



PETROLEUM FUND QUARTERLY REPORT

Quarter ended 30 June 2014

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 2014. The report shows that the capital of the fund as of 30 June 2014 was \$16.6billion compared to \$15.7billion at the end of the previous quarter.

The report shows that the gross capital inflows were \$1,084.95million, consisting of \$415.02million as contributions of taxpayers to the Fund, and royalty contributions from the NPA (National Petroleum Authority) of \$669.93million as of 30 June 2014.

The gross investment income of the Fund was \$431.05millions of which the dividend and interest received was \$119.45million and the change in the market valuation of its financial assets was \$311.60million as of 30 June 2014. This resulted in a portfolio return of the Fund for the quarter of 2.66%, while the benchmark return for the period was 2.73 %.

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.

Following Minister's decision to progressively increase the equity exposure, the existing equities managers' exposure was increased and achieved 40% in June 2014.

The Banco Central de Timor-Leste has managed the portfolios close to the benchmark over the first 36 quarters. The difference in return between the total portfolio and the benchmark since the inception of the fund was 0 basis points (0.00%).

Highlights of the XXXVI Quarterly Report, which covers the period from 01 March 2014 to 30 June 2014, include:

- The capital of the Fund grew from US\$15.7billion to US\$ \$16.6 billion.
- Gross cash inflows to the fund from royalties and taxes were US\$541.3million.
- Cash outflows were US\$3.87 million for direct external and internal management costs.
- Net cash inflows during the period were US\$537.43million.
- The portfolio return in the quarter was 2.66 % compared with the benchmark return of 2.73%.

The quarterly reports, as well as the Petroleum Fund Law and Management Agreement, are available from the Banco Central's website www.bancocentral.tl.

Venancio Alves Maria

Executive Director of Petroleum Fund Management

Banco Central de Timor-Leste

Further information may be obtained from email at venancio.maria@bancocentral.tl

Telephone: +670 3313718

Dili, 8 August 2014

BANCO CENTRAL DE TIMOR-LESTE

Avenida Bispo Medeiros
P.O.BOX 59 - DILI
TIMOR-LESTE

T: +670 331 371 2 / 4 / 5 / 8
F: +670 331 371 3 / 6 / 7
E: [info\(at\)bancocentral.tl](mailto:info(at)bancocentral.tl)