

## Subsidized Schools Provident Fund

### Financial Bulletin for the Quarter Ended 29 February 2020

#### Key Financial Data

		Quarter ended <u>29.2.2020</u>	Quarter ended <u>30.11.2019</u>
Contributors' Account (HK\$ million)	(a)	76,004	75,312
Net Assets (HK\$ million)	(b)	89,429	89,910
Asset cover (%)	(b) / (a) *100	117.7	119.4

#### Market Commentaries

- The spread of the COVID-19 around the world triggered the decline in global equity markets. On 28 February 2020, the Chair of the US Federal Reserve pledged to act as appropriate to support the economy, which market expected more policy easing to come.
- Driven by risk-off market sentiment, the US 10-year Government bond yield decreased from around 1.8% by end of November 2019 to around 1.1% by end of February 2020.
- For the quarter ended 29 February 2020, the Hang Seng index decreased by about 0.8% from 26,346 as at end of November 2019 to 26,130 by end of February 2020, while the Dow Jones Industrial Average Index decreased by about 9.4% from 28,051 to 25,409 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	-0.82	+3.07
USA	-0.44	-5.95	+4.51
Canada	-1.49	-4.56	+2.89
UK	-1.69	-10.43	+3.89
Germany	-0.82	-10.17	+2.06
Japan	+1.08	-9.23	+1.22
Australia	-5.10	-6.28	+1.74
Mainland China	+0.38	+0.29	N/A

## Major Investment Activities During The Quarter

Hong Kong equities	Maintained
Hong Kong and offshore RMB debt securities	Maintained
Overseas equities	Reduced for asset re-balancing purpose
Overseas debt securities	Maintained
Cash and net accounts receivable	Maintained

## Net Asset Allocation In Value

	29.2.2020 (HK\$ million)	30.11.2019 (HK\$ million)
Hong Kong equities (HKE)	17,079	17,025
Hong Kong and offshore RMB debt securities (HK/RMBDS)	13,937	13,579
Overseas equities (OE)	32,952	35,408
Overseas debt securities (ODS)	13,460	13,098
Cash and net accounts receivable (CH/NAR)	12,001	10,800
	<u>89,429</u>	<u>89,910</u>

## Net Asset Allocation In Percentage

