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Petroleum Fund of Timor-Leste

Quarterly Report

30 June 2025

Inside This Report

1. Introduction
1. Executive summary
2. Investment mandate
3. Market trends
8. Management during the quarter
9. Portfolio performance
13. Management costs
13. Transfers to state budget
13. Compliance statement
14. Financial Information

INTRODUCTION

This report is produced in accordance with Article 13 of the Petroleum Fund Law which requires the Central Bank to report on the performance and activities of the Petroleum Fund of Timor-Leste, referred to in this report as the Fund unless the context suggests otherwise.

All monetary references in this report are to United States dollars as the official currency of Timor-Leste.

While every effort has been made to ensure accuracy, the information is based on management and custodial reports and has not been independently audited and is subject to change, in which case the changes will be incorporated into subsequent reports.

EXECUTIVE SUMMARY

The Petroleum Fund was formed by the enactment of the Petroleum Fund Law, promulgated on 3 August 2005 as amended on 28 September 2011. The law gives the Central Bank of Timor-Leste the responsibility for the operational management of the Fund.

This report covers the period from 01 April to 30 June 2025.

Key statistics for the quarter include:

- The capital of the Fund at the end of the current quarter was $18.74 billion while in the previous quarter was $18.25 billion.
- Gross cash inflows to the fund from royalties and taxes were $12.12 million.
- The outflow for the quarter was $253.77 million, being transferred to the state budget of $250 million while $3.77 million was for management costs.
- The profit and loss for the quarter was $729.71 million. The return on financial market investments was 4.14% compared with the benchmark return of 4.15%.

The Fund performance for the quarter, including the performance of the relative asset classes, was as follows:

Table 1

%	QTR	FYTD	1 Year	3 Years	5 years	Since Inc
Total Fund	4.06	5.31	8.38	6.88	4.89	4.56
Benchmark	4.06	5.06	8.64	7.27	4.94	4.52
Excess	0.00	0.25	-0.26	-0.40	-0.04	0.04
Financial Market Investments	4.14	5.38	8.88	7.37	5.20	4.64
Benchmark	4.15	5.15	8.78	7.28	4.83	4.51
Excess	-0.02	0.23	0.10	0.10	0.37	0.13
Investment in Petroleum Operations	1.65	3.33	-5.69	-6.15	-3.31	-1.81
Benchmark	1.10	2.22	4.50	4.50	4.50	4.50
Excess	0.55	1.11	-10.19	-10.65	-7.81	-6.31

Table 2

%	QTR	FYTD	1 Year	3 Years	5 years	Since Inc
Total Financial Market Investments	4.14	5.38	8.88	7.37	5.20	4.64
Benchmark	4.15	5.15	8.78	7.28	4.83	4.51
Excess	-0.02	0.23	0.10	0.10	0.37	0.13
Liquidity Portfolio	1.13	2.52	5.32	4.14	n.a	2.73
Benchmark	1.12	2.56	5.41	4.26	n.a	2.87
Excess	0.01	-0.04	-0.08	-0.12	n.a	-0.14
Growth Portfolios	4.96	6.19	9.92	8.16	n.a	3.55
Benchmark	5.16	6.31	10.21	8.32	n.a	3.53
Excess	-0.20	-0.11	-0.29	-0.15	n.a	0.03

1. INVESTMENT MANDATE

A revised Management Agreement between the Ministry of Finance and the Central Bank was signed on 25 June 2009. The Annexes of the Management Agreement were subsequently amended to reflect the actual investments.

From 1 November 2020, the Private Debt Instrument is separated from the financial market investments portfolio. From 1 July 2021, the Financial Market Investment portfolio is segmented into the Liquidity Portfolio and the Growth Portfolio. The benchmarks of the Total Fund and Financial Market Investment as of June 2025 were as follows:

Table 3

Mandates	Apr-25	May-25	Jun-25
Total Fund	**100%**	**100%**	**100%**
Investment in Petroleum Operations	3.1%	3.1%	3.1%
Financial Market Investment	96.9%	96.9%	96.9%
Total Financial Market Investment	**100%**	**100%**	**100%**
Liquidity Portfolio	22.0%	21.9%	20.5%
Growth Portfolio	78.0%	78.1%	79.5%
Liquidity Portfolio	**100%**	**100%**	**100%**
BOA ML 0-3 Years US Treasury Bond Index			
Total Growth Portfolio	**100%**	**100%**	**100%**
US Government Treasury Notes 3-5 Years	35.0%	35.0%	35.0%
US Government Treasury Notes 5-10 Years	10.0%	10.0%	10.0%
Global Developed Market Sovereign Bond, Hedged	10.0%	10.0%	10.0%
US TIPS Treasury Bonds 1 -10 Years	10.0%	10.0%	10.0%
Developed Market Equities	35.0%	35.0%	35.0%

