

Grant Schools Provident Fund

Financial Bulletin for the Quarter Ended 30 November 2018

Key Financial Data

		Quarter ended <u>30.11.2018</u>	Quarter ended <u>31.8.2018 (audited)</u>
Contributors' Account (HK\$ million) <i>(After taking into account the 5% dividend for 2017/18 school year)</i>	(a)	3,137	3,245
Net Assets (HK\$ million)	(b)	3,570	3,788
Asset cover (%)	(b) / (a) * 100	113.8	116.7

Market Commentaries

- The US Federal Reserve raised interest rate by 0.25% in September 2018, in line with the market expectation.
- On market expectation of further US interest rate hike by end of 2018, the US 10-year Government bond yield climbed to above 3.2% during the quarter but pulled back to around 3% by end of November 2018.
- For the quarter ended 30 November 2018, the Hong Kong and global stock market continued to be affected by the accelerated trade tension between the US and China. The Hang Seng index decreased by about 5% from 27,888 as at end of August 2018 to 26,506 by end of November 2018, while the Dow Jones Industrial Average Index decreased by about 1.6% from 25,964 to 25,538 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	-4.95	+0.43
USA	-0.30	-4.87	-0.54
Canada	-2.18	-6.55	-0.11
UK	-2.12	-6.08	-2.31
Germany	-2.98	-8.95	+0.15
Japan	-2.64	-2.25	+0.40
Australia	+0.68	-10.56	+0.19
Mainland China	-1.36	-5.03	N/A

Major Investment Activities During The Quarter

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

Net Asset Allocation In Value

	30.11.2018 (HK\$ million)	31.8.2018 (HK\$ million)
Hong Kong equities (HKE)	647	676
Hong Kong debt securities (HKDS)	541	539
Overseas equities (OE)	1,233	1,312
Overseas debt securities (ODS)	593	600
Cash and net accounts receivable (CH/NAR)	556	661
	<u>3,570</u>	<u>3,788</u>

Net Asset Allocation In Percentage

