCMG PLC	144 049	0.631	Travis Perkins PLC	71 933	0.420		
Chelsfield Plc	14 062	0.136	London Merchant Securities	30 214	0.458	Trifast Plc	15 983	2.257		
Chrysalis Group	21 032	0.459	Lonmin Plc	237 142	1.305	Trinity Mirror Plc	53 191	0.267		
Close Brothers Group Plc	29 634	0.236	Lookers Plc	4 904	0.443	Ultra Electronics Holdings	47 217	1.140		
Compass Group PLC	338 100	0.343	Man Group Plc	256 512	0.479	Unilever Plc	883 590	0.490		
Corus Group Plc	28 276	0.162	Management Consulting Group PLC	785	0.152	Unite Group Plc	5 672	0.247		
Countrywide Assured Group Plc	20 151	0.360	Marconi Corp PLC	17 829	0.127	United Business Media PLC	112 455	0.570		
Courts Plc	14 741	0.651	Marks & Spencer Group PLC	251 590	0.344	United Utilities PLC	124 170	0.374		
Croda International	35 549	0.859	Marlborough Stirling plc	4 738	0.379	Vardy (Reg) Plc	20 183	0.609		
Daily Mail & General Trust	181 589	0.556	Matalan Plc	78 521	0.879	Victrex Plc	17 283	0.524		
Dairy Crest Group Plc	27 840	0.429	Meggitt PLC	20 924	0.256	Vodafone Group PLC	5 543 326	0.484		
Davis Service Group PLC	38 678	0.436	MERANT Plc	17 162	1.001	VT Group PLC	36 605	0.763		
Diageo PLC	1 033 259	0.376	MFI Furniture Plc	28 869	0.266	Wellington Underwriting Plc	12 220	0.265		
Diagonal Plc	2 412	0.552	Michael Page International Plc	120 123	1.466	Wembley Plc	12 916	0.526		
Dixons Group Plc	144 994	0.455	Misys Plc	66 221	0.457	Whatman Plc	5 728	0.235		
Domestic & General Group	14 082	0.630	Mitchells & Butlers PLC	43 431	0.311	Whitbread PLC	79 773	0.314		
ebookers plc	17 388	0.564	Mitie Group	12 557	0.277	Wincanton Plc	30 942	1.079		
Edinburgh Investment Trust PLC/The	104	0.001	mmO2 PLC	144 804	0.174	Witan Investment Trust PLC	22 473	0.179		
Eesti Telekom	50 394	0.663	Morrison WM Supermarkets	153 429	0.368	Wolseley Plc	334 172	0.612		
Eidos Plc	12 417	0.526	Mowlem PLC	43 780	1.317	Woolworths Group PLC	15 810	0.212		
Electrocomponents Plc	142 398	0.844	National Express Group Plc	14 553	0.149	WPP Group Plc	244 532	0.313		
Elementis Plc	5 806	0.350	National Grid Transco PLC	877 491	0.592	WSP Group PLC	23 846	1.677		
Emap Plc	242 649	0.925	Nestor Healthcare Group PLC	13 526	0.625	Wyevalde Garden Centres Plc	21 189	0.910		
EMI Group PLC	40 941	0.266	Next Plc	151 079	0.402	Xstrata PLC	343 763	0.718		
Enterprise Inns Plc	63 698	0.308	Northern Rock Plc	224 624	0.621	Yell Group PLC	1 540	0.006		
European Motor Holdings Plc	13 444	1.251	Northgate Plc	16 450	0.433	Yule Catto & Co Plc	15 200	0.334		
Exel plc	109 903	0.421	Novar Plc	88 589	1.208					
Expro International Group	38 506	1.825	Old Mutual PLC	113 220	0.260					
Fenner Plc	7 784	0.665	Paragon Group Cos	25 224	0.497					
Findel PLC	23 727	0.723	Pearson Plc	140 724	0.238					
First Choice Holidays Plc	29 574	0.346	Pendragon Plc	17 093	0.574					
Firstgroup Plc	70 458	0.521	Peninsular and Oriental Steam Navigation Co/The	63 620	0.303					
Foreign & Colonial Investment Trust PLC	25 539	0.120	Pennon Group Plc	20 931	0.207					
Forth Ports Plc	24 677	0.446	Persimmon Plc	57 181	0.315					
Friends Provident PLC	71 281	0.260	Photo-Me International PLC	24 760	0.495					
Galen Holdings Plc	11 863	0.074	Pilkington Plc	30 445	0.212					
Gallaher Group Plc	273 292	0.591	Pillar Property PLC	52 645	0.781					
Games Workshop Group Plc	15 029	0.586	Premier Farnell PLC	31 024	0.311					
Geest Plc	12 858	0.320	Premier Oil Plc	27 124	0.602					
Genemedix PLC	1 074	0.318	Provident Financial Plc	23 568	0.117					
GKN Plc	66 258	0.285	Prudential PLC	585 354	0.510					
GlaxoSmithKline plc	4 287 228	0.470	PSD Group Plc	17 656	2.002					
Go-Ahead Group Plc	24 617	0.390	RAC PLC	19 059	0.220					
Goldshield Group Plc	7 414	0.800	Rank Group Plc	62 548	0.316					
Grainger Trust Plc	33 042	0.699	Reckitt Benckiser PLC	516 203	0.484					
Granada Plc	127 284	0.314	Reed Elsevier PLC	186 722	0.268					
Greene King Plc	25 605	0.346	Reed Health Group PLC	4 003	0.584					
Greggs Plc	13 762	0.310	Renishaw Plc	19 483	0.409					
GUS PLC	331 139	0.352	Rentokil Initial Plc	129 078	0.308					
Halma Plc	91 909	1.421	Reuters Group Plc	134 301	0.329					
Hammerson Plc	81 511	0.381	Rexam Plc	86 621	0.311					
Hanson Plc	113 602	0.319	Rio Tinto Plc	676 746	0.344					
Hays Plc	136 447	0.538	RM PLC	11 835	0.820					
HBOS PLC	1 631 507	0.488	RMC Group Plc	69 721	0.318					
Headlam Group Plc	26 224	0.779	Robert Walters Plc	16 337	1.106					
Helphire Plc	8 432	0.349	Rolls-Royce Group PLC	162 649	0.467					
HHG PLC	4 713	0.040	Rotork Plc	15 189	0.405					
Hilton Group Plc	210 946	0.494	Royal & Sun Alliance Insurance Group	348 324	1.160					
HMV Group PLC	83 533	1.058	Royal Bank of Scotland Group Plc	2 250 471	0.390					
HSBC Holdings Plc	5 311 628	0.458	SABMiller PLC	279 485	0.405					
Huntleigh Technology Plc	13 291	0.414	Safeway Plc	106 675	0.302					
ICAP PLC	22 105	0.102	Sage Group Plc	82 998	0.309					
IMI Plc	106 711	0.755	Schroders PLC	143 869	0.659					
Imperial Chemical Industries plc	88 146	0.315	Scottish & Newcastle Plc	112 774	0.283					
Imperial Tobacco Group Plc	741 179	0.769	Scottish & Southern Energy Plc	259 271	0.376					
Inchcape Plc	20 158	0.164	Scottish Mortgage Investment Trust PLC	8 191	0.074					
Intercontinental Hotels Group Plc	173 193	0.366	Scottish Power Plc	291 126	0.350					
Intermediate Capital Group	17 590	0.203	Severn Trent PLC	118 008	0.382					
International Power Plc	46 304	0.276	Shell Transport & Trading Co PLC	2 757 003	0.575					
Intertek Group PLC	54 871	0.650	Shire Pharmaceuticals Plc	92 161	0.286					
Invensys Plc	40 399	0.504	SIG Plc	23 740	0.510					
Investec PLC	48 867	0.484								

# Holdings of equities at 31 December 2003

Americas		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)	
<b>BRAZIL</b>				Potash Corp of Saskatchewan	50 325	0.167	American Express Co	299 808	0.073
Aracruz Celulose SA	22 299	0.106	Power Corp Of Canada	50 118	0.102	American International Group Inc	1 773 183	0.153	
Banco Bradesco SA	36 895	0.070	Power Financial Corp	36 923	0.042	American Power Conversion	42 613	0.133	
Banco Itau Holding Financeira SA	42 311	0.060	Quebecor World Inc	15 919	0.088	American Standard Cos Inc	59 399	0.123	
Brasil Telecom Participacoes SA	17 868	0.105	Rogers Communications Inc	33 592	0.129	AmerisourceBergen Corp	56 341	0.140	
Brasil Telecom SA	9 549	0.049	Royal Bank of Canada	345 630	0.165	Ameritrade Holding Corp	20 122	0.050	
Caemi Mineracao e Metalurgica SA	8 809	0.076	Saputo Inc	10 816	0.063	Amgen Inc	801 124	0.150	
Centrais Eletricas Brasileiras SA	18 878	0.032	Shaw Communications Inc	38 047	0.154	AmSouth Bancorp	34 759	0.062	
Cia Brasileira de Distribuicao Grupo			Shell Canada Ltd	31 856	0.037	Amylin Pharmaceuticals Inc	22 524	0.162	
Pao de Acucar	11 349	0.067	Shoppers Drug Mart Corp	55 023	0.169	Anadarko Petroleum Corp	215 739	0.253	
Cia de Bebidas das Americas	265 489	0.430	Sun Life Financial Inc	105 240	0.103	Analog Devices Inc	261 595	0.231	
Cia Energetica de Minas Gerais	15 628	0.089	Suncor Energy Inc	126 863	0.167	Anheuser-Busch Cos Inc	632 553	0.223	
Cia Energetica de Sao Paulo	256	0.009	Talisman Energy Inc	83 955	0.172	Anteon International Corp	25 230	0.293	
Cia Paranaense de Energia	5 511	0.078	Teck Cominco Ltd	33 994	0.159	Anthem Inc	200 415	0.286	
Cia Siderurgica Belgo Mineira	1 001	0.009	TELUS Corp	55 749	0.118	AON Corp	25 514	0.051	
Cia Siderurgica de Tubarao	4 414	0.039	Terasen Inc	17 204	0.123	Apache Corp	133 756	0.154	
Cia Siderurgica Nacional SA	32 764	0.125	Thomson Corp/The	65 945	0.041	Apartment Investment & Management Co	11 042	0.051	
Cia Vale do Rio Doce	165 317	0.112	Toronto-Dominion Bank	147 361	0.100	Apollo Group Inc	81 929	0.101	
Eletropaulo Metropolitana de Sao Paulo SA	2 003	0.038	TransAlta Corp	24 441	0.134	Apple Computer Inc	46 368	0.089	
Embratel Participacoes SA	6 488	0.075	TransCanada Corp	96 867	0.138	Applera Corp - Applied Biosystems Group	38 539	0.135	
Empresa Brasileira de Aeronautica SA	51 051	0.133				Applied Materials Inc	372 681	0.152	
Fertilizantes Fosfatados SA	3 292	0.059	<b>MEXICO</b>			aQuantive Inc	21 044	0.505	
Gerdau Metalurgica SA	7 541	0.124	Alfa SA de CV	15 882	0.135	Archer-Daniels-Midland Co	57 619	0.088	
Gerdau SA	16 357	0.085	America Movil SA de CV	259 680	0.213	Archstone-Smith Trust	20 126	0.057	
Investimentos Itau SA	22 237	0.086	America Telecom SA de CV	23 416	0.073	Arris Group Inc	22 445	0.597	
Petroleo Brasileiro SA	241 667	0.114	Apasco SA de CV	22 226	0.171	Arrow Electronics Inc	22 434	0.145	
Souza Cruz SA	8 737	0.040	Carso Global Telecom SA de CV	47 021	0.139	Arthur J Gallagher & Co	252 965	1.321	
Tele Centro Oeste Celular Participacoes SA	5 831	0.075	Cemex SA de CV	102 450	0.183	Ashland Inc	20 243	0.101	
Tele Norte Leste Participacoes SA	40 572	0.110	Coca-Cola Femsa SA	4 746	0.018	Associated Banc-Corp	11 070	0.053	
Tele Sudeste Celular Participacoes SA	3 968	0.066	Consortio ARA SA de CV	1 653	0.030	Astoria Financial Corp	16 019	0.082	
Telecomunicacoes de Sao Paulo SA	2 087	0.004	Corp Interamericana de Entretenimiento SA	6 953	0.178	AT&T Corp	115 789	0.106	
Telemar Norte Leste SA	5 258	0.018	Desc SA	2 166	0.074	AT&T Wireless Services Inc	176 304	0.121	
Telemig Celular Participacoes SA	2 214	0.048	Fomento Economico Mexicano SA de CV	42 345	0.168	Atari Inc	12 574	0.370	
Telesp Celular Participacoes SA	25 772	0.129	Gruma SA de CV	906	0.022	Automatic Data Processing Inc	240 827	0.152	
Ultrapar Participacoes SA	1 624	0.030	Grupo Bimbo SA de CV	7 007	0.047	Automation Inc	30 377	0.092	
Usinas Siderurgicas de Minas Gerais SA	13 689	0.094	Grupo Carso SA de CV	27 442	0.139	Autozone Inc	140 887	0.288	
Votorantim Celulose e Papel SA	11 980	0.073	Grupo Continental SA	2 346	0.028	AvalonBay Communities Inc	11 266	0.051	
			Grupo Elektra SA de CV	14 117	0.168	Avaya Inc	11 587	0.032	
<b>CANADA</b>			Grupo Financiero Banorte SA de CV	11 537	0.099	Avery Dennison Corp	64 594	0.157	
Abitibi-Consolidated Inc	40 004	0.170	Grupo Financiero BBVA Bancomer	36 214	0.068	Avnet Inc	20 024	0.118	
Agrium Inc	23 961	0.171	Grupo Industrial Saltillo SA de CV	758	0.025	Avocent Corp	46 527	0.395	
Alcan Inc	203 360	0.183	Grupo Mexico SA de CV	24 455	0.164	Avon Products Inc	440 828	0.420	
Aliant Inc	8 296	0.037	Grupo Modelo SA	14 830	0.029	Baker Hughes Inc	110 799	0.156	
Alliance Atlantis Communications Inc	5 320	0.120	Grupo Televisa SA	40 040	0.136	Ball Corp	26 360	0.120	
ATI Technologies Inc	27 059	0.113	Industrias Penoles SA de CV	7 774	0.063	Banco Latinoamericano de Exportaciones SA	17 447	0.362	
Bank of Montreal	141 459	0.102	Kimberly-Clark de Mexico SA de CV	10 628	0.052	Bank of America Corp	1 021 646	0.131	
Bank of Nova Scotia	175 435	0.102	Telefonos de Mexico SA de CV	207 109	0.165	Bank of Bermuda Ltd	50 299	0.580	
Barrick Gold Corp	141 098	0.173	TV Azteca SA de CV	6 019	0.053	Bank of New York Co Inc/The	437 025	0.259	
BCE Inc	71 413	0.052	Wal-Mart de Mexico SA de CV	50 061	0.060	Bank One Corp	792 837	0.236	
Biovail Corp	68 103	0.293				Banknorth Group Inc	18 223	0.053	
Bombardier Inc	57 943	0.116	<b>US</b>			Barr Laboratories Inc	33 893	0.098	
Brascan Corp	35 767	0.100	3Com Corp	16 720	0.083	Bausch & Lomb Inc	23 952	0.133	
Brookfield Properties Co	31 537	0.103	3M Co	668 885	0.154	Baxter International Inc	277 033	0.226	
Cameco Corp	7 882	0.036	Abbott Laboratories	846 387	0.174	BB&T Corp	74 176	0.053	
Canadian Imperial Bank of Commerce	122 866	0.101	Abercrombie & Fitch Co	59 503	0.384	BEA Systems Inc	47 044	0.141	
Canadian National Railway Co	173 485	0.215	Abgenix Inc	15 035	0.205	Bear Stearns Cos Inc/The	26 883	0.035	
Canadian Natural Resources Ltd	76 333	0.165	Accenture Ltd	217 093	0.124	Beckman Coulter Inc	67 027	0.323	
Canadian Pacific Railway Ltd	50 537	0.169	ACE Ltd	298 746	0.391	Becton Dickinson & Co	149 167	0.216	
Canadian Tire Corp	25 435	0.154	Adobe Systems Inc	110 461	0.181	Bed Bath & Beyond Inc	121 046	0.145	
Canadian Utilities Ltd	12 053	0.063	Adtran Inc	17 448	0.106	BellSouth Corp	443 294	0.128	
Celestica Inc	25 736	0.112	Advance Auto Parts	66 717	0.334	Bemis Co	25 722	0.147	
CGI Group Inc	15 806	0.095	Advanced Micro Devices Inc	30 309	0.088	Berkshire Hathaway Inc	357 598	0.042	
Cognos Inc	105 490	0.548	AdvancePCS	17 517	0.054	Best Buy Co Inc	138 392	0.126	
Dofasco Inc	23 921	0.167	Advo Inc	22 619	0.351	Biogen Idec Inc	126 889	0.158	
Domtar Inc	24 736	0.127	AES Corp/The	50 676	0.129	Biomet Inc	85 060	0.138	
Enbridge Inc	52 755	0.111	Aetna Inc	139 695	0.203	BISYS Group Inc/The	17 123	0.145	
EnCana Corp	222 610	0.182	Affiliated Computer Services Inc	149 151	0.310	BJ Services Co	60 000	0.158	
Fairmont Hotels & Resorts Inc	24 677	0.173	Aflac Inc	90 213	0.073	Black & Decker Corp	30 963	0.124	
Falconbridge Ltd	24 691	0.085	AG Edwards Inc	9 035	0.047	Black Hills Corp	10 558	0.165	
Finning International Inc	16 000	0.132	Agere Systems Inc	44 044	0.129	BMC Software Inc	24 674	0.088	
George Weston Ltd	39 037	0.055	Agilent Technologies Inc	82 607	0.091	Boeing Co/The	311 730	0.139	
Goldcorp Inc	24 728	0.128	Air Products & Chemicals Inc	127 303	0.160	BorgWarner Inc	27 449	0.176	
Great-West Lifeco Inc	21 809	0.021	Alberto-Culver Co	16 378	0.066	Boston Properties Inc	12 053	0.038	
Husky Energy Inc	23 594	0.046	Albertson's Inc	67 453	0.121	Boston Scientific Corp	205 903	0.104	
Imperial Oil Ltd	74 670	0.068	Alcoa Inc	521 473	0.241	Bowater Inc	49 838	0.281	
Inco Ltd	85 129	0.171	Alea Group Holdings Bermuda Ltd	30 548	0.571	Brinker International Inc	81 423	0.383	
Investors Group Inc	16 824	0.040	Allegheny Energy Inc	3 846	0.036	Bristol-Myers Squibb Co	497 749	0.131	
Kinross Gold Corp	8 660	0.048	Allergan Inc	92 382	0.134	Broadcom Corp	47 016	0.078	
Loblaws Cos Ltd	64 972	0.068	Alliant Techsystems Inc	17 752	0.122	Brocade Communications Systems Inc	13 285	0.129	
Magna International Inc	72 242	0.139	Allied Capital Corp	11 111	0.047	Brown & Brown Inc	126 582	0.844	
Manulife Financial Corp	106 891	0.107	Allstate Corp/The	444 693	0.219	Brown-Forman Corp	18 350	0.048	
MDS Inc	21 914	0.151	Alltel Corp	241 478	0.247	Bunge Ltd	56 902	0.260	
MI Developments Inc	8 451	0.095	Altera Corp	200 136	0.351	Burlington Northern Santa Fe Corp	123 028	0.156	
Molson Inc	27 072	0.113	Altria Group Inc	1 582 905	0.214	Burlington Resources Inc	113 902	0.156	
National Bank Of Canada	168 076	0.428	Amazon.Com Inc	133 203	0.096	Cablevision Systems Corp	46 037	0.101	
Nexen Inc	49 368	0.164	AMB Property Corp	8 162	0.045	Cabot Corp	19 997	0.154	
Noranda Inc	38 848	0.126	AMBAC Financial Group Inc	674 824	1.373	Cadence Design Systems Inc	37 830	0.118	
Nortel Networks Corp	186 805	0.151	Amerad Hess Corp	35 036	0.109	Calpine Corp	10 768	0.079	
Nova Chemicals Corp	26 959	0.172	Ameren Corp	51 902	0.105	Campbell Soup Co	47 465	0.065	
Petro-Canada	148 471	0.168	American Electric Power Co Inc	89 111	0.110	Capital One Financial Corp	418 895	0.453	
Placer Dome Inc	83 611	0.169	American Equity Investment Life Holding Co	6 633	0.293	Cardinal Health Inc	316 003	0.184	

