



## **PETROLEUM FUND QUARTERLY REPORT**

**Quarter ended 31 December 2017**

### **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 31 December 2017. The report shows that the capital of the fund as of 31 December 2017 was \$16.80 billion compared to \$16.69 billion at the end of the previous quarter.

The report shows that the gross capital inflows during the quarter were \$94.88 million, consisting of \$44.92 million of contributions from taxpayers to the Fund, royalty contributions from the National Petroleum Authority of \$49.96 million.

The investment income of the Fund for the quarter was \$365.23 million comprising dividends and interest received was \$77.04 million, change in the market value of financial assets was \$269.47 million, and FX was \$18.72 million. This represented a portfolio return of the Fund for the quarter was 2.17% while the benchmark return for the period was 2.04%.

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 3 basis point or percent.

Highlights of the L Quarterly Report, which covers the period from 1 October 2017 to 31 December 2017 include:

- The capital of the Fund at 31 December 2017 was \$16.80 billion.
- Gross cash inflows to the fund from royalties and taxes were \$94.88 million.
- Cash outflows were \$346.88 million of which \$343.80 million was transferred to the State Budget and \$3.08 million was for management costs.
- Net cash inflows during the period were -\$252 million.
- The portfolio return in the quarter was 2.17% compared with the benchmark return of 2.04%.

The Quarterly report, as well as the Petroleum Fund Law and Management Agreement, are available from the Banco Central's website <https://www.bancocentral.tl>

Dili, 31 January 2018

**Venancio Alves Maria**  
Deputy Governor

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