

Minutes of Meeting
Petroleum Fund of Timor-Leste
Investment Advisory Board

Held on 7 February 2018

At the World Bank, Dili, Timor-Leste

Present:

Olgario de Castro (Chairman)	Gualdino da Silva
Tørres Trovik (via Teleconference)	Ernesto da Conceicao Silva
Dr. Michael Drew (via Teleconference)	Craig Callum (Acting Secretary)

In attendance:

Jonio Soares, PF Department, Central Bank	Agostinho Maia, PF Department, Central Bank
Timoteo Pires, PF Department, Central Bank	Filipe Nery Bernardo, PFAU, Ministry of Finance
Serge Bulatov, PF Department, Central Bank	Celestina da C. Barros, PFAU, Ministry of Finance

The Chairman declared the meeting open at 3:45 pm Timor-Leste time.

1. Apologies

None.

2. Approval of the agenda

The Board agreed to the agenda of the meeting.

3. Approval of the minutes of the meeting on 8 November 2017

The draft minutes of the meeting were discussed and approved.

4. Business arising from the minutes not otherwise included in the agenda

The Board considered a report that summarised the IAB workshop in November/December and identified items to follow up.

5. Review of the Fund's quarterly performance.

The Fund returned 2.17% for the fourth quarter 2017, with fixed income returning -0.16% and equities returning 5.63%. Rising yields had caused losses on the US Treasury bond portfolios. The Fund recorded its highest annual return since inception of 10.36% following a strong year for equities. The Fund's balance at the end of 2017 was \$16.8 billion. The cash mandate was discussed.

6. Update on work in progress

The BCTL discussed its work on foreign exchange hedging and implementation of the equity factor mandate.

7. Objectives for 2018 and schedule of meetings


The Board members discussed their priorities for 2018. The dates for meetings and workshops were agreed.

8. Schedule next meeting.

A workshop will be held in Dili from 14-16 March 2018. The next meeting is tentatively scheduled to follow the workshop on 16 March 2018.

The Chairman declared the meeting closed at 5:35 pm Timor time.


Chairman


Acting Secretary