## Holdings of equities at 31 December 2003

Americas	Market value (NOK 1000)			Market value (NOK 1000)			Market value (NOK 1000)	
	Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)
Career Education Corp	48 883	0.176	Dow Chemical Co/The	393 095	0.156	Goldman Sachs Group Inc	475 601	0.150
Caremark Rx Inc	42 892	0.099	Dow Jones & Co Inc	17 598	0.066	Goodrich Corp	64 299	0.282
Carnival Corp	239 070	0.143	DR Horton Inc	68 896	0.161	Greenpoint Financial Corp	16 611	0.053
Caterpillar Inc	418 450	0.219	DST Systems Inc	29 429	0.091	Guidant Corp	381 340	0.306
CDW Corp	31 849	0.098	DTE Energy Co	52 998	0.120	Gymboree Corp	39 769	1.171
Cendant Corp	349 703	0.236	Duke Energy Corp	180 366	0.147	H&R Block Inc	13 383	0.020
Centerpoint Energy Inc	16 971	0.086	Duke Realty Corp	15 303	0.055	Halliburton Co	118 668	0.156
Centex Corp	73 780	0.171	Dynege Inc	1 304	0.011	Harley-Davidson Inc	189 095	0.199
CenturyTel Inc	92 476	0.294	Eastman Chemical Co	75 618	0.371	Harrah's Entertainment Inc	57 004	0.158
Cephalon Inc	58 898	0.325	Eastman Kodak Co	58 581	0.121	Harris Corp	13 966	0.082
Ceridian Corp	31 257	0.149	Eaton Corp	130 260	0.242	Hartford Financial Services Group Inc	93 249	0.084
Cerner Corp	11 936	0.132	eBay Inc	343 925	0.127	Hasbro Inc	83 132	0.341
Certery Inc	21 570	0.152	EchoStar Communications Corp	87 276	0.079	HCA Inc	219 149	0.154
CH Robinson Worldwide Inc	31 457	0.148	Ecolab Inc	74 678	0.161	Health Care Property Investors Inc	10 148	0.047
Charles Schwab Corp/The	91 085	0.086	Edison International	85 664	0.180	Health Management Associates Inc	51 760	0.133
Charter One Financial Inc	26 823	0.053	Edwards Lifesciences Corp	31 798	0.269	Health Net Inc	33 038	0.131
Check Point Software Technologies	17 497	0.063	El Du Pont de Nemours & Co	484 384	0.161	Henry Schein Inc	25 517	0.132
ChevronTexaco Corp	879 432	0.144	El Paso Corp	43 468	0.128	Hershey Foods Corp	24 993	0.038
Chiron Corp	70 503	0.100	Electronic Arts Inc	149 410	0.158	Hewitt Associates Inc	42 807	0.216
ChoicePoint Inc	32 895	0.148	Electronic Data Systems Corp	70 534	0.090	Hewlett-Packard Co	976 711	0.187
Chubb Corp	69 835	0.082	Eli Lilly & Co	1 091 587	0.213	Hibernia Corp	270 180	1.131
Ciena Corp	17 975	0.085	Embarcadero Technologies Inc	170	0.006	Hillenbrand Industries Inc	34 010	0.134
Cigna Corp	57 756	0.108	EMC Corp/Massachusetts	342 458	0.145	Hilton Hotels Corp	66 720	0.155
Cincinnati Financial Corp	23 212	0.052	Emerson Electric Co	262 352	0.145	HJ Heinz Co	62 921	0.075
Cinergy Corp	103 269	0.225	Emulex Corp	17 856	0.120	Home Depot Inc	958 334	0.181
Cintas Corp	52 229	0.092	Enervizer Holdings Inc	25 136	0.124	Honeywell International Inc	342 662	0.179
Cisco Systems Inc	1 721 159	0.136	Energy East Corp	36 856	0.167	Hongkong Land Holdings Ltd	5 677	0.020
CIT Group Inc	91 386	0.180	Engelhard Corp	37 864	0.154	Hormel Foods Corp	15 102	0.064
Citigroup Inc	4 061 674	0.236	ENSCO International Inc	41 587	0.154	Host Marriott Corp	38 879	0.149
Citizens Communications Co	62 141	0.264	Entercom Communications Corp	15 221	0.084	Hudson City Bancorp Inc	6 326	0.013
City National Corp/CA	9 874	0.049	Entergy Corp	105 333	0.121	Hughes Electronics Corp	84 823	0.058
Clear Channel Communications Inc	274 562	0.144	Enterprise Products Partners LP	6 212	0.016	Huntington Bancshares Inc	17 694	0.052
Clorox Co	46 019	0.069	EOG Resources Inc	57 802	0.165	Ilex Oncology Inc	13 357	0.233
CMS Energy Corp	1 997	0.022	Equifax Inc	35 450	0.160	Illinois Tool Works Inc	263 181	0.155
Coach Inc	56 946	0.125	Equitable Resources Inc	27 576	0.155	IMS Health Inc	54 862	0.138
Coca-Cola Co/The	1 374 856	0.167	Equity Office Properties Trust	44 103	0.058	Infospac Inc	23 186	0.464
Coca-Cola Enterprises Inc	44 468	0.068	Equity Residential	30 018	0.055	Ingersoll-Rand Co	91 235	0.118
Cognizant Technology Solutions Corp	51 405	0.257	Erie Indemnity Co	8 506	0.043	Integrated Circuit Systems Inc	17 475	0.131
Colgate-Palmolive Co	437 418	0.247	Estee Lauder Cos Inc/The	54 365	0.093	Intel Corp	1 816 548	0.130
Comcast Corp	908 508	0.188	Everest Re Group Ltd	286 760	0.927	InterActiveCorp	194 215	0.123
Comerica Inc	261 071	0.403	EW Scripps Co	154 051	0.302	International Business Machines Corp	1 431 432	0.137
Commerce Bancorp Inc/NJ	13 636	0.050	Exelixis Inc	18 546	0.560	International Flavors & Fragrances Inc	18 400	0.086
Commerce Bancshares Inc	11 822	0.054	Exelon Corp	272 139	0.190	International Game Technology	128 412	0.158
Community Health Systems Inc	17 134	0.097	Expeditors International Washington Inc	40 328	0.155	International Paper Co	218 039	0.160
Compass Bancshares Inc	17 106	0.054	Express Scripts Inc	46 579	0.136	Interpublic Group of Cos Inc	88 434	0.206
Compucom Systems Inc	554	0.032	Extreme Networks	32 301	0.568	Intersil Corp	88 282	0.387
Computer Associates International Inc	71 067	0.068	Exxon Mobil Corp	2 406 789	0.135	Intuit Inc	125 466	0.182
Computer Sciences Corp	155 943	0.283	Fair Isaac Corp	23 394	0.155	Iron Mountain Inc	33 708	0.151
Compuware Corp	12 400	0.080	Fairchild Semiconductor International Inc	34 578	0.178	iStar Financial Inc	10 170	0.037
Converse Technology Inc	19 510	0.087	Family Dollar Stores Inc	152 018	0.387	ITT Industries Inc	145 216	0.317
ConAgra Foods Inc	66 707	0.072	Fannie Mae	974 088	0.203	IVAX Corp	40 548	0.131
Concord EFS Inc	71 331	0.156	Fastenal Co	28 983	0.115	Jabil Circuit Inc	45 037	0.118
Connetics Corp	13 581	0.351	Federated Department Stores	127 055	0.229	Jacobs Engineering Group Inc	26 955	0.153
ConocoPhillips	482 421	0.163	Federated Investors Inc	89 099	0.428	Janus Capital Group Inc	13 040	0.049
Conseco Inc	7	0.000	FedEx Corp	288 461	0.214	Jardine Strategic Holdings Ltd	21 385	0.072
Consolidated Edison Inc	131 632	0.204	Fidelity National Financial Inc	18 981	0.050	JC Penney Co Inc Holding Co	55 765	0.120
Constellation Energy Group Inc	101 093	0.231	Fifth Third Bancorp	414 767	0.187	JDS Uniphase Corp	29 686	0.082
Convergys Corp	31 050	0.185	First Data Corp	517 229	0.262	Jefferson-Pilot Corp	27 848	0.059
Cooper Cameron Corp	146 584	0.876	First Health Group Corp	16 220	0.133	John Hancock Financial Services Inc	43 307	0.059
Cooper Industries Ltd	166 298	0.465	First Tennessee National Corp	91 611	0.253	Johnson & Johnson	1 551 239	0.152
Corning Inc	169 387	0.186	FirstEnergy Corp	84 860	0.109	Johnson Controls Inc	174 707	0.252
Costco Wholesale Corp	223 835	0.202	FirstMerit Corp	126 554	0.819	Jones Apparel Group Inc	62 803	0.217
Countrywide Financial Corp	403 422	0.441	Fiserv Inc	77 289	0.153	JP Morgan Chase & Co	277 077	0.056
COX Communications Inc	109 825	0.077	FleetBoston Financial Corp	661 754	0.220	Juniper Networks Inc	137 570	0.189
Cox Radio Inc	9 232	0.055	Fluor Corp	33 251	0.156	KB Home	35 060	0.161
CR Bard Inc	37 294	0.133	Ford Motor Co	262 489	0.134	Kellogg Co	55 587	0.054
CSX Corp	78 052	0.153	Forest Laboratories Inc	335 165	0.222	Kerr-McGee Corp	46 653	0.147
CV Therapeutics Inc	14 368	0.501	Fortune Brands Inc	83 066	0.121	Keycorp	291 045	0.360
CVS Corp	217 091	0.231	Foundry Networks Inc	18 238	0.079	KeySpan Corp	50 257	0.129
D&B Corp	29 672	0.123	Fox Entertainment Group Inc	117 752	0.067	Kimberly-Clark Corp	180 820	0.092
Dana Corp	272	0.002	FPL Group Inc	147 876	0.186	Kimco Realty Corp	18 337	0.056
Danaher Corp	84 167	0.091	Franklin Resources Inc	278 640	0.323	Kinder Morgan Inc	29 230	0.061
Darden Restaurants Inc	70 503	0.308	Freddie Mac	890 388	0.333	King Pharmaceuticals Inc	60 495	0.243
Dean Foods Co	196 334	0.571	Freeport-McMoRan Copper & Gold Inc	74 531	0.156	Kla-Tencor Corp	94 635	0.129
Deere & Co	140 034	0.134	Gannett Co Inc	318 197	0.199	Kmart Corp/Old	0	0.000
Del Monte Foods Co	12 245	0.085	Gap Inc/The	241 193	0.206	Knight-Ridder Inc	58 158	0.143
Dell Inc	925 026	0.158	Gemstar-TV Guide International Inc	12 138	0.086	Kohl's Corp	233 766	0.236
Delphi Corp	47 034	0.124	Genentech Inc	191 730	0.059	Komercni Banka AS	69 159	0.303
Deluxe Corp	21 386	0.156	General Dynamics Corp	160 736	0.136	Kraft Foods Inc	54 134	0.015
Dendrite International Inc	4 420	0.106	General Electric Co	3 694 870	0.178	Kroger Co	111 713	0.122
Dentsply International Inc	30 974	0.132	General Growth Properties Inc	13 058	0.033	L-3 Communications Holdings Inc	39 565	0.120
Devon Energy Corp	226 363	0.255	General Mills Inc	121 345	0.109	Laboratory Corp Of America Holdings	53 290	0.150
Diamond Offshore Drilling	11 715	0.066	General Motors Corp	431 399	0.216	Lafarge North America Inc	14 415	0.072
Diebold Inc	21 635	0.082	Genx Corp	26 304	0.119	Lamar Advertising Co	51 473	0.200
Dillard's Inc/AR	50 372	0.555	Genuine Parts Co	45 925	0.120	Leapfrog Enterprises Inc	65 516	0.616
DNP Select Income Fund Inc	7 058	0.045	Genzyme Corp	275 377	0.376	Lear Corp	65 546	0.237
Dollar General Corp	43 157	0.093	Georgia-Pacific Corp	81 079	0.157	Legg Mason Inc	71 081	0.200
Dollar Tree Stores Inc	93 166	0.410	Gilead Sciences Inc	182 046	0.233	Leggett & Platt Inc	33 533	0.122
Dominion Resources Inc/VA	254 001	0.184	Gillette Co/The	401 721	0.165	Lehman Brothers Holdings Inc	129 195	0.094
Doral Financial Corp	11 902	0.053	GlobalSantafe Corp	58 938	0.153	Lennar Corp	63 620	0.131
Dover Corp	65 360	0.123	Golden West Financial Corp	361 137	0.354	Level 3 Communications Inc	13 401	0.052

