

Subsidized Schools Provident Fund

Financial Bulletin for the Quarter Ended 28 February 2017

Key Financial Data

		Quarter ended <u>28.2.2017</u>	Quarter ended <u>30.11.2016</u>
Contributors' Account (HK\$ million)	(a)	66,629	66,011
Net Assets (HK\$ million)	(b)	74,896	71,407
Asset cover (%)	(b) / (a) *100	112.4	108.2

Market Commentaries

- The US Federal Reserve raised interest rate by 0.25% in December 2016. Market reaction was mild as the rate increase had already been anticipated.
- The US presidential election result in November 2016 surprised the market. However, the equity market went up afterwards on expectation of some policy initiatives of the new government such as tax cuts and infrastructure spending, and positive sentiment of economic data.
- For the quarter ended 28 February 2017, Hang Seng Index increased by about 4.2% from 22,790 as at end of November 2016 to 23,741 by end of February 2017, while the Dow Jones Industrial Average Index increased by about 8.8% from 19,124 to 20,812 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	+4.17	-0.49
USA	+0.08	+7.50	+0.61
Canada	+1.60	+2.10	-0.45
UK	-0.33	+7.07	+3.30
Germany	+0.25	+11.22	+0.55
Japan	+1.92	+4.43	-1.07
Australia	+4.14	+4.70	+0.53
Mainland China	+0.76	-0.26	N/A

Major Investment Activities During The Quarter

Hong Kong equities	Maintained
Hong Kong and offshore RMB debt securities	Reduced
Overseas equities	Maintained
Overseas debt securities	Maintained
Cash and net accounts receivable	Maintained

Net Asset Allocation In Value

	<u>28.2.2017</u> (HK\$ million)	<u>30.11.2016</u> (HK\$ million)
Hong Kong equities (HKE)	15,063	14,379
Hong Kong and offshore RMB debt securities (HK/RMBDS)	12,792	12,956
Overseas equities (OE)	27,199	25,102
Overseas debt securities (ODS)	11,744	11,654
Cash and net accounts receivable (CH/NAR)	8,098	7,316
	<u>74,896</u>	<u>71,407</u>

Net Asset Allocation In Percentage

