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 31 December 2019. The report shows that the capital of the fund as of 31 December 2019 was $17.69 billion compared to $17.55 billion at the end of the previous quarter.

The report shows that the gross capital inflows during the quarter were $156.82 million, consisting of $70.09 million of contributions from taxpayers to the Fund and royalty contributions from the National Petroleum Authority was $86.72 million.

The investment income of the Fund for the quarter was $530.32 million comprising dividends and interest received were $96.99 million, change in the market value of financial assets was $439.32 million and FX was lose $(1.13) million. This represented a portfolio return of the Fund for the quarter was 3.05% while the benchmark return for the period was 3.07%.

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 LVIII Quarterly Report, which covers the period from 01 October 2019 to 31 December 2019 include:

- The capital of the Fund at 31 December 2019 was $17.69 billion.
- Gross cash inflows to the fund from royalties and taxes were $156.82 million.
- Cash outflows were $552.48 million of which $549 million was transferred to the State Budget and $3.48 million was for management cost.
- Net cash inflows during the period were $(392.18) million.
- The portfolio return in the quarter was 3.05% compared with the benchmark return of 3.07%.

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, 03 February 2020

Venancio Alves Maria
Deputy Governor