# Holdings of equities at 31 December 2003

Americas	Market value (NOK 1000)		Ownership stake (per cent)		Market value (NOK 1000)		Ownership stake (per cent)	
	Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)
Lexmark International Inc	59 314	0.089	Northeast Utilities	13 271	0.078	Safeco Corp	33 100	0.093
Liberty Media Corp	420 398	0.180	Northern Trust Corp	36 563	0.054	Safeway Inc	77 595	0.122
Liberty Property Trust	9 964	0.047	Northrop Grumman Corp	158 561	0.137	Sandisk Corp	27 822	0.085
Lincare Holdings Inc	26 311	0.133	Novellus Systems Inc	116 827	0.276	Sanmina-SCI Corp	89 250	0.206
Lincoln National Corp	27 546	0.058	NSTAR	12 057	0.070	Sara Lee Corp	74 523	0.066
Linear Technology Corp	223 685	0.258	Nucor Corp	44 585	0.153	SBC Communications Inc	819 396	0.140
Liz Claiborne Inc	30 836	0.121	NVR Inc	35 345	0.173	SCANA Corp	18 336	0.072
Lockheed Martin Corp	332 563	0.219	Occidental Petroleum Corp	168 081	0.156	Schering-Plough Corp	411 562	0.238
Loews Corp	55 297	0.091	Office Depot Inc	42 728	0.125	Schlumberger Ltd	334 388	0.157
Lowe's Cos Inc	404 589	0.144	Old Republic International Corp	22 348	0.073	Scientific-Atlanta Inc	25 491	0.089
LSI Logic Corp	20 067	0.089	Omnicare Inc	36 990	0.133	Scottish Re Group Ltd	116 942	2.400
Ltd Brands	76 018	0.125	Omnicom Group	218 323	0.198	Seagate Technology	34 339	0.059
Lucent Technologies Inc	128 767	0.148	Oneok Inc	32 317	0.271	Sealed Air Corp	47 346	0.158
LUKOIL	55 372	0.041	Oracle Corp	655 101	0.143	Sears Roebuck and Co	95 286	0.126
M&T Bank Corp	40 889	0.052	Orbitz Inc	7 223	0.114	SEI Investments Co	8 117	0.038
Macromedia Inc	13 067	0.169	Outback Steakhouse Inc	34 328	0.157	Sempra Energy	83 471	0.184
Mandalay Resort Group	26 647	0.138	Oxford Health Plans	31 304	0.132	Sepracor Inc	25 807	0.187
Manor Care Inc	26 681	0.132	Paccar Inc	78 619	0.121	ServiceMaster Co/The	34 311	0.150
Manpower Inc	35 586	0.145	Pactiv Corp	38 311	0.158	Sherwin-Williams Co/The	63 514	0.189
Marathon Oil Corp	113 347	0.165	Pall Corp	28 763	0.129	Sibneft	38 814	0.042
Marriott International Inc	112 233	0.158	Park Place Entertainment Corp	32 755	0.147	Siebel Systems Inc	41 482	0.092
Marsh & McLennan Cos Inc	422 893	0.250	Parker Hannifin Corp	121 013	0.257	Sierra Pacific Resources	28 078	0.485
Marshall & Ilsley Corp	29 231	0.052	PartnerRe Ltd	490 468	2.368	Sigma-Aldrich Corp	41 593	0.156
Marvell Technology Group Ltd	57 004	0.174	Patterson Dental Co	38 860	0.136	Simon Property Group Inc	24 847	0.042
Masco Corp	218 076	0.263	Patterson-UTI Energy Inc	26 114	0.147	Sirius Satellite Radio Inc	29 785	0.109
Matav Magyar Tavkozlesi Rt	6 522	0.025	Paychex Inc	141 981	0.153	Skyworks Solutions Inc	16 941	0.190
Mattel Inc	136 764	0.248	People's Bank/Bridgeport CT	72 713	0.541	SLM Corp	58 861	0.053
Maxim Integrated Products	125 672	0.117	Peoplesoft Inc	55 534	0.098	Smith International Inc	43 792	0.159
Maxtor Corp	47 005	0.246	Pepco Holdings Inc	24 426	0.108	Smurfit-Stone Container Corp	34 810	0.118
May Department Stores Co/The	68 603	0.126	Pepsi Bottling Group Inc	27 899	0.066	Soclectron Corp	66 985	0.202
Maytag Corp	17 027	0.117	PepsiAmericas Inc	10 256	0.062	Southern Co/The	179 443	0.123
MBIA Inc	477 817	0.843	PepsiCo Inc	762 000	0.144	SouthTrust Corp	43 531	0.061
MBNA Corp	195 071	0.093	Petsmart Inc	25 969	0.115	Southwest Airlines Co	129 099	0.155
McClatchy Co	8 468	0.040	Pfizer Inc	2 850 819	0.158	Sovereign Bancorp Inc	334 796	0.727
McCormick & Co Inc	21 515	0.078	PG&E Corp	143 521	0.191	Sprint Corp-PCS Group	343 048	0.886
McData Corp	56 433	0.742	Phelps Dodge Corp	70 675	0.154	SPX Corp	36 067	0.126
McDonald's Corp	374 374	0.179	Pier 1 Imports Inc	66 485	0.536	St Joe Co/The	6 344	0.034
McGraw-Hill Cos Inc/The	77 023	0.087	Pinnacle West Capital Corp	182 225	0.745	St Jude Medical Inc	95 871	0.137
McKesson Corp	169 163	0.283	Pioneer Natural Resources Co	41 303	0.165	St Paul Cos	272 811	0.454
MDU Resources Group Inc	1 584	0.009	Pitney Bowes Inc	115 995	0.184	Stanley Works/The	25 143	0.126
MeadWestvaco Corp	61 163	0.154	Pixar Inc	14 826	0.058	Staples Inc	110 956	0.128
Medco Health Solutions Inc	188 341	0.315	Plantronics Inc	8 471	0.087	Starbucks Corp	133 963	0.155
Medicines Co	33 279	0.353	Plum Creek Timber Co Inc (REIT)	58 052	0.157	Starwood Hotels & Resorts Worldwide Inc	75 079	0.156
Medimmune Inc	71 546	0.170	PMI Group Inc/The	10 837	0.049	State Street Corp	250 272	0.219
Medtronic Inc	531 778	0.136	PNC Financial Services Group Inc	53 284	0.052	Storage Technology Corp	57 944	0.304
Mellon Financial Corp	227 126	0.247	Pogo Producing Co	33 803	0.165	Stryker Corp	114 001	0.103
Mercantile Bankshares Corp	12 312	0.051	Polo Ralph Lauren Corp	44 662	0.226	Sun Microsystems Inc	85 614	0.084
Merck & Co Inc	970 849	0.139	Popular Inc	20 889	0.052	Sungard Data Systems Inc	132 282	0.250
Mercury General Corp	3 670	0.022	PPG Industries Inc	112 658	0.157	Sunoco Inc	37 488	0.144
Mercury Interactive Corp	165 639	0.563	PPL Corp	193 902	0.376	SunTrust Banks Inc	223 913	0.169
Merrill Lynch & Co Inc	849 042	0.233	Praxair Inc	245 965	0.302	Supervalu Inc	29 383	0.117
Metalife Inc	123 115	0.073	Pride International Inc	23 914	0.144	Symantec Corp	106 115	0.149
Metro-Goldwyn-Mayer Inc	8 757	0.031	Principal Financial Group	36 909	0.052	Synopsys Inc	91 742	0.264
MGIC Investment Corp	19 052	0.052	Procter & Gamble Co	1 756 830	0.206	Synovus Financial Corp	29 609	0.052
MGM Mirage	27 196	0.076	Progress Energy Inc	115 982	0.156	Sysco Corp	148 039	0.093
Michaels Stores Inc	105 595	0.538	Progressive Corp/The	68 891	0.058	T Rowe Price Group Inc	20 575	0.051
Microchip Technology Inc	115 489	0.249	Prologis	21 560	0.056	Target Corp	402 500	0.176
Micron Technology Inc	48 113	0.086	Public Service Enterprise Group Inc	130 780	0.191	TCF Financial Corp	12 661	0.054
Microsoft Corp	3 346 779	0.163	Public Storage Inc	14 759	0.037	TECO Energy Inc	15 866	0.088
Millennium Pharmaceuticals Inc	49 994	0.132	Puget Energy Inc	15 691	0.106	Tektronix Inc	15 289	0.084
Millipore Corp	18 316	0.131	Pulte Homes Inc	61 677	0.164	Telephone & Data Systems Inc	16 476	0.069
MMC Norilsk Nickel	45 170	0.046	QLogic Corp	46 212	0.144	Tellabs Inc	46 631	0.201
Mobile Telesystems	49 852	0.089	Qualcomm Inc	389 842	0.137	Temple-Inland Inc	33 992	0.151
Mohawk Industries Inc	37 922	0.121	Quest Diagnostics	52 279	0.105	Tenet Healthcare Corp	67 021	0.135
Mol Magyar Olaj- es Gazipari Rt.	113 104	0.592	Questar Corp	20 512	0.106	Teradyne Inc	76 516	0.239
Molex Inc	35 993	0.088	Qwest Communications International	61 324	0.124	Texas Genco Holdings Inc	887	0.005
Moody's Corp	31 624	0.053	Radian Group Inc	14 903	0.049	Texas Instruments Inc	433 380	0.128
Morgan Stanley	886 746	0.216	RadioShack Corp	41 090	0.126	Textron Inc	117 989	0.228
Motorola Inc	419 110	0.187	Raytheon Co	99 554	0.120	Thermo Electron Corp	31 778	0.117
Murphy Oil Corp	57 463	0.147	Reader's Digest Association Inc/The	3 345	0.035	Tiffany & Co	54 104	0.127
Mylan Laboratories	60 179	0.134	Red Hat Inc	66 838	0.317	Time Warner Inc	1 040 166	0.190
Nabi Biopharmaceuticals	5 843	0.120	Reebok International Ltd	16 480	0.108	TJX Cos Inc	139 768	0.193
National City Corp	73 027	0.054	Regal Entertainment Group	3 413	0.018	Torchmark Corp	20 992	0.061
National Commerce Financial Corp	190 516	0.518	Regions Financial Corp	28 133	0.052	Toro Co	42 568	0.567
National Semiconductor Corp	95 721	0.201	Reinsurance Group Of America	120 066	0.770	Total System Services Inc	11 674	0.029
NCR Corp	20 960	0.086	Reliant Resources Inc	3 167	0.022	Toys R US Inc	20 025	0.115
NetScreen Technologies Inc	30 659	0.197	RenaissanceRe Holdings Ltd	117 704	0.507	Transatlantic Holdings Inc	8 592	0.031
Network Appliance Inc	124 702	0.262	Rent-A-Center Inc	25 491	0.161	Transocean Inc	78 682	0.154
Network Associates Inc	12 895	0.080	Republic Services Inc	41 998	0.153	Travelers Property Casualty Corp	532 756	0.472
New York Community Bancorp Inc	24 257	0.051	RF Micro Devices Inc	32 240	0.257	Triad Hospitals Inc	21 428	0.129
New York Times Co	73 813	0.158	RJ Reynolds Tobacco Holdings Inc	21 006	0.065	Tribune Co	109 980	0.103
Newell Rubbermaid Inc	50 793	0.123	Robert Half International Inc	40 754	0.151	Tri-Continental Corporation	6 705	0.049
Newmont Mining Corp	219 211	0.937	Rockwell Automation Inc	40 179	0.093	Trimble Navigation Ltd	26 262	0.325
Nextel Communications Inc	285 878	0.140	Rockwell Collins Inc	42 984	0.124	Trizec Properties Inc	5 301	0.034
Nextel Partners Inc	82 957	0.364	Rohm & Haas Co	75 464	0.120	Tuesday Morning Corp	79 595	0.974
Nike Inc	136 241	0.115	Ross Stores Inc	95 729	0.364	TXU Corp	113 696	0.222
NiSource Inc	44 970	0.118	Rouse Co/The	14 923	0.053	Tyco International Ltd	796 876	0.222
Noble Corp	49 158	0.155	Rowan Cos Inc	30 037	0.210	Tyson Foods Inc	18 278	0.059
Nordstrom Inc	37 324	0.123	Royal Caribbean Cruises Ltd	52 104	0.116	UGI Corp	22 553	0.233
Norfolk Southern Corp	109 393	0.176	RR Donnelley & Sons Co	25 395	0.112	Union Pacific Corp	180 531	0.154
North Fork Bancorporation Inc	21 293	0.053	Sabre Holdings Corp	29 905	0.146	Union Planters Corp	20 341	0.052



# Holdings of equities at 31 December 2003

Americas	Market value (NOK 1000)	Ownership stake (per cent)	Asia/Oceania	Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)
UnionBanCal Corp	47 611	0.087	<b>AUSTRALIA</b>			St George Bank Ltd	33 138	0.067
Unisys Corp	29 861	0.092	Adelaide Bank Ltd	727	0.019	Stockland	7 884	0.025
United National Group Ltd	14 694	0.889	Adelaide Brighton Ltd	1 602	0.040	Suncorp-Metway Ltd	26 322	0.080
United Natural Foods Inc	70 189	1.563	Alinta Ltd	1 706	0.031	TAB Ltd	64 411	0.629
United Parcel Service Inc	303 678	0.055	Alumina Ltd	36 253	0.095	TABCORP Holdings Ltd	92 932	0.402
United Technologies Corp	599 561	0.203	Ampcor Ltd	114 448	0.317	Telstra Corp Ltd	81 049	0.026
UnitedGlobalCom Inc	33 748	0.101	AMP Ltd	53 979	0.116	Ten Network Holdings Ltd	3 045	0.056
UnitedHealth Group Inc	340 591	0.148	Ansell Ltd	5 461	0.092	Toll Holdings Ltd	12 824	0.097
Unitrin Inc	9 452	0.050	APN News & Media Ltd	1 841	0.020	Transurban Group	64 923	0.571
Universal Health Services Inc	25 946	0.125	Aristocrat Leisure Ltd	3 367	0.086	UNiTAB Ltd	3 657	0.087
Univision Communications Inc	68 923	0.082	Austereo Group Ltd	733	0.025	Virgin Blue Holdings Ltd	2 372	0.020
Unocal Corp	134 205	0.211	Australand Property Group	2 577	0.046	Washington H Soul Pattinson & Co Ltd	3 528	0.046
UnumProvident Corp	52 947	0.167	Australia & New Zealand Banking Group Ltd	313 544	0.198	Wesfarmers Ltd	48 049	0.096
US Bancorp	374 013	0.100	Australia Foundation Investment Co Ltd	4 595	0.035	West Australian Newspapers Holdings Ltd	1 526	0.022
UST Inc	35 627	0.091	Australian Gas Light Co Ltd	95 677	0.378	Westfield America Trust	16 589	0.050
Valero Energy Corp	49 488	0.134	Australian Pharmaceutical Industries Ltd	917	0.029	Westfield Holdings Ltd	33 734	0.087
Valley National Bancorp	8 330	0.046	Australian Stock Exchange Ltd	8 369	0.097	Westfield Trust	25 230	0.066
Valuevision Media Inc	9 010	0.230	AWB Ltd	4 902	0.066	Westpac Banking Corp	310 869	0.217
Varian Medical Systems Inc	41 698	0.132	AXA Asia Pacific Holdings Ltd	36 032	0.145	WMC Resources Ltd	69 928	0.214
Varian Semiconductor Equipment Associates Inc	90 675	0.870	Bendigo Bank Ltd	1 027	0.018	Woodside Petroleum Ltd	128 833	0.259
Verint Systems Inc	24 044	0.537	BHP Billiton Ltd	630 364	0.273	Woolworths Ltd	166 523	0.278
VeriSign Inc	83 815	0.319	Billabong International Ltd	4 683	0.066	<b>HONG KONG</b>		
Veritas Software Corp	118 461	0.114	BlueScope Steel Ltd	21 276	0.100	Aluminum Corp of China Ltd	25 107	0.045
Verity Inc	47 790	1.157	Boral Ltd	15 249	0.104	Asia Aluminum Holdings Ltd	17 930	0.500
Verizon Communications Inc	1 083 780	0.167	Brickworks Ltd	3 473	0.066	ASM Pacific Technology	151 081	1.210
Vertex Pharmaceuticals Inc	6 345	0.117	Burns Philp & Co Ltd	3 045	0.052	Bank of East Asia	7 937	0.026
VF Corp	37 361	0.122	Caltex Australia Ltd	2 409	0.037	Beijing Capital Land Ltd	14 563	0.421
Viacom Inc	896 223	0.174	Centro Properties Group	3 540	0.028	Beijing Datang Power Gen. Co Ltd	30 980	0.122
Viad Corp	21 731	0.145	CFS Gandel Retail Trust	12 182	0.100	Beijing Enterprises Holdings Ltd	1 622	0.033
Viasys Healthcare Inc	29 547	0.727	Coca-Cola Amatil Ltd	105 838	0.491	BOC Hong Kong Holdings Ltd	28 788	0.021
Vimpel-Communications	112 026	0.422	Cochlear Ltd	4 088	0.070	Brilliance China Automotive Holdings Ltd	5 590	0.038
Vishay Intertechnology Inc	21 116	0.080	Coles Myer Ltd	77 718	0.169	Cafe de Coral Holdings Ltd	2 287	0.073
Vitesse Semiconductor Corp	25 915	0.307	Commonwealth Bank of Australia	434 393	0.235	Cathay Pacific Airways Ltd	125 277	0.297
Vornado Realty Trust	17 743	0.043	Computershare Ltd	63 862	0.717	Chaoda Modern Agriculture	1 728	0.033
Vulcan Materials Co	51 951	0.163	Corporate Express Australia Ltd	2 045	0.051	Cheung Kong Holdings Ltd	127 697	0.097
Wachovia Corp/SC	605 975	0.149	CSL Ltd	102 004	0.613	Cheung Kong Infrastructure Holdings Ltd	5 968	0.017
Walgreen Co	303 667	0.125	CSR Ltd	7 896	0.089	China Everbright Ltd	1 066	0.014
Wal-Mart Stores Inc	2 033 793	0.135	Downer EDI Ltd	3 560	0.065	China Insurance International Holdings Co Ltd	704	0.016
Walt Disney Co	484 336	0.150	Envestra Ltd	767	0.021	China Life Insurance Co Ltd	60 933	0.041
Washington Mutual Inc	222 104	0.094	Flight Centre Ltd	6 917	0.068	China Merchants Holdings International Co Ltd	70 160	0.339
Washington Post	13 815	0.028	Foodland Associated Ltd	5 937	0.052	China Mobile Hong Kong Ltd	78 774	0.019
Waste Management Inc	176 639	0.153	Foster's Group Ltd	130 482	0.285	China National Aviation	1 324	0.033
Waters Corp	33 414	0.125	Futuris Corp Ltd	2 568	0.052	China Overseas Land & Investment Ltd	910	0.011
Watson Pharmaceuticals Inc	98 863	0.304	General Property Trust	7 799	0.027	China Resources Cement Holding Ltd	80	0.009
Weatherford International Ltd	50 626	0.161	Gunns Ltd	4 803	0.091	China Resources Enterprise	7 448	0.044
WebMD Corp	27 657	0.145	GWA International Ltd	3 529	0.089	China Travel International Inv HK	2 645	0.047
webMethods Inc	8 111	0.260	Harvey Norman Holdings Ltd	6 823	0.044	China Unicom Ltd	15 220	0.018
Weight Watchers International Inc	13 694	0.049	Hills Motorway Group	5 352	0.090	CITIC International Financial Holdings Ltd	1 015	0.008
WellPoint Health Networks	132 995	0.134	Iluka Resources Ltd	4 288	0.083	Citic Pacific Ltd	18 029	0.046
Wells Fargo & Co	412 721	0.063	Insurance Australia Group Ltd	69 907	0.196	CLP Holdings Ltd	122 726	0.161
Wendy's International Inc	45 693	0.154	John Fairfax Holdings Ltd	2 231	0.014	CNOOC Ltd	221 596	0.191
Wesco Financial Corp	3 761	0.023	Leighton Holdings Ltd	7 932	0.049	Cnpc Hong Kong Ltd	1 732	0.031
Westwood One Inc	33 035	0.145	Lend Lease Corp Ltd	85 343	0.416	Cofco International Ltd	1 722	0.022
Weyerhaeuser Co	144 846	0.153	Lion Nathan Ltd	7 296	0.045	COSCO Pacific Ltd	79 682	0.381
Whirlpool Corp	42 231	0.128	Macquarie Airports	21 194	0.228	DAH Sing Financial	92 432	0.738
White Mountains Insurance Group Ltd	14 161	0.052	Macquarie Bank Ltd	10 835	0.029	Dairy Farm International Holdings Ltd	5 163	0.033
Whole Foods Market Inc	31 536	0.118	Macquarie Infrastructure Group	40 899	0.127	Denway Motors Ltd	36 522	0.143
Williams Cos Inc	39 674	0.117	Mayne Group Ltd	9 394	0.078	Dream International Ltd	6 541	0.623
Williams-Sonoma Inc	32 055	0.120	Metcash Trading Ltd	2 685	0.031	Esprit Holdings Ltd	97 799	0.370
Willis Group Holdings Ltd	76 475	0.216	Mirvac Group	4 121	0.028	First Pacific Co	2 799	0.059
Winn-Dixie Stores Inc	7 310	0.080	National Australia Bank Ltd	568 005	0.256	Fountain SET Hldgs	3 007	0.081
Wisconsin Energy Corp	58 361	0.223	National Foods Ltd	3 332	0.052	Giordano International Ltd	3 745	0.083
WM Wrigley Jr Co	77 946	0.094	Newcrest Mining Ltd	19 368	0.091	Global Bio-Chem Technology Group Co Ltd	19 966	0.237
World Wrestling Entertainment Inc	12 637	0.211	News Corp Ltd	652 583	0.200	Great Eagle Hldg Co	2 106	0.041
WR Berkley Corp	17 094	0.087	Nufarm Ltd	3 786	0.091	Guangdong Investments Ltd	1 642	0.022
WW Grainger Inc	35 588	0.124	Oil Search Ltd	4 448	0.077	Guoco Group Ltd	3 477	0.021
Wyeth	729 852	0.192	OneSteel Ltd	4 802	0.086	Hang Lung Group Ltd	43 646	0.362
Xcel Energy Inc	61 517	0.137	Orica Ltd	109 181	0.572	Hang Lung Properties Ltd	3 117	0.012
Xerox Corp	64 428	0.090	Origin Energy Ltd	14 190	0.090	Hang Seng Bank Ltd	53 800	0.032
Xilinx Inc	209 076	0.238	Pacifica Group Ltd	1 417	0.048	Henderson Investment Ltd	2 607	0.012
XL Capital Ltd	226 572	0.319	PaperlinX Ltd	23 543	0.214	Henderson Land Development	85 644	0.142
XM Satellite Radio Holdings Inc	15 695	0.059	Patrick Corp Ltd	83 611	0.595	HKR International Ltd	8 762	0.316
XTO Energy Inc	56 306	0.163	Perpetual Trustees Australia Ltd	1 367	0.017	Hong Kong & China Gas	28 438	0.050
Yahoo! Inc	293 694	0.148	Promina Group Ltd	114 141	0.666	Hong Kong Aircraft Engineering	2 964	0.045
YUKOS	299 366	0.153	Publishing & Broadcasting Ltd	5 317	0.013	Hong Kong Exchanges and Clearing Ltd	85 292	0.521
Yum! Brands Inc	137 945	0.210	Qantas Airways Ltd	13 493	0.045	HongKong & Shanghai Hotels/The	2 205	0.040
Zimmer Holdings Inc	152 327	0.135	QBE Insurance Group Ltd	189 381	0.542	HongKong Electric Holdings	47 525	0.084
Zions Bancorporation	18 852	0.052	Repeco Corp Ltd	11 116	0.532	Hopewell Holdings	7 936	0.087
Zymogenetics Inc	1 701	0.030	Rinker Group Ltd	165 176	0.541	Huafeng Textile International GP Ltd	8 906	1.464
			Rio Tinto Ltd	224 072	0.238	Hung Hing Printing Group	2 221	0.073
			Rural Press Ltd	1 228	0.029	Hutchison Harbour Ring Ltd	1 380	0.029
			Santos Ltd	17 445	0.093	Hutchison Whampoa Ltd	153 177	0.069
			Seven Network Ltd	485	0.007	Hysan Development Co Ltd	1 722	0.014
			Sigma Co Ltd	4 590	0.094	i-CABLE Communications Ltd	564	0.017
			Sims Group Ltd	4 335	0.089	Industrial & Commercial Bank of China Ltd/Hong Kong	9 212	0.139
			Smorgon Steel Group Ltd	3 741	0.081	Jardine Matheson Holdings Ltd	17 801	0.043
			Sonic Healthcare Ltd	19 601	0.212	JCG Holdings Ltd	9 566	0.243
			Southcorp Ltd	6 701	0.067			
			Southern Cross Broadcasting Australia Ltd	1 943	0.061			
			Spotless Group Ltd	4 208	0.085			