2. MARKET TRENDS DURING QUARTERLY

Global Macroeconomic Trends

Economic Growth and Labor Market

- In the second quarter of the year, the Global Manufacturing PMI returned to expansion, rising from 49.5 in May to 50.3 in June, slightly over neutral levels. This recovery is driven by growing global manufacturing production, stable new orders, and reduction in job losses. The expansion of output in China, the United States, and Japan is the primary driver of the global manufacturing output recovery. The Eurozone is also improving, albeit at a slower rate than the other three countries. In contrast, countries such as the United Kingdom, Brazil, Mexico, and Russia remain below the neutral threshold.
- The U.S. manufacturing sector experienced robust growth in June, the PMI rose by 0.9 to 52.9, the highest level since May 2022. This was the result of an increase in new orders and stronger production. Nevertheless, tariffs continue to be a significant issue, as they increase the cost of imports. According to the Federal Open Market Committee (FOMC), the GDP outlook for the quarter fell by 0.3% from 1.7% in March to 1.4% due to import surges ahead of tariff threats. Labor market in the U.S remained strong during the quarter. The non-farm payroll figures showed on average the economy added 149 thousand new jobs monthly during the quarter. The unemployment rate ticked lower to 4.1% from 4.2% in the previous quarter. The Federal government continued to lose positions, while health care, leisure and hospitality, and social assistance are the sectors that primarily contribute to employment in the United States.
- The European Central Bank (ECB) Governing Council projected that the real GDP growth for the quarter in the Eurozone stays unchanged as a result of the uncertainty surrounding the trade policy, which has an impact on supply chains. Nevertheless, strong household incomes, a robust employment market, and more favorable financing conditions, in addition to increased government spending on infrastructure and defense contributed to the stabilization and support of growth in

the medium term. According to the latest release of Eurostat, the unemployment rate for the month of May 2025 in Eurozone is at 6.3% which is 0.1% above market expectations. Germany and Netherlands are among countries with lowest unemployment rate.

- According to S&P Global's Japan PMI survey results, the country's manufacturing has improved to 50.1, which is just above the neutral level. Despite a fall in export sales and new orders, which results in a lower demand, this is backed by a gain in output and employment elements. Bank of Japan (BoJ) forecasted that economic growth of 0.5% in 2025, 0.7% in 2026, and 1% in 2027 indicates that Japan's economy is recovering moderately as of mid-2025. Australia's second-quarter manufacturing sector growth was 50.6, down from 52.1 in March 2025. Additionally, Australian Bureau of Statistics reported that since March 2025, the unemployment rate has stayed at 4.1%.

