

## Minutes of Meeting

### Petroleum Fund of Timor-Leste

# Investment Advisory Board

*Held on 9 August 2013*

*At the Office of Autoridade Nacional do Petroleo (ANP), Dili, Timor-Leste*

#### Present:

Olgario de Castro (Chairman)  
Gualdino da Silva  
Francisco Monteiro  
Kevin Bailey (via teleconference)  
Torres Trovik (via teleconference)  
Venancio Alves Maria  
Basilio Soares  
Craig Callum (Acting Secretary)

#### In attendance:

Simen Bjornerud, Ministry of Finance  
Fernando da Silva Carvalho, BCTL  
Samuel V. Robinson, BCTL

The Chairman declared the meeting open at 3.15 PM.

#### **1. Election of Chairman**

The Board elected Mr de Castro to act as temporary Chairman for the meeting.

#### **2. Apologies**

None.

#### **3. Approval of the agenda**

The agenda for the meeting was agreed to.

#### **4. Approval of the minutes of the meeting on 31 May 2013**

The minutes of the previous meeting were approved.

#### **5. Matters arising from the minutes not otherwise included in the agenda**

None.

#### **6. Review of the Fund's performance**

The Total Fund returned -1% for the June quarter. The negative return was driven by the bond portfolio, which declined 1.84% in value as yields rose. The losses on bonds were partially offset by equities, which increased in value by 0.76% over the quarter.

Since inception the Total Fund's return is 3.94% per annum.

#### **7. New Bond Mandate Implementation**

The BCTL informed the Board that licensing for the Barclay's customized index was almost complete. The BCTL was in the process of appointing a transition and interim manager to passively manage the customized index. The BCTL is also continuing its work on searching for an enhanced passive manager.

#### **8. BCTL report on IAB spending**

The BCTL tabled a report showing the IAB's spending for the year to date.

#### **9. Discussion of the potential Oslo workshop**

The Board voted in favour of holding an IAB workshop after the International Forum of Sovereign Wealth Fund meeting in Oslo, Norway. Meeting in Norway would provide the opportunity to show Timor Leste's appreciation for Norway's support for the Timor Leste Petroleum Fund. As well as meeting Norway's Ministry of Finance and NBIM, the Board will seek to meet with representatives of other sovereign wealth funds. The IAB will subsequently hold an internal meeting to discuss the investment strategy for the Petroleum Fund.

#### **10. Discussion of the Melbourne workshop**

The material and the outcomes of the workshop in Melbourne were discussed.

#### **11. Discussion of fixed interest beliefs**

It was agreed to postpone this item until the workshop planned for Norway.

#### **12. Other business**

The BCTL noted it had hosted representatives from the Bank of Uganda, who were gathering information on petroleum fund management.

### 13. Next meeting

It was agreed that the next meeting would be on Monday 9 September in Dili.

The Chairman declared the meeting closed at 5:45 PM.

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**Chairman**

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**Secretary**