## Holdings of equities at 31 December 2003

Asia/Oceania	Market value (NOK 1000)		Ownership stake (per cent)	Market value (NOK 1000)		Ownership stake (per cent)	Market value (NOK 1000)		Ownership stake (per cent)
	Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)	
Johnson Electric Holdings Ltd	98 377	0.311	Casio Computer Co Ltd	13 516	0.070	Hiroshima Bank Ltd/The	3 334	0.021	
Kerry Properties Ltd	881	0.008	Cawachi Ltd	9 809	0.179	HIS Co Ltd	6 188	0.200	
Kingboard Chemicals Holdings	4 158	0.065	Central Glass Co Ltd	6 169	0.067	Hisamitsu Pharmaceutical Co Inc	2 436	0.032	
Kingdee International Software Group Co Ltd	17 672	1.732	Central Japan Railway Co	30 926	0.024	Hitachi Cable Ltd	19 889	0.207	
Kingmaker Footwear Holdings Ltd	14 114	0.729	Chiba Bank Ltd/The	71 234	0.304	Hitachi Capital Corp	665	0.005	
Kowloon Motor Bus Holdings Ltd	7 833	0.058	Chubu Electric Power Co Inc	181 342	0.176	Hitachi Chemical Co Ltd	55 713	0.228	
Legend Group Ltd	7 781	0.035	Chugai Pharmaceutical Co Ltd	146 715	0.275	Hitachi Construction Machinery Co Ltd	64 481	0.357	
Lerado Group Holdings Co	12 335	1.328	Chugoku Bank Ltd/The	3 755	0.024	Hitachi High-Technologies Corp	43 627	0.294	
Li & Fung Ltd	23 527	0.069	Chugoku Electric Power Co Inc/The	19 785	0.046	Hitachi Information Systems Ltd	2 276	0.028	
Linmark Group Ltd	8 663	0.472	Citizen Electronics Co Ltd	12 045	0.069	Hitachi Ltd	98 827	0.072	
Moulin International Hldgs	29 149	1.498	Citizen Watch Co Ltd	53 503	0.279	Hitachi Maxell Ltd	2 059	0.022	
MTR Corp	12 883	0.027	Coca-Cola West Japan Co Ltd	2 842	0.026	Hitachi Metals Ltd	2 994	0.034	
New World Development Ltd	7 887	0.061	Cosel Co Ltd	56 251	1.683	Hitachi Software Engineering Co Ltd	2 609	0.023	
Next Media Ltd	8 452	0.177	Cosmo Oil Co Ltd	5 538	0.064	Hogy Medical Co Ltd	5 352	0.112	
Oriental Press Group	13 678	0.228	Credit Saison Co Ltd	32 402	0.125	Hokkaido Electric Power Co Inc	10 651	0.043	
Pacific Andes International Hldg	7 817	0.882	CSK Corp	12 844	0.068	Hokkoku Bank Ltd/The	3 235	0.025	
PCCW Ltd	10 911	0.045	Dai Nippon Printing Co Ltd	124 724	0.171	Hokugin Financial Group Inc	1 440	0.016	
Phoenix Satellite Television Holdings Ltd	9 671	0.276	Daicel Chemical Industries Ltd	34 325	0.332	Hokuriku Electric Power Co	10 712	0.044	
PICC Property & Casualty Co Ltd	12 846	0.039	Daido Life Insurance	90 557	0.306	Homac Corp	2 586	0.123	
SCMP Group Ltd	1 786	0.038	Daido Steel Co Ltd	3 243	0.064	Honda Motor Co Ltd	442 723	0.150	
Shanghai Industrial Holdings Ltd	5 021	0.035	Daiiei Inc/The	5	0.000	Honeys Co Ltd	852	0.040	
Shangri-La Asia Ltd	7 262	0.049	Daihatsu Motor Co Ltd	2 794	0.021	Horiba Ltd	32 303	1.359	
Shenzhen Expressway Co Ltd	16 703	0.155	Daichi Pharmaceutical Co Ltd	19 750	0.056	House Foods Corp	2 402	0.028	
Shenzhen International Holdings	2 306	0.069	Daichikoshu Co Ltd	2 558	0.044	Hoya Corp	201 943	0.283	
Shun TAK Holdings Ltd	383	0.008	Daikin Industries Ltd	131 209	0.317	Hyakugo Bank Ltd/The	1 448	0.017	
Sino Land Co	2 263	0.014	Daimaru Inc	20 462	0.202	Hyakujushi Bank Ltd/The	3 739	0.023	
Sun Hung Kai Properties Ltd	44 785	0.031	Dainippon Ink and Chemicals Inc	6 902	0.066	Ibiden Co Ltd	7 274	0.069	
Swire Pacific Ltd	272 203	0.449	Dainippon Pharmaceutical Co Ltd	4 452	0.057	Iida Home Max	12 790	0.292	
TCL International Holdings Ltd	3 005	0.038	Dainippon Screen Manufacturing Co Ltd	26 209	0.263	Infocom Corp	49 885	2.292	
Techtronic Industries Co	12 483	0.094	Daishi Bank Ltd/The	1 815	0.017	Information Services International-Dentsu Ltd	10 469	0.444	
Television Broadcasts Ltd	6 685	0.045	Daishinku Corp	10 056	0.734	Intage Inc	5 420	0.525	
Texwinca Holdings Ltd	2 527	0.038	Daito Trust Construction Co Ltd	157 312	0.569	Intelligent Wave Inc	24 693	2.027	
Tingyi Holding Corp	1 666	0.015	Daiwa House Industry Co Ltd	182 510	0.471	Isetan Co Ltd	40 544	0.248	
TPV Technology Ltd	14 610	0.297	Daiwa Securities Group Inc	19 963	0.033	Ishikawajima-Harima Heavy Industries Co Ltd	19 015	0.155	
Wharf Holdings Ltd	112 164	0.243	Denki Kagaku Kogyo K K	38 486	0.370	Isuzu Motors Ltd	3 667	0.035	
Wheelock & Co Ltd	1 161	0.007	Denso Corp	130 552	0.111	Ito En Ltd	40 379	0.307	
Wing Hang Bank Ltd	2 989	0.026	Dentsu Inc	14 414	0.030	Itochu Corp	24 920	0.070	
Wing Lung Bank	7 263	0.073	Diamond Lease Co Ltd	19 726	0.179	Itochu Techno-Science Corp	6 158	0.047	
Yue Yuen Industrial Holdings	99 007	0.324	Disco Corp	68 240	0.566	Itoham Foods Inc	14 449	0.297	
Zhejiang Expressway Co Ltd	84 036	0.411	Don Quijote Co Ltd	4 127	0.059	Ito-Yokado Co Ltd	67 726	0.077	
<b>JAPAN</b>			Doshisha Co Ltd	10 768	0.571	Iyo Bank Ltd/The	3 343	0.021	
77 Bank Ltd/The	2 964	0.020	Dowa Mining Co Ltd	44 695	0.409	Jafco Co Ltd	24 283	0.096	
ABC-Mart Inc	21 756	0.395	Drake Beam Morin Japan Inc	17 219	1.402	Japan Airlines System Corp	11 279	0.030	
Access Co Ltd	10 459	0.139	East Japan Railway Co	237 437	0.185	Japan Business Computer Co Ltd	4 364	0.418	
Acom Co Ltd	15 033	0.034	Ebara Corp	5 843	0.066	Japan Radio Co Ltd	18 863	0.427	
Aderans Co Ltd	21 466	0.476	EDGE Co Ltd/Tokyo	9 576	0.066	Japan Retail Fund Investment Corp	33 404	0.510	
Advan Co Ltd	12 289	0.774	Eisai Co Ltd	111 558	0.203	Japan Tobacco Inc	30 067	0.031	
Advantest Corp	69 914	0.131	Eneserve Corp	7 207	0.130	JFE Holdings Inc	193 541	0.181	
Aeon Co Ltd	289 513	0.384	Enplac Corp	43 618	0.994	JGC Corp	134 571	0.775	
Aeon Credit Service Co Ltd	16 057	0.107	Exedy Corp	11 121	0.273	Joint Corp	1 298	0.077	
Aichi Steel Corp	2 210	0.040	Ezaki Glico Co Ltd	2 761	0.043	Joyfull Co Ltd	35 027	1.163	
Aiful Corp	19 830	0.043	Faith Inc	14 979	0.221	Joyo Bank Ltd/The	3 819	0.020	
Aioi Insurance Co Ltd	6 373	0.031	FamilyMart Co Ltd	9 982	0.067	JSAT Corp	1 830	0.020	
Aisin Seiki Co Ltd	39 704	0.132	Fanuc Ltd	352 703	0.369	JSR Corp	113 141	0.300	
Ajinomoto Co Inc	24 493	0.049	Fast Retailing Co Ltd	272 055	0.628	Juroku Bank Ltd/The	1 991	0.017	
All Nippon Airways Co Ltd	7 205	0.027	FP Corp	14 789	0.532	Kagoshima Bank Ltd/The	1 545	0.019	
Alps Electric Co Ltd	12 946	0.072	Fuji Electric Holdings Co Ltd	7 938	0.072	Kajima Corp	16 353	0.071	
Amada Co Ltd	9 456	0.064	Fuji Fire & Marine Insurance Co Ltd/The	11 991	0.134	Kamigumi Co Ltd	52 513	0.409	
Anritsu Corp	3 551	0.062	Fuji Heavy Industries Ltd	11 524	0.044	Kanden Co Ltd	1 734	0.035	
AOI Electronic Co Ltd	5 972	0.534	Fuji Photo Film Co Ltd	65 771	0.059	Kanebo Ltd	1 441	0.040	
Arisawa Manufacturing Co Ltd	28 342	0.353	Fuji Seal Inc	79 218	1.306	Kaneka Corp	30 145	0.162	
Arrk Corp	75 542	1.471	Fuji Television Network Inc	113 127	0.289	Kanematsu Corp	22 203	0.603	
Aruze Corp	14 218	0.119	Fujikura Ltd	53 239	0.345	Kanematsu Electronics Ltd	18 333	0.793	
Asahi Breweries Ltd	14 823	0.048	Fujimi Inc	5 351	0.169	Kansai Electric Power Co Inc/The	84 743	0.073	
Asahi Glass Co Ltd	159 404	0.249	Fujisawa Pharmaceutical Co Ltd	155 800	0.330	Kansai Paint Co Ltd	94 494	1.034	
Asahi Kasei Corp	37 393	0.071	Fujitsu Broad Solution & Consulting Inc	5 875	0.697	Kao Corp	108 939	0.133	
Asatsu-DK Inc	3 924	0.044	Fujitsu Ltd	143 082	0.178	Kappa Create Co Ltd	12 640	0.262	
Ashikaga Financial Group Inc	20	0.018	Fukui Bank Ltd/The	918	0.012	Katokichi Co Ltd	2 416	0.040	
Asics Corp	7 725	0.273	Fukuyama Transporting Co Ltd	2 298	0.033	Kawasaki Heavy Industries Ltd	8 235	0.069	
ASKUL Corp	27 102	0.378	Fullcast Co Ltd	5 750	0.203	Kawasaki Kisen Kaisha Ltd	13 930	0.071	
Aucnet Inc	12 380	1.466	Funai Electric Co Ltd	8 310	0.025	KDDI Corp	273 020	0.169	
Autobacs Seven Co Ltd	3 933	0.067	Furukawa Electric Co Ltd	9 569	0.064	Keihin Electric Express Railway Co Ltd	14 330	0.071	
Avex Inc	56 129	1.011	Futaba Corp	4 997	0.069	Keio Electric Railway Co Ltd	16 078	0.072	
Awa Bank Ltd/The	2 613	0.026	Futaba Industrial Co Ltd	23 795	0.369	Kennedy-Wilson Japan	8 474	0.568	
Bandai Co Ltd	12 705	0.079	Gigno System Japan Inc	7 574	0.739	Kenwood Corp	7 688	0.200	
Bank of Fukuoka Ltd/The	31 670	0.175	Goodwill Group Inc/The	6 621	0.082	Keyence Corp	233 767	0.359	
Bank of Kyoto Ltd/The	1 909	0.015	Gunma Bank Ltd/The	3 405	0.022	Kibun Food Chemifa Co Ltd	7 485	0.298	
Bank of Nagoya Ltd/The	686	0.009	Gunze Ltd	4 697	0.065	Kikkoman Corp	4 399	0.047	
Bank of Yokohama Ltd/The	31 100	0.088	Hachijumi Bank Ltd/The	3 885	0.020	Kinden Corp	5 455	0.065	
Belluna Co Ltd	20 185	0.400	Hamamatsu Photonics KK	4 725	0.064	Kintetsu Corp	23 947	0.069	
Benesse Corp	12 483	0.071	Hankyu Corp	17 820	0.096	Kintetsu World Express Inc	14 572	0.376	
Bosch Automotive Systems Corp	2 517	0.022	Hankyu Department Stores	5 705	0.067	Kirin Brewery Co Ltd	28 823	0.051	
Bridgestone Corp	77 914	0.099	Hanshin Electric Railway Co Ltd	5 831	0.088	Kissei Pharmaceutical Co Ltd	3 999	0.057	
Brother Industries Ltd	15 744	0.093	Hard Off Corp Co Ltd	1 770	0.181	Kobayashi Pharmaceutical Co Ltd	40 589	0.584	
C&S Co Ltd	4 492	0.043	Heian Ceremony Service Co Ltd	6 197	0.922	Kobe Steel Ltd	18 683	0.074	
Calsonic Kansai Corp	2 471	0.022	Heiwa Corp	11 400	0.101	Koei Co Ltd	2 370	0.028	
Canon Inc	394 021	0.143	Heiwado Co Ltd	7 977	0.171	Koito Manufacturing Co Ltd	10 491	0.154	
Canon Sales Co Inc	3 831	0.043	Higo Bank Ltd/The	1 934	0.017	Kokuyo Co Ltd	21 204	0.223	
Capcom Co Ltd	11 546	0.238	Hikari Tsushin Inc	1 517	0.008	Komatsu Ltd	102 998	0.239	
			Hino Motors Ltd	9 723	0.034				
			Hirose Electric Co Ltd	120 335	0.394				



