

Report of the Special Committee on Investment

The Special Committee on Investment was formed to make suggestions on the long-term and short-term investment strategies for the Bar with the assistance of professional investment advisors, currently RBC Dominion Securities. The present investment approach of the Bar is to be prudent and to achieve a long-term growth. These are very difficult and volatile times and caution must be our watchword.

- 1. Short Term Investments.** During the financial year October 2007 – September 2008, no additional bonds were purchased on behalf of the Hong Kong Bar Association. We now hold eight bonds denominated in US dollars: Mass Transit RWY; HSBC FIN Corp NT; HSBC Holdings PLC; Household Finance Corp; Hutchison Whampoa Ltd.; Hong Kong Airport Authority Euro Bond; Government of the HKSAR and Swire Props. The total market value of these bonds has dropped by 0.56%*.
- 2. Long Term Investments.** The Bar is currently holding shares of the Hongkong and Shanghai Banking Corporation Limited and Hang Seng Bank Limited. During the past year the market value of these shares has dropped by 12.11%*.

Membership

Robert G. Kotewall, SC

Winston Poon, SC

Robert G. Kotewall, SC
Special Committee on Investment

*as at the end of September 2008