



## News Release

### GIC continues to deliver resilient long-term returns and remains cautious in a volatile investment environment

**Singapore, 28 July 2020** – The GIC Portfolio achieved an annualised USD *nominal* rate of return of 4.6% over a 20-year period that ended 31 March 2020. **After accounting for global inflation, GIC’s annualised real rate of return stood at 2.7% over the same period.** This means that over the past 20 years, from April 2000 to March 2020, GIC has achieved an average annual return of 2.7% – over and above the global inflation rate. **The rolling 20-year real rate of return is the primary metric for evaluating GIC’s investment performance as it represents GIC’s mandate to preserve and enhance the international purchasing power of the reserves under our management over the long term, that is, to achieve good long-term returns over global inflation.**

COVID-19 was an unforeseen shock to the global economic system. It revealed and accentuated certain long-term vulnerabilities and trends which GIC had observed for several years.

“GIC had become increasingly concerned with high valuations, weakening economic cycle fundamentals, limited room for policy flexibility and geopolitical tensions, and had positioned the portfolio defensively. In the unexpected event of the COVID-19 pandemic, the defensive stance helped the portfolio withstand some of the more extreme market movements,” said Mr Lim Chow Kiat, Chief Executive Officer of GIC. He added, “The global health and economic outlook remains challenging. In this environment, GIC continues to proactively seek opportunities that will generate good long-term risk-adjusted returns, as well as ensure that the total GIC portfolio remains resilient to uncertain outcomes. Above all, we must stay true to our mandate, values, and investment principles as we work towards securing Singapore’s financial future.”

This year, the GIC Report’s feature article, *A Changing Global Investment Environment*, explores the major shifts that will likely result in lower future returns and increased market volatility. The article elaborates on GIC’s response to these shifts as a long-term investor in this challenging environment.

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#### About GIC

GIC is a leading global investment firm established in 1981 to manage Singapore’s foreign reserves and secure Singapore’s financial future. A disciplined long-term value investor, GIC is uniquely positioned for investments across a wide range of asset classes, including real estate, private equity, equities and fixed income. GIC has investments in over 40 countries and has been investing in emerging markets for more than two decades. Headquartered in Singapore, GIC employs over 1,700 people across 10 offices in key financial cities worldwide.

For more information about GIC, please visit [www.gic.com.sg](http://www.gic.com.sg) or follow us on [LinkedIn](#).