# Holdings of equities at 31 December 2003

Asia/Oceania	Market value (NOK 1000)		Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)	
	Market value (NOK 1000)	Ownership stake (per cent)	Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)
Komeri Co Ltd	35 162	0.433	Nihon Trim Co Ltd	9 967	0.639	Relo Holdings Inc	16 224	1.185		
Konami Corp	17 296	0.068	Nihon Unisys Ltd	17 716	0.284	Resona Holdings Inc	12 601	0.013		
Konica Minolta Holdings Inc	119 554	0.245	Nikko Cordial Corp	234 124	0.325	Resorttrust Inc	4 691	0.126		
Kose Corp	95 679	0.866	Nikon Corp	213 955	0.562	Ricoh Co Ltd	289 632	0.300		
Koyo Seiko Co Ltd	2 871	0.021	Nintendo Co Ltd	97 379	0.108	Rinnai Corp	5 956	0.068		
Kubota Corp	19 124	0.048	Nippon Ceramic Co Ltd	10 032	0.667	Riso Kyoiku Co Ltd	1 985	0.250		
Kuraray Co Ltd	20 427	0.093	Nippon Electric Glass Co Ltd	26 404	0.125	Rock Field Co Ltd	17 335	1.644		
Kuraya Sanseido Inc	4 886	0.053	Nippon Express Co Ltd	23 024	0.070	Rohm Co Ltd	212 153	0.229		
Kurita Water Industries Ltd	7 176	0.065	Nippon Kanzai Co Ltd	23 512	1.077	Rohto Pharmaceutical Co Ltd	7 492	0.250		
Kyocera Corp	124 636	0.145	Nippon Kayaku Co Ltd	3 212	0.052	Round One Corp	11 885	0.134		
Kyorin Pharmaceutical Co Ltd	4 488	0.068	Nippon Meat Packers Inc	7 026	0.046	Ryohin Keikaku Co Ltd	81 371	1.342		
Kyowa Hakko Kogyo Co Ltd	11 059	0.061	Nippon Mining Holdings Inc	12 015	0.060	Ryoshoku Ltd	1 626	0.021		
Kyushu Electric Power Co Inc	27 481	0.050	Nippon Oil Corp	36 199	0.069	Sagami Railway Co Ltd	1 386	0.016		
Lawson Inc	54 120	0.217	Nippon Paint Co Ltd	3 780	0.064	Saizeriya Co Ltd	10 151	0.296		
Lion Corp	5 007	0.044	Nippon Sanso Corp	5 596	0.066	Sakai Chemical Industry Co Ltd	983	0.038		
Mabuchi Motor Co Ltd	35 184	0.146	Nippon Sheet Glass Co Ltd	6 043	0.069	Sammy Corp	5 131	0.038		
Mac House Co Ltd	710	0.077	Nippon Shinpan Co Ltd	31 980	0.539	San-A Co Ltd	4 546	0.269		
Makita Corp	6 794	0.067	Nippon Shokubai Co Ltd	6 712	0.064	San-In Godo Bank Ltd/The	1 570	0.017		
Mandom Corp	16 671	0.502	Nippon Steel Corp	256 200	0.266	Sanken Electric Co Ltd	57 321	0.484		
Marubeni Corp	14 049	0.072	Nippon Telegraph & Telephone Corp	207 134	0.039	Sankyo Co Ltd	31 382	0.057		
Marui Co Ltd	23 474	0.075	Nippon Television Network Corp	2 848	0.011	Sankyo Co Ltd/Gunma	70 474	0.339		
Maruichi Steel Tube Ltd	5 282	0.065	Nippon Thompson Co Ltd	14 524	0.433	Sankyo Seiki MFG Co Ltd	4 024	0.060		
Matsuda Sangyo Co Ltd	5 157	0.509	Nippon Unipac Holding	118 571	0.310	Sanyo Chemical Industries Ltd	1 930	0.039		
Matsumotokiyoishi Co Ltd	48 249	0.647	Nippon Yusen Kabushiki Kaisha	26 669	0.072	Sanyo Electric Co Ltd	91 670	0.140		
Matsushita Electric Industrial Co Ltd	220 102	0.097	Nipponkoa Insurance Co Ltd	11 200	0.035	Sanyo Shinpan Finance Co Ltd	661	0.008		
Matsushita Electric Works Ltd	21 880	0.050	Nipro Corp	2 367	0.041	Sanyo Shokai Ltd	11 201	0.191		
Matsuzakaya Co Ltd	13 245	0.299	Nishimatsu Construction Co Ltd	4 363	0.071	Sapporo Hokuyo Holdings Inc	723	0.005		
Max Co Ltd	5 118	0.162	Nishimatsuya Chain Co Ltd	16 985	0.400	Sapporo Holdings Ltd	2 710	0.042		
Mazda Motor Corp	6 075	0.027	Nishi-Nippon Bank Ltd/The	460	0.008	Secom Co Ltd	91 452	0.156		
Meiji Dairies Corp	3 712	0.043	Nishi-Nippon Railroad Co Ltd	5 660	0.069	Sega Corp	7 592	0.068		
Meiji Seika Kaisha Ltd	4 291	0.041	Nishio Rent All Co Ltd	12 958	1.003	Seibu Railway Co Ltd	15 169	0.038		
Meitec Corp	65 883	0.732	Nissan Chemical Industries Ltd	130 661	1.145	Seiko Epson Corp	43 330	0.072		
Millea Holdings Inc	258 638	0.158	Nissan Motor Co Ltd	510 429	0.145	Seino Transportation Co Ltd	6 270	0.064		
Mimasu Semiconductor Industry Co Ltd	11 192	0.609	Nissay Dowa General Insurance Co Ltd	26 865	0.209	Seiren Co Ltd	6 043	0.246		
Minebea Co Ltd	13 238	0.098	Nissen Co Ltd	3 602	0.061	Seiyu Ltd/The	9 216	0.065		
Misumi Corp	185 507	2.302	Nisshin Seifun Group Inc	5 863	0.041	Sekisui Chemical Co Ltd	28 607	0.152		
Mitsubishi Chemical Corp	26 707	0.071	Nisshin Steel Co Ltd	8 098	0.065	Sekisui House Ltd	37 589	0.076		
Mitsubishi Corp	213 533	0.190	Nishinbo Industries Inc	5 559	0.068	Seven-Eleven Japan Co Ltd	66 557	0.040		
Mitsubishi Electric Corp	43 812	0.073	Nissin Co Ltd	4 535	0.113	SFCG Co Ltd	44 788	0.460		
Mitsubishi Estate Co Ltd	117 292	0.140	Nissin Food Products Co Ltd	118 293	0.554	Sharp Corp	87 127	0.074		
Mitsubishi Gas Chemical Co Inc	7 477	0.067	Nitori Co Ltd	3 892	0.042	Shiga Bank Ltd/The	796	0.010		
Mitsubishi Heavy Industries Ltd	150 175	0.234	Nitto Denko Corp	370 930	0.588	Shikoku Bank Ltd/The	2 576	0.024		
Mitsubishi Logistics Corp	5 929	0.062	Nittoku Engineering Co Ltd	9 175	1.300	Shikoku Electric Power Co Inc	14 249	0.044		
Mitsubishi Materials Corp	8 696	0.071	NOF Corp	15 825	0.311	Shima Seiki Manufacturing Ltd	6 431	0.067		
Mitsubishi Motors Corp	3 236	0.016	NOK Corp	152 402	0.365	Shimachu Co Ltd	45 827	0.654		
Mitsubishi Pharma Corp	1 538	0.006	Nomura Holdings Inc	473 668	0.210	Shimamura Co Ltd	78 770	0.470		
Mitsubishi Rayon Co Ltd	25 479	0.165	Nomura Research Institute Ltd	73 109	0.243	Shimano Inc	12 279	0.073		
Mitsubishi Securities Co Ltd	71 731	0.206	Noritake Co Ltd	12	0.000	Shimizu Corp	15 171	0.076		
Mitsubishi Tokyo Financial Group Inc	549 376	0.165	Noritsu Koki Co Ltd	19 380	0.235	Shimozima Co Ltd	445	0.031		
Mitsui & Co Ltd	244 773	0.284	NS Solutions Corp	34 506	0.340	Shin-Etsu Chemical Co Ltd	337 425	0.289		
Mitsui Chemicals Inc	21 611	0.070	NSK Ltd	9 605	0.070	Shinko Securities Co Ltd	3 314	0.020		
Mitsui Engineering & Shipbuilding Co Ltd	6 373	0.071	NTN Corp	43 871	0.298	Shionogi & Co Ltd	220 205	0.495		
Mitsui Fudosan Co Ltd	79 071	0.156	NTT Data Corp	27 203	0.039	Shiseido Co Ltd	74 011	0.214		
Mitsui Mining & Smelting Co Ltd	15 166	0.094	NTT DoCoMo Inc	285 795	0.037	Shizuoka Bank Ltd/The	36 808	0.099		
Mitsui OSK Lines Ltd	28 525	0.072	Obayashi Corp	16 116	0.074	Shizuoka Gas Co Ltd	6 188	0.360		
Mitsui Sumitomo Insurance Co Ltd	384 635	0.471	OBIC Business Consultants Ltd	50 233	0.716	Showa Denko K K	11 968	0.069		
Mitsui Trust Holdings Inc	5 097	0.017	Obic Co Ltd	35 066	0.256	Showa Shell Sekiyu KK	5 645	0.027		
Mitsukoshi Ltd	9 871	0.070	Odakyu Electric Railway Co Ltd	16 656	0.071	SKY Perfect Communications Inc	8 166	0.046		
Mitsumi Electric Co Ltd	4 549	0.085	Ogaki Kyoritsu Bank Ltd/The	2 495	0.020	Skylark Co Ltd	8 999	0.070		
Mizuho Financial Group Inc	475 829	0.200	OJI Paper Co Ltd	59 410	0.129	SMC Corp/Japan	179 948	0.304		
Mizuho Investors Securities Co Ltd	1 084	0.006	Oki Electric Industry Co Ltd	10 664	0.066	Softbank Corp	33 657	0.046		
Mizuho Trust & Banking Co Ltd	4 819	0.008	Okinawa Electric Power Co Inc/The	20 485	0.725	Softbank Investment Corp	2 371	0.015		
Mochida Pharmaceutical Co Ltd	2 470	0.046	Okumura Corp	64 625	0.976	Sohgo Security Services Co Ltd	3 153	0.041		
Modac Inc	10 669	0.318	Olympus Corp	54 701	0.141	Sompo Japan Insurance Inc	49 987	0.090		
Mori Seiki Co Ltd	17 712	0.406	Omron Corp	47 000	0.140	Sony Corp	296 810	1.138		
Moshi Moshi Hotline Inc	11 280	0.392	Ono Pharmaceutical Co Ltd	17 624	0.056	Sparx Asset Management Co Ltd	42 923	1.242		
Murata Manufacturing Co Ltd	114 441	0.135	Onoken Co Ltd	6 023	0.630	Square Enix Co Ltd	6 364	0.036		
Musashino Bank Ltd/The	1 460	0.018	Onward Kashiyama Co Ltd	43 740	0.310	Stanley Electric Co Ltd	140 016	0.559		
N E Chemcat Corp	12 633	0.380	Oracle Corp Japan	7 545	0.017	Studio Alice Co Ltd	14 174	0.672		
Nagoya Railroad Co Ltd	11 976	0.073	Oriental Land Co Ltd	41 566	0.100	Sugi Pharmacy Co Ltd	8 740	0.145		
Nakanishi Inc	25 029	1.239	ORIX Corp	368 087	0.787	Sumida Corp	44 099	1.364		
Namco Ltd	27 913	0.277	Osaka Gas Co Ltd	21 441	0.050	Sumisho Computer Systems Corp	21 368	0.242		
NBC Inc	6 157	0.605	Otsuka Corp	2 490	0.045	Sumisho Lease Co Ltd	40 537	0.457		
NEC Corp	201 009	0.209	Otsuka Kagu Ltd	67 105	1.540	Sumitomo Bakelite Co Ltd	22 130	0.213		
NEC Electronics Corp	45 992	0.078	Oyo Corp	5 875	0.412	Sumitomo Chemical Co Ltd	167 948	0.362		
NEC Fielding Ltd	2 410	0.021	Pacific Metals Co Ltd	25 784	0.307	Sumitomo Corp	101 828	0.188		
NEC Soft Ltd	2 094	0.029	Pal Co Ltd	2 412	0.114	Sumitomo Electric Industries Ltd	68 628	0.152		
NET One Systems Co Ltd	163 269	1.146	Paltac Corp	16 973	0.682	Sumitomo Forestry Co Ltd	6 700	0.066		
New Japan Radio Co Ltd	1 498	0.049	PanaHome Corp	2 319	0.038	Sumitomo Heavy Industries Ltd	14	0.000		
NGK Insulators Ltd	18 226	0.101	Parco Co Ltd	22 717	0.835	Sumitomo Metal Industries Ltd	23 063	0.073		
NGK Spark Plug Co Ltd	3 722	0.030	Paris Miki Inc	14 970	0.199	Sumitomo Metal Mining Co Ltd	145 932	0.504		
NHK Spring Co Ltd	69 914	0.896	Park24 Co Ltd	34 564	0.631	Sumitomo Mitsui Financial Group Inc	650 434	0.314		
Nichias Corp	12 414	0.478	Pentax Corp	50 041	0.977	Sumitomo Osaka Cement Co Ltd	4 954	0.087		
Nichicon Corp	32 271	0.583	Phoenix Electric Co Ltd	7 440	1.232	Sumitomo Real Estate Sales Co Ltd	34 077	0.530		
Nichiha Corp	11 443	0.342	Pioneer Corp	23 722	0.071	Sumitomo Realty & Development Co Ltd	164 970	0.665		
Nichii Gakkan Co	13 285	0.097	Plant Co Ltd	8 326	1.185	Sumitomo Rubber Industries Inc	2 280	0.026		
Nichirei Corp	2 930	0.043	Plenus Co Ltd	44 432	0.649	Sumitomo Trust & Banking Co Ltd/The	132 226	0.227		
Nidec Copal Corp	1 526	0.023	Promise Co Ltd	44 456	0.119	Sun Wave Corp	7 710	0.587		
Nidec Copal Electronics Corp	32 572	1.979	QP Corp	6 260	0.072	Suncall Corp	1 010	0.055		
Nidec Corp	356 008	0.853	Q'Sai Co Ltd	25 391	1.444	Suruga Bank Ltd/The	2 267	0.019		
Nihon Inter Electronics Corp	1 284	0.093	Rakuten Inc	22 503	0.068	Suzuken Co Ltd	6 416	0.038		

