



PETROLEUM FUND QUARTERLY REPORT

Quarter ended 30 June 2016

PRESS RELEASE

The Banco Central de Timor-Leste (BCTL) today released the Quarterly Report of the Petroleum Fund of Timor-Leste for the period ended 30 June 2016. The report shows that the capital of the fund as of 30 June 2016 was \$16.47 billion compared to \$16.58 billion at the end of the previous quarter.

The report shows that the gross capital inflows during the quarter were \$26.79 million, consisting of \$14 million of contributions from taxpayers to the Fund, and royalty contributions from the National Petroleum Authority of \$12.79 million.

The investment income of the Fund for the quarter was \$201.47 million comprising dividends and interest received was \$97.90 million, change in the market value of financial assets was \$154.54 million, and FX was -\$41.95 million. This represented a portfolio return of the Fund for the quarter was 1.24% while the benchmark return for the period was 1.34%.

The Petroleum Fund law specifies that the Operational Manager (Banco Central de Timor-Leste) is the agent responsible for the operational management of the Fund. The Ministry of Finance is responsible for setting the overall investment strategy for the Fund.

The Banco Central de Timor-Leste has managed the portfolio close to the benchmark over the period. The difference in return between the total portfolio and the benchmark since the inception of the fund is 0 basis point or 0.00 percent.

Highlights of the Quarterly Report, which covers the period from 1 April 2016 to 30 June 2016 include:

- The capital of the Fund at 30 June 2016 was \$16.47 billion.
- Gross cash inflows to the fund from royalties and taxes were \$26.79 million.
- Cash outflows were \$343.29 million of which \$340 million was transferred to the State Budget and \$3.29 million was for management costs.
- Net cash inflows during the period were -\$316.51 million.
- The portfolio return in the quarter was 1.24% compared with the benchmark return of 1.34%.

The quarterly report, as well as the Petroleum Fund Law and Management Agreement, are available from the Banco Central's website www.bancocentral.tl.

Dili, 03 August 2016

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