

## Provident Fund Scheme for Workers in the Public Services



# NEWSLETTER

No. 47

Released in March 2021



## NEWS

### Switching dates for the year 2021 and the opening and closing time of “eSwitching” service

Switching dates for 2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	8	2	5	13	11	11	9	6	10	13	9	7
The service of “eSwitching” opens at 09:00	2020	2021										
	15/12	15/01	09/02	12/03	20/04	18/05	21/06	16/07	13/08	17/09	21/10	16/11
The service of “eSwitching” closes at 17:45 On Fridays, it closes at 17:30	2021											
	04/01	27/01	01/03	07/04	05/05	07/06	05/07	02/08	06/09	07/10	03/11	01/12
Submission deadlines for paper switching declarations	Please note the dates determined by the service departments that members belong to.											

### The “eSwitching” service will be launched, via the web / the “My Government Account”, **on a trial basis soon**

The Pension Fund, in collaboration with the Identification Bureau, launched a pilot-program for the “eSwitching” service in July 2019. Then, starting from April 2020, the service has been implementing on a trial basis, allowing members at all public service departments to submit, through self-service kiosks (interfaces are available in Chinese and Portuguese only) in Macao, their declarations for switching of Application Plans. Ever since the implementation of the trial program, there has been an upward trend in the proportion of members submitting electronic switching declarations. The program has yielded satisfactory results.

With the “eSwitching” service through self-service kiosks coming into formal operation, and to cope with the coming into effect of the “e-Governance” law, the Pension Fund will further provide the “eSwitching” service (available in Chinese and Portuguese only), on a trial basis, through the Pension Fund’s website and the “My Government Account” Mobile App, allowing our members to submit their switching declarations within the specified period while at home, so as to enhance their experience in using the service.

The featured webpage of the “eSwitching” service  
(available in Chinese and Portuguese only)

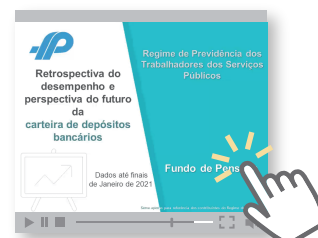


[www.fp.gov.mo/eswitching](http://www.fp.gov.mo/eswitching)



### Performance review of investment funds and videos

The performance review of investment funds of the year 2020 (available in Chinese and Portuguese only) and the videos about the performance of Application Plans in the fourth quarter of the same year have been uploaded to the Pension Fund’s website. Members are welcome to login to browse the information.





# APPLICATION PLANS

Performance up to 31/12/2020

👍 outperform benchmark index    👎 underperform benchmark index

## Active Global Equity Investment Fund:

Schroder ISF - Global Equity Alpha C Acc

	Cumulative Return*						Annualized return <sup>#</sup>
	YTD	3 Mths	1 Yr	3 Yrs	5 Yrs	Since 10/05/2010	
Fund Performance	23.28%	13.05%	23.28%	41.54%	83.30%	174.78%	9.96%
Benchmark <sup>^</sup>	15.90%	13.96%	15.90%	35.08%	77.76%	187.78%	10.44%
Difference (percentage points)	7.38 👍	-0.91 👎	7.38 👍	6.46 👍	5.54 👍	-13.00 👎	-0.48 👎

\* Based on the unaudited total fund expense ratio.

## Passive Global Equity Investment Fund:

iShares Developed World Index Fund (IE) – Institutional Accumulating Class

	Cumulative Return						Annualized return <sup>#</sup>
	YTD	3 Mths	1 Yr	3 Yrs	5 Yrs	Since 05/12/2014	
Fund Performance	15.95%	13.98%	15.95%	35.38%	78.77%	74.61%	9.61%
Benchmark <sup>^</sup>	15.90%	13.96%	15.90%	35.08%	77.76%	73.43%	9.48%
Difference (percentage points)	0.05 👍	0.02 👍	0.05 👍	0.30 👍	1.01 👍	1.18 👍	0.13 👍

