



澳門金融管理局  
AUTORIDADE MONETÁRIA DE MACAU

## **Investment Management Review of the Macao SAR Exchange Reserves, For the Year 2015**

By the end of 2015, the size of the Macao SAR Exchange Reserves grew steadily. The net investment income totaled MOP271, at the overall annual return rate of 0.3% approximately. The total assets were preliminarily estimated to be about MOP150.8 billion, which represented an increase of over 14% when compared with that of 2014.

The Macao SAR Exchange Reserves is the vital tool to maintain stability of both the Pataca and the local financial system, its asset allocation is mainly focus in money market instruments and top investment grade rated global bonds, which have a high degree of liquidity as well as capital protection. Regarding the mix of foreign currencies, the portfolio is concentrated on the directly MOP-pegged HKD and the indirectly pegged US dollar.

- For bond investment, the Exchange Reserves overweight high investment grade bonds and also increased the holdings of longer-maturity issues during the past year. Such yielded the Exchange Reserves with reasonable annual return and contributed an income of about MOP260 million.
- The volatile foreign exchange markets in 2015 resulted in varying degrees of depreciation of major global currencies versus the US dollar. Owing to the strength of the US dollar, the Exchange Reserves incurred a foreign exchange loss of around MOP410 million in 2015.
- For the money market placements, the Exchange Reserves maintained ample liquidity as well as a high degree of capital preservation in accordance with the stipulated guidelines, and interest income amounted to about MOP530 million.

To sum up for 2015, as depicted in Table 1, the net investment income totaled MOP271 million after deducting the specific interest expenses. The overall annual return rate was approximately 0.3%.

The AMCM will continue to pursue the investment philosophy that emphasizes safety, stability and prudence. In strict compliance with the statutory requirements and policy objectives of the Exchange Reserves, the AMCM will effectively manage the reserve investment on the basis of a comprehensive analysis of the relevant risk-return tradeoff.



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**Table 1. Investment Income Breakdown of the Exchange Reserves for Year 2015 (unaudited)**  
(10<sup>6</sup> Patacas)

<b>Income type</b>	<b>2015</b>
<b>Interest from Money Market</b>	526.1
<b>Bond Market</b>	259.5
<b>Foreign Exchange</b>	-408.8
<b>Total Investment Income</b>	376.8
Less:	
<b>Monetary Bills and Bank Deposits Interest Expenses</b>	105.7
<b>Net Investment Income</b>	271.1