

FEFSS

Fundo de Estabilização Financeira da Segurança Social
PORTUGUESE SOCIAL SECURITY RESERVE FUND

Facts & Figures 2024



Instituto de Gestão de Fundos 

The data contained in this document constitute a summary of the main facts and figures relating to the year 2024 and are based exclusively on information included in the full version of the 2024 FEFSS Activity and Financial Report, which has already been submitted for approval to the legally competent authority.



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DE CAPITALIZAÇÃO DA SEGURANÇA SOCIAL, I.P.

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2024

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35.9

BILLION EUROS
Total Assets Under Management

1.1

(SINCE 2004)
Average Sharpe Ratio*

3.94%

(SINCE INCEPTION)
Annualized Nominal Return

74%

Percentage of OECD GDP in which we invest

185.86%

FEFSS as a percentage of annual pension expenditure

12.60%

FEFSS as a percentage of Portuguese GDP

0.02%

Management, transaction, and custody costs as a percentage of average assets under management

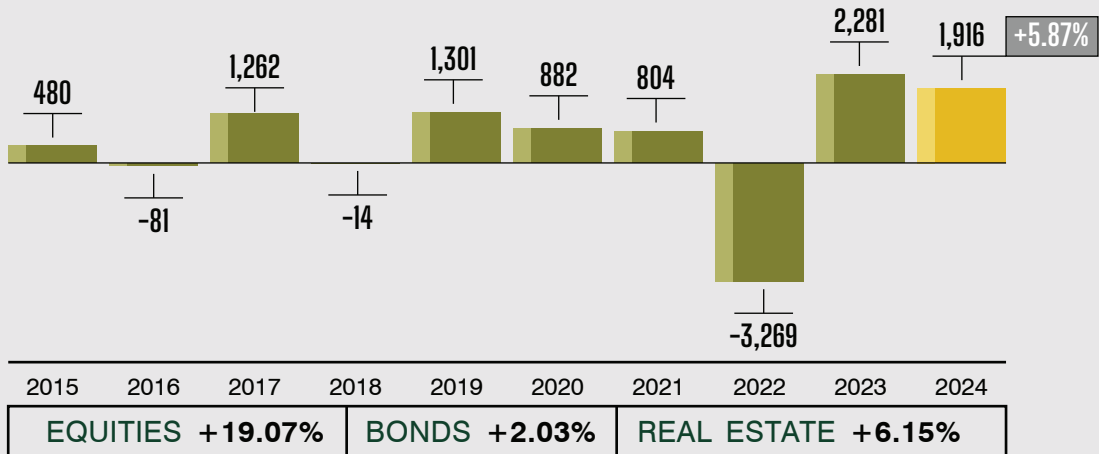
23 bps

LAST 3 YEARS
Accumulated Excess Return**

* Measure of portfolio return per unit of risk.
** Excess return of the benchmarked portfolio versus the external portfolio.

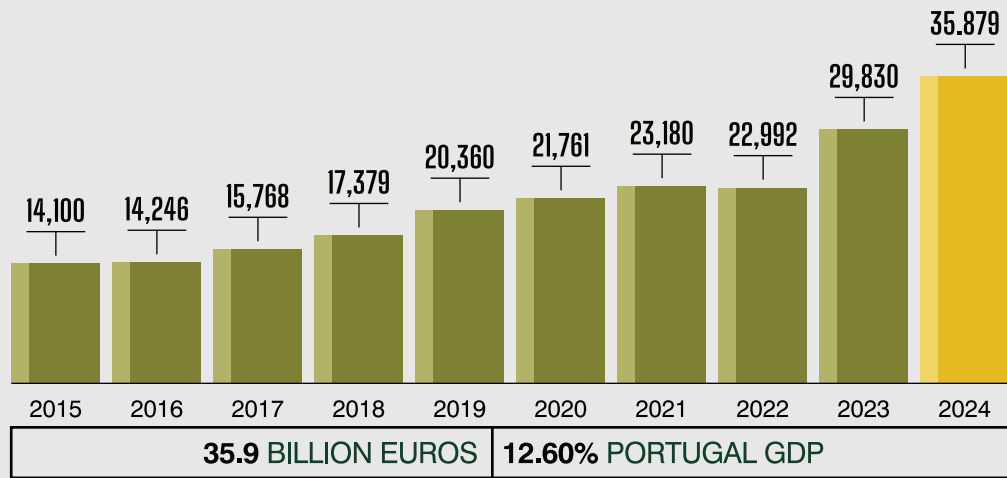
→ Annual Return

Million euros



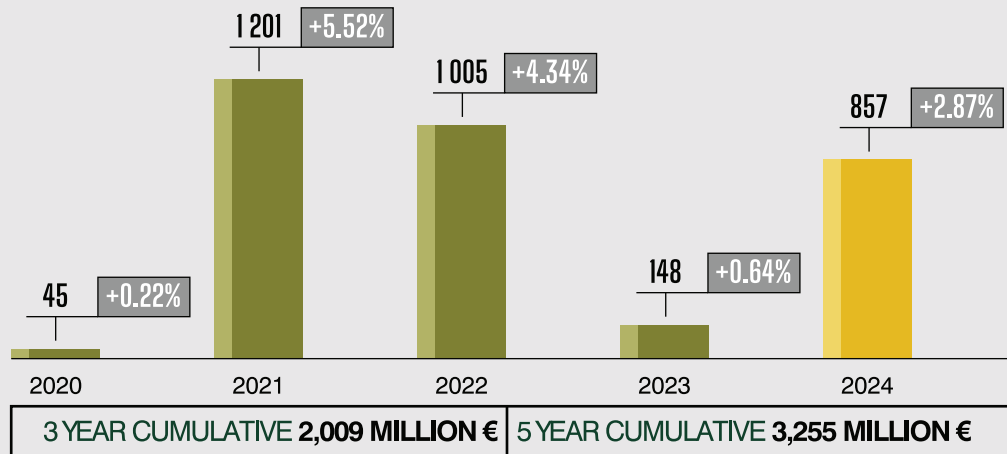
→ Annual Portfolio Value

Million euros



→ Excess Return

Million euros



Facts&Figures 2024

FEFSS
Portuguese Social Security Reserve Fund

Year Highlights

Year of Consolidation of Market Recovery: After a year of significant losses in 2022, 2024 continued the recovery in the markets where the FEFSS invests, which had begun in 2023, highlighting the importance of a patient, long-term investment strategy.

Interest Rates: With inflation more controlled, central banks began lowering interest rates, but with a cautious approach, particularly in the UK and in the US.

Geopolitical Risks: The war in Ukraine continued to affect the European economy. In the Middle East, the conflict between Israel and Hamas escalated, creating instability in oil prices. In the US, the presidential election caused disruptions and uncertainty in the markets. In Europe, political instability exacerbated this uncertainty.

Market Performance: Strong performance of stocks, especially companies in the technology sector associated with Artificial Intelligence. Bond gains were only marginal, not following the reduction in short-term interest rates. In the foreign exchange market, the euro traded relatively stable against the dollar, ending the year at its lowest value since 2022.

FEFSS Value: At the end of 2024, the value of the FEFSS amounted to €35.88 billion, corresponding to a net annual return of +5.87%. Capital inflows reached €4.1 billion, increasing the market value by €6.1 billion compared to the previous year.

Risk Reduction: The risk level decreased from 5.06% in 2023 to 4.40% in 2024, below the 5-year average of 4.99%.

Portfolio Developments: FEFSS continued expanding investments in small-cap stocks and corporate bonds, strengthening the complementary portfolio. By the end of 2024, this portfolio already represented 10.2% of the FEFSS, thus achieving the strategic target allocation.