Inflation and Monetary Policy

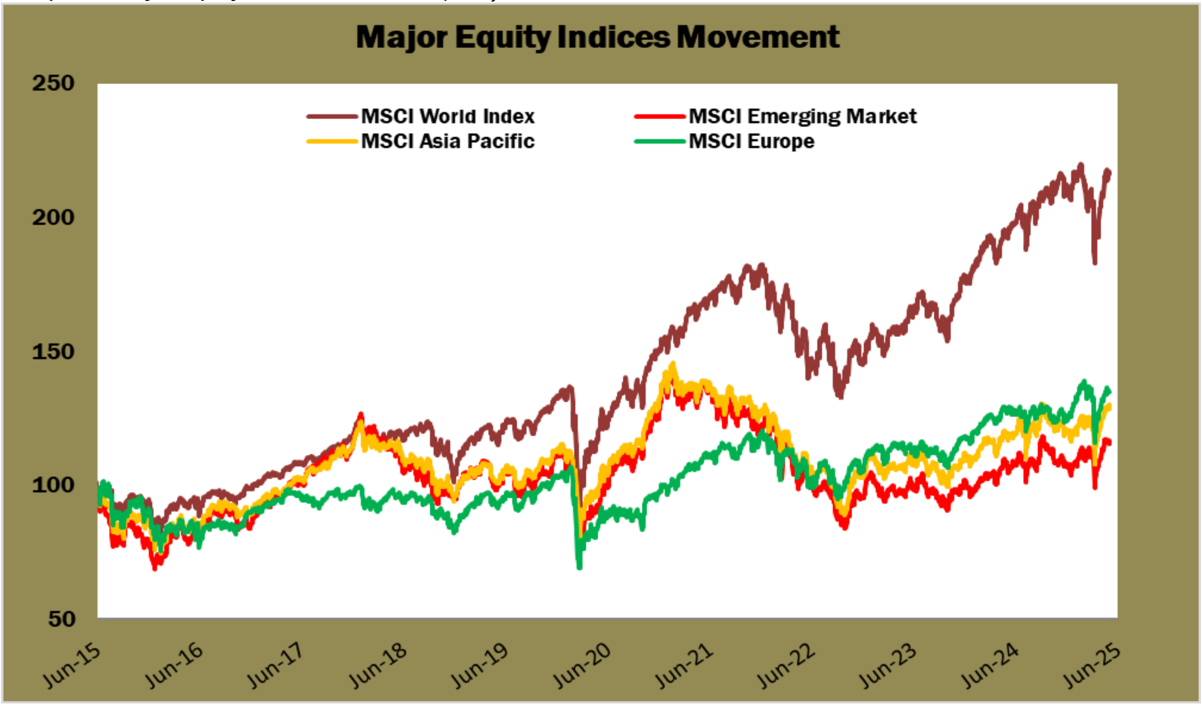
- Following the FOMC meeting on June 17-18, the Federal Reserve decided to keep the federal funds rate in the range of 4.25% to 4.50%, citing worries about continued inflationary pressures and a potential slowing of economic growth. According to the Fed's most recent median predictions, two rate decreases are expected before the end of the year. The forecast for core Personal Consumption Expenditures (PCE) inflation was revised up 0.3 percentage points to 3.0%, above the 2.7% prediction in the first quarter. This change reflects higher-than-expected price pressures in recent months. Fed stated that it will continue to closely monitor incoming economic data, which will be essential in future policy decisions regarding interest rates.
- In response to an improved inflation outlook, the European Central Bank recently reduced each of its three primary interest rates: the deposit facility, main refinancing operations, and marginal lending facility by 25 basis points. It is now expected that headline inflation in the Eurozone will decrease to 2.0% in 2025 and further to 1.6% in 2026, before reverting to the ECB's target of 2.0% in 2027. These figures indicate a 0.3 percentage point decrease in both 2025 and 2026 compared to the previous quarter projection, which implies a reduction in price pressures and a higher level of confidence in the medium-term return of inflation to the target.
- U.S. tariffs are expected to weigh on Japan's economic growth and inflation outlook. Despite these headwinds, BoJ projected that the Consumer Price Index (CPI) will remain stable at around 2% through 2027, suggesting underlying price stability even amid external pressures. In contrast, during its Monetary Policy Board meeting in May, the Reserve Bank of Australia (RBA) decided to lower its cash rate by 25 basis points to 3.85%. The move shows a cautious stance, prompted by continued uncertainty in both the global and domestic economic outlook. Nonetheless, headline inflation in Australia is at 2.4%, well within the central bank's target range of 2 – 3%, indicating some progress in maintaining price stability despite global instability.

Global Market Trends

MSCI World Index

- The MSCI World Index posted a recovery in the second quarter to 11.47% after its negative performance from the previous quarter. This recovery suggests a positive shift in market sentiment following the previous quarter's losses. Equity markets rose overall, despite early volatility caused by US tariffs announcement dubbed as "Liberation Day".
- The three major US equity indexes also demonstrated robust performance during the quarter. The S&P 500 achieved a return of 10.94%, surpassing its counterparts in local currency terms. Following Trump's declaration of April 2, 2025, as a liberation day, stocks experienced a sharp decline from their February high in early April. Nevertheless, the United States reversed its reciprocal tariff package and implemented a 90-day suspension, which led to a decrease in trade tensions and a market recovery. Despite the geopolitical tensions in the Middle East, resilient corporate earnings and an improvement in macro data drove a positive recovery in this quarter. The information technology and services sectors were the primary drivers of the US equity market's gains, as investor interest in some of the "magnificent 7" stocks returned.
- The German DAX surged 7.88% in the quarter, marking a strong performance and closing with the same gain. Meanwhile, the FTSE 100 rose 3.15%, recovering from early-quarter volatility driven by trade tariff concerns. While the gain was modest compared to continental peers, the FTSE's positive close in the second quarter reflects underlying resilience in the face of global uncertainty and domestic economic headwinds. A key driver of the gains in the Eurozone equity market was the prospect of positive growth due to fiscal policy expansion and a rally in defense stocks, following an agreement at the NATO summit for member countries to increase defense spending. This geopolitical development lifted investor sentiment, particularly in defense-related sectors.
- In the second quarter, major equity indices for developing markets and Asia Pacific regions had robust rebound performance. The Korean Kospi achieved 24.04% return for the quarter, thereby securing the top spot among Asia's markets, as political uncertainty diminished following the June election of Democratic Party nominee Lee Jae-myung as president. MSCI Australia also posted a strong recovery ended the quarter with positive 15.06%.

