

Government of Tuvalu Tuvalu Trust Fund

Palipa Lauti
Tuvalu

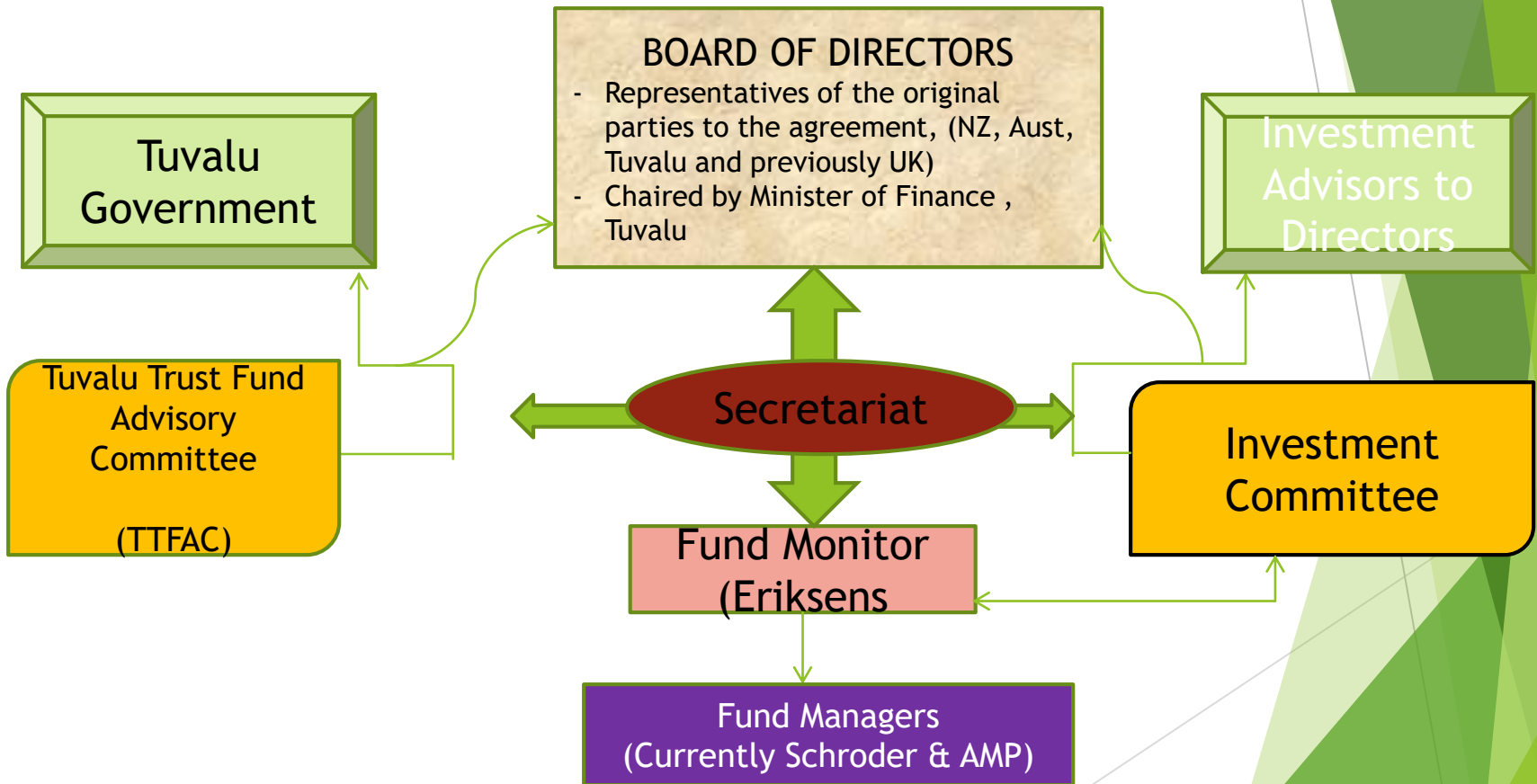
Overview

- ▶ Creation of the Tuvalu Trust Fund
- ▶ Tuvalu Trust Fund Governance Structure
- ▶ Purpose and Objectives of the Fund
- ▶ Investment Policies & Strategies
- ▶ Asset Category Allocations
Investment Performance
- ▶ Challenges