5.87%

Net Annual Return

4.40%

Annual Risk

35.88

BILLION EUROS

FEFSS Value

4.13

BILLION EUROS

Inflows

Facts&Figures 2024

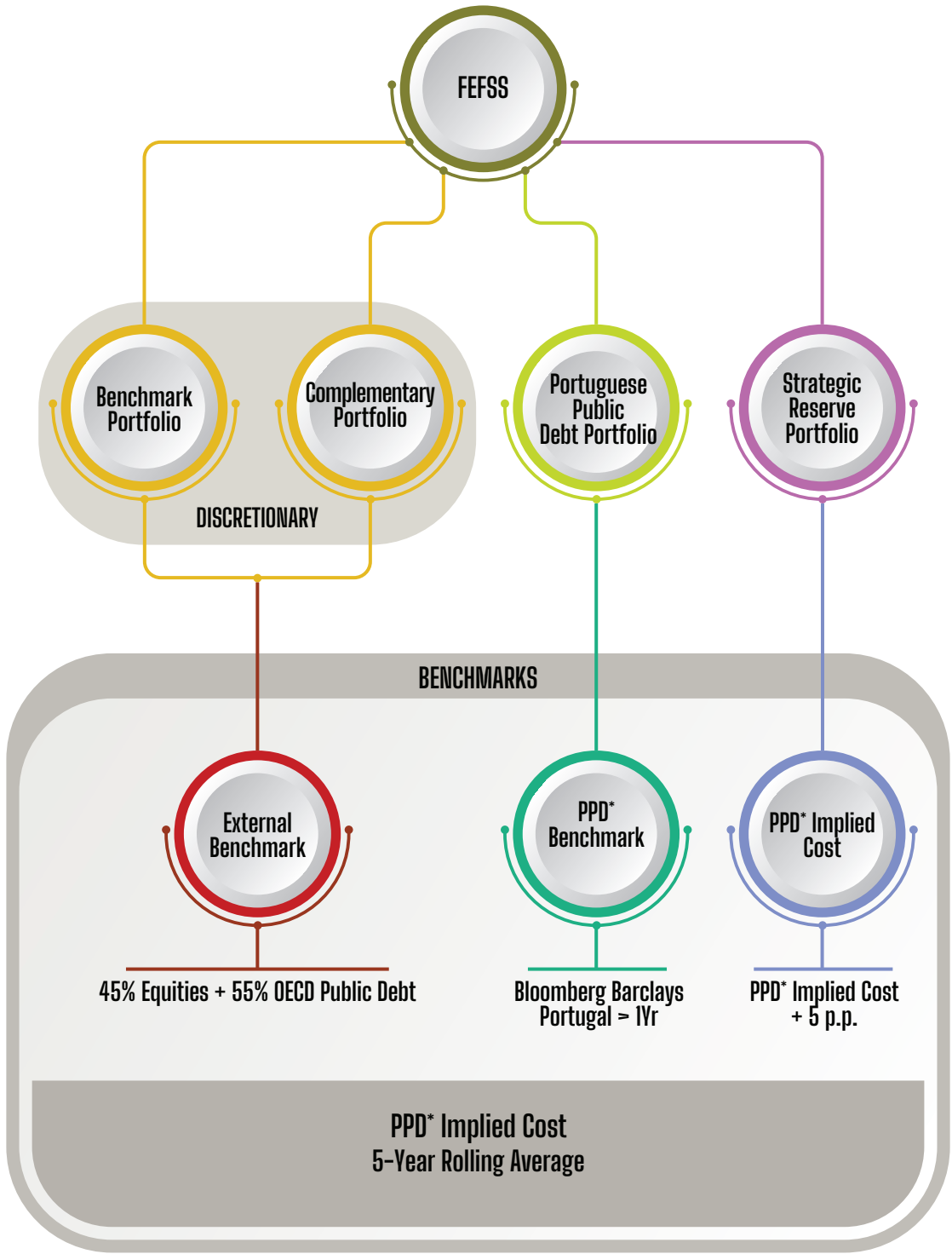
FEFSS
Portuguese Social
Security Reserve Fund

Key Numbers

→ FEFSS Value and Management

Performance		2024	2023	2022	2021	2020	2019
FEFSS VALUE							
Final Assets Under Management (€)		35,878,507,552	29,830,268,274	22,991,771,465	23,180,164,525	21,761,011,927	20,359,686,513
Average Assets Under Management (€)		32,379,675,240	25,734,334,460	23,481,411,255	21,968,988,601	20,357,270,963	18,226,535,387
FEFSS / Annual Pension Expenditure ⁽¹⁾		185.86%	172.37%	144.29%	151.27%	146.96%	143.68%
FEFSS as Percentage of GDP ⁽²⁾		12.60%	11.23%	9.87%	11.18%	10.74%	9.59%
Inflows(€)		4,132,066,644	4,557,575,245	3,080,613,336	,615,513,745	,519,405,187	1,680,219,592
Accumulated Inflows (€)		24,241,760,210	20,109,693,566	15,552,118,321	12,471,504,985	11,855,991,241	11,336,586,053
FEFSS MANAGEMENT							
Added Value Since Inception (€)		11,636,747,342	9,720,574,708	7,439,653,144	10,708,659,539	9,905,020,686	9,023,100,459
Nominal Return Since Inception ⁽³⁾		3.94%	3.77%	3.35%	4.67%	4.74%	4.77%
Average Annual Nominal Return Over the Last Three Years ⁽³⁾		1.06%	-0.25%	-2.51%	5.02%	3.94%	5.32%
Net Return		5.87%	9.10%	-13.04%	3.70%	4.33%	7.42%
Annualized Volatility		4.40%	5.06%	6.32%	2.95%	5.52%	2.24%
Management, Transaction, and Custody Costs / Average Assets Under Management (AAUM)		0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
EXCESS RETURN							
Total Portfolio vs PPD ⁽⁴⁾ Benchmark	%	2.87%	0.64%	4.34%	5.52%	0.22%	-1.01%
	(€)	856,684,816	147,597,228	1,004,875,865	1,201,166,993	44,858,571	-174,893,819
Total Portfolio vs PPD ⁽⁴⁾ Implied Cost (5-Year Rolling Average)	%	-0.63%	-0.47%	-2.35%	1.99%	0.98%	0.73%
	(€)	-167,531,226	-110,792,484	-496,010,324	392,348,480	175,119,399	119,932,908
Benchmark Portfolio vs External Benchmark	%	0.13%	-0.17%	0.27%	0.23%	0.62%	-0.57%
	(€)	14,595,006	-16,679,468	29,516,404	23,096,334	57,562,293	-79,141,756
Discretionary Portfolio vs External Benchmark	%	-0.38%	0.11%	0.59%	0.08%	0.63%	-1.67%
	(€)	-51,342,733	12,053,036	66,147,586	8,417,662	58,688,315	-87,718,969

1. Data provided by the IGFSS for the period: Jan-24 to Dec-24 (provisional values)
2. Data published by the INE for the period: Q1 2024 to Q4 2024 (Base Year 2021) — current prices
3. Internal Rate of Return (IRR)
4. PPD — Portuguese Public Debt



*Portuguese Public Debt

→ Composition and Market Indexes of the External Portfolio

ASSET CLASS	WEIGHT	INDEX
Other OECD Public Debt excluding Portugal	54.64%	Market Composition of the Barclays Ser-E (Euro) and ICE BofAML (USD, GBP) Indexes
OECD Equities	45.36%	Market Composition of the Indexes Eurostoxx50, FTSE100, SMI20, SP500, TOPIX

How we manage the FEFSS

(Sub-portfolios and Benchmark)



