

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

Key Financial Data

		Quarter ended <u>31.8.2014</u>	Quarter ended <u>31.5.2014</u>
Contributors' Account (HK\$ million)	(a)	58,489	57,768
Net Assets (HK\$ million)	(b)	71,395	69,024
Asset cover (%)	(b) / (a)	122.1	119.5

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
Mainland China	+1.57	+8.73	N/A

Major Investment Activities During The Quarter

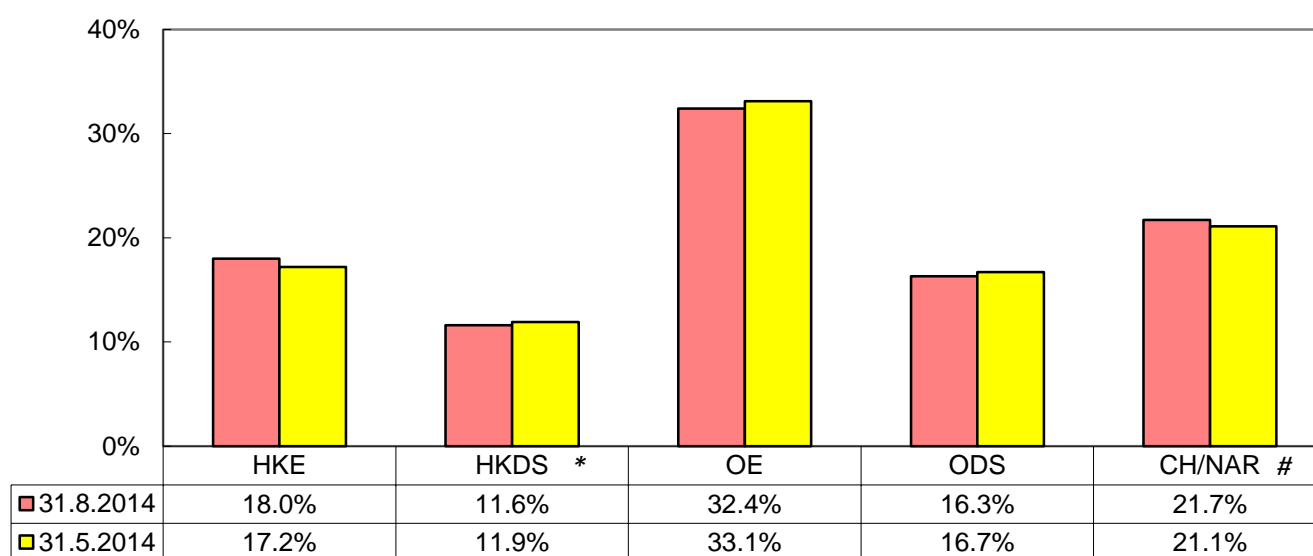
Hong Kong equities	Maintained
Hong Kong and offshore RMB debt securities *	Maintained
Overseas equities	Maintained
Overseas debt securities	Maintained
Cash and net accounts receivable	Overweighted

* Include cash certificates denominated in RMB.

Net Asset Allocation In Value

	31.8.2014 (HK\$ million)	31.5.2014 (HK\$ million)
Hong Kong equities (HKE)	12,852	11,871
Hong Kong and offshore RMB debt securities (HK/RMBDS) *	8,333	8,248
Overseas equities (OE)	23,125	22,833
Overseas debt securities (ODS)	11,605	11,498
Cash and net accounts receivable (CN/NAR) #	15,480	14,574
	<u>71,395</u>	<u>69,024</u>

Net Asset Allocation In Percentage



* Include cash certificates denominated in RMB.

Include deposits denominated in RMB.