

## Subsidized Schools Provident Fund

### Financial Bulletin for the Quarter Ended 30 November 2024

#### Key Financial Data

|  |                | Quarter ended<br><u>30.11.2024</u> | Quarter ended<br><u>31.8.2024 (audited)</u> |
|--|----------------|------------------------------------|---|
| Contributors' Account (HK\$ million)<br><i>(After taking into account the 5% dividend for 2023/24 school year)</i> | (a)            | 75,509                             | 81,529                                      |
| Net Assets (HK\$ million)  | (b)            | 88,155                             | 91,898                                      |
| Asset cover (%)  | (b) / (a) *100 | 116.7                              | 112.7                                       |

#### Market Commentaries

- The Federal Open Market Committee of the US Federal Reserve decided at its meetings in September and November 2024 to cut interest rates by 0.5% and 0.25% respectively. Market generally expected a slower pace of rate cuts ahead by the US Federal Reserve.
- The US 10-year Government bond yield increased from around 3.9% by the end of August 2024 to around 4.2% by the end of November 2024.
- During the quarter ended 30 November 2024, the Hang Seng Index increased by about 8.0% from 17,989 as at the end of August 2024 to 19,423 by the end of November 2024, and the Dow Jones Industrial Average Index increased by about 8.1% from 41,563 to 44,910 during the same period.

#### Changes of Key Market Indicators In Percentage

|                | Currency<br><u>(Change vs. HKD)</u> | Equity<br><u>(in original currency)</u> | Bond<br><u>(in original currency)</u> |
|----------------|-------------------------------------|---|---------------------------------------|
| Hong Kong      | N/A                                 | +7.97                                   | -0.28                                 |
| USA            | -0.24                               | +6.80                                   | -0.44                                 |
| Canada         | -3.97                               | +9.86                                   | +1.27                                 |
| UK             | -3.52                               | -1.07                                   | -1.01                                 |
| Germany        | -4.81                               | +3.81                                   | +2.27                                 |
| Japan          | -3.28                               | -1.14                                   | -1.23                                 |
| Australia      | -4.22                               | +4.60                                   | -1.10                                 |
| Mainland China | -2.31                               | +17.04                                  | +1.37                                 |

## Major Investment Activities During The Quarter

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

\* Including migration of low volatility overseas equities investment sub-class to the new sustainable overseas equities investment sub-class in October 2024

## Net Asset Allocation In Value

|  | <u>30.11.2024</u><br><u>(HK\$ million)</u> | <u>31.8.2024</u><br><u>(HK\$ million)</u> |
|--|--|---|
| Hong Kong equities (HKE)                     | 14,387                                     | 13,112                                    |
| Hong Kong and RMB debt securities (HK/RMBDS) | 15,209                                     | 15,352                                    |
| Overseas equities (OE)                       | 32,516                                     | 35,888                                    |
| Overseas debt securities (ODS)               | 11,476                                     | 11,561                                    |
| Cash and net accounts receivable (CH/NAR)    | 14,567                                     | 15,985                                    |
|  | <u>88,155</u>                              | <u>91,898</u>                             |

## Net Asset Allocation In Percentage