# Holdings of equities at 31 December 2003

Asia/Oceania		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)
Suzuki Motor Corp	201 713	0.366	Yamato Transport Co Ltd	25 304	0.070	Samsung Fire & Marine Insurance Co Ltd	21 342	0.117	
Taiheiy Cement Corp	13 430	0.077	Yamazaki Baking Co Ltd	1 545	0.013	Samsung Heavy Industries Co Ltd	7 727	0.095	
Taisei Corp	17 886	0.077	Yaskawa Electric Corp	109 017	1.034	Samsung SDI Co Ltd	25 394	0.067	
Taisho Pharmaceutical Co Ltd	35 202	0.085	Yokogawa Electric Corp	250 520	1.011	Samsung Securities Co Ltd	53 637	0.554	
Taiyo Ink Manufacturing Co Ltd	56 248	1.620	York-Benimaru Co Ltd	4 088	0.052	Samsung Techwin Co Ltd	5 920	0.086	
Taiyo Life Insurance Co	3 620	0.022	Yoshinoya D&C Co Ltd	2 537	0.043	Shinhan Financial Group Co Ltd	40 738	0.129	
Taiyo Yuden Co Ltd	9 654	0.091	Zenrin Co Ltd	25 957	1.352	Shinsegae Co Ltd	186 033	0.772	
Takachiho Electric Co Ltd	8 492	0.956	Zeon Corp	8 965	0.066	Shinsegae Food System Co Ltd	14 827	1.507	
Takara Holdings Inc	5 672	0.041	Zuken Inc	14 866	0.817	Sindo Ricoh Co Ltd	1 915	0.055	
Takashimaya Co Ltd	11 255	0.076			SK Corp	65 678	0.350		
Takeda Chemical Industries Ltd	245 057	0.103	<b>KOREA</b>		SK Networks Co Ltd	11 362	0.041		
Takefuji Corp	20 393	0.043	Amorepacific Corp	17 431	0.195	SK Telecom Co Ltd	282 907	0.287	
Tanabe Seiyaku Co Ltd	7 965	0.054	Anam Semiconductor Inc	841	0.028	SKC Co Ltd	1 283	0.052	
TDK Corp	83 291	0.130	Cheil Communications Inc	1 681	0.038	S-Oil Corp	11 717	0.064	
Teijin Ltd	13 258	0.073	Cheil Industries Inc	4 657	0.093	Ssangyong Motor Co	19 060	0.289	
Teikoku Oil Co Ltd	7 093	0.069	Chohung Bank	346	0.002	Trigem Computer Inc	1 933	0.105	
Telewave Inc	3 066	0.207	CJ Corp	2 951	0.037	Youngone Corp	12 382	1.850	
Teraoka Seisakusho Co Ltd	1 161	0.080	CJ Home Shopping	9 201	0.381	Yuhan Corp	2 659	0.098	
Terumo Corp	70 852	0.261	Dacom Corp	476	0.030				
THK Co Ltd	96 773	0.591	Daeduck Electronics Co	2 609	0.085	<b>NEW ZEALAND</b>			
Tietech Co Ltd	1 529	0.260	Daegu Bank	11 554	0.277	Air New Zealand Ltd	1 599	0.027	
TMS Entertainment Ltd	3 247	0.213	Daemil Industrial Co	157 743	1.627	Auckland International Airport Ltd	6 009	0.064	
Toa Corp/Hyogo	6 284	0.453	Daewoo Engineering & Construction Co Ltd	6 543	0.064	Briscoe Group Ltd	486	0.031	
Tobu Railway Co Ltd	14 693	0.071	Daewoo Heavy Industries & Machinery Ltd	3 932	0.045	Carter Holt Harvey Ltd	6 876	0.048	
TOC Co Ltd	4 715	0.186	Daewoo Securities Co Ltd	574	0.012	Contact Energy Ltd	3 782	0.028	
Toda Corp	4 345	0.071	Daewoo Shipbuilding & Marine			Fisher & Paykel Appliances Holdings Ltd	3 346	0.078	
Toei Animation Co Ltd	4 422	0.187	Engineering Co Ltd	20 554	0.127	Fisher & Paykel Healthcare Corp	3 838	0.068	
Toho Co Ltd/Tokyo	7 663	0.047	Daishin Securities Co Ltd	25 391	0.520	Fletcher Building Ltd	8 117	0.102	
Toho Gas Co Ltd	4 819	0.035	Dongbu Insurance Co Ltd	26 037	1.638	Fletcher Challenge Forests Ltd	3 755	0.340	
Tohoku Electric Power Co Inc	70 986	0.127	Dongkuk Steel Mill Co Ltd	3 145	0.077	Independent Newspapers Ltd	2 172	0.022	
Tokai Rubber Industries Inc	1 795	0.018	Doosan Heavy Industries and			Infracore Ltd	1 496	0.065	
Tokuyama Corp	32 875	0.542	Construction Co Ltd	1 330	0.034	Kiwi Income Property Trust	138	0.005	
Tokyo Broadcasting System Inc	2 437	0.013	Good Morning Shinhan Securities Co Ltd	961	0.019	NGC Holdings Ltd	906	0.021	
Tokyo Electric Power Co Inc/The	171 876	0.087	Halla Climate Control	7 737	0.117	Port of Tauranga Ltd	1 255	0.049	
Tokyo Electron Ltd	282 821	0.307	Hana Bank	4 620	0.018	Ports of Auckland Ltd	421	0.011	
Tokyo Gas Co Ltd	33 294	0.049	Hanjin Shipping	5 665	0.060	Sanford Ltd/NZ	779	0.036	
Tokyo Seimitsu Co Ltd	5 168	0.066	Hankuk Electric Glass Co Ltd	1 425	0.040	Sky City Entertainment Group Ltd	7 814	0.094	
Tokyo Style Co Ltd	4 888	0.067	Hanmi Pharm Co Ltd	11 083	0.945	Sky Network Television Ltd	723	0.008	
Tokyo Tomin Bank Ltd/The	15 046	0.348	Hanwha Chem Corp	2 441	0.038	Telecom Corp of New Zealand Ltd	30 344	0.067	
Tokyu Corp	27 587	0.070	Hite Brewery Co Ltd	3 753	0.040	Tower Ltd	121	0.005	
Tokyu Land Corp	17 690	0.259	Honam Petrochemical Corp	4 649	0.041	Warehouse Group Ltd	2 866	0.041	
TonenGeneral Sekiyu KK	13 050	0.040	Hynix Semiconductor Inc	2 505	0.016	Westpac NZ Investments Ltd	831	0.020	
Toppan Forms Co Ltd	1 841	0.022	Hyosung Corp	2 663	0.105				
Toppan Printing Co Ltd	23 879	0.049	Hyundai Department Store Co Ltd	4 238	0.085	<b>SINGAPORE</b>			
Toray Industries Inc	212 834	0.544	Hyundai Development Co	23 354	0.470	Allgreen Properties Ltd	689	0.014	
Toshiba Corp	69 430	0.084	Hyundai Engineering & Construction	3 010	0.093	BIL International Ltd	1 230	0.029	
Toshiba TEC Corp	2 781	0.035	Hyundai Heavy Industries	10 565	0.065	CapitaLand Ltd	1 390	0.009	
Tosoh Corp	8 889	0.065	Hyundai Mobis	123 495	0.407	CapitaMall Trust	2 196	0.043	
Tostem Inax Holding Corp	207 655	0.475	Hyundai Motor Co	220 289	0.336	Chartered Semiconductor Manufacturing Ltd	6 803	0.039	
Toto Ltd	209 287	0.981	Hyundai Securities Co	386	0.011	China Aviation Oil Singapore Corp Ltd	7 160	0.197	
Toyo Corp	12 152	0.501	INI Steel Co	2 665	0.038	CHT Holdings Ltd	8 580	0.895	
Toyo INK MFG Co Ltd	13 056	0.199	Jahwa Electronics Co Ltd	18 105	1.669	City Developments Ltd	4 583	0.022	
Toyo Radiator Co Ltd	12 541	0.628	Kangwon Land Inc	9 417	0.055	ComfortDelgro Corp Ltd	14 760	0.213	
Toyo Seikan Kaisha Ltd	15 158	0.072	KH Vatec Co Ltd	8 488	0.403	Creative Technology Ltd	4 207	0.071	
Toyo Suisan Kaisha Ltd	3 475	0.042	Kia Motors Corp	31 845	0.134	Cycle & Carriage Ltd	10 836	0.139	
Toyobo Co Ltd	6 929	0.066	Kook Soon Dang Brewery Co Ltd	10 633	0.394	Datacraft Asia Ltd	2 033	0.051	
Toyoda Gosei Co Ltd	44 981	0.186	Kookmin Bank	386 870	0.451	DBS Group Holdings Ltd	248 804	0.286	
Toyota Auto Body Co Ltd	1 649	0.019	KorAm Bank	277 137	1.680	Elec & Eltek International Co Ltd	1 576	0.060	
Toyota Industries Corp	11 114	0.024	Korea Electric Power Corp	60 589	0.080	Flextronics International Ltd	63 123	0.120	
Toyota Motor Corp	930 754	0.110	Korea Exchange Bank	665	0.003	Fraser and Neave Ltd	5 145	0.043	
Toyota Tsusho Corp	6 540	0.036	Korea Gas Corp	1 065	0.010	Great Eastern Holdings Ltd	11 820	0.058	
Toys R Us Japan Ltd	18 030	0.411	Korean Air Co Ltd	6 571	0.086	Haw Par Corp Ltd	2 221	0.060	
Trans Cosmos Inc	9 032	0.221	Korean Reinsurance Co	22 055	0.999	Hong Leong Asia Ltd	11 589	0.429	
Trend Micro Inc	17 312	0.073	KT Corp	23 149	0.039	Hotel Properties Ltd	302	0.016	
Trusco Nakayama Corp	17 555	0.659	KT Freetel	9 332	0.045	Keppel Corp Ltd	137 783	0.732	
Tsubaki Nakashima Co Ltd	12 827	0.274	KT&G Corp	7 625	0.037	Keppel Land Ltd	630	0.013	
TV Asahi Corp	2 206	0.021	Kumgang Korea Chemical Co Ltd	3 253	0.051	Marco Polo Developments Ltd	11	0.000	
Ube Industries Ltd/Japan	18 178	0.152	LG Cable Ltd	2 706	0.099	MobileOne Ltd	11 822	0.190	
UFJ Holdings Inc	159 017	0.096	LG Card Co Ltd	415	0.087	NatSteel Ltd	474	0.015	
UFJ Tsubasa Securities Co Ltd	4 095	0.022	LG Chem Ltd	18 483	0.090	Neptune Orient Lines Ltd	8 658	0.068	
UMC Japan	37 432	0.543	LG Corp	6 138	0.048	Oversea-Chinese Banking Corp	110 880	0.180	
Uni-Charm Corp	99 354	0.439	LG Electronics Inc	104 041	0.228	Overseas Union Enterprise Ltd	2 396	0.049	
Uniden Corp	15 507	0.205	LG Engineering & Construction Corp	40 490	0.836	Pacific Century Regional Developments Ltd	423	0.012	
UNY Co Ltd	24 248	0.186	LG Household & Health Care Ltd	1 412	0.052	Parkway Holdings Ltd	997	0.034	
Ushio Inc	47 929	0.306	LG Investment & Securities Co Ltd	13 259	0.211	Seksun Corp Ltd	14 441	1.714	
USS Co Ltd	45 332	0.312	LG Petrochemical Co Ltd	63 354	0.851	SembCorp Industries Ltd	3 770	0.041	
Victor Co Of Japan Ltd	3 790	0.027	Lotte Chilsung Beverage Co Ltd	12 139	0.290	SembCorp Logistics Ltd	2 860	0.042	
Vodafone Holdings KK	52 664	0.090	Lotte Confectionery Co Ltd	5 484	0.148	SembCorp Marine Ltd	2 589	0.047	
Wacoal Corp	15 293	0.187	Nong Shim Co Ltd	3 136	0.041	Singapore Airlines Ltd	25 636	0.046	
Warabeya Nichiyu Co Ltd	7 857	0.717	Nong Shim Holdings Co Ltd	1	0.000	Singapore Computer Systems Ltd	2 528	0.537	
West Japan Railway Co	24 958	0.047	Orion Corp	16 436	0.645	Singapore Exchange Ltd	1 615	0.023	
Workman Co Ltd	7 075	0.469	Pantech Co Ltd	439	0.037	Singapore Food Industries Ltd	7 058	0.488	
Works Applications Co Ltd	75 041	1.531	Plenus Inc	13 200	0.542	Singapore Land Ltd	326	0.006	
World Co Ltd	7 451	0.066	Poongsan Corp	2 451	0.109	Singapore Post Ltd	11 862	0.228	
Yahoo Japan Corp	118 085	0.070	POSCO	98 111	0.119	Singapore Press Holdings Ltd	16 792	0.061	
Yakult Honsha Co Ltd	11 438	0.062	Pusan Bank	23 138	0.427	Singapore Telecommunications Ltd	44 202	0.088	
Yamada Denki Co Ltd	46 930	0.253	S1 Corp/Korea	2 778	0.056	SMRT Corp Ltd	1 389	0.038	
Yamaguchi Bank Ltd/The	2 557	0.021	Samsung Corp	7 466	0.089	ST Assembly Test Services Ltd	2 209	0.023	
Yamaha Corp	19 575	0.072	Samsung Electro-Mechanics Co Ltd	18 628	0.113	Straits Trading Co Ltd	6	0.000	
Yamaha Motor Co Ltd	5 805	0.029	Samsung Electronics Co Ltd	969 442	0.257	Unisteel Technology Ltd	16 034	1.302	
Yamanouchi Pharmaceutical Co Ltd	166 119	0.218	Samsung Fine Chemicals Co Ltd	1 410	0.058	United Industrial Corp Ltd/Singapore	3 087	0.067	

## Holdings of equities at 31 December 2003

Asia/Oceania	Market value (NOK 1000)	Ownership stake (per cent)		Market value (NOK 1000)	Ownership stake (per cent)
United Overseas Bank Ltd	267 607	0.320	KGI Securities Co Ltd	693	0.016
United Overseas Land Ltd	8 842	0.185	Kinpo Electronics	4 206	0.092
Venture Corp Ltd	209 185	1.029	Largan Precision Co Ltd	1 759	0.027
Want Want Holdings Ltd	1 519	0.018	LITE-ON IT Corp	3 145	0.027
WBL Corp Ltd	0	0.000	Lite-On Technology Corp	14 855	0.091
Wing Tai Holdings Ltd	22	0.001	Macronix International	5 386	0.085
YHI International Ltd	17 040	1.406	Masterlink Securities Corp	742	0.025
<b>TAIWAN</b>			MediaTek Inc	175 874	0.425
Accton Technology Corp	2 718	0.089	Mega Financial Holding Co Ltd	22 412	0.047
Acer Inc	19 358	0.089	Merry Electronics Co Ltd	7 384	0.565
Advanced Semiconductor Engineering Inc	59 721	0.233	Micro-Star International Co Ltd	4 010	0.059
Advantech Co Ltd	2 689	0.068	Mitac International	2 172	0.073
Altek Corp	1 343	0.084	Mosel Vitelic Inc	1 100	0.057
Ambit Microsystems Corp	55 227	0.894	Nan Ya Plastics Corp	60 644	0.094
AmTRAN Technology Co Ltd	1 975	0.091	Nanya Technology Corp	6 737	0.042
Aopen Inc	1 159	0.073	National Petroleum Co Ltd	9 338	0.655
Arima Computer Corp	2 044	0.070	Nien Hsing Textile Co Ltd	16 176	0.407
ASE Test Ltd	21 612	0.211	Nien Made Enterprises	2 235	0.077
Asia Cement Corp	2 869	0.035	Novatek Microelectronics Corp Ltd	3 782	0.057
Asia Optical Co Inc	103 713	1.435	Oriental Union Chemical	3 230	0.066
Askey Computer Co Ltd	1 343	0.087	Pacific Electric Wire & Cable Co Ltd	124	0.036
Asustek Computer Inc	23 221	0.068	Phoenixtec Power Co Ltd	18 442	0.494
AU Optronics Corp	22 785	0.062	Pihsiang Machinery Manufacturing Co Ltd	184	0.005
Basso Industry Corp	17 501	0.991	Polaris Securities Co Ltd	452	0.011
Benq Corp	24 865	0.143	POU Chen Corp	12 129	0.088
Capital Securities Corp	937	0.029	Powerchip Semiconductor Corp	9 748	0.083
Career Technology Co Ltd	14 703	0.970	Premier Image Technology Corp	5 434	0.093
Cathay Financial Holding Co Ltd	33 200	0.038	President Chain Store Corp	3 103	0.034
Cathay Real Estate Development Co Ltd	276	0.006	President Securities Corp	749	0.023
Chang Hwa Commercial Bank	2 257	0.014	ProMOS Technologies Inc	3 595	0.039
Cheng Shin Rubber Industry Co Ltd	1 989	0.024	Quanta Computer Inc	177 847	0.386
Cheng Uei Precision Industry Co	2 093	0.070	Quanta Display Inc	6 123	0.059
Chi Mei Optoelectronics Corp	15 219	0.065	Quanta Storage Inc	3 050	0.062
Chia Hsin Cement Corp	1 419	0.048	Radiant Opto-Electronics Corp	4 596	0.209
Chicony Electronics Co Ltd	3 503	0.085	Realtek Semiconductor Corp	6 993	0.093
China Airlines	1 690	0.020	Ritek Corp	8 236	0.092
China Bills Finance Corp	611	0.019	Ruentex Industries Ltd	1 456	0.063
China Development Financial Holding Corp	23 858	0.059	Sampo Corp	2 955	0.078
China Motor Corp Ltd	3 334	0.021	Sheng Yu Steel Co Ltd	898	0.031
China Steel Corp	24 752	0.046	Shin Kong Financial Holdings Co Ltd	1 250	0.012
Chinatrust Financial Holding Co	314 570	0.789	Silicon Integrated Systems Corp	5 321	0.086
Chunghwa Picture Tubes Ltd	11 142	0.063	Siliconware Precision Industries Co	163 141	1.178
Chunghwa Telecom Co Ltd	10 839	0.011	Sinopac Holdings Co	20 506	0.158
CMC Magnetics Corp	14 965	0.089	Sunplus Technology Co Ltd	6 174	0.065
Compal Electronics Inc	115 200	0.384	Synnex Technology International Corp	6 542	0.097
Compeq Manufacturing Co	2 663	0.081	Systex Corp	2 399	0.072
Coretronic Corp	2 499	0.098	Taishin Financial Holdings Co Ltd	24 802	0.128
Cosmos Bank Taiwan	1 002	0.015	Taiwan Business Bank	683	0.012
CTCI Corp	11 203	0.370	Taiwan Cellular Corp	96 310	0.350
DBTEL Inc	3 822	0.084	Taiwan Cement Corp	3 576	0.039
Delta Electronics Inc	16 430	0.127	Taiwan Fertilizer Co Ltd	2 312	0.053
D-Link Corp	4 163	0.095	Taiwan Glass Industrial Corp	3 990	0.059
E.Sun Financial Holdings Co Ltd	1 458	0.014	Taiwan Secom	1 475	0.054
Elite Semiconductor Memory Technology Inc	1 778	0.085	Taiwan Semiconductor Manufacturing Co Ltd	739 249	0.257
Elitegroup Computer Systems	2 361	0.063	Taiwan Styrene Monomer	3 262	0.087
Eternal Chemical Co Ltd	1 659	0.067	Tatung Co Ltd	6 349	0.087
Eva Airways Corp	1 681	0.022	Teco Electric & Machinery	3 702	0.079
Evergreen International Storage & Transport Corp	1 022	0.036	TON YI Industrial Corp	2 048	0.067
Evergreen Marine Corp	3 025	0.023	Tong Yang Industry	11 806	0.295
FAR Eastern International Bank	625	0.013	Transcend Information Inc	1 115	0.035
Far Eastern Textile Co Ltd	7 897	0.061	TYC Brother Industrial Co Ltd	11 422	0.630
Far EasTone Telecommunications Co Ltd	848	0.006	Unimicron Technology Corp	3 772	0.092
Faraday Technology Corp	2 350	0.072	Union Bank Of Taiwan	870	0.030
Farmers Bank of China Ltd/The	854	0.025	Uni-President Enterprises Corp	5 273	0.053
Feng Hsin Iron & Steel Co	2 505	0.088	United Microelectronics Corp	202 245	0.183
Feng TAY Enterprise Co Ltd	1 745	0.071	Vanguard International Semiconductor Corp	2 318	0.031
First Financial Holding Co Ltd	12 247	0.044	Via Technologies Inc	7 328	0.068
First International Computer Inc	1 963	0.091	Walsin Lihwa Corp	6 280	0.080
Formosa Chemicals & Fibre Co	117 885	0.232	Wan Hai Lines Ltd	3 874	0.041
Formosa Plastics Corp	295 813	0.541	Waterland Financial Holdings	785	0.019
Formosa Taffeta Co	2 801	0.060	Winbond Electronics Corp	10 397	0.070
Fu Sheng Industrial Co Ltd	13 014	0.194	Wintek Corp	3 020	0.093
Fubon Financial Holding Co Ltd	307 782	0.568	Ya Hsin Industrial Co Ltd	3 393	0.059
Fuh-Hwa Financial Holdings Co Ltd	1 135	0.017	Yageo Corp	5 655	0.082
Giant Manufacturing	1 276	0.055	Yang Ming Marine Transport	5 197	0.039
Gigabyte Technology Co Ltd	4 450	0.063	Yieh Phui Enterprise	3 680	0.073
Grand Hall Enterprise Co Ltd	7 476	0.392	Yuanta Core Pacific Securities Co	2 717	0.026
HannStar Display Corp	7 539	0.076	Yuen Foong Yu Paper Manufacturing Co Ltd	3 544	0.089
High Tech Computer Corp	4 274	0.083	Yulon Motor Co	4 066	0.026
HON HAI Precision Industry	157 811	0.235	Yung Chi Paint & Varnish Manufacturing Co Ltd	9 079	0.741
Hotai Motor Co Ltd	1 498	0.035	Yungtay Engineering Co Ltd	1 403	0.079
Hsinchu International Bank	639	0.016	Zyxxel Communications Corp	3 537	0.079
Hua Nan Financial Holdings Co Ltd	4 493	0.018			
International Bank of Taipei	2 121	0.028			
International Semiconductor Technology Ltd	9 044	0.541			
Inventec Co Ltd	14 636	0.182			
Jenn Feng Industrial Co Ltd	13 766	1.061			
Jih Sun Financial Holdings Co Ltd	320	0.008			
Kenda Rubber Industrial Co	789	0.037			

