

Subsidized Schools Provident Fund
Financial Bulletin for the Quarter Ended 31 May 2012

Key Financial Data

| | | Quarter ended <u>31.5.2012</u> | Quarter ended <u>29.2.2012</u> |
|--|-----------|-----------------------------------|-----------------------------------|
| - Contributors' Account (HK\$ million) | (a) | 52,930 | 52,292 |
| - Net Assets (HK\$ million) | (b) | 58,594 | 60,137 |
| - Asset cover (%) | (b) / (a) | 110.7 | 115.0 |

Market Commentaries

- With the Euro-zone governments struggling to fix the sovereign debt crisis, the global stock markets declined by 5% to 15% as business activities across the Euro-zone continued to shrink and the Chinese manufacturing sector had contracted.

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 | -14.07 | +1.08 |
| USA | +0.07 | -4.05 | +2.12 |
| Canada | -4.85 | -8.94 | +2.08 |
| UK | -3.58 | -9.38 | +4.05 |
| Germany | -7.51 | -8.63 | +4.43 |
| Japan | +3.29 | -12.14 | +1.21 |
| Australia | -10.17 | -5.80 | +6.73 |

Major Investment Activities During The Quarter

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

Net Asset Allocation In Value

| | 31.5.2012 (HK\$ million) | 29.2.2012 (HK\$ million) |
|---|-----------------------------|-----------------------------|
| - Hong Kong equities (HKE) | 8,886 | 10,263 |
| - Hong Kong debt securities (HKDS) | 11,496 | 11,385 |
| - Overseas equities (OE) | 13,226 | 14,558 |
| - Overseas debt securities (ODS) | 14,320 | 14,162 |
| - Cash and net accounts receivable (CN/NAR) | 10,666 | 9,769 |
| | <u>58,594</u> | <u>60,137</u> |

Net Asset Allocation In Percentage

