

Subsidized Schools Provident Fund

Financial Bulletin for the Quarter Ended 30 November 2022

Key Financial Data

| | | Quarter ended <u>30.11.2022</u> | Quarter ended <u>31.8.2022 (audited)</u> |
|--|----------------|------------------------------------|---|
| Contributors' Account (HK\$ million) | (a) | 75,554 | 82,589 |
| <i>(After taking into account the 5% dividend for 2021/22 school year)</i> | | | |
| Net Assets (HK\$ million) | (b) | 81,917 | 89,598 |
| Asset cover (%) | (b) / (a) *100 | 108.4 | 108.5 |

Market Commentaries

- The US Federal Reserve continued to substantially raise interest rate by 0.75% in September and November 2022 respectively. As there were signs indicating inflation might have peaked, market expected the Federal Reserve might slow its pace of raising interest rate.
- The US 10-year Government bond yield increased from around 3.2% by the end of August 2022 to around 3.6% by the end of November 2022.
- For the quarter ended 30 November 2022, the Hang Seng Index decreased by about 6.8% from 19,954 as at the end of August 2022 to 18,597 by the end of November 2022, while the Dow Jones Industrial Average Index increased by about 9.8% from 31,510 to 34,589 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 | -6.80 | -2.45 |
| USA | -0.55 | +2.08 | -2.25 |
| Canada | -3.93 | +5.81 | +1.21 |
| UK | +1.78 | +3.97 | -2.97 |
| Germany | +1.83 | +12.17 | -2.59 |
| Japan | -1.20 | -0.44 | -2.46 |
| Australia | -2.85 | +3.52 | +1.13 |
| Mainland China | -3.67 | -1.59 | -0.50 |

Major Investment Activities During The Quarter

| | |
|-----------------------------------|------------|
| Hong Kong equities | Maintained |
| Hong Kong and RMB debt securities | Maintained |
| Overseas equities | Maintained |
| Overseas debt securities | Maintained |
| Cash and net accounts receivable | Maintained |

Net Asset Allocation In Value

| | 30.11.2022 (HK\$ million) | 31.8.2022 (HK\$ million) |
|--|------------------------------|-----------------------------|
| Hong Kong equities (HKE) | 13,807 | 14,792 |
| Hong Kong and RMB debt securities (HK/RMBDS) | 14,490 | 14,871 |
| Overseas equities (OE) | 32,633 | 31,779 |
| Overseas debt securities (ODS) | 11,246 | 11,465 |
| Cash and net accounts receivable (CH/NAR) | 9,741 | 16,691 |
| | <u>81,917</u> | <u>89,598</u> |

Net Asset Allocation In Percentage