Creation of the Tuvalu Trust Fund

- ▶ International Trust Fund Agreement was signed on 16 June 1987 by Tuvalu, Australia and UK as original parties
- ▶ Initial contributions was \$27.1 million

Tuvalu Trust Fund Governance Structure

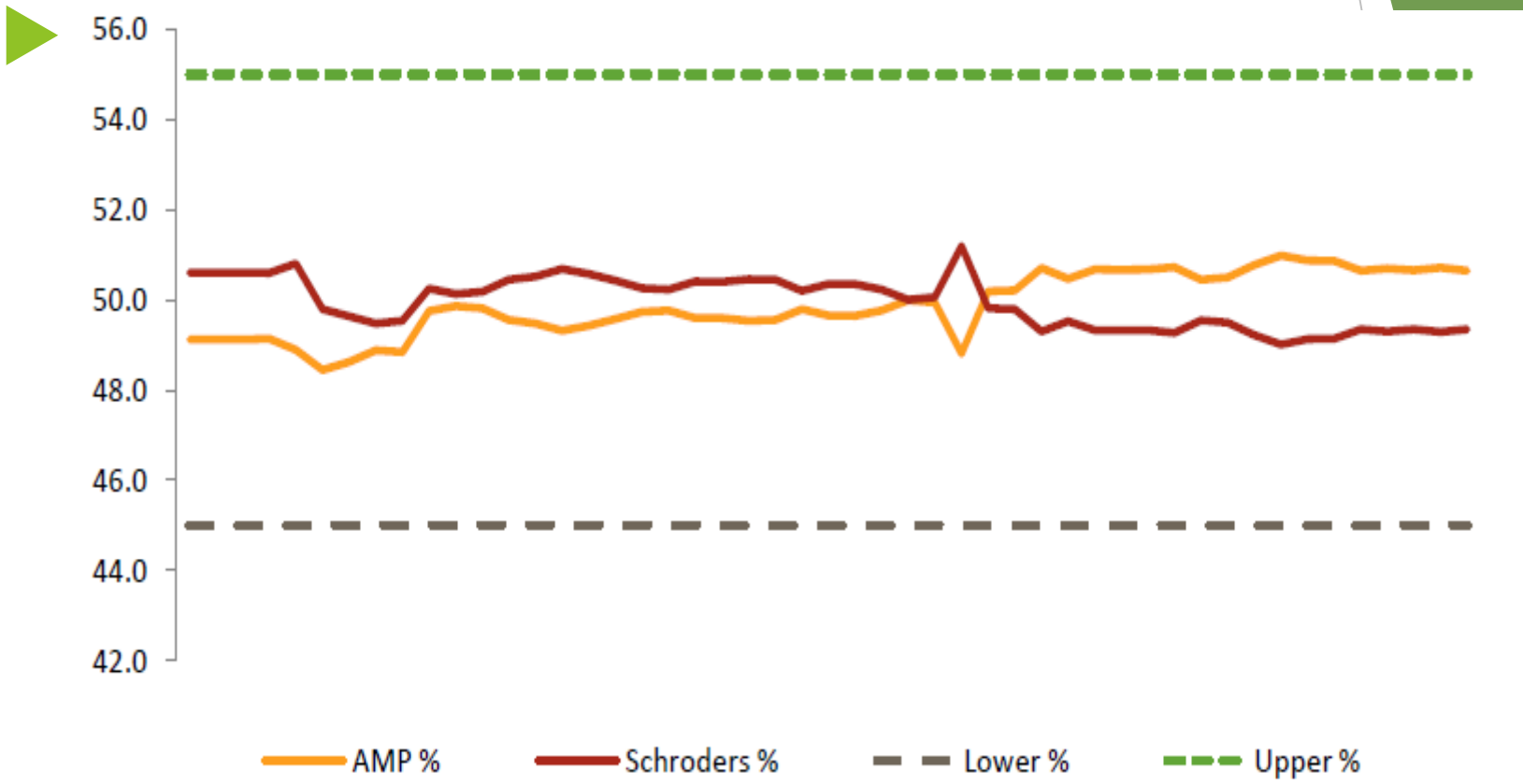


Purpose & Objectives of the Fund

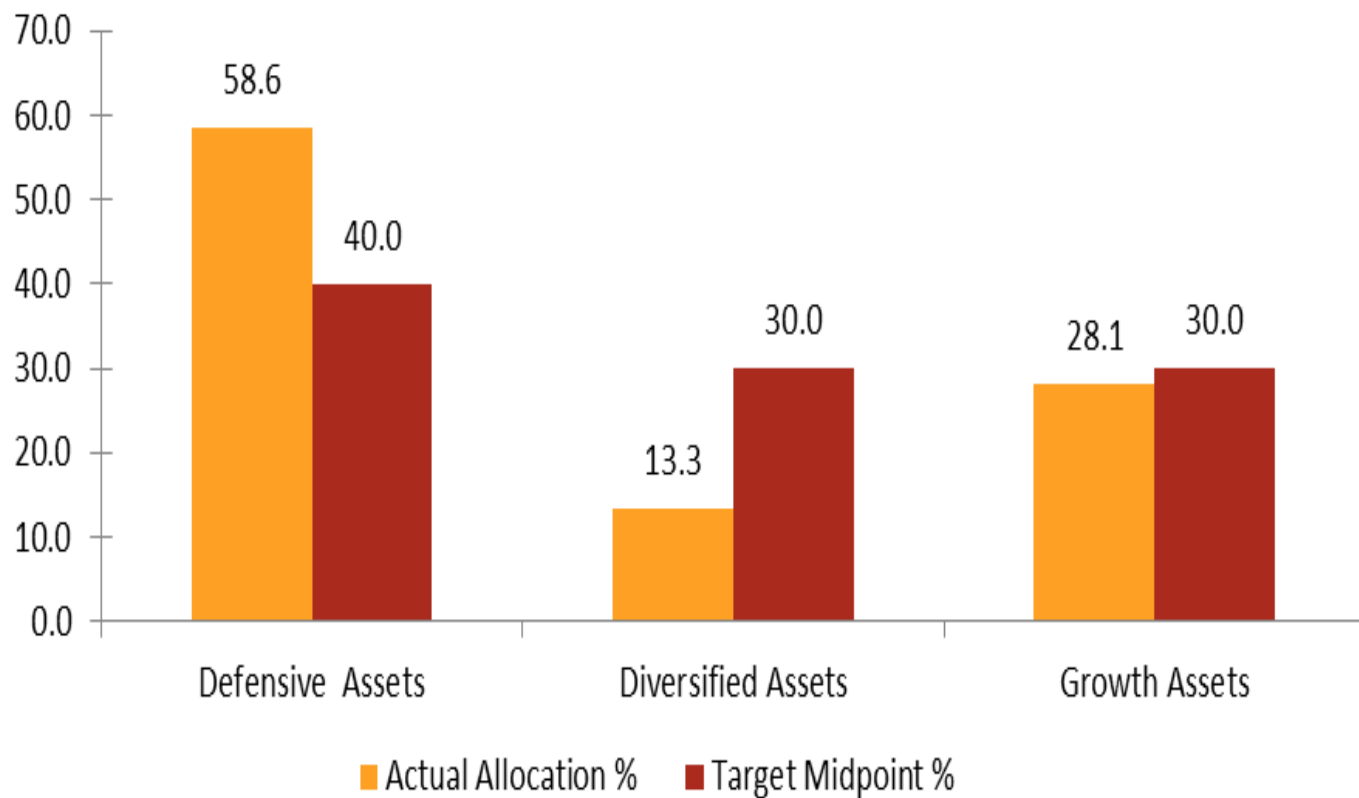
- ▶ Is to contribute to the long-term financial viability of Tuvalu by providing an additional source of revenue for recurrent expenses of the government of Tuvalu
- ▶ Assist the Government to achieve greater financial autonomy in the management of its recurrent budget;
- ▶ Maintain and improve existing levels of social infrastructure and services;
- ▶ Enhance the capacity of the Government to external capital development and technical assistance;
- ▶ Enable the Government to meet long-term maintenance and operating costs
- ▶ Assist the Government to develop the economy of Tuvalu

