Grant Schools Provident Fund
Financial Bulletin for the Quarter Ended 28 February 2018

Key Financial Data

		Quarter ended 28.2.2018	*Quarter ended 30.11.2017*
Contributors' Account (HK$ million)	(a)	3,028	*3,009*
Net Assets (HK$ million)	(b)	3,724	*3,623*
Asset cover (%)	(b) / (a) * 100	123.0	*120.4*

Market Commentaries

- The US Federal Reserve raised interest rate by 0.25% in December 2017, which was in line with the market expectation. US dollar remained weak during the quarter.

- On market expectation of higher global inflation, the yield for the US 10-year Government bond increased to about 2.8% by end of February 2018, and global bond prices decreased in general.

- For the quarter ended 28 February 2018, the Hong Kong stock market continued to increase, Hang Seng index increased by about 5.7% from 29,177 as at end of November 2017 to 30,844 by end of February 2018. The Dow Jones Industrial Average Index also increased by about 3.1% from 24,272 to 25,029 during the same period, and reached historical high of 26,616 in January 2018, whereas other stock markets decreased.

Changes of Key Market Indicators In Percentage

	Currency (Change vs. HKD)	Equity (in original currency)	Bond (in original currency)
Hong Kong	N/A	+5.71	-0.37
USA	+0.19	+2.50	-1.78
Canada	+0.74	-3.89	-1.17
UK	+1.98	-1.29	-0.35
Germany	+2.49	-4.52	-1.38
Japan	+5.08	-2.89	+0.37
Australia	+2.85	+0.99	-0.95
Mainland China	+5.24	-1.74	N/A

Major Investment Activities During The Quarter

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

Net Asset Allocation In Value

	28.2.2018 (HK$ million)	30.11.2017 (HK$ million)
Hong Kong equities (HKE)	738	785
Hong Kong debt securities (HKDS)	539	541
Overseas equities (OE)	1,259	1,227
Overseas debt securities (ODS)	599	562
Cash and net accounts receivable (CH/NAR)	589	508
	3,724	3,623

Net Asset Allocation In Percentage

	HKE	HKDS	OE	ODS	CH/NAR
28.2.2018	19.8%	14.5%	33.8%	16.1%	15.8%
30.11.2017	21.7%	14.9%	33.9%	15.5%	14.0%