Graph 01 Major Equity Indices Movement (USD)



Global Treasury Bonds include U.S Treasuries

1) **US Treasury Market including Treasury Inflation-Protected Securities (TIPS):**

   This quarter, the US Treasury market exhibits a steepening yield curve. Short-term (2 years) US Treasury bonds experienced a decline of 0.10%, closing the quarter at 3.78%. In contrast, long-term (10 years) bonds increased by 0.02%, finishing the quarter at 4.23%. The decrease in the yield of the US Treasury 2-year bond may indicate investors' confidence in the Federal Reserve potentially easing monetary policy as inflation begins to soften and the economy starts to recover. However, market attention has recently shifted toward concerns over U.S. debt sustainability. In June, the House of Representatives passed a reconciliation bill known as the "Big Beautiful Bill", which has heightened fiscal concerns. The legislation includes both tax cuts and increased government spending, particularly in the defense sector. These measures are projected to add approximately $3 to $5 trillion to the national debt by 2034, raising alarms about the long-term fiscal outlook.

2) **Global Sovereign Bonds – Developed Markets only:**

- Over this quarter, most European 10-year sovereign bond yields experienced a decline. Germany's 10-year government bond yield decreased by 0.13%, concluding the quarter at 2.61%. Similarly, the French 10-year yield declined by 0.17%, concluding the quarter at 3.29%. This decline primarily reflects the easing of inflationary pressures and the growing anticipation that the European Central Bank (ECB) may proceed with further interest rate reductions.
- The yield of Asia Pacific and emergent markets has experienced a slight decline. The yield of 10-year government bonds of Australia and Japan experienced a 22-basis point and 6 basis point decline, respectively, and conclude the quarter at 4.16% and 1.43%. One of the factors that contributed to the decline in long-term yields was the Reserve Bank of Australia's most recent

decision to reduce its cash rate. Conversely, Japan's Finance Ministry is decreasing the issuance of super-long government bonds in order to stabilize the bond market, which has been characterized by high yields and a lack of demand for long-term debt. Through March 2026, the Ministry will decrease the sales of 20-, 30-, and 40-year bonds by a total of ¥3.2 trillion. To offset this decrease, the Ministry will increase the issuance of shorter-term securities, including six-month Treasury bills and two-year notes. This decision was made in response to the recent record-high yields in the Japanese government bond market, particularly for super-long bonds, which were ascribed to an imbalance between supply and demand.

Graph 02. 10 Years Global Yield

3. MANAGEMENT DURING THE QUARTER

Objectives

The Central Bank, as operational manager of the Fund, has implemented the investment mandates through a combination of internal and external management.

The following table shows how the investment mandates have been implemented:

Table 4

Mandate	Management Style	Authorised Managers	Tracking Error	Outperformance Target	Commencement date
Liquidity Portfolio					
BOA Merrill Lynch 0-3 Years US Treasury Bond Index		BCTL			April-24
Growth Portfolio					
BOA Merrill Lynch 3-5 Years US Treasury Bond Index	Passive	BCTL	0.25%	Nil	January-12
BOA Merrill Lynch 5-10 Years US Treasury Bond Index			0.50%		May-20
Global Developed Market Sovereign Bond, Hedged	Enhanced Passive	BIS	0.50%	0.15%	April-20
US TIPS Treasury Bonds 1 - 10 Years	Enhanced Passive	Franklin Templeton	0.50%	0.20% to 0.25%	April-23
US TIPS Treasury Bonds 1 - 10 Years		Barings			
MSCI World Index ex Australia Net Dividends Reinvested	Equity Factor	Schroders	3.0%	Nil	August-19
		SSgA			
MSCI World Index ex Australia Net Dividends Reinvested	Passive	SSgA	0.35%	Nil	January-12
		BlackRock			February-13
MSCI Australia	Passive	BCTL	0.50%	Nil	July-16
Alternative		BCTL	n/a		April-19

Operational Implementation

The actual allocation of the capital of the Fund to the various mandates as at the end of the quarter was as follows:

Table 5

Mandates	Actual weight in FMI		
	Apr-25	May-25	Jun-25
Total Financial Market Investment	**100%**	**100%**	**100%**
Total Liquidity Portfolio	21.9%	20.5%	20.3%
Total Growth Portfolio	**78.1%**	**79.5%**	**79.7%**
Total Fixed Income	**51.6%**	**51.3%**	**50.9%**
BCTL 3-5 year US Treasury Bonds	27.8%	27.7%	27.4%
BCTL5-10 year US Treasury Bonds	7.9%	7.9%	7.8%
BIS Global Developed Market Sovereign Bond, Hedged	7.9%	7.9%	7.8%
US TIPS Treasury Bonds 1 - 10 Years	7.9%	7.9%	7.8%
Total Global Equities	**26.5%**	**28.1%**	**28.8%**
SSGA Equity Factor	3.3%	3.5%	3.5%
Schroders Equity Factor	3.3%	3.5%	3.6%
SSGA International Equity Passive	8.0%	8.4%	8.6%
BlackRock International Equity Passive	11.3%	12.0%	12.3%
BCTL Australia Equities Passive	0.7%	0.7%	0.7%

4. PORTFOLIO PERFORMANCE

This section contains a number of tables and charts describing the performance of the Petroleum Fund.

The following notes are intended to assist in interpreting this information:

- The percentage figures show the return of the Fund, or a part of it, which is compared with the performance of the corresponding benchmark. The benchmark represents the investment strategy established by the Minister and is used as a goal against which the performance of the actual investments is measured. The Minister's benchmarks for the Petroleum Fund are described earlier in this report.
- The excess is the difference (which may be negative) between the benchmark and the portfolio being measured. In general a portfolio and its benchmark will respond in a similar manner to movements in the financial markets. The excess occurs because the benchmark does not recognize transaction costs, and because the actual portfolio usually contains a different mix of financial instruments to the benchmark.

Global Portfolio

In the course of the quarter Petroleum Fund balance was $18.74 billion as shown in this table, which has been adjusted to reflect the fair value of private debt as stated in Kroll's valuation reports as of December 2024:

Table 6

Capital Account	$'000
Opening book value (01 April 2025)	18,251,476
Receipts during the period	12,121
Transfer to General State Budget	-250,000
Investment Return	729,708
Closing book value (30June 2025)	**18,743,304**

The Fund was invested as follows:

Table 7

Assets	$'000
Cash and Cash Equivalents	3,687,831
Other Receivables	97,029
Financial assets held at fair value through profit or loss	14,995,648
Less:	
Accounts Payable	-1,431
Payable for Securities Purchased	-9,126
Financial liability held at fair value through profit or loss	-26,647
Total	**18,743,304**

The income for the quarter was as follows:

Table 8

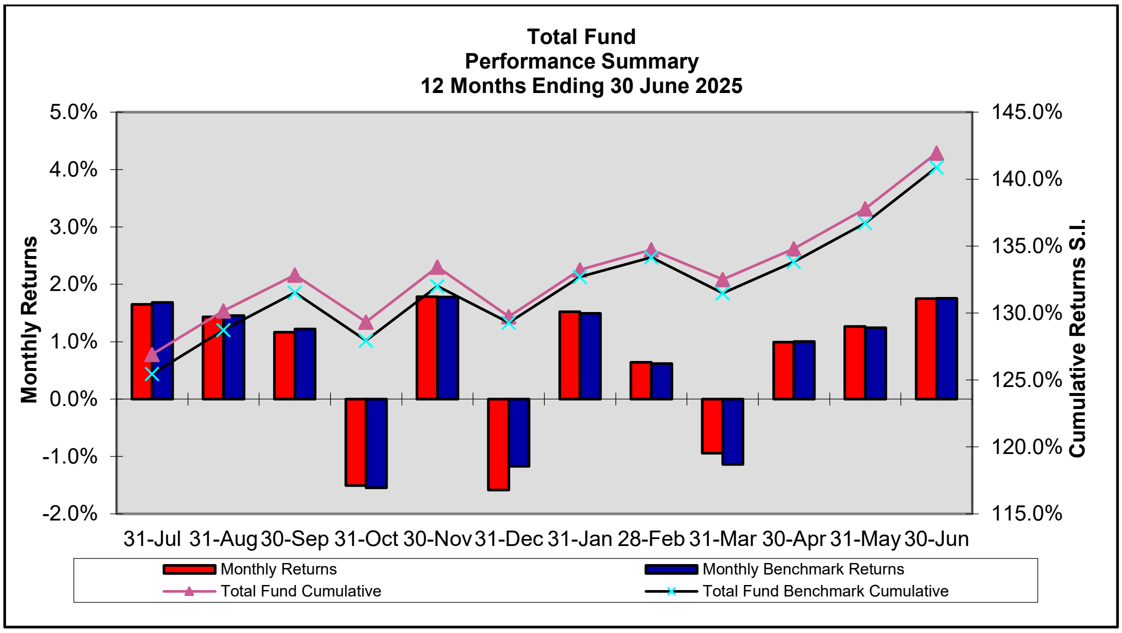
Income	$'000
Interest income	117,583
Dividend income	28,627
Unit Trust distributions	919
Other Invesment income	1,671
Net gains/(losses) on Financial Assets at fair value	587,063
Less:	
External manager, custody fees	-1,800
Central Bank management expenses	-1,835
IAB Expenses	-67
Other expenses	-65
Withholding taxes	-2,388
Total Investment Income	**729,708**

