

Subsidized Schools Provident Fund

Financial Bulletin for the Quarter Ended 30 November 2019

Key Financial Data

		Quarter ended <u>30.11.2019</u>	Quarter ended <u>31.8.2019 (audited)</u>
Contributors' Account (HK\$ million)	(a)	75,312	78,492
<i>(After taking into account the 5% dividend for 2018/19 school year)</i>			
Net Assets (HK\$ million)	(b)	89,910	90,261
Asset cover (%)	(b) / (a) *100	119.4	115.0

Market Commentaries

- The US Federal Reserve reduced interest rate by 0.25% in September and October 2019 respectively, in line with the market expectation.
- On market expectation of a near-term partial settlement of the US-China trade negotiations, the US 10-year Government bond yield increased from around 1.5% by end of August 2019 to around 1.8% by end of November 2019.
- For the quarter ended 30 November 2019, the Hang Seng index increased by about 2.4% from 25,724 as at end of August 2019 to 26,346 by end of November 2019, while the Dow Jones Industrial Average Index increased by about 6.2% from 26,403 to 28,051 during the same period.

Changes of Key Market Indicators In Percentage

	<u>Currency</u> <u>(Change vs. HKD)</u>	<u>Equity</u> <u>(in original currency)</u>	<u>Bond</u> <u>(in original currency)</u>
Hong Kong	N/A	+2.42	-0.68
USA	-0.10	+7.33	-1.07
Canada	-0.06	+3.64	-1.26
UK	+6.11	+1.93	-2.41
Germany	+0.03	+10.86	-2.89
Japan	-3.17	+12.51	-2.35
Australia	+0.30	+3.73	-0.49
Mainland China	+1.62	-0.49	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

	30.11.2019 (HK\$ million)	31.8.2019 (HK\$ million)
Hong Kong equities (HKE)	17,025	16,405
Hong Kong and offshore RMB debt securities (HK/RMBDS)	13,579	13,583
Overseas equities (OE)	35,408	34,903
Overseas debt securities (ODS)	13,098	13,293
Cash and net accounts receivable (CH/NAR)	10,800	12,077
	<u>89,910</u>	<u>90,261</u>

Net Asset Allocation In Percentage

