



PETROLEUM FUND QUARTERLY REPORT

Quarter ended 30 September 2023

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 September 2023. The report shows that the capital of the fund as of 30 September 2023 was \$17.520¹ billion compared to \$18.075 billion at the end of the previous quarter after adjusting for 2022 Fair Value of Private Debt Instrument issued by Timor Gap E.P.

The report shows that the gross capital inflows during the quarter were \$57.06 million.

The gross investment income of the Fund for the quarter was negative \$307.15 million comprising dividends and interest received were \$121.71 million, change in the market value of financial assets was negative \$426.99 million and FX movement was negative \$1.88 million. This represented the total portfolio return for the quarter was -1.21% while the benchmark return for the period was -1.33%.

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 return and the benchmark for this quarter was 0.13 basis points or 0.13 percent. The total Fund return since inception was 4.00 Percent.

Highlights of the LXVIII Quarterly Report, which covers the period from 01 July 2023 to 30 September 2023 include:

- The capital of the Fund at 30 September 2023 was \$17.520 billion.
- Gross cash inflows to the fund from taxes were \$57.06 million.
- Cash outflows were \$304.225 million of which \$300 million was transferred to the State Budget and \$4,225 million was for management cost.
- The total Fund return for the quarter was -1.21% compared to the benchmark return was -1.33%.
- The portfolio return of the Financial Market Investments for the quarter was -1.30% while the benchmark return for the period was -1.44%.

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, 9 November 2023

Venancio Alves Maria
Deputy Governor

¹ The Fair Value of Private Debt as of December 2022 was \$560.76 million, which is reflected in financial assets held at fair value for 2022 until a new valuation for 2023 is undertaken. The opening balance for 2023 is adjusted in this quarter's report to reflect the recently available Fair Value of the Private Debt as of December 2022 which will also affect the balance of the September Quarter 2023.