## Fixed income securities at 31 December 2003

Europe	Value in NOK 1000		Value in NOK 1000	Value in NOK 1000	
<b>AUSTRIA</b>		BASF AG	132 122	SES Global SA	74 394
Asfinag	415 136	Bayer Corp	345 114		
Austrian government	10 952 642	Bayerische Hypothekenbank	4 899 576	<b>NETHERLANDS</b>	
Bank Austria AG	242 275	Bayerische Landesbank	5 848 396	ABN Amro Bank NV	589 184
Bank Fuer Arbeit & Wirtschaft	460 872	Berlin Hannover Hypobank AG	695 434	ABN Amro Bouwfonds Nederland Gemeenten	251 377
Bundes Immobiliengesell	67 351	BMW AG	309 377	Akzo Nobel Inc	126 011
Erste Bank Der Oesterreichischen Sparkassen	85 662	Bremer Landesbank Kreditanstalt	85 336	Bank Nederlandsche Gemeenten	2 687 260
Hypo Alpe-Adria Bank AG	110 564	Daimlerchrysler	1 330 102	DSM NV	66 845
Kommunalkredit AG	912 295	Degussa AG	59 484	Dutch government	3 645 049
Pfandbrief Landeshypotheken	533 962	Deka Bank Deutsche Girozentrale	885 157	E. On AG	637 864
Sappi Papier Holding AG	50 723	Depfa Bank AG	2 871 762	Eneco Holding Inv	85 050
Telekom Austria	103 336	Deutsche Bank AG	731 719	Essent NV	67 321
		Deutsche Bundesbahn	382 526	Fortis Finance NV	120 222
<b>BELGIUM</b>		Deutsche Bundespost	444 564	ING Bank	1 044 858
Belgian government	2 362 223	Deutsche Genossenschafts Hypothekenbank	1 193 774	Koninklijke Kpn NV	264 432
Dexia Credit Local	46 135	Deutsche Hypothekenbank	450 200	Metro Finance BV	54 661
Solvay SA	164 154	Deutsche Post Finance	166 780	Nederlandse Waterschapsbank	1 168 880
		Deutsche Postbank	962 280	NIB Capital Bank	66 660
<b>CROATIA</b>		Deutsche Telekom	914 474	Rabobank	785 742
Croatian government	48 119	Dresdner Bank AG	22 794	Schipol Nederland BV	25 270
		Eurohypo AG	4 433 419	Shell Finance Uk Plc	144 846
<b>CZECH REPUBLIC</b>		Gemeinsame Bundeslaender	238 714	SNS Bank Nederland	277 781
Czech Export Bank	374 082	German government	56 066 967	TPG NV	93 691
		Hannover Rueckversicherung	27 854	TPSA Eurofinance BV	65 823
<b>DENMARK</b>		Henkel Kga	33 299	Transamerica Financial Corp	126 246
Brfkredit A/S	118 475	Hsh Nordbank AG	1 454 105	Unilever NV	434 995
Danish government	10 107 793	Hypo Real Estate Bank AG	996 314	Union Fenosa	59 591
Den danske Bank	295 254	Hypothekenbank In Essen	2 462 573	Verenigd Bezit Vnu NV	93 160
ISS Global A/S	102 546	Ikb Deutsche Industriebank	62 086	Wolters Kluwer NV	92 437
Nordea Kredit Realkredit	504 708	Kreditanstalt Fur Wiedera	4 672 754		
Nykredit	979 919	Land Berlin	228 155	<b>POLAND</b>	
Realkredit Danmark	1 397 006	Land Brandenburg	482 083	Polish government	701 226
Tele Danmark AS (TDC AS)	118 922	Land Hessen	519 026		
		Land Nordrhein Westfalen	838 228	<b>PORTUGAL</b>	
<b>FINLAND</b>		Landesbank Baden Wuerttemberg	563 801	Banco Comercial Portugues	23 924
Finnish government	887 035	Landesbank Berlin	1 076 511	Banco Espirito Santo S.A	188 148
Municipality Finance Plc	94 347	Landesbank Hessen-Thuringen Girozentrale	1 514 509	Brisa-Auto-Estrada De Portugal	85 308
Stora Enso Oyj-Global	77 699	Landesbank Nrw	1 347 819	Electricidade De Portugal	147 642
UPM-Kymmene Corp	114 234	Landesbank Rheinland Pfalz	868 951	Portugal Telecom Intl Fin	154 794
		Landesbank Sachsen Girozentrale	348 651	Portuguese government	2 775 138
<b>FRANCE</b>		Landeskreditbank Baden-Wuerttemberg	5 974 507		
Accor SA	60 648	Linde Finance BV	94 177	<b>SLOVENIA</b>	
Agence Francaise De Developpement	58 966	Muenchener Rueckversicherung	152 426	Slovenian government	144 178
Auchan SA	58 853	Norddeutsche Landesbank	696 055		
Aventis SA	353 565	Rentenbank	6 570 903	<b>SPAIN</b>	
Axa SA	513 196	Robert Bosch Gmbh	63 285	Ayt Cedulas Cajas Ii Fta	2 895 767
Banque Federative Du Credit Mutuel	75 578	Rwe Finance BV	560 732	Banco Bilbao Vizcaya SA	1 485 255
BNP Paribas	705 736	Seb Hypothekenbank AG	169 095	Banco Sabadell	104 361
Bouygues SA	84 152	Siemens Financieringsmat	276 860	Banco Santander SA	2 228 889
Caisse Centrale du Credit Immobilier de France	188 999	Suedzucker AG	103 637	Caja De Madrid	427 744
Caisse D'amortissement de La Dette Sociale	549 987	Volkswagen AG	69 135	Cedulas Tda 2	421 197
Caisse Nationale des Autoroutes	203 743	Westlb AG	1 998 912	Endesa	211 777
Caisse Nationale des Caisnes	339 884	<b>GREECE</b>		Generalitat de Valenciana	257 517
Caisse Refinance Hypothec	934 071	Coca-Cola Hellenic Bottling	24 371	Iberdrola	233 054
Carrefour SA	242 499	Greek government	7 549 820	Radio TV Espanola	443 616
Casino Guichard	230 295	OTE Plc	131 709	Red Electrica de Espana	57 587
CDC Ixis	1 902 553	Public Power Corp	35 245	Repsol Ypf SA	258 479
CIF Euromortgage	2 172 014			Spanish government	19 903 546
Cofiroute	74 855	<b>HUNGARY</b>		Telefonica Europe BV	442 068
Credit Agricole	107 737	Hungarian government	334 881		
Credit Foncier de France	1 959 844	National Bank of Hungary	19 158	<b>SWEDEN</b>	
Credit Lyonnais	185 351			Birka Energi AB	179 341
Dexia Municipal agency	4 552 148	<b>IRELAND</b>		Electrolux AB	66 563
Electricite de France	308 994	Allied Irish Banks Ltd	30 783	Investor AB	162 312
ERAP	682 991	Bank of Ireland	164 851	Lansforsakringar AB	16 998
France Telecom	974 405	Chalet Finance Plc	26 012	Nordbanken AB	328 592
French government	8 276 101	Irish government	1 135 924	SCA Coordination Center	177 513
Gaz de France	44 947			Scania Cv AB	140 674
Gecina	26 645	<b>ITALY</b>		SEB AB	141 058
Imerys SA	137 684	Assicurazioni Generali Spa	243 873	Securitas AB	76 261
La Poste	297 625	Banca Intesa Spa	189 332	Spintab AB	456 518
Lafarge	147 835	City of Rome	103 120	Svenska Handelsbanken	495 466
Natexis Banque	24 877	Edison Spa	51 190	Swedish government	2 940 934
Peugeot SA	44 939	ENI Spa	141 619	Swedish Natl Housing Fin	96 774
Regie Autonome des Transports Parisiens	256 741	Ente Nazionale Per L'energi	191 506	Teliasonera AB	89 004
Reseau Ferre de France SA	516 443	Fiat Finance & Trade	26 354	Vattenfall Treasury AB	100 151
Saint-Gobain Nederland BV	108 292	Finmeccanica Finance SA	85 013	Volvo Group Finance Europe BV	239 187
Schneider SA	27 657	Italian government	31 035 391		
SNCF	416 153	Lottomatica Spa	21 149	<b>SWITZERLAND</b>	
Societe Generale	467 679	Monte Dei Paschi Di Siena	125 303	Adecco S.A.	46 334
Societe Television Francais 1	92 756	Poste Italienne Spa	364 848	Ciba Special Chemical	33 434
Sodexho Alliance SA	55 830	Region of Lombardy	68 660	Credit Suisse First Boston	1 457 220
Suez	193 579	Region of Sicily	140 033	Nestle Holding (Emtn)	48 880
Total SA	66 004	Sanpaolo IMI Spa	121 548	Syngenta AG	136 052
Vauban Mobilisations Gara	1 335 852	Telecom Italia	1 371 851	Swiss government	2 414 078
Vinci	157 038			UBS AG	128 765
Vivendi Environnement	420 708				
		<b>LUXEMBOURG</b>		<b>UK</b>	
<b>GERMANY</b>		Holcim Finance Luxembourg	34 073	Abbey National Plc	211 879
Allgemeine Hypothekenbank Rheinboden AG	1 889 467	Michelin Finance	155 027	Allied Breweries Ltd	166 142
Allianz Finance BV	412 902	Pfandbriefbank International	85 909	Amvescap Plc	62 271



## Fixed income securities at 31 December 2003

Europe	Value in NOK 1000	Asia /Oceania / Africa	Value in NOK 1000	Americas	Value in NOK 1000
Anglian Water Plc	62 522	<b>AUSTRALIA</b>		<b>BRAZIL</b>	
Anglo American Capital	80 352	ANZ Banking Group	109 672	Brazil Development Fund	14 604
Aviva Plc	343 892	Australian government	812 508	Cia Barsileira de Bebida	50 098
BAE System Plc	51 810	BHP Billiton Ltd	113 227	Petrobras Intl Finance	108 354
Bank of England Notes	539 909	Commonwealth Bank of Australia	57 784	Tele Norte Leste Participacoes	32 563
Barclays Bank Plc	615 895	Fosters Brewing Group	75 901		
BG Energy Capital Plc	74 241	Mayne Group Ltd	35 897	<b>CANADA</b>	
BOC Group Plc	62 886	National Australia Bank	563 703	Abitibi-Consolidated	34 609
Boots Co Ltd	62 462	Principal Financial Group	169 759	Alberta Energy Co Ltd	170 482
BP Plc	65 350	Qantas Airways	67 798	Alcan Inc	130 672
British Telecom Plc	539 577	Telstra Corporation Limited	271 822	Barrick Gold Corp	37 917
BAA Plc	282 330			BCE Inc	58 686
Cadbury Schweppes Fin	287 771	<b>HONG KONG</b>		Bombardier Inc	93 814
Carnival Plc	39 518	Bank of East Asia	36 854	Brascan Corp	37 311
Centrica Plc	24 804	China Light & Power	37 589	British Columbia	70 875
Clerial Medical Fin Plc	76 165	Hongkong Land Finance	75 090	Canada Mortgage & Housing	578 257
Compass Group Plc	212 073	Hutchison Whamp Intl Ltd	424 794	Canadian National Railway	75 571
Daily Mail & General Trust	57 420	Kowloon-Canton Railway	158 106	Canadian Natural Resources	39 046
Diageo Plc	276 160	MTR Corp	118 903	Canadian Pacific Railway	237 155
Dixons Group Plc	36 786	PCCW Capital Ltd	34 381	Canadian government	6 271 744
FKI Plc	23 558			Domtar Inc	78 278
Friends Provident Plc	31 222	<b>ISRAEL</b>		Export Development Corporation	434 678
Gallaher Group Plc	51 595	Israel Electric Corp	71 734	Greater Toronto Airport	110 744
Glaxo Smithkline	150 977	Israeli government	98 153	Hydro-Quebec	85 140
Gracechurch Card Funding Plc	43 243			Inco Ltd	44 305
Great Universal Stores Plc	128 680	<b>JAPAN</b>		Manufacturers Life Insurance	127 866
Hanson Plc	43 668	American Honda Finance	33 712	Nexen Inc	139 456
HBOS Plc	1 578 790	City of Kobe	125 522	Noranda Inc	38 509
Hilton Group Finance Plc	126 234	Development Bank of Japan	730 120	Ontario Hydro - Global	79 284
HSBC Holdings	2 385 515	Export-Import Bank of Japan	296 530	Ontario Prov Canada-Global	742 873
Imperial Chemical Industries	26 988	Japanese government	39 045 222	Petro-Canada	176 878
Imperial Tobacco O/S BV-Global	108 416	Japan Finance Corp For Municipal Enterprises	281 081	Placer Dome Inc	20 844
Jardine Strategic Holding Ltd	36 295	Sharp	2 523	Potash Corp Saskatchewan	40 960
Kelda Group Plc	111 114	Sony Corp	35 636	Province of Alberta	71 068
Kingfisher Plc	142 933	Takefuji Corp	38 984	Province of Manitoba	81 479
Land Securities Plc	145 725	Tokyo Electric Power Co Inc	246 252	Province of Newfoundland	35 587
LCR Finance Plc	357 898	Toyota Motor Corp	272 706	Province of Nova Scotia	73 678
Legal And General Group Plc	87 223	UFJ Bank Ltd	140 646	Province of Quebec	587 690
Lloyds Bank Plc	252 512			Royal Bank of Canada	33 135
Marks & Spencer Finance	265 816	<b>PEOPLE'S REPUBLIC OF CHINA</b>		Suncor Energy Inc	46 654
MMO2 Plc	191 517	Chinese government	236 315	Talisman Energy	152 635
Mound Financing Plc	9 389	Cnooc Ltd	37 384	Trans-Canada Pipelines	38 528
National Grid Transco Plc	666 500			<b>CHILE</b>	
Nationwide Building Society	83 161	<b>KOREA</b>		Celulosa Arauco	55 635
Northern Rock Plc	135 299	Export-Import Bank of Korea	187 859	Chilean government	175 684
Pearson Plc	153 442	Hyundai Motor Co Ltd	127 808	Corp Nacional Del Cobre - Codelco Inc	78 657
Pilkington Plc	46 947	Korea Development Bank	146 312		
Prudential Plc	189 549	Korea government	93 505	<b>MEXICO</b>	
Rentokil Initial	61 578	LG-Caltex Oil Corp	77 713	Mexican government	1 091 363
Rexam Plc	256 735	POSCO	74 096	Petroleos Mexicanos	789 901
Rio Tinto Plc	137 239			Telefonos De Mexico S.A.	100 475
Rolls-Royce Plc	94 064	<b>MALAYSIA</b>		<b>US</b>	
Royal Bank of Scotland Group	1 113 754	Malaysian government	59 246	Abbott Laboratories	110 099
Safeway Plc	73 841	Petronas Capital Ltd	152 168	Abn Amro Mortgage Corp	68 926
Sainsbury Plc	121 023	Tenaga Nasional Berhad	54 343	Access Group	18 304
Schlumberger Tech Corp	90 024			ACE Ltd	29 018
Seymour Trent	109 459	<b>NEW ZEALAND</b>		Aetna Inc	8 815
Six Continents Plc	50 553	Fonterra Co-Operative	136 430	Aflac Inc	58 873
Smiths Group Plc	70 024	New Zealand government	1 243 419	Alabama Power Co	157 291
Standard Chartered Bank	27 533	TCNZ Finance Ltd	86 773	Albertson's Inc	93 484
Tate and Lyle Intl Fin Plc	70 600			Alcoa Inc	73 020
Tesco Plc	231 031	<b>QATAR</b>		Alliant Energy Resources	68 872
Tomkins Plc	53 896	State of Qatar	94 740	Allstate Corp	213 647
UK government	13 577 917	<b>SINGAPORE</b>		Amerada Hess Corp	138 284
United Utilities Plc	279 178	Development Bank of Singapore	318 209	American Airlines	34 333
Vodafone Group Plc	903 180	Oversea-Chinese Banking	111 519	American Electric Power	187 009
Wessex Water Services Finance	24 709	Singapore government	1 265 737	American Express Co	110 966
WPP Group Plc	46 477	Singapore Telecommunications	231 705	American Express Credit Account Master Trust	66 281
		Singapore Power	33 695	American Express Master Trust	35 499
		United Overseas Bank Ltd	32 575	American International Group	1 416 549
		<b>REPUBLIC OF SOUTH AFRICA</b>		Americredit Automobile Receivables Trust	44 801
		South African government	116 047	Ameritrust Mortgage Securities Inc.	5 535
				Amortizing Residential Collateral Trust	7 495
				Amsouth Bank	77 589
				Anadarko Petroleum	145 024
				Anheuser-Busch Co.,Inc.	128 664
				Anthem Inc	18 621
				Apache Finance Canada	29 933
				Aq Finance Nim Trust	2 291
				Arc Net Interest Margin Trust	1 008
				Archer-Daniels-Midland	128 937
				Argent Securities Inc	546
				Ashland Inc	29 572
				Asset Backed Funding Certificates	1 591
				Asset Backed Securities Corp Home Equity	3 345
				Asset Securitization Corporati	9 025
				AT&T Corp	508 478
				AT&T Wireless Group	476 586
				Atmos Energy Corp	16 774