## Global Bond Investment Fund:

PIMCO Funds: Global Investors Series Plc – Global Bond Fund (Institutional Class)

	Cumulative Return						Annualized return <sup>#</sup>
	YTD	3 Mths	1 Yr	3 Yrs	5 Yrs	Since 26/02/2007	
Fund Performance	7.63%	1.94%	7.63%	17.92%	30.48%	114.68%	5.67%
Benchmark <sup>^</sup>	5.58%	0.89%	5.58%	16.27%	24.53%	82.37%	4.43%
Difference (percentage points)	2.05 👍	1.05 👍	2.05 👍	1.65 👍	5.95 👍	32.31 👍	1.24 👍

The data in the table are subject to the figures in the fund factsheets.

## Bank Deposit Portfolio

Cumulative Return						Annualized return <sup>#</sup>
YTD	3 Mths	1 Yr	3 Yrs	5 Yrs	Since 26/02/2007	
2.28%	0.45%	2.28%	6.98%	10.12%	33.22%	2.09%

<sup>#</sup> The annualized return indicates the average yearly return of the fund/portfolio over the specific period.

<sup>^</sup> Benchmark of the Active and the Passive Global Equity Investment Funds: MSCI World Index

Benchmark of the Global Bond Investment Fund: Bloomberg Barclays Global Aggregate (USD Hedged) Index