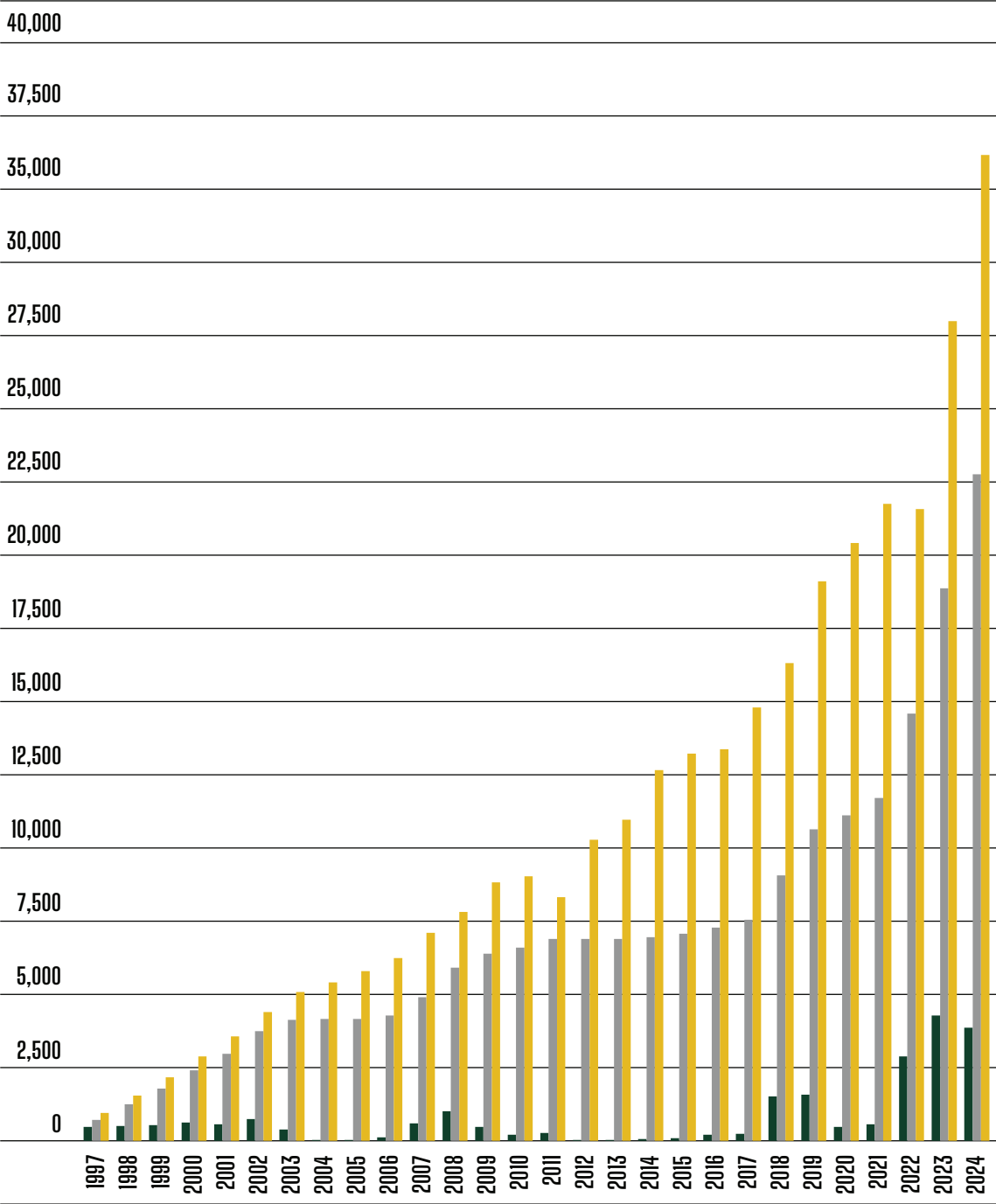
Facts&Figures 2024

FEFSS
Portuguese Social
Security Reserve Fund

Portfolio Value

FEFSS Value
Over Time

Million euros



Facts&Figures 2024

FEFSS
Portuguese Social
Security Reserve Fund

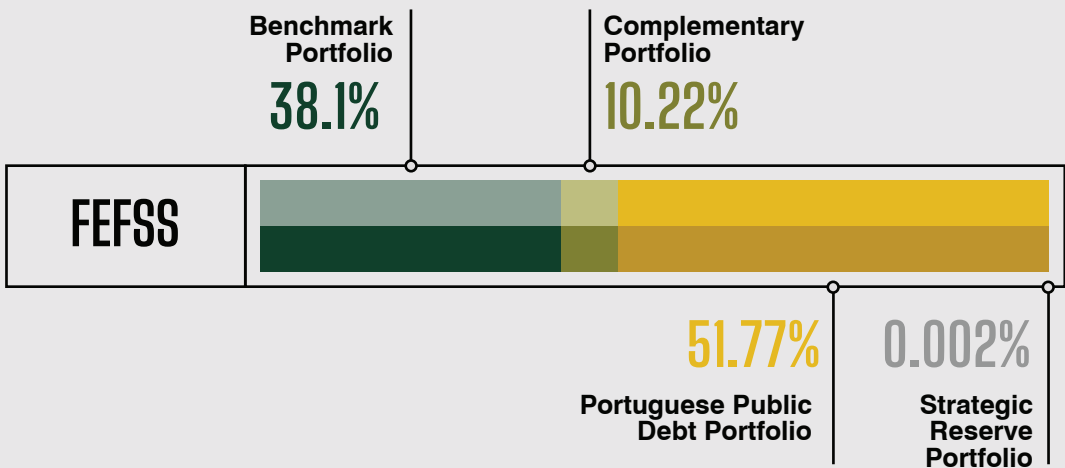
- Annual Inflows
- Cumulative Inflows
- FEFSS Total Portfolio

10

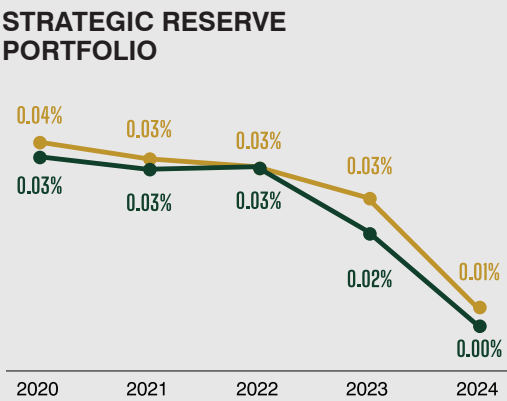
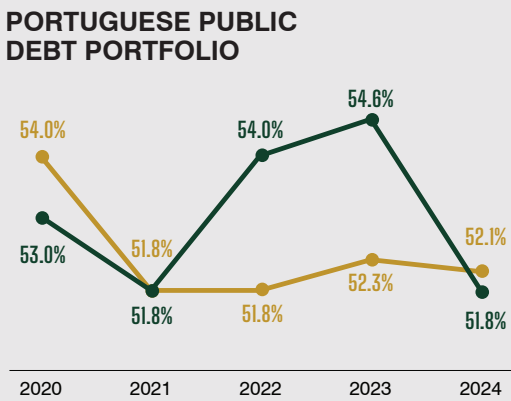
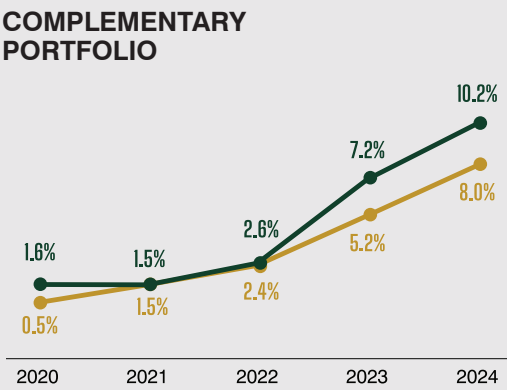
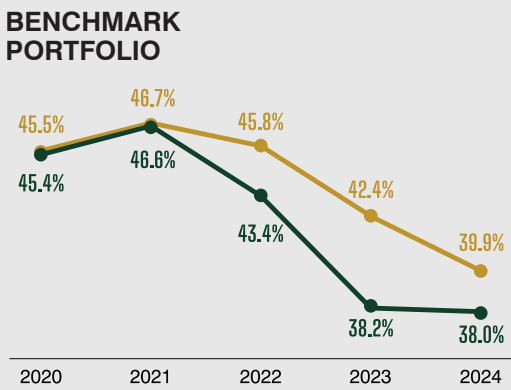


