



PETROLEUM FUND QUARTERLY REPORT

Quarter ended 31 March 2020

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 March 2020. The report shows that the capital of the fund as of 31 March 2020 was \$17.03 billion compared to \$17.69 billion at the end of the previous quarter.

The report shows that the gross capital inflows during the quarter were \$181.11 million, consisting of \$70.69 million of contributions from taxpayers to the Fund and royalty contributions from the National Petroleum Authority was \$105.04 million and annual pipe line fees \$5.39 million.

The investment income of Fund for the quarter was -\$843.99 million comprising dividends and interest received were \$102.21 million, change in the market value of financial assets was -\$938.08 million and FX was lose -\$2.83 million. This represented a portfolio return of the Fund for the quarter was -4.70% while the benchmark return for the period was -4.99%.

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 6 basis point or 0.06 percent.

Highlights of the LIX Quarterly Report, which covers the period from 01 January 2020 to 31 March 2020 include:

- The capital of the Fund at 31 March 2020 was \$17.03 billion.
- Gross cash inflows to the fund from royalties and taxes were \$181.11 million.
- An outflow for the quarter was \$3.53 million for management costs. No transfers were made to the State Budget account during this quarter.
- Net cash inflows during the period were \$179.74 million.
- The portfolio return in the quarter was -4.70% compared with the benchmark return of -4.99%.

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, 04 May 2020

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