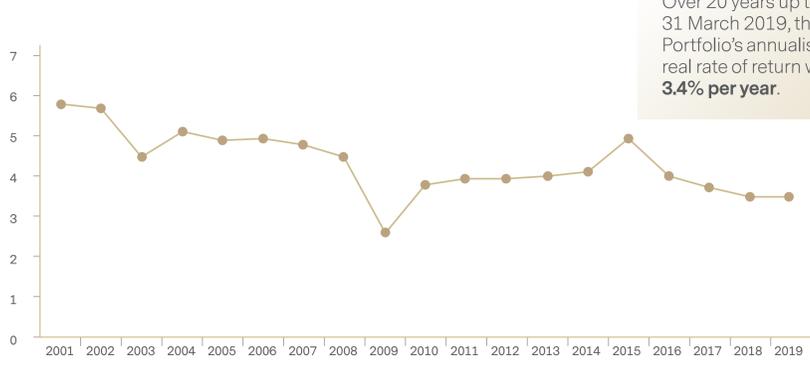


GIC's mission is to preserve and enhance the international purchasing power of the reserves under our management over the long term.



The GIC Portfolio

While the GIC Portfolio is constructed to deliver good 20-year real returns as its primary metric, we also monitor its ongoing intermediate investment performance.

Nominal Annualised Return & Volatility of the GIC Portfolio (in USD, for periods ending 31 Mar 2019)

Time Period	Nominal Return	Volatility
20-Year	5.5%	8.9%
10-Year	8.6%	8.4%
5-Year	4.9%	6.2%

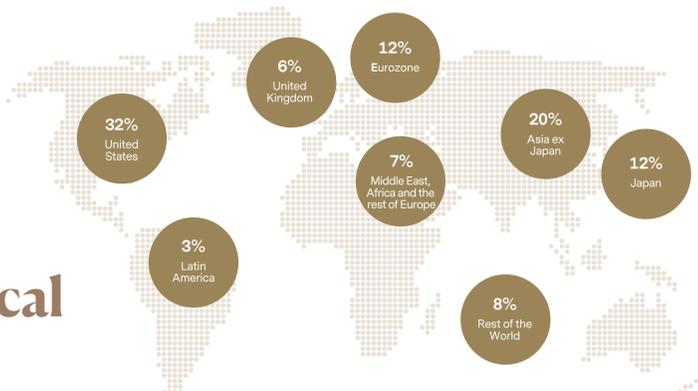
Asset Mix	31 Mar 2019 (%)	31 Mar 2018 (%)
Developed Market Equities	19	23
Emerging Market Equities	18	17
Nominal Bonds & Cash	39	37
Inflation-linked Bonds	5	5
Real Estate	7	7
Private Equity	12	11
Total	100	100

Asset Mix

The GIC Portfolio is a well-diversified portfolio of growth and defensive assets. The asset mix reflects GIC's cautious stance in the highly uncertain environment.

There is no top-down geographical allocation. The geographical distribution of the GIC Portfolio is fluid and depends primarily on market capacity, economic cycles, and investment opportunities.

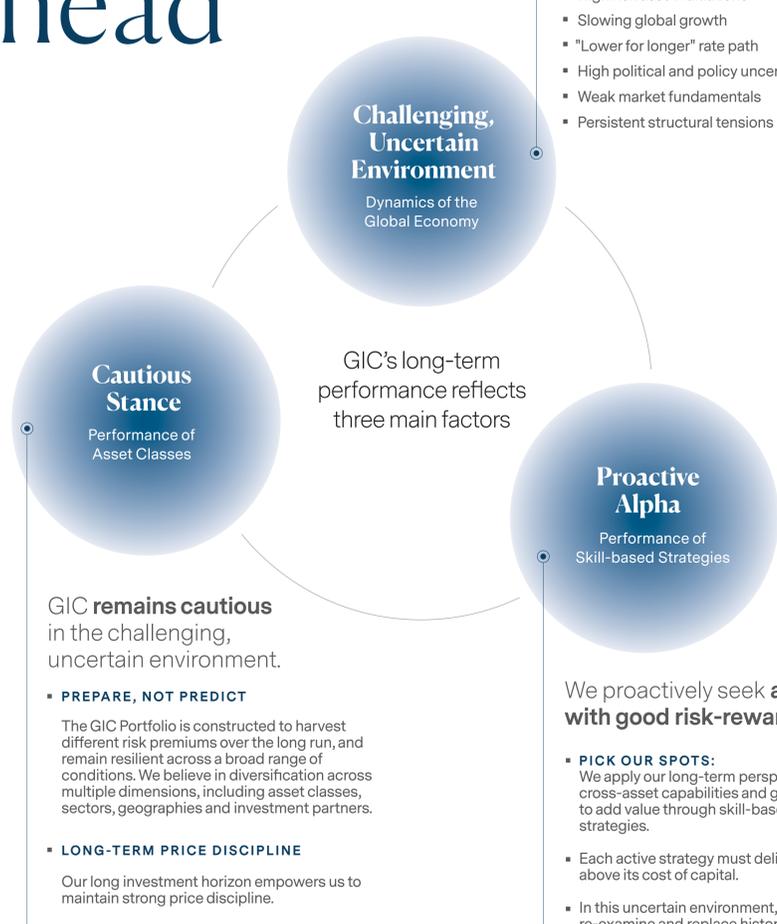
Geographical Mix



Looking Ahead

The **challenging, uncertain environment** continues to point to low and volatile returns in the future.

- High risk asset valuations
- Slowing global growth
- "Lower for longer" rate path
- High political and policy uncertainties
- Weak market fundamentals
- Persistent structural tensions



Feature Article

Asia's Growing Importance in the Global Economy and Financial Markets

GIC has been committed to Asia's growth story for several decades. We have provided stable capital, across all asset classes to markets in Asia, through the cycles, supported by our presence in Asia's key financial cities.

Asia's economic footprint has been growing significantly.

While this has rested largely on export growth, GIC has also observed other key trends that underpin this growth:

- Changing nature of growth – increasing reliance on domestic and regional sources
- Significant growth in equity, bond and foreign exchange markets
- Lessons learnt from the Asia Financial Crisis have led to more regulation, stability, and savings

While Asia has challenges to overcome, GIC is confident that these can be addressed. We continue to take a constructive view on Asia's long-term future.

Will Asia's rise continue?

GROWTH THEMES

- Attitudes to globalisation and openness
- Improvements in institutions
- Dynamism of people and businesses
- Room for urbanisation and middle-class growth in emerging economies
- Continued investments in infrastructure and human capital
- Deeper regional integration, coupled with globalisation

CHALLENGES

- Structural reforms, which must continue
- Geopolitical tensions, such as growing trade and business restrictions
- Disruption from new technologies
- Labour, natural resource and environmental constraints