## Fixed income securities at 31 December 2003

Americas	Value in NOK 1000		Value in NOK 1000		Value in NOK 1000
Ba Master Credit Card Trust	64 126	Devon Energy Corp	147 981	Johnson & Johnson	79 889
Banc of America Large Loan	1 368	Discover Card Master Trust I	105 696	Johnson Controls Inc	34 245
Banc One Corp	551 519	Distribution Financial Svcs Floorplan Mastert Trust	11 395	Jones Apparel Group	66 287
Banca Pop Bergamo	52 341	DLJ Commercial Mortgage Corp	6 822	K N Energy Inc	86 221
Bank of America Alternative Loan Trust	30 841	Dominion Resources Inc	210 581	Kellogg Co	85 064
Bank of America Corp	1 755 840	Dover Corp	14 871	Kerr Megee Corp	127 285
Bank of America Funding Corporation	15 314	Dow Chemical	371 623	Key Bank Na	145 975
Bank of America Mortgage Securities	143 161	DPL Inc	34 369	Keyspan Corp	71 412
Bank of New York	107 056	DTE Energy Co	107 798	Kimberly Clark	70 521
Bank One Issuance Trust	45 292	Duke Energy Corp	440 712	Kinder Morgan Energy Partners	157 008
Baxter International Inc	106 371	Dupont E. I. De Nemours-Global	43 585	Kraft Foods	459 865
Bayview Financial Acquisition Trust	16 576	Eastman Chemical	38 520	Kroger	239 758
BB&T Corporation	20 105	Eastman Kodak Company	12 654	LB-UBS Commercial Mortgage Trust	58 236
Bear Stearns Asset Backed Securities, Inc	7 886	Ecolab Inc	82 881	Lehman Brothers Floating Rate Commercial Mtg Trst	25 418
Bear Stearns Co, Inc	457 576	Edison International	77 918	Lehman Brothers Holdings	592 453
Beckman Coulter Inc	86 106	Education Funding Capital Trust I	52 059	Liberty Media Corp	148 037
Bellsouth Tele	144 926	Eli Lilly Co	87 220	Liberty Mutual Insurance	11 937
BMW Floorplan Master Owner Trust	10 027	Emerson Electric	47 802	Limited Brands Inc	74 160
Boeing Co	237 774	Encore Credit Corporation	1 193	Liz Claiborne	39 371
Boston Scientific	35 863	Enterprise Products Operating	13 514	LNR CDO Ltd.	2 325
Bristol-Myers Squibb	265 539	Entertainment Properties Trust	1 166	Lockheed Martin	218 466
Bunge Ltd Finance Corp	33 443	EOP Operating Lp	181 796	Long Beach Mortgage Loan Trust	34 373
Burlington North Santa Fe	109 259	ERP Operating Lp	39 982	Manor Care Inc	69 437
Burlington Resources Inc	95 343	Estee Lauder Cos Inc	82 066	Marathon Oil Corp	155 272
Cabot Corp	36 733	Exelon Corp	142 529	Marriott International, Inc	21 655
Campbell Soup	99 645	Federal Home Loan Banks	1 564 093	Marriott Vacation Club Owner Trust	2 700
Capital Auto Receivables Asset	36 445	Federal Home Loan Mortgage Corp	12 495 304	Marsh & McLennan Cos Inc	92 274
Capital One Bank	247 617	Federal National Mortgage Association	12 356 545	Masco Corp	50 214
Capital One Master Trust	13 277	Federated Department Stores	31 148	Massmutual Global Funding	57 949
Capital One Multi-Asset Execution Trust	6 258	Fica Secured Lending Corporation	1 307	Mastr Asset Backed Securities Trust	2 288
Capital One Prime Auto Receivables	33 248	Fidelity International	189 257	Mastr Asset Securitization Trust	182 388
Cardinal Health	69 053	First Energy Corp	173 354	MBNA America Bank Na	162 562
Cargill Inc	85 059	First Franklin Mtg Loan Asset Backed Certificates	70 015	MBNA Credit Card Master Note Trust	60 077
Caterpillar Inc	94 903	First Franklin Nim Trust	927	MBNA Master Credit Card Trust	76 073
Cdc Mortgage Capital Trust	264	First Horizon Asset Securities Inc	13 602	McDonald's Corp	137 390
Cendant Corp	55 227	First National Master Note Trust	27 885	McKesson Corp	15 843
Centerpoint Energy	57 958	First Union-Lehman Brothers-Bank of America	2 115	Meadwestvaco Corp	180 017
Centex Corporation	46 297	First Usa Credit Card Master Trust	40 494	Medallion Trust	6 288
Centex Home Equity	4 998	Fleet Credit Card Master Trust	65 464	Mellon Residential Funding Corporation	18 090
Centurytel Inc	30 349	Fleetboston Financial Corp	480 483	Merck & Co	37 135
Chase Commercial Mortgage Securities Corp	2 816	Ford Credit Auto Owner Trust	10 009	Merit Securities Corporation	42 746
Chase Credit Card Master Trust	93 292	Ford Motor Co	2 013 270	Merrill Lynch & Co Inc	869 087
Chase Funding Loan Acquisition Trust	9 071	Fortune Brands Inc	113 852	Merrill Lynch Mortgage Investors	26 123
Chase Funding Mortgage Loan Asset-Backed	30 163	FPL Group Capital Inc	130 377	Merrill Lynch Mortgage Trust	49 073
Chase Funding Net Interest Margin	4 505	Gannett Co Inc	105 050	Metropolitan Life Insurance Co	384 611
Chesapeake Funding Llc	33 687	GE Capital Mortgage Services	2 901	Midamerican Energy Holdings Co	389 173
Chevron Phillips Chemical Co	262 387	General Dynamics Corp	132 525	Mid-State Trust	1 713
Cinergy Corp	49 083	General Electric Capapital Corp	2 511 068	Miller Brewing Co	82 786
Cingular Wireless Llc	155 548	General Mills	144 572	Mohawk Industries Inc	36 709
Cintas Corp No 2	35 580	General Motors Corp	2 448 305	Monumental Global Funding	173 868
Cit Group Inc	490 010	G-Force Cdo Ltd	2 143	Morgan Stanley Abs Capital I	10 394
Citibank Credit Card Issuance	96 592	Gillette Co	32 036	Morgan Stanley Capital I	26 080
Citicorp Mortgage Securities	108 721	GMAC Commercial Mortgage Securities	49 327	Morgan Stanley Dean Witter	933 886
Citifinancial Mortgage Securities Inc.	6 880	Golden West Financial Corp	48 042	Morgan Stanley Dean Witter Capital I	82 217
Citigroup Inc	1 721 860	Goldman Sachs Group Inc	903 356	Mortgage Capital Funding, Inc.	10 148
Citizens Communications	145 101	Government National Mortgage	1 803 463	Motorola Inc	87 941
Clear Channel Communicat	33 433	Granite Mortgages	17 674	Msdwcc Heloc Trust	11 537
Clorox Co.	38 451	Green Tree Financial Corporation	15 638	Murphy Oil Corporation	36 955
CNH Equipment Trust	16 126	Greenwich Capital Commercial Funding	113 702	National City Bank	128 896
CNH Wholesale Master Note Trust	20 491	Gs Mortgage Securities Corp.	35 381	National City Credit Card Master Trust	66 638
Coca-Cola Enterprises Inc.	147 347	GSRPM Mortgage Loan Trust	2 730	National Rural Utilities Co	233 500
Coca-Cola Co	37 334	Halliburton Co	49 129	Navigator Cdo Ltd	2 136
Colgate Palmolive Co	50 340	Harley Davidson Inc	33 393	Navistar Financial Corp Owner Trust	4 462
College Loan Corporation Trust	17 530	Harras Operating Co Inc	66 531	Nelnet Student Loan Trust	27 309
Collegiate Funding Services	6 843	Harsco Corp	13 640	New Century Home Equity Loan Trust	12 573
Comcast Corp	629 280	Hartford Financial Services Group	35 925	New Century Mortgage Corporation Nim	1 124
Commercial Mortgage Acceptance	12 242	Health Net Inc	43 403	New York Life Insurance	33 340
Computer Sciences Corp	29 634	Healthcare Realty Trust	15 385	Newcastle Cdo, Limited	1 051
Conagra Foods Inc	197 466	Heinz Co	164 303	News Am Holdings	79 017
Conocophillips	487 635	Hewlett-Packard Co	78 536	Nike Inc	21 854
Conseco Finance	626	Holmes Financing Plc	19 970	Nisource Finance Corp	104 367
Conseco Finance Securitization	22 926	Home Equity Asset Trust	2 870	Nissan Auto Lease Trust	9 261
Conseco Recreational Enthusiast Consumer Trust	453	Honeywell International	183 299	Nissan Master Owner Trust Receivables	51 094
Constellation Energy	128 547	Household Affinity Credit Card Master Note	64 565	Nomura Asset Securities Corp	14 305
Coors Brewing Co	54 686	Household Automotive Trust	6 135	Nordstrom Inc	73 810
Costa Finance SA	100 618	Household Credit Card Master Note Trust	3 992	Norfolk Southern Corp	133 179
Costco Wholesale Corp	21 743	Household Home Equity Loan Trust	4 352	Northrop Grumman	202 915
Countrywide Home Loans	447 257	Hubbel Inc	37 427	Novastar Caps Trust	221
Cox Enterprises	172 899	IBM Corp	173 739	Novastar Nim Trust	1 783
Credit-Based Asset Servicing And Securitization	611	Illinois Power Special Purpose Trust	10 703	Npf XII, Inc.	2
Crest Ltd	1 436	Indymac Loan Trust	11 149	Nucor Corp	50 192
CRH America Inc	66 251	Ingersoll Rand	52 892	Oakwood Mortgage Investors Inc	18 011
Cs First Boston Mortgage Securities	187 200	Intelsat	53 357	Occidental Petroleum	137 125
CSX Corp	192 609	International Paper	163 768	Oneok Inc	14 570
Daimler Chrysler Master Owner Trust	82 270	Interstar Millennium Trust	9 247	Option One Mortgage Loan Trust	39 324
Deere John Capital Corp	129 889	Irwin Home Equity	2 806	Option One Mortgage Securities Corp	24 296
Delhaize America Inc	51 469	J.P. Morgan & Co Inc	1 643 750	Oregon St	20 945
Delta Air Lines	33 897	J.P. Morgan Chase Commercial Mortgage Securities Corp	48 576	Pacificorp	34 529
Dentsply International Inc	112 789	J.P. Morgan Commercial Mortgage Finance Corp	9 898	Pactiv Corp	68 137
Detroit Edison Securitization	8 815	John Hancock Global Funds	49 798	Pepco Holdings Inc	75 214
Deutsche Mortgage And Asset Receiving Corp	925			Pepsi Co Inc	173 298



## Fixed income securities at 31 December 2003

Americas	Value in NOK 1000		Value in NOK 1000	International organisations	Value in NOK 1000
Permanent Financing Plc	71 989	US Cellular Corp	26 853	African Development Bank	79 063
Pfizer Inc	263 108	US government	9 063 949	Asian Development Bank	263 230
Philip Morris	72 388	Valero Energy Corp	120 287	Corp Andina De Fomento	75 502
Pinnacle West Cap Corp	93 664	Vanderbilt Mortgage Finance	16 346	The European Investment Bank	6 742 672
PNC Bank	52 921	Verizon Communications Inc	1 165 477	Eurofima	85 680
Polo Ralph Lauren	104 694	Viacom International Inc	251 479	Inter-American Development Bank	229 994
Popular Na Inc	46 840	Volkswagen Credit Auto Master Trust	26 491	International Bank for Reconstruction and Development	481 577
PPG Industries	50 814	Vornado Realty	35 382	Nordic Investment Bank	52 425
PPL Corp	63 434	Wachovia Ban Commercial Mortgage Trust	33 870		
Praxair Inc	35 803	Wachovia Corp	467 688		
Procter & Gamble Co	257 701	Wachovia Credit Card Master Trust	69 870		
Progress Energy Inc	399 225	Wal-Mart Stores Inc	398 702		
Progressive Corp	34 201	Walt Disney Co	331 950		
Protective Life Corp	177 150	Washington Mutual	87 210		
Prudential Financial Inc	227 018	Washington Mutual Inc	384 612		
Public Service Company of New Mexico	27 199	Washington Mutual Msc Mortgage	68 190		
Public Service Enterprise	273 457	Wellpoint Health Network	18 777		
Public Service New Hampshire Funding Llc	9 309	Wells Fargo & Co	510 142		
Pulte Homes Inc	60 749	Wells Fargo Mortgage Backed Securities Trust	267 239		
Quebecor World Inc	33 986	Wells Fargo Student Loan Trust	2 390		
Raytheon Co	267 179	Wendy's International	14 384		
Reed Elsevier Capital Plc	176 373	Weyerhaeuser Co	291 704		
Regions Financial Corp	47 164	White Mountains Insurance Group Ltd	51 028		
Resi Finance Limited Partnership	86 193	William Street Funding Corporation	17 123		
Residential Asset Mortgage Products	51 494	Wisconsin Energy Corp	109 074		
Residential Asset Securities Corp	27 569	World Financial Network Credit Card	33 275		
Residential Asset Securitization Trust	2 577	Wyeth	233 818		
Residential Funding Mortgage Securities	164 522	Zurich Finance (Usa) Inc	44 903		
Residential Funding Securities Corp	4 932	Ames Mortgage Trust	910		
Rj Reynolds Tobacco Holdings Inc	18 851				
Rohm & Haas Co	130 978				
Rouse Company	33 013				
Sabre Holdings	11 473				
Safeco Corp	68 969				
Safeway Stores Inc	187 710				
Sail Net Interest Margin Notes	6 391				
Salomon Brothers Mortgage Securities	90 324				
Sara Lee Corp	195 735				
Sasco Arc Net Interest Margin Notes	861				
Saxon Asset Securities Trust	61 707				
Sbc Communications Inc	208 532				
Scana Corp Mtn Be	72 345				
Schering Plough Corp	13 962				
Scholastic Corporation	9 246				
Science Applications Int	15 751				
Seacor Smit Inc	69 629				
Sealed Air Corp	85 977				
Sempra Energy	33 001				
Simon Property Group Lp	83 475				
Slm Student Loan Trust	56 677				
Slm Corp	908 679				
Southern Union Co	2 588				
Specialty Underwriting & Residential	5 055				
Sprint Capital Corp	581 558				
St Paul Companies Inc	36 280				
Staples Inc	15 530				
State Street Bank & Trst	33 822				
Strategic Hotel Capital Inc	19 669				
Structured Asset Investment Loan Trust	12 871				
Structured Asset Securities Corp	90 761				
Sun Microsystems Inc	38 695				
Suntrust Banks, Inc	62 373				
Superior Wholesale Inventory Financing Trust	44 945				
Supervalu Inc	21 183				
System Energy Resources	34 593				
Target Corp	165 277				
Teco Energy Inc	34 410				
Tennessee Valley Author.	352 620				
Textron Inc	36 288				
The Money Store Home Equity Trust	35 174				
Time Warner Inc	934 787				
TIAA Commercial Real Estate Securities	16 195				
TIAA Global Markets	34 371				
Toyota Auto Receivables Owner	59 998				
Toys R Us	20 291				
Triad Auto Receivables Owner Trust	7 315				
Tribune Co	27 654				
Trizechahn Office Properties Trust	1 030				
TXU Corp	7 087				
Tyson Foods Inc	115 817				
Union Oil of California	35 362				
Union Pacific Corp	179 984				
Union Planters	59 295				
Unionbancal Corporation	33 752				
United Parcel Service Inc	37 882				
United Technologies	259 727				
Unitedhealth Group Inc	100 376				
Unitrin Inc	20 143				
Univision Comm Inc	10 140				
Unumprovident Corp	72 258				
US Bancorp	430 111				



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Norges Bank  
Bankplassen  
P.O. Box 1179, Sentrum  
N-0107 Oslo, Norway  
Tlf.: + 47 22 31 60 00  
Fax: + 47 22 31 66 61  
[www.norges-bank.no](http://www.norges-bank.no)

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