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 2019. The report shows that the capital of the fund as of 30 June 2019 was $17.45 billion compared to $16.98 billion at the end of the previous quarter.

The report shows that the gross capital inflows during the quarter were $192.47 million, consisting of $71.43 million of contributions from taxpayers to the Fund, royalty contributions from the National Petroleum Authority of $121.03 million.

The investment income of the Fund for the quarter was $504.09 million comprising dividends and interest received was $117.15 million, change in the market value of financial assets was $421.18 million, and FX was -$34.24 million. This represented a portfolio return of the Fund for the quarter was 2.94% while the benchmark return for the period was 3.02%.

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 4 basis point or 0.04 percent.

Highlights of the LVI Quarterly Report, which covers the period from 01 April 2019 to 30 June 2019 include:

- The capital of the Fund at 30 June 2019 was $17.45 billion.
- Gross cash inflows to the fund from royalties and taxes were $192.47 million.
- Cash outflows were $224.11 million of which $220 million was transferred to the State Budget and $4.11 million was for management cost.
- Net cash inflows during the period were -$27.53 million.
- The portfolio return in the quarter was 2.94% compared with the benchmark return of 3.02%.

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 August 2019

Venancio Alves Maria
Deputy Governor