The following notes are intended to assist in interpreting this information:

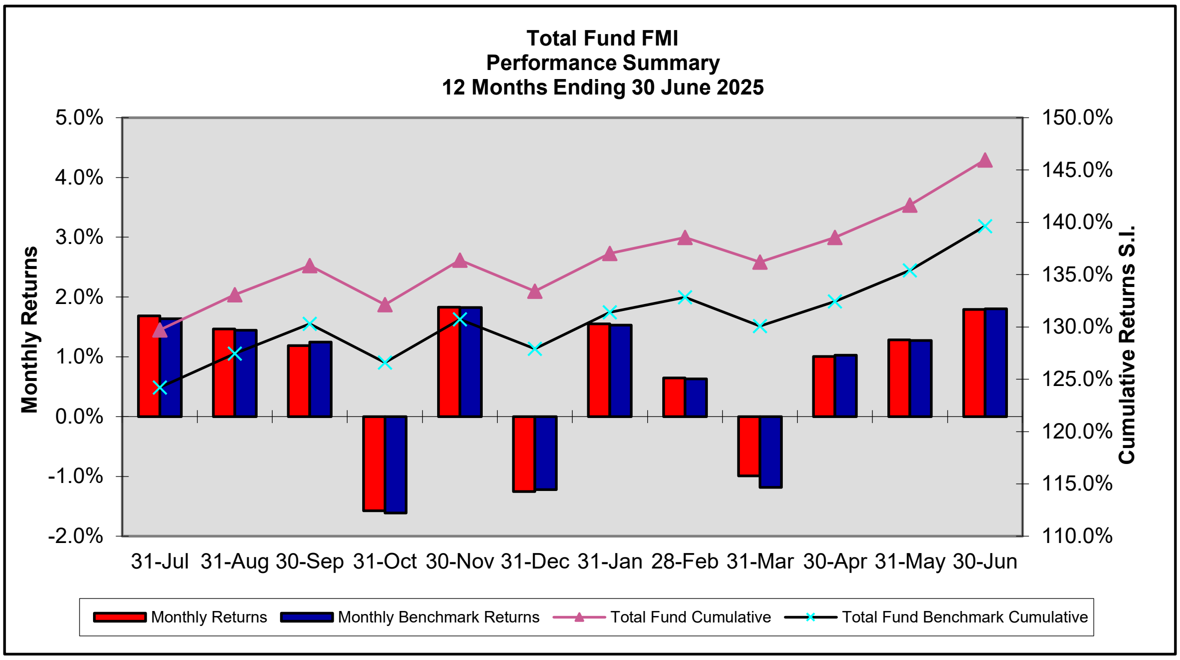
- Unit trust distribution is the income received from listed property investment entities.
- Other expenses relate to derivative trading costs which are deducted directly from the Fund.

The global Fund Performance of absolute and benchmark over the same period are shown in the following graph.