Investment policies & Strategies

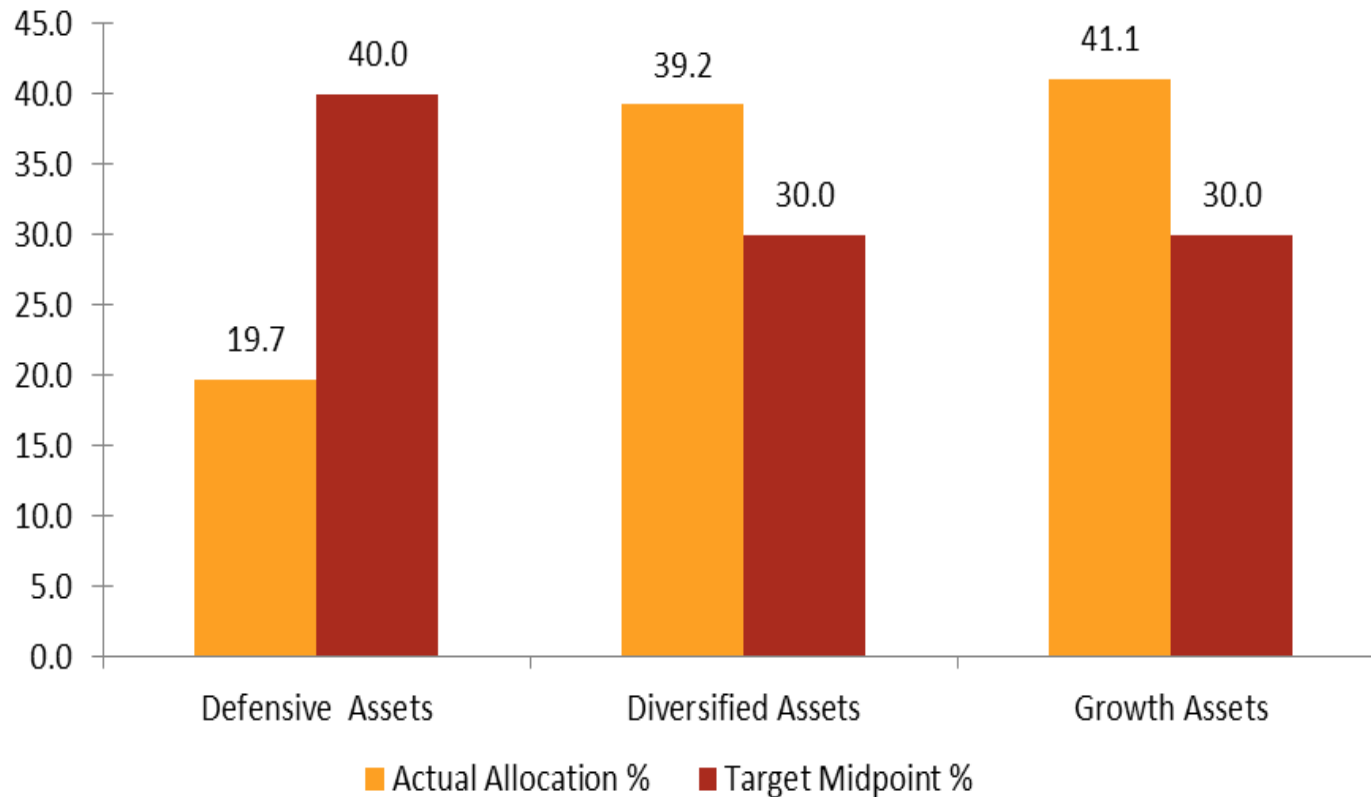
AMP and Schroders Fund Allocation Movements from 1 July to Date



Schroders Asset Category Allocations