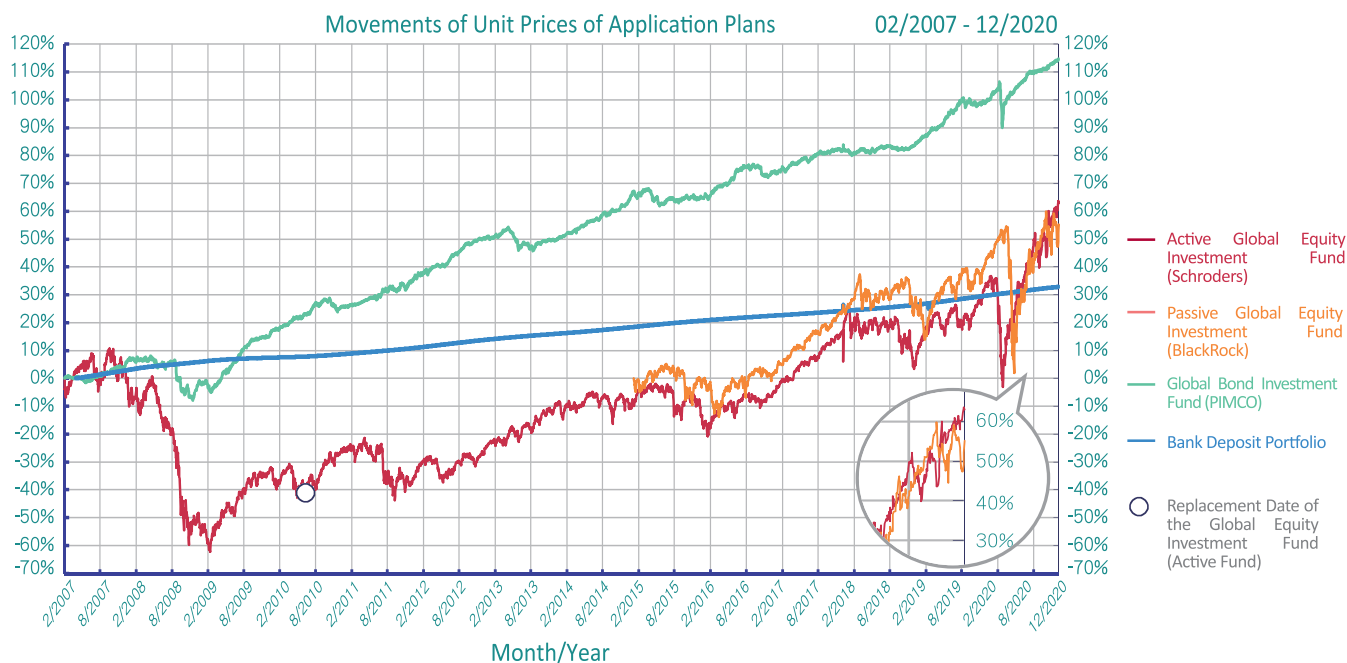


FUNDO DE PENSÕES

2

## Trend of Prices up to 31/12/2020

The following graph shows the trend of unit price movements of each application plan since the initial investment date of the Provident Fund Scheme (26/02/2007). The starting points of unit prices are set at zero and the subsequent percentage changes of daily unit prices relative to the starting points are demonstrated.



## Market Review 4<sup>th</sup> quarter 2020

### Equity Market

Global equity market surged in the fourth quarter. Due to the rising Covid-19 cases in many countries and the uncertainty over the US presidential election, the equity market declined initially. Investor optimism was bolstered by a series of favourable news thereafter, including the preliminary result in the US presidential election, breakthroughs in Covid-19 vaccine development and an approximately USD 900 billion pandemic relief package passed by the US Congress etc., which led the equity market to a strong rebound.

### Bond Market

Global bond market rose in the fourth quarter. The loose monetary policy maintained by the US Federal Reserve (FED) alongside the same favourable news impacting on the global equity market, as mentioned above, drove up the prices of risky assets and tightened the credit spreads. However, due to the expectation of increasing inflation, the yield of US long-term treasuries went upwards and the yield curve steepened. In the Eurozone, as the pandemic worsened again, lockdown measures were introduced in several countries and seriously affected the economic activity. In response to this, the European Central Bank (ECB) expanded its bond-buying program to save the economy, which supported the bond prices.

### Macau Pataca Interest Rate Market

The MOP interest rates fell in the fourth quarter. During the period, capital continued to flow into the Hong Kong market and look for investment opportunities, which resulted in a record high of the Aggregate Balance of the banking system. Amid the abundant market liquidity, the HKD/MOP interbank offered rates continued to drop, and spread between HKD and USD interest rates tightened. However, the rates rebounded slightly at the end of the quarter due to factors such as initial public offerings and year-end closing. In general, the deposit interest rates in Macao were on a downward trend in the quarter.