YEARS	INFLOWS		AVERAGE PORTFOLIO VALUE (€)
	ANNUAL TOTAL (€)	ACCUMULATED VALUE (€)	
1989—2004	4,433,757,196	4,433,757,196	5,530,279,793
2005	6,101,099	4,439,858,295	5,871,509,921
2006	140,624,296	4,580,482,591	6,280,393,824
2007	633,954,414	5,214,437,006	7,012,788,751
2008	1,091,878,789	6,306,315,795	7,764,588,698
2009	515,995,763	6,822,311,558	8,578,811,844
2010	223,484,569	7,045,796,126	9,444,052,432
2011	297,029,793	7,342,825,920	9,111,784,456
2012	2,769,951	7,345,595,871	9,503,432,346
2013	3,433,813	7,349,029,683	11,292,699,865
2014	79,626,282	7,428,655,965	12,525,998,930
2015	115,595,610	7,544,251,575	13,919,292,061
2016	227,482,296	7,771,733,872	13,930,223,264
2017	260,013,923	8,031,747,795	14,599,958,550
2018	1,624,618,667	9,656,366,462	15,877,387,042
2019	1,680,219,592	11,336,586,053	18,226,535,387
2020	519,405,187	11,855,991,241	20,357,270,963
2021	615,513,745	12,471,504,985	21,968,988,601
2022	3,080,613,336	15,552,118,321	23,481,411,255
2023	4,557,575,245	20,109,693,566	25,734,334,460
2024	4,132,066,644	24,241,760,210	32,379,675,240
Total	24,241,760,210	—	—

Portfolio Structure



Sub-Portfolio Structure Evolution



Annual Average Year-End Value

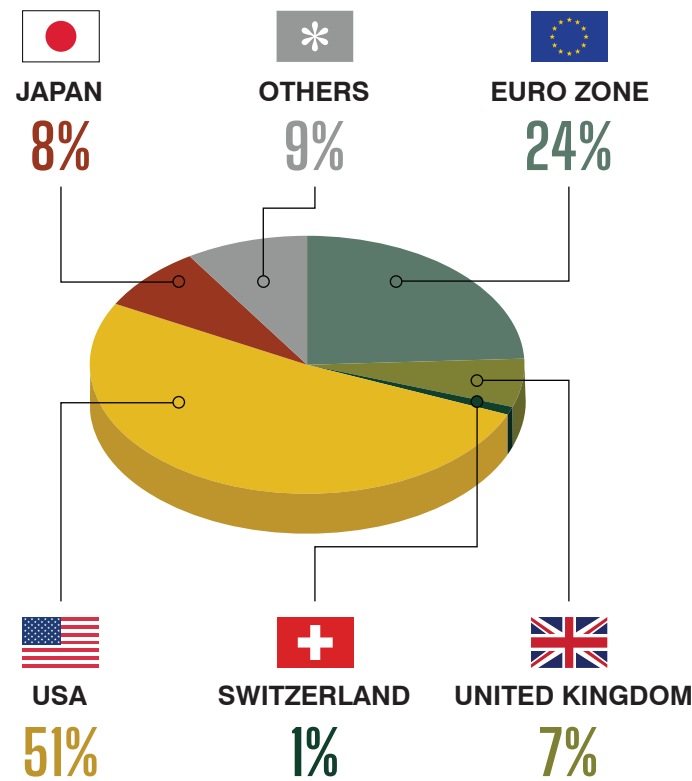
Structure by Asset Class and Geography

Portfolio Structure by Asset Class

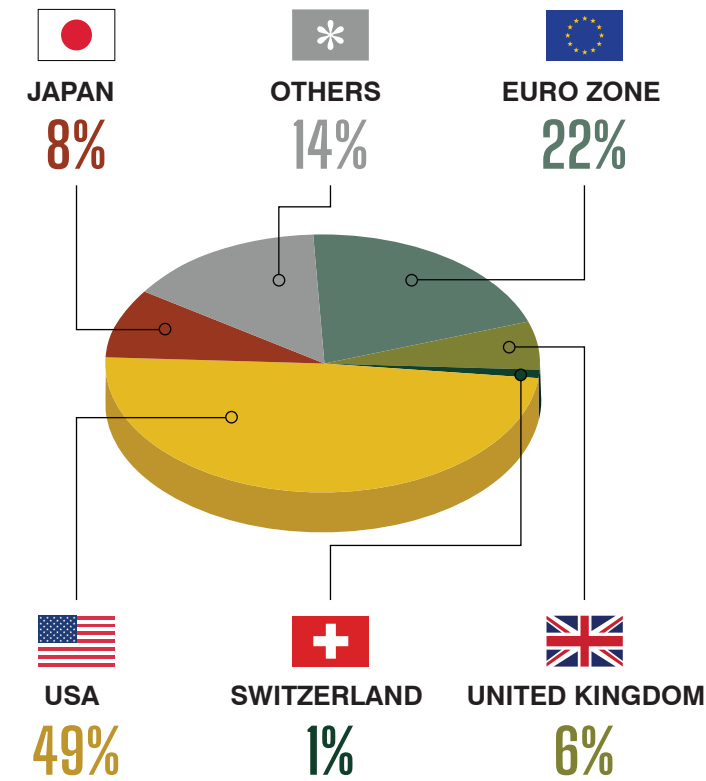
	2024	2023	2022	2021	2020
Strategic Reserve	0.00%	0.02%	0.03%	0.03%	0.03%
Bonds	73.47%	68.49%	62.70%	66.23%	67.43%
Equities	22.65%	21.41%	19.54%	21.91%	20.91%
Real Estate	0.26%	0.33%	0.46%	0.45%	0.42%
Cash	3.61%	9.75%	17.27%	11.38%	11.20%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Geographic Distribution Excluding Portuguese Public Debt

