

Subsidized Schools Provident Fund
Financial Bulletin for the Quarter Ended 31 May 2013

Key Financial Data

| | | Quarter ended <u>31.5.2013</u> | Quarter ended <u>28.2.2013</u> |
|--------------------------------------|-----------|-----------------------------------|-----------------------------------|
| Contributors' Account (HK\$ million) | (a) | 54,894 | 54,277 |
| Net Assets (HK\$ million) | (b) | 64,500 | 63,214 |
| Asset cover (%) | (b) / (a) | 117.5 | 116.5 |

Market Commentaries

- Japan, US and European major stock markets surged during the quarter after the Bank of Japan announced an aggressive programme of quantitative easing to provide more momentum to the country's economic recovery.
- Foreign direct investment in China grew slightly by 0.3% per annum in May at the weakest pace in four months, raising the fears that the country's economic growth would slow further.

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 | -2.73 | -0.60 |
| USA | +0.10 | +7.66 | -0.73 |
| Canada | -0.43 | -1.34 | -0.37 |
| UK | -0.02 | +3.49 | +0.29 |
| Germany | -0.77 | +7.84 | +0.04 |
| Japan | -8.54 | +19.16 | -0.56 |
| Australia | -6.25 | -4.03 | +0.93 |
| China | +1.65 | -2.75 | 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

| | 31.5.2013 (HK\$ million) | 28.2.2013 (HK\$ million) |
|---|-----------------------------|-----------------------------|
| Hong Kong equities (HKE) | 11,405 | 11,678 |
| Hong Kong debt securities (HKDS) | 11,670 | 11,729 |
| Overseas equities (OE) | 16,930 | 15,991 |
| Overseas debt securities (ODS) | 12,961 | 13,078 |
| Cash and net accounts receivable (CN/NAR) | 11,534 | 10,738 |
| | <u>64,500</u> | <u>63,214</u> |

Net Asset Allocation In Percentage

