PETROLEUM FUND QUARTERLY REPORT
Quarter ended 30 June 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 30 June 2017. The report shows that the capital of the fund as of 30 June 2017 was $16.50 billion compared to $16.26 billion at the end of the previous quarter.

The report shows that the gross capital inflows during the quarter were $95.65 million, consisting of $41.76 million of contributions from taxpayers to the Fund, and royalty contributions from the National Petroleum Authority of $53.89 million.

The investment income of the Fund for the quarter was $392.58 million comprising dividends and interest received was $95.05 million, change in the market value of financial assets was $168.68 million, and FX was $128.84 million. This represented a portfolio return of the Fund for the quarter was 2.38% while the benchmark return for the period was 2.41%.

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 0.03 percent.

Highlights of the XLVIII Quarterly Report, which covers the period from 1 April 2017 to 30 June 2017 include:

- The capital of the Fund at 30 June 2017 was $16.50 billion.
- Gross cash inflows to the fund from royalties and taxes were $95.65 million.
- Cash outflows were $243.94 million of which $240 million was transferred to the State Budget and $3.94 million was for management costs.
- Net cash inflows during the period were -$148.29 million.
- The portfolio return in the quarter was 2.38% compared with the benchmark return of 2.41%.

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, 02 Agustus 2017

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