



PETROLEUM FUND QUARTERLY REPORT

Quarter ended 31 December 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 December 2020. The report shows that the capital of the fund as of 31 December 2020 was \$18.99 billion compared to \$18.47 billion at the end of the previous quarter.

The report shows that the gross capital inflows during the quarter were \$35.78 million, consisting of \$27.41 million of contributions from taxpayers to the Fund and royalty contributions from the National Petroleum Authority was \$8.37 million.

The investment income of Fund for the quarter was \$958.45 million comprising dividends and interest received were \$73.37 million, change in the market value of financial assets was \$885.58 million and FX was -\$0.50 million. This represented a portfolio return of the Fund for the quarter was 5.21% while the benchmark return for the period was 4.69%.

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 9 basis point or 0.09 percent.

Highlights of the LVI Quarterly Report, which covers the period from 01 October 2020 to 31 December 2020 include:

- The capital of the Fund at 31 December 2020 was \$18.99 billion.
- Gross cash inflows to the fund from royalties and taxes were \$35.78 million.
- Cash outflows were \$471.69 million of which \$466.80 million was transferred to the State Budget and \$4.89 million was for management cost.
- Net cash inflows during the period were -\$431.02 million.
- The portfolio return in the quarter was 5.21% compared with the benchmark return of 4.69%.

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, 08 February 2021

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