2023



2024

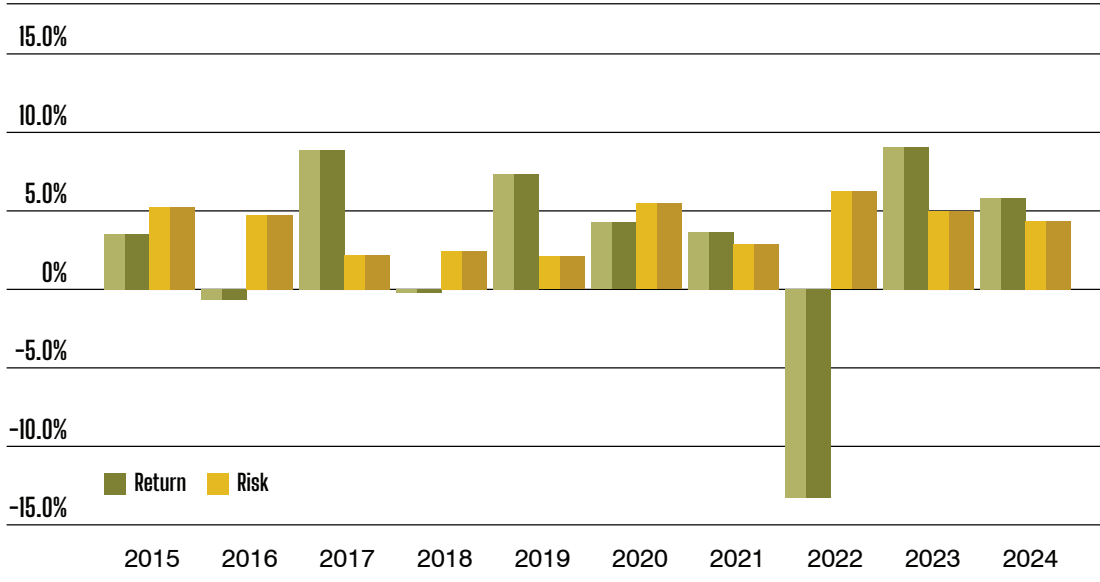


Facts&Figures 2024

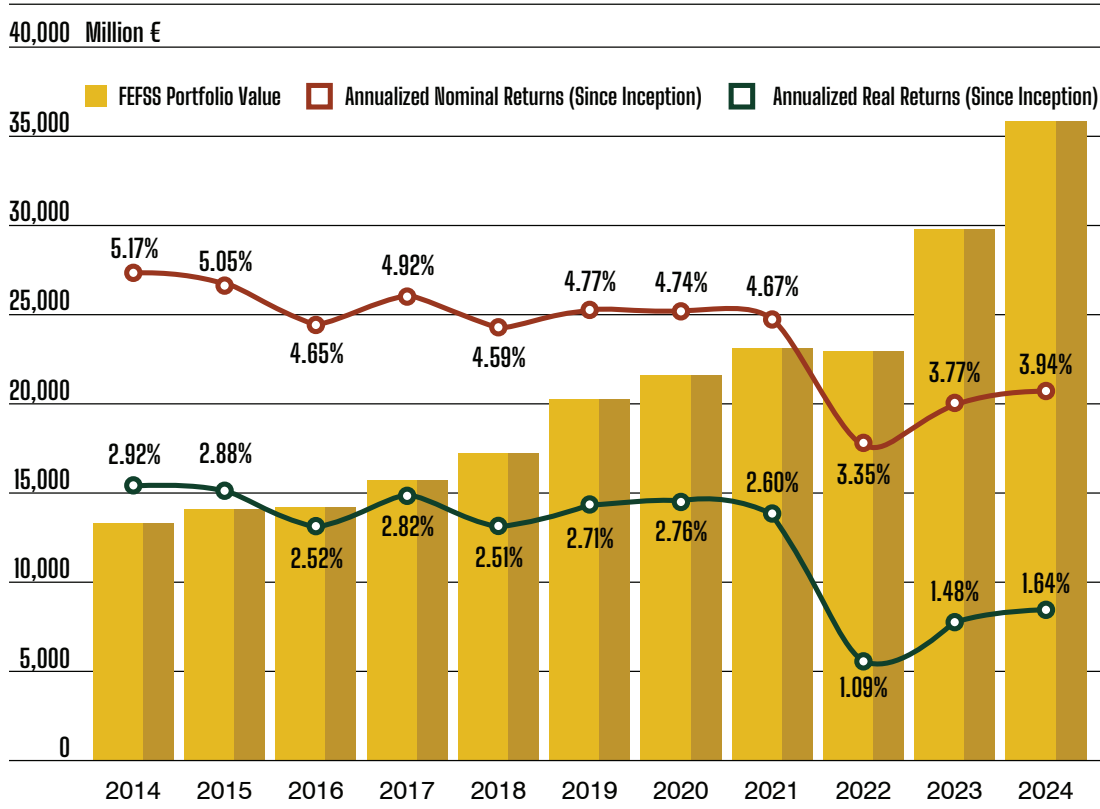
FEFSS
Portuguese Social
Security Reserve Fund

Portfolio Performance

Return and Risk Evolution



Annual Average Returns



Facts & Figures 2024

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Portuguese Social
Security Reserve Fund

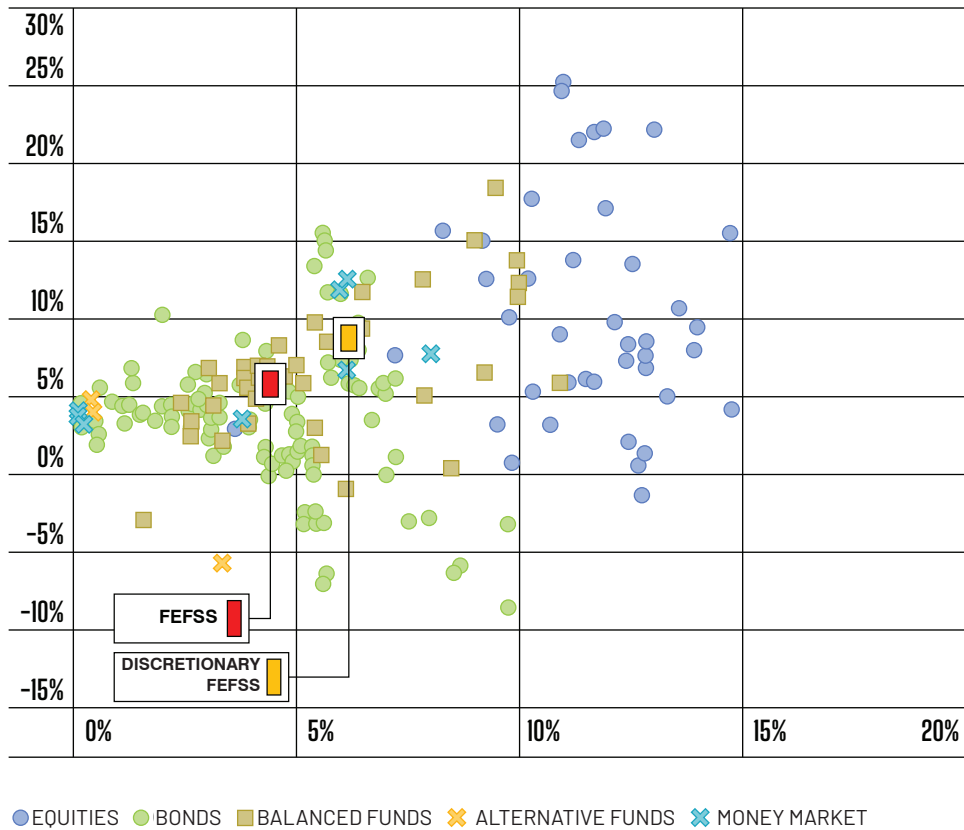
Relative Portfolio Performance

➔ Against the Implied Cost of Portuguese Public Debt

PERIOD	FEFSS		DISCRETIONARY FEFSS		PORTUGUESE PUBLIC DEBT IMPLIED COST	
	TWRR* Nominal Rate	TWRR* Real Rate	TWRR* Nominal Rate	TWRR* Real Rate	TWRR* Nominal Rate	TWRR* Real Rate
Last 3 Years	0.15%	-4.45%	0.95%	-3.68%	2.19%	-2.49%
Last 5 Years	1.68%	-2.05%	3.73%	-0.08%	2.32%	-1.43%
Last 7 Years	2.22%	-0.87%	4.09%	0.94%	2.48%	-0.62%
Last 10 Years	2.71%	0.26%	4.45%	1.96%	2.66%	0.21%

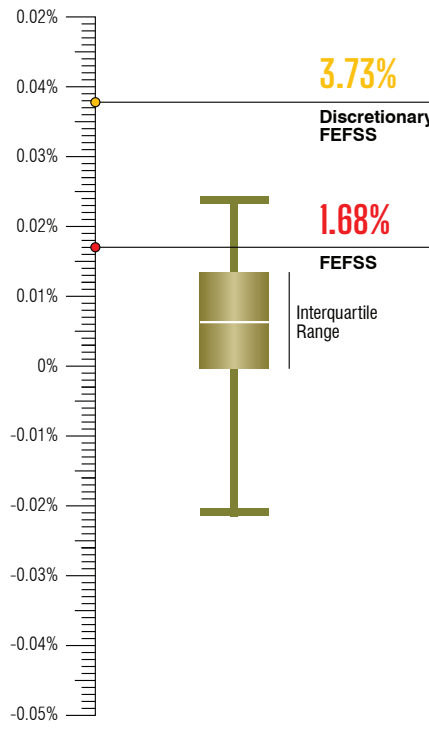
*TWRR: Time Weighted Rate of Return

➔ Against International Funds (OECD)
(Year 2024)