Graph 03 Total Fund Performances



Graph 04 Total Financial market Investments Performance



Liquidity Portfolio

The performance of the investments in the short-term liquidity portfolio for the quarter, including the performance of the managers responsible for those investments, was as follows:

Table 9

%	Qtr	FYTD	1 Year	3 Years	5 Years	Since Inc
Liquidity Portfolio						
BCTL ML Index 0-3 Years US Treasury Bonds	1.13	2.52	5.32	4.36	2.52	2.07
Benchmark	1.12	2.56	5.41	4.74	2.87	2.26
Excess	0.01	-0.04	-0.08	-0.38	-0.35	-0.19

Growth Portfolio

The performance of the investments in globally developed market bonds and equities for the quarter, including the performance of the managers responsible for those investments, was as follows:

Table 10

	Qtr	FYTD	1 Year	3 Years	5 Years	Since Inc
Growth Portfolio	4.96	6.19	9.92	8.16	n.a	3.55
Benchmark	5.16	6.31	10.21	8.32	n.a	3.53
Excess	-0.20	-0.11	-0.29	-0.15	n.a	0.03
International Fixed Interest	1.64	4.31	6.60	2.93	-0.08	2.15
Benchmark	1.71	4.13	6.52	2.83	-0.13	2.15
Excess	-0.07	0.18	0.07	0.10	0.05	0.00
BCTL 3-5 year US Treasury Bonds	1.66	4.36	6.63	2.97	0.18	1.47
BoA Merrill Lynch 3-5 Years US Treasury Passive	1.65	4.33	6.67	2.92	0.17	1.46
Excess	0.01	0.03	-0.03	0.06	0.01	0.00
BCTL 5-10 year US Treasury Bonds	1.72	5.48	6.84	1.93	-1.50	-1.49
BoA Merrill Lynch 5-10 Years US Treasury Passive	1.64	5.29	6.65	1.53	-1.65	-1.60
Excess	0.08	0.18	0.19	0.40	0.15	0.11
BIS Global Treasury Developed Marked Hedged	2.15	2.25	5.92	3.42	-0.21	-0.14
Global Treasury Developed Market - Hedged	2.06	2.09	5.69	3.06	-0.43	-0.36
Excess	0.09	0.16	0.23	0.36	0.22	0.22
Barings LLC 1-10 years US TIPS	1.01	5.13	6.94	n.a	n.a	4.25
US 1-10 years TIPS	1.03	5.08	6.85	n.a	n.a	4.33
Excess	-0.02	0.05	0.09	n.a	n.a	-0.08
Franklin Templeton 1-10 years US TIPS	1.01	5.04	6.87	n.a	n.a	4.38
US 1-10 years TIPS	1.03	5.08	6.85	n.a	n.a	4.33
Excess	-0.01	-0.03	0.02	n.a	n.a	0.05
International Equities	11.37	10.04	16.40	18.22	14.94	10.86
Benchmark	11.47	9.47	16.26	18.31	14.55	10.50
Excess	-0.10	0.57	0.14	-0.09	0.39	0.35
SSgA Equity Factor	8.99	8.74	11.89	14.81	13.62	11.10
MSCI ex. Australia Net Dividends Reinvested	11.41	9.43	16.36	18.44	14.61	12.85
Excess	-2.42	-0.69	-4.48	-3.63	-0.99	-1.74
Schroders Equity Factor	12.53	10.75	17.51	19.37	16.85	14.28
MSCI ex. Australia Net Dividends Reinvested	11.41	9.43	16.36	18.44	14.61	12.85
Excess	1.12	1.32	1.14	0.93	2.23	1.44
SSGA International Equity Passive	11.43	10.04	17.10	18.73	14.90	11.55
MSCI ex. Australia Net Dividends Reinvested	11.41	9.43	16.36	18.44	14.61	11.29
Excess	0.02	0.61	0.74	0.29	0.29	0.26
BlackRock International Equity Passive	11.48	10.10	17.21	18.88	15.01	11.24
MSCI ex. Australia Net Dividends Reinvested	11.41	9.43	16.36	18.44	14.61	10.94
Excess	0.07	0.66	0.85	0.44	0.39	0.31
BCTL Australia Equity Passive	15.10	12.44	11.11	12.09	11.25	8.03
MXAU Australia Net Dividends Reinvested	15.06	12.04	10.73	11.99	11.27	8.17
Excess	0.04	0.39	0.38	0.10	-0.01	-0.14

Private Debt Instrument for Petroleum Operations

The performance of the investment in Private debt instruments for Petroleum Operations for the quarter was as follows:

Table 11

	Qtr	FYTD	1 Year	3 Years	5 Years	Since Inc
Private debt instrument for Petroleum Operations	1.65	3.33	-5.69	-6.15	-3.31	-1.81
Benchmark	1.10	2.22	4.50	4.50	4.50	4.50
Excess	0.55	1.11	-10.19	-10.65	-7.81	-6.31

The Private debt instrument reflects its independently verified fair value for December 2024.

