

Subsidized Schools Provident Fund
Financial Bulletin for the Quarter Ended 31 August 2019

Key Financial Data

		Quarter ended <u>31.8.2019</u>	Quarter ended <u>31.5.2019</u>
Contributors' Account (HK\$ million)	(a)	74,756	73,754
Net Assets (HK\$ million)	(b)	90,260	87,254
Asset cover (%)	(b) / (a) *100	120.7	118.3

Market Commentaries

- The US Federal Reserve reduced interest rate by 0.25% in July 2019, in line with the market expectation.
- The US 10-year Government bond yield further decreased from around 2.1% as at end of May 2019 to around 1.5% by end of August 2019, and global bond prices increased in general.
- For the quarter ended 31 August 2019, the Hang Seng index decreased by about 4.4% from 26,901 as at end of May 2019 to 25,724 by end of August 2019, while the Dow Jones Industrial Average Index increased by about 6.4% from 24,815 to 26,403 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	-4.37	+2.10
USA	-0.07	+6.34	+4.21
Canada	+1.67	+2.52	+2.36
UK	-3.44	+0.63	+6.71
Germany	-1.24	+1.81	+4.31
Japan	+2.22	+0.50	+2.72
Australia	-2.82	+3.18	+4.31
Mainland China	-3.20	-0.43	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	Maintained

Net Asset Allocation In Value

	31.8.2019 <u>(HK\$ million)</u>	31.5.2019 <u>(HK\$ million)</u>
Hong Kong equities (HKE)	16,408	16,860
Hong Kong and offshore RMB debt securities (HK/RMBDS)	13,583	13,448
Overseas equities (OE)	34,903	33,246
Overseas debt securities (ODS)	13,293	12,710
Cash and net accounts receivable (CH/NAR)	12,073	10,990
	<u>90,260</u>	<u>87,254</u>

Net Asset Allocation In Percentage