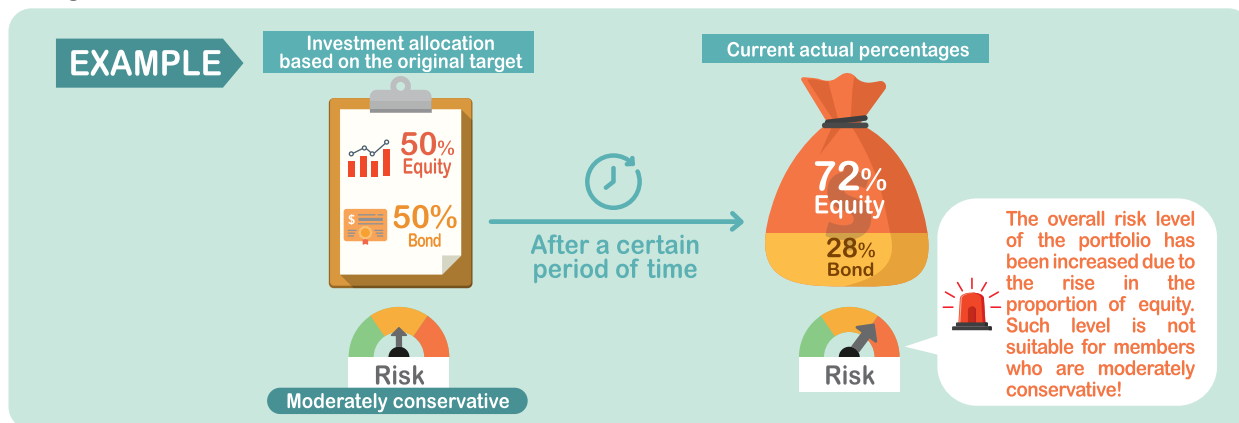


## LEARN MORE

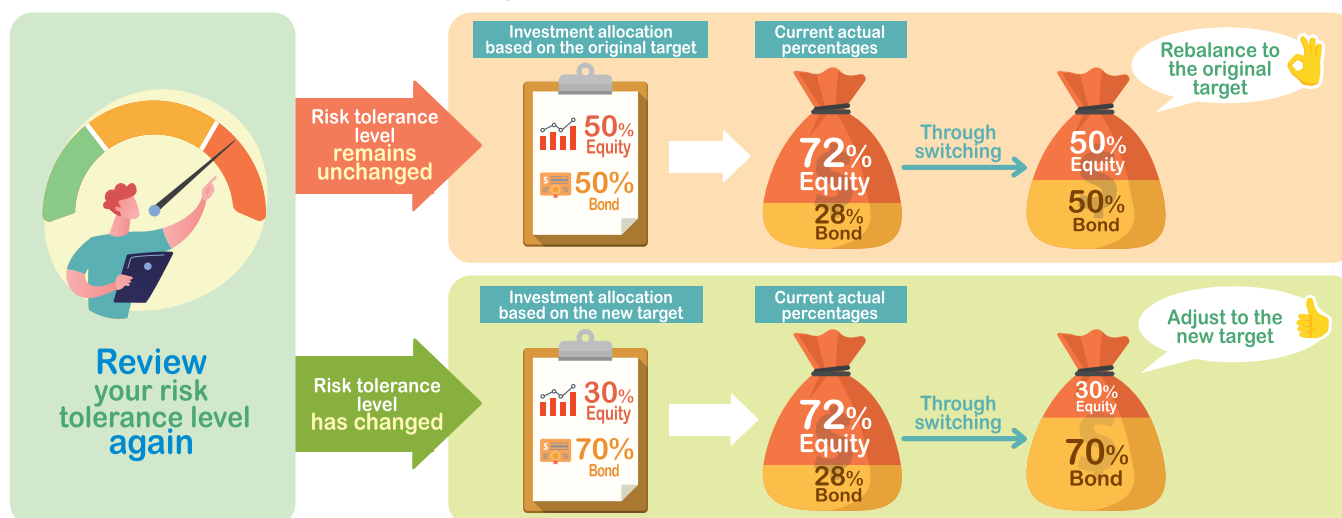


**Rebalancing** helps organize your portfolio  
*Never hesitate to manage risk*

Investment portfolios are set up based on members' own risk tolerance levels and investment targets. As a certain period of time goes by, the investment options held have inconsistent performances, resulting in the actual percentages having deviated from the initial settings.



When the asset allocation of your portfolio deviates considerably, you should consider reorganizing your retirement investment portfolio, that is, to proceed with **"Rebalancing"**:



### Set up your own "Plan for Rebalancing"



- 1 Decide the frequency for reviewing the asset allocation of the portfolio (such as once half a year or once a year)
- 2 Determine the range of deviation in order to proceed with rebalancing (such as a deviation of over 10%)



Regular review and rebalancing can ensure that the risk level of the investment portfolio is within your own risk tolerance level. It can also make sure that the portfolio focuses on long-term target.



## CONTACT US

Hotline  
Website  
Address

2835 6556  
<https://www.fp.gov.mo>; [mobile.fp.gov.mo](https://mobile.fp.gov.mo) (mobile version)  
 Avenida Panorâmica do Lago Nam Van n.ºs 796 - 818,  
 Fortuna Business Centre (FBC), 14.º andar, Macau

Fax 2859 4391  
 E-mail [fp@fp.gov.mo](mailto:fp@fp.gov.mo)



FUNDO DE PENSÕES

4