

Exchange Fund Results ⁽¹⁾

(HK\$ bn)	2016 (unaudited)					2015 (audited)
	Full Year	Q4	Q3	Q2	Q1	Full Year
Hong Kong equities ⁽²⁾	5.3	(8.0)	16.8	2.7	(6.2)	(5.0)
Other equities	28.3	14.6	18.5	5.1	(9.9)	7.1
Bonds	33.0	(17.7)	6.4	19.3	25.0	15.9
Other investments ⁽³⁾	10.2	-	4.6	4.3	1.3	11.1
Foreign exchange ⁽⁴⁾	<u>(15.8)</u>	<u>(19.3)</u>	<u>0.8</u>	<u>(12.5)</u>	<u>15.2</u>	<u>(44.9)</u>
Investment income/(loss)	61.0	(30.4)	47.1	18.9	25.4	(15.8)
Other income	0.2	0.1	0.0	0.1	0.0	0.2
Interest and other expenses	<u>(6.4)</u>	<u>(1.9)</u>	<u>(1.6)</u>	<u>(1.7)</u>	<u>(1.2)</u>	<u>(4.8)</u>
Net income/(loss)	54.8	(32.2)	45.5	17.3	24.2	(20.4)
Fee payment to Fiscal Reserves ^{(5) & (6)}	(23.0)	(5.8)	(5.5)	(5.7)	(6.0)	(46.7)
Fee payment to HKSAR government funds and statutory bodies ⁽⁵⁾	(9.6)	(2.5)	(2.4)	(2.4)	(2.3)	(14.7)

Note 1: Except for other investments, the above figures represent the Exchange Fund's own income and expenditure. The income and expenditure of the Exchange Fund's subsidiaries, associates and joint ventures have not been consolidated.

Note 2: Excluding valuation changes of the Strategic Portfolio.

Note 3: Including valuation changes of private equity and real estate investments held under the LTGP.

(This figure represents valuation changes up to the end of September 2016. Valuations of these investments from October to December are not yet available.)

Note 4: This is primarily the effect of translating non-US dollar foreign currency assets into Hong Kong dollar after deducting the portion for currency hedging.

Note 5: The rate of fee payment is 3.3% for 2016 and 5.5% for 2015.

Note 6: This does not include the 2016 fee payment to the Future Fund because such amount will only be calculated when the figures on the LTGP annual performance for 2016 are available.