

Grant Schools Provident Fund

Financial Bulletin for the Quarter Ended 28 February 2019

Key Financial Data

		Quarter ended <u>28.2.2019</u>	Quarter ended <u>30.11.2018</u>
Contributors' Account (HK\$ million)	(a)	3,148	3,137
Net Assets (HK\$ million)	(b)	3,695	3,570
Asset cover (%)	(b) / (a) * 100	117.4	113.8

Market Commentaries

- The US Federal Reserve raised interest rate by 0.25% in December 2018, in line with the market expectation.
- On market expectation of a pause in US interest rate hike in 2019, the US 10-year Government bond yield decreased from around 3% as at end of November 2018 to around 2.7% by end of February 2019.
- For the quarter ended 28 February 2019, the global stock markets generally rebounded. The Hang Seng index increased by about 8% from 26,506 as at end of November 2018 to 28,633 by end of February 2019, while the Dow Jones Industrial Average Index increased by about 1.5% from 25,538 to 25,916 during the same period.

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	+8.02	+2.90
USA	+0.31	+0.88	+2.34
Canada	+1.23	+5.27	+2.35
UK	+4.57	+1.35	+2.82
Germany	+0.88	+2.30	+0.95
Japan	+2.32	-4.32	+1.71
Australia	-2.27	+8.76	+3.90
Mainland China	+4.18	+13.63	N/A

Major Investment Activities During The Quarter

Hong Kong equities	Maintained
Hong Kong debt securities	Maintained
Overseas equities	Asset re-balancing*
Overseas debt securities	Maintained
Cash and net accounts receivable	Maintained

* Including setting up of a new low volatility overseas equities investment sub-class in January 2019

Net Asset Allocation In Value

	28.2.2019 (HK\$ million)	30.11.2018 (HK\$ million)
Hong Kong equities (HKE)	700	647
Hong Kong debt securities (HKDS)	552	541
Overseas equities (OE)	1,264	1,233
Overseas debt securities (ODS)	608	593
Cash and net accounts receivable (CH/NAR)	571	556
	<u>3,695</u>	<u>3,570</u>

Net Asset Allocation In Percentage