5. MANAGEMENT COSTS

A management fee of $3.77 million for operational management costs was charged to the fund during the quarter. The fee covered the following services (in thousands $):

Table 12

External Management and Custody expenses	1,800
Central Bank management expenses	1,835
IAB expenses	67
Other Expenses	65
Total Cost	**3,767**

6. TRANSFERS TO THE STATE BUDGET

According to Article 7.1 of the Petroleum Fund Law transfers from the Fund may only be made to the credit of a single State Budget account. An amount of $250 million was transferred to the State Budget account during the quarter.

Table 13

Transfer April 2025	0
Transfer May 2025	250,000
Transfer June 2025	0
Transfer for this Quarter	**250,000**
Total transfers this fiscal year 2025	**500,000**

7. COMPLIANCE STATEMENT

Banco Central de Timor-Leste asserts the following statements relating to compliance with the mandates given by the Minister.

Qualifying Instruments

The Fund was invested in instruments within the investment universes specified in the various mandates at all times during the quarter.

Modified Duration

The modified duration of the Fund's fixed interest investment portfolios remained within the mandate during the quarter.

Tracking Error

The tracking error of each mandate in the Fund's investment portfolio was within the specified range during the quarter.

External Managers

External managers' investments were within their mandates during the quarter.

Internal Audit

The provisions of Article 22 of the Petroleum Fund law no. 9/2005 require the Central Bank's Internal Auditor to perform an audit of the Fund every six months. The Internal Auditor has performed an audit up to quarter ended 31 December 2024.

8. FINANCIAL INFORMATION

The following financial information is presented for the purpose of assisting the Minister to review the quarterly performance of the Petroleum Fund as set out in this report. The figures have not been audited.

Table 14

BALANCE SHEET	June-25	June-24
In thousands of USD		
ASSETS		
Cash and Cash Equivalents	3,687,831	3,758,432
Receivables	97,029	31,102
Financial assets held at fair value through profit or loss	14,995,648	15,098,028
TOTAL ASSETS	18,780,508	18,887,562
LIABILITIES		
Accounts payable	-1,431	-2,500
Payables for securities purchased	-9,126	-411,922
Financial Liability held at fair value through profit or loss**	-26,647	-2,344
TOTAL LIABILITIES	-37,203	-416,766
NET ASSETS	18,743,304	18,470,795
CAPITAL		
Opening Balance (January)	18,274,056	18,288,405
PF Law Art. 6.1 (a) Revenue receipts	11,962	32,256
PF Law Art. 6.1 (b) DA receipts	1,168	0
PF Law Art. 6.1 (e) Other receipts	5,247	0
PF Law Art 7.1 Transfers to State Budget	-500,000	-500,000
Income for the period	950,871	650,134
CAPITAL	18,743,304	18,470,795

Note:

1. *The value of private debt is the fair value as of December 2024, $561 million.*
2. ***Reflect derivatives price movement.*
3. *Opening balance for January 2024 has been revised to reflect the private debt fair value report for 2023 from the independent valuator.*

Table 15

STATEMENT OF PROFIT OR LOSS In thousands of USD	QUARTER Jun-25	 Jun-24	YEAR TO DATE Jun-25	 Jun-24
INVESTMENT INCOME				
Interest income	117,583	103,808	224,783	204,393
Dividend income	28,627	31,089	52,703	56,896
Trust income	919	883	1,723	1,703
Other investment income	1,671	2,310	3,304	16,930
Net gains/(losses) on Financial Assets at fair value	587,063	76,326	680,003	384,072
Net foreign exchange gains/(losses)	0	0	0	0
Total Investment Income	**735,863**	**214,417**	**962,515**	**663,993**
EXPENSES				
External management, fees	1,800	1,664	3,738	3,742
Internal operational management fees	1,835	1,828	3,650	5,462
IAB Expenses	67	12	195	179
Other expenses	65	146	215	203
Total expenses	**3,767**	**3,650**	**7,798**	**9,585**
Profit before tax	732,096	210,767	954,718	654,408
Withholding taxes on investments	-2,388	-2,595	-3,847	-4,273
Profit/loss for the period	729,708	208,172	950,871	650,134
Other comprehensive income	0	0	0	0
Total comprehensive income for the period	**729,708**	**208,172**	**950,871**	**650,134**

1. *The accounting policies and method of computation used to prepare the above figures are the same as disclosed in the most recent annual financial statements of the Petroleum Fund.*
2. *The profit and loss statement for the fourth quarter of 2024 has been revised to reflect the receipt of the private debt fair value report from the independent valuator.*

Dili, 21 July 2025

Tobias Ferreira
Executive Director

Helder Lopes
Governor