

**Grant Schools Provident Fund**  
**Financial Bulletin for the Quarter Ended 31 August 2014**

**Key Financial Data**

		Quarter ended <u>31.8.2014</u>	<i>Quarter ended</i> <u>31.5.2014</u>
Contributors' Account (HK\$ million)	(a)	2,560	2,526
Net Assets (HK\$ million)	(b)	3,164	3,048
Asset cover (%)	(b) / (a)	123.6	120.7

**Market Commentaries**

- The European Central Bank announced in June 2014 to trim its interest rate to record low of 0.15% and revised interest rate on deposits to -0.1%. European equities markets rallied in response to these aggressive monetary easing measures.
- HSBC announced that the Purchasing Managers' Index of China fell to three-month low of 50.3 in August from 51.7 in July, suggesting the recovery of the economy might be losing momentum.

**Changes of Key Market Indicators In Percentage**

	Currency <u>(Change vs. HKD)</u>	Equity <u>(in original currency)</u>	Bond <u>(in original currency)</u>
Hong Kong	N/A	+7.19	+1.17
USA	-0.04	+4.15	+0.74
Canada	+0.07	+7.00	+1.65
UK	-1.03	-0.36	+4.16
Germany	-3.50	-4.76	+3.14
Japan	-2.10	+5.41	+0.88
Australia	+0.46	+2.75	+2.50
China	+1.57	+8.73	N/A

## Major Investment Activities During The Quarter

Hong Kong equities	Maintained
Hong Kong debt securities	Underweighted
Overseas equities	Maintained
Overseas debt securities	Maintained
Cash and net accounts receivable	Maintained

## Net Asset Allocation In Value

	31.8.2014 (HK\$ million)	31.5.2014 (HK\$ million)
Hong Kong equities (HKE)	621	576
Hong Kong debt securities (HKDS)	396	359
Overseas equities (OE)	921	900
Overseas debt securities (ODS)	506	501
Cash and net accounts receivable (CN/NAR)	720	712
	<u>3,164</u>	<u>3,048</u>

## Net Asset Allocation In Percentage