➔ Against Portuguese Funds of Equivalent Risk

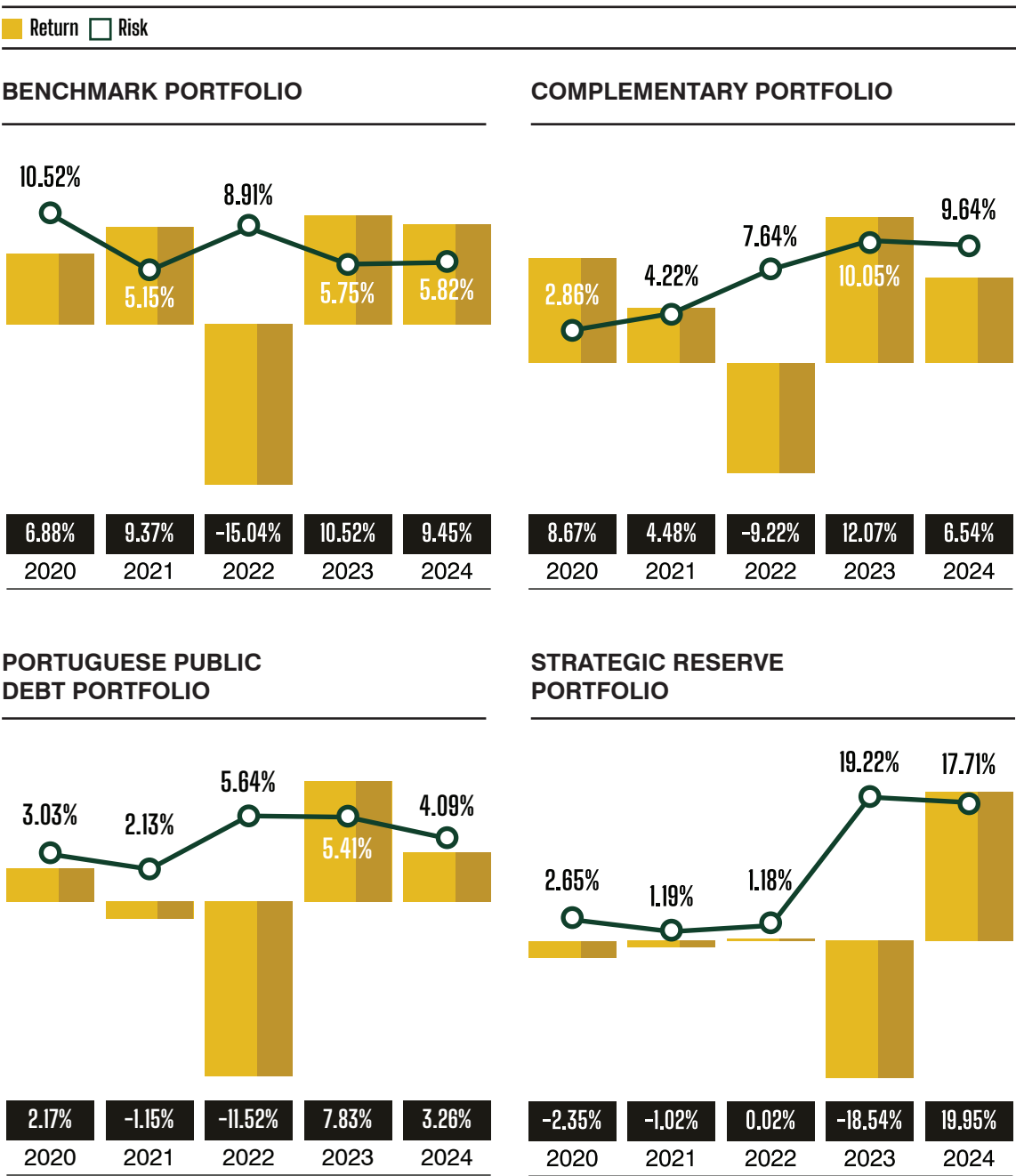
(5 Years — Annual Average)



Sub-Portfolio Performance

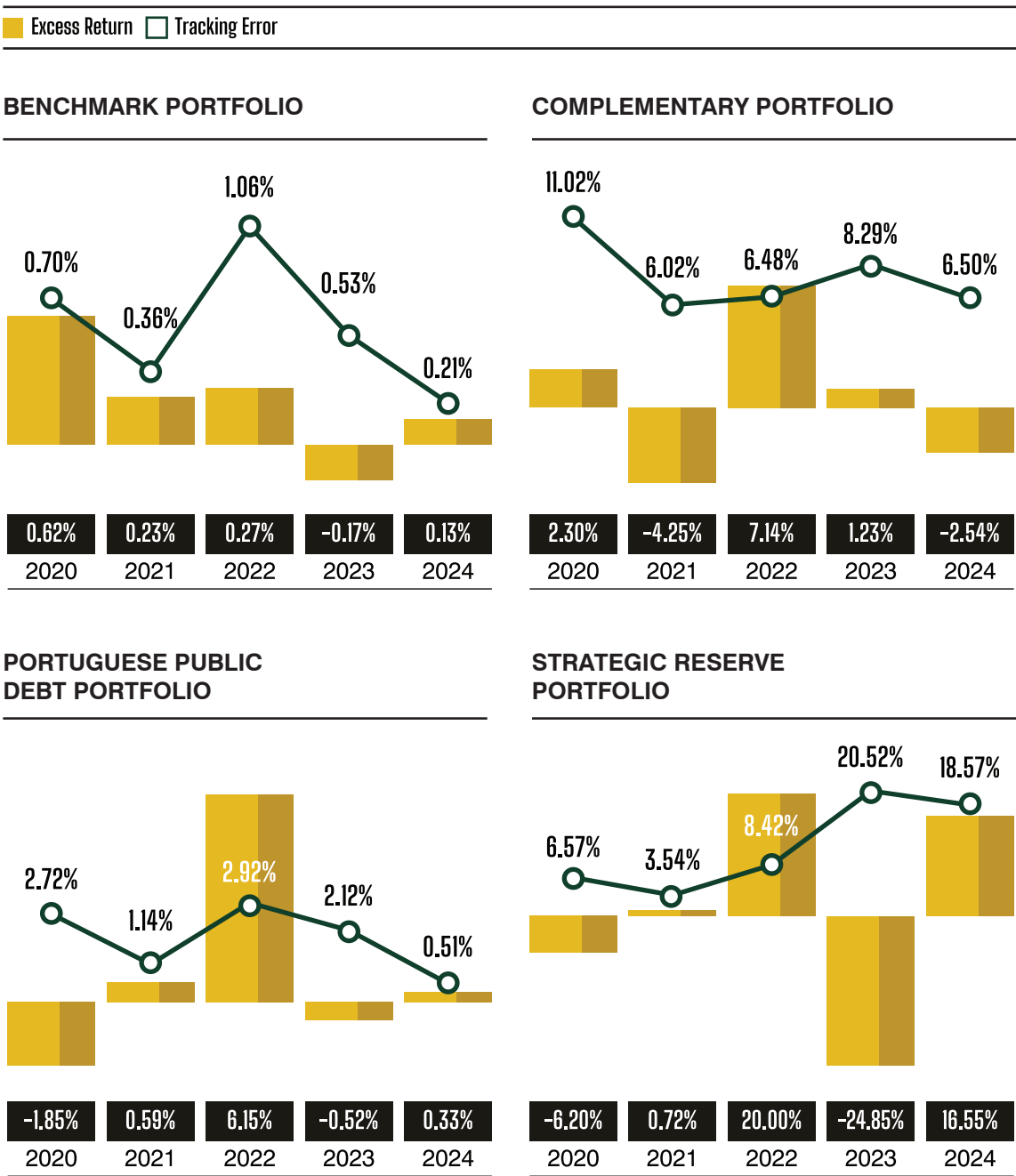
➔ Absolute Return and Risk

RISK AND RETURN EVOLUTION BY SUB-PORTFOLIO



➔ Excess Return and Tracking Error

EXCESS RETURN AND TRACKING ERROR EVOLUTION BY SUB-PORTFOLIO



Facts&Figures 2024

FEFSS
Portuguese Social
Security Reserve Fund

Performance by Asset Class and Geography

Return and Risk by Asset Type

	2024		2023		2022		2021		2020	
	Return	Risk	Return	Risk	Return	Risk	Return	Risk	Return	Risk
Bonds	2.03%	4.68%	6.96%	6.62%	-15.92%	7.33%	-2.05%	2.91%	3.94%	3.95%
Equities	19.07%	11.11%	19.28%	9.44%	-13.59%	15.64%	25.32%	10.55%	6.18%	26.33%
Real Estate	6.15%	1.69%	0.08%	2.20%	4.39%	2.38%	21.91%	10.83%	7.58%	3.09%
Total	5.87%	4.40%	9.10%	5.06%	-13.04%	6.32%	3.70%	2.95%	4.33%	5.52%
Bonds excluding PPD*	0.12%	4.83%	3.80%	6.92%	-17.81%	7.97%	-3.04%	3.76%	5.96%	5.55%

*Portuguese Public Debt

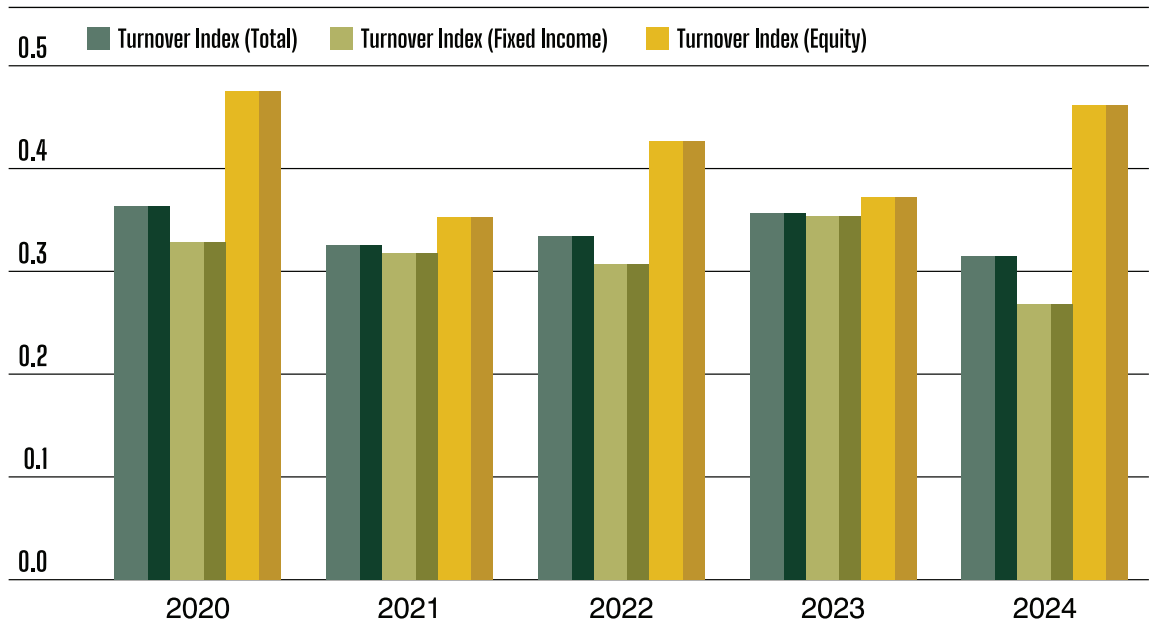
Return and Risk by Geography

	2024		2023		2022		2021		2020	
	Return	Risk	Return	Risk	Return	Risk	Return	Risk	Return	Risk
Euro Zone	3.36%	4.24%	8.41%	5.64%	-13.09%	6.22%	-0.29%	2.41%	2.71%	3.78%
United Kingdom	2.65%	6.75%	5.75%	7.98%	-17.54%	13.59%	6.99%	6.90%	-1.52%	12.13%
Switzerland	5.96%	11.03%	14.21%	11.34%	-11.42%	16.30%	27.73%	10.76%	3.96%	23.56%
USA	11.80%	7.79%	11.11%	7.42%	-16.04%	12.39%	13.48%	6.72%	10.24%	13.73%
Japan	14.68%	23.50%	15.59%	15.81%	-10.15%	18.17%	8.42%	15.57%	3.39%	21.30%
Others	5.94%	5.78%	10.54%	7.30%	-12.51%	9.44%	0.00%	0.00%	0.00%	0.00%
Total	5.87%	4.40%	9.10%	5.06%	-13.04%	6.32%	3.70%	2.95%	4.33%	5.52%
Euro Zone excluding PPD*	3.77%	4.34%	10.03%	6.51%	-16.10%	9.17%	2.93%	4.24%	3.77%	7.49%

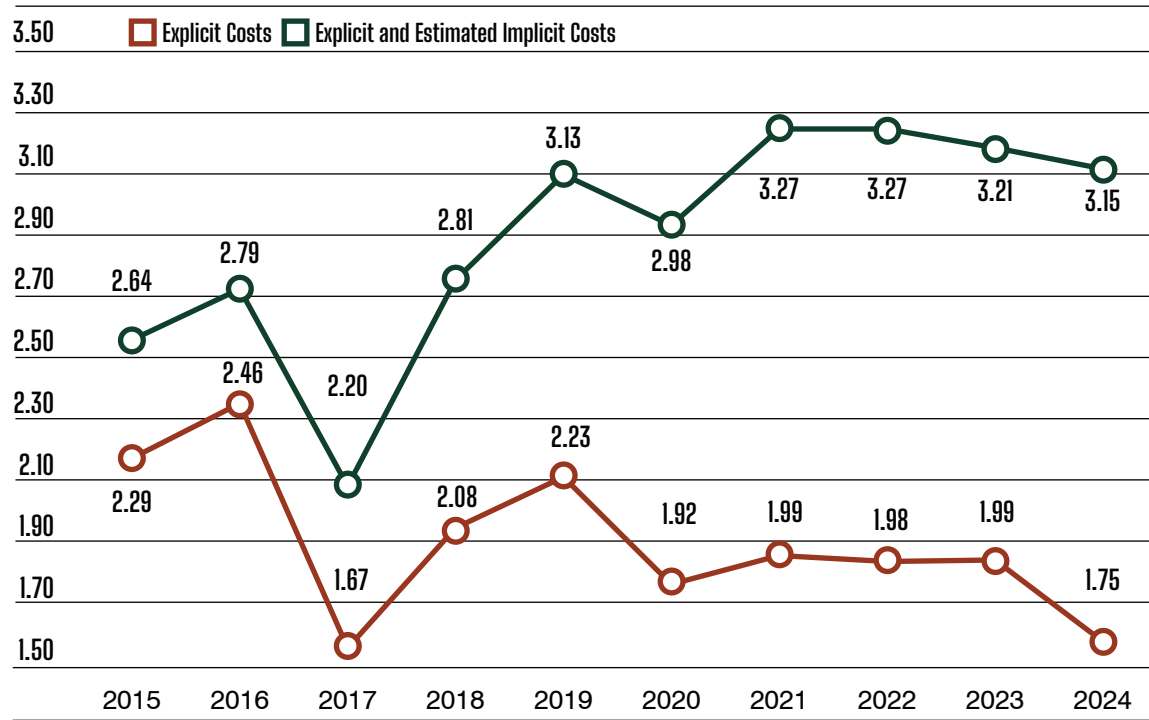
*Portuguese Public Debt

Turnover and Costs

FEFSS Portfolio Turnover



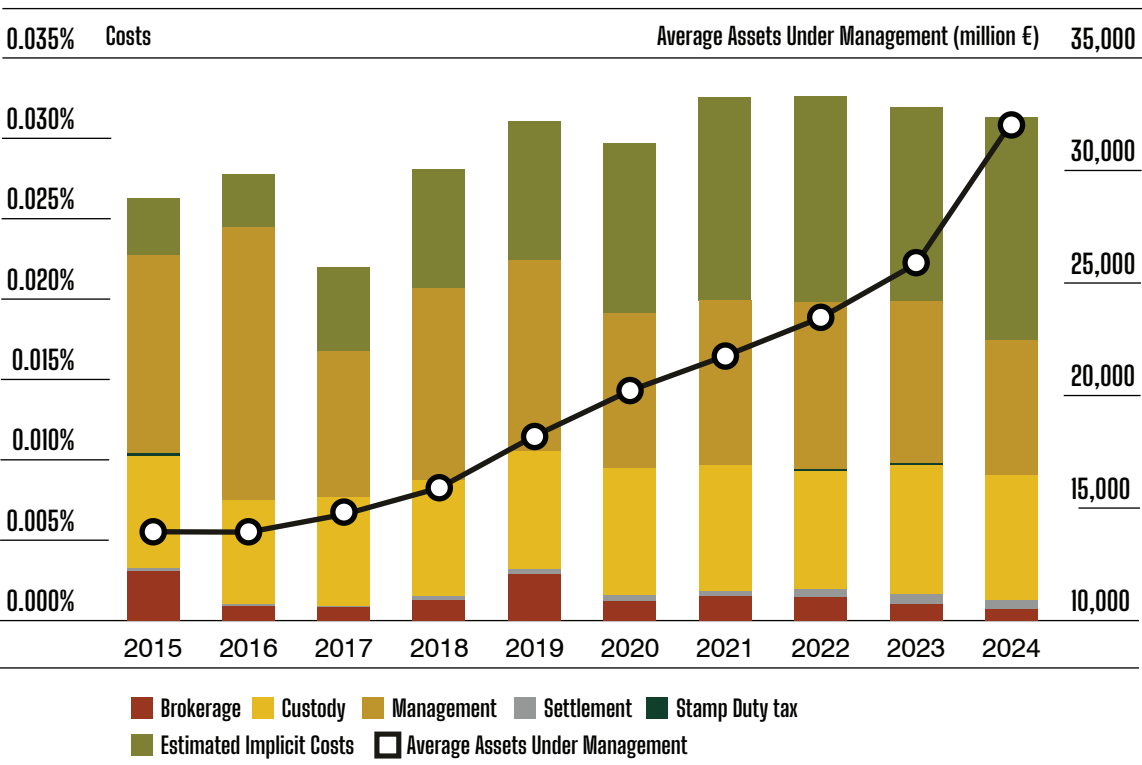
Cost Evolution as Percentage of Average Assets Under Management (bps)



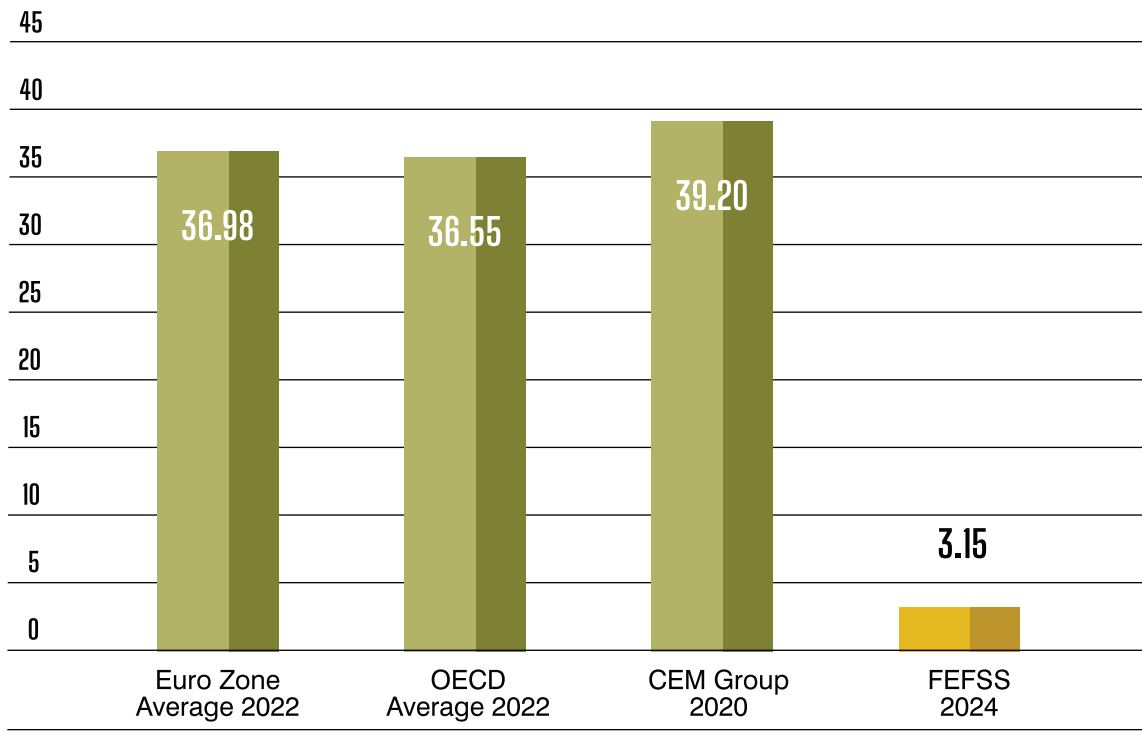
Facts&Figures 2024

FEFSS
Portuguese Social
Security Reserve Fund

➔ Types of Costs



➔ Investment Costs as Percentage of Total Assets (bps)



Facts&Figures 2024

FEFSS
Portuguese Social
Security Reserve Fund

Financial Statements



Balance sheet

AS AT DECEMBER 31 2024

Currency: Euros

ASSETS	NOTE	DATE	
		31.12.2024	31.12.2023
Non-current Assets			
Tangible Fixed Assets			
Investment Properties	8	77,057,685.00	76,825,484.00
Intangible Assets			
Financial Investments	18.2	830,166.14	5,926,665.99
Other Accounts Receivables	23.1	1,375,340.24	1,430,197.55
Other Financial Assets			
		79,263,191.38	84,182,347.54
Current Assets			
Inventories			
Biological Assets			
Receivables from Transfers and Subsidies	18.3	195,093.29	168,072.89
Receivables from Subsidized Loans			
Costumers, Taxpayers and Users			
State and Other Public Entities			
Other Accounts Receivable	23.1	76,751,015.06	43,338,462.92
Deferred Expenses	23.3	36,741.64	0.00
Financial Assets Held for Trading	23.11	35,152,442,439.97	27,081,436,784.03
Other Financial Assets	18	675,602,003.07	2,555,752,080.91
Cash and Deposits	18	74,064,707.34	172,152,815.44
		35,979,092,000.37	29,852,848,216.19
Total assets		36,058,355,191.75	29,937,030,563.73
EQUITY			
Equity/Capital	14	24,095,563,075.03	19,963,496,431.29
Other Equity Instruments			
Share Premium			
Reserves		107,735,859.68	107,735,859.68
Retained Earnings		9,543,138,291.96	7,262,137,028.99
Adjustments in Financial Assets			
Revaluation Surplus			
Other Changes in Equity		215,640,306.03	215,640,306.03
Net Income for the Period		1,916,226,619.45	2,281,001,262.97
Non-Controlling Interests			
Total Equity		35,878,304,152.15	29,830,010,888.96
LIABILITIES			
Non-Current Liabilities			
Provisions			
Loans Payable			
Investment Suppliers			
Post-Employment Benefit Obligations			
Other Payables			
			0.00
Current Liabilities			
Payables for Transfers and Subsidies Granted			
Suppliers			
Advances from Customers, Taxpayers, Users			
State and Other Public Entities			
Loans Payable			
Investment Suppliers	18	29,075.00	41,323.17
Other Payables	18 e 23.2	400,214.87	75,032,573.33
Deferred Income	23.3	423,085.76	395,629.09
Financial Liabilities Held for Trading	18	179,198,663.97	31,550,149.18
Other Financial Liabilities			
		180,051,039.60	107,019,674.77
Total Liabilities		180,051,039.60	107,019,674.77
Total Equity and Liabilities		36,058,355,191.75	29,937,030,563.73

Profit and Loss (P&L) Statement

AS AT 31 DECEMBER 2024

Currency: Euros

	NOTE	PERIOD	
		2024	2023
Taxes, Contributions, and Fees			
Sales			
Services and Concessions			
Transfers and Current Grants Received	14	212,772.86	168,072.89
Income/Expenses Imputed from Tax payers. Entities, Associations, and Joint Ventures			
Changes in Production Inventories			
Works for Own Entity			
Cost of Goods Sold and Materials Consumed from Transferred Inventories			
External Supplies and Services	23.4	-3,058,973.92	-2,630,383.50
Personnel Expenses			
Transfers and Subsidies Granted	23.7	-2,850,000.00	-2,615,295.41
Social Benefits			
Impairment of Inventories and Biological Assets (Losses/Reversals)			
Impairment of Receivables (Losses/Reversals)			
Provisions (Increases/Decreases)			
Impairment of Non-Depreciable/Amortizable Investments (Losses/Reversals)			
Changes in Fair Value	18	1,396,180,099.59	1,710,234,389.42
Other Income	23.6	619,021,005.53	667,001,287.21
Other Expenses	23.5	-764,110,387.82	-622,569,680.15
Earnings Before Depreciation and Financial Results		1,245,394,516.24	1,749,588,390.46
Depreciation and Amortization Expenses/Reversals			
Impairment of Depreciable/Amortizable Investments (Losses/Reversals)			
Operating Profit (Before Financial Results)		1,245,394,516.24	1,749,588,390.46
Interest and Similar Income Earned	13	670,836,789.43	531,414,187.66
Interest and Similar Expenses Incurred	23.8	-4,686.22	-1,315.15
Pre-tax results		1,916,226,619.45	2,281,001,262.97
Income tax for the period			
Net income for the period		1,916,226,619.45	2,281,001,262.97

Facts&Figures 2024

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INSTITUTO DE GESTÃO DE FUNDOS
DE CAPITALIZAÇÃO DA SEGURANÇA SOCIAL, I.P.

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