

## Special Committee on Investment

Report for 2015

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 Investment Services (Asia) Limited. The investment approach of the Bar has been prudent, aiming at achieving long-term growth.

- 1. Bonds and Fixed Income.** During the financial year October 2014 to September 2015, the Shui On Development bond matured and was redeemed for reinvestment. The Bar is currently holding 4 bonds in its portfolio: Swire Properties Offshore; Franshion Development, Wharf Finance Ltd and Swire Pacific Finance EMTN. The total market value of these bonds, excluding the redeemed bond, has decreased slightly by 0.298%\*. The interest environment in the past year has meant that this is actually a satisfactory result especially considering that we have income earnings from these bonds in the sum of \$315,163.52.
- 2. Equities.** During the financial year, we sold the following equities: Sinopec Corp., Petro China and China Mengniu Dairy Co. Ltd. The Bar currently holds shares of the Hongkong and Shanghai Banking Corporation Limited, Hang Seng Bank Limited, Swire Pacific 'A', China Construction Bank Corp., China Mobile Ltd, ICBC Bank, Bank of China, Cheung Kong Infrastructure Hold Ltd, AIA Group Ltd, Ping An Insurance (Group) Co of China, China AMC CSI 300, CKH Holding and Cheung Kong Property. The last two items were in the portfolio as a result of the merger of Hutchison Whampoa with the Cheung Kong Group on 3 June 2015. We have collected total dividends of \$1,971,442.17 for the period, which is a 39% increase compared with the previous period. We are cautiously optimistic about our portfolio which we aim to hold for the medium to long term, and not for short term trading.

On a more personal note, I shall be retiring from this Committee after this year. I have been looking after the Bar's investments for well over 20 years and it is time for fresh ideas and younger minds to take over.

The Chairman has very sensibly augmented the team at the beginning of the year and we now have a very balanced and knowledgeable group taking over under the stewardship of Horace Wong SC who has been on this Committee for the past few years. I wish them and the Bar well.

**Membership**

Robert Kotewall SC(Chairman)

Horace Wong SC

Chan Chi Hung SC

Douglas Lam SC

Jean-Paul Wou

Robert G. Kotewall, SC

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\*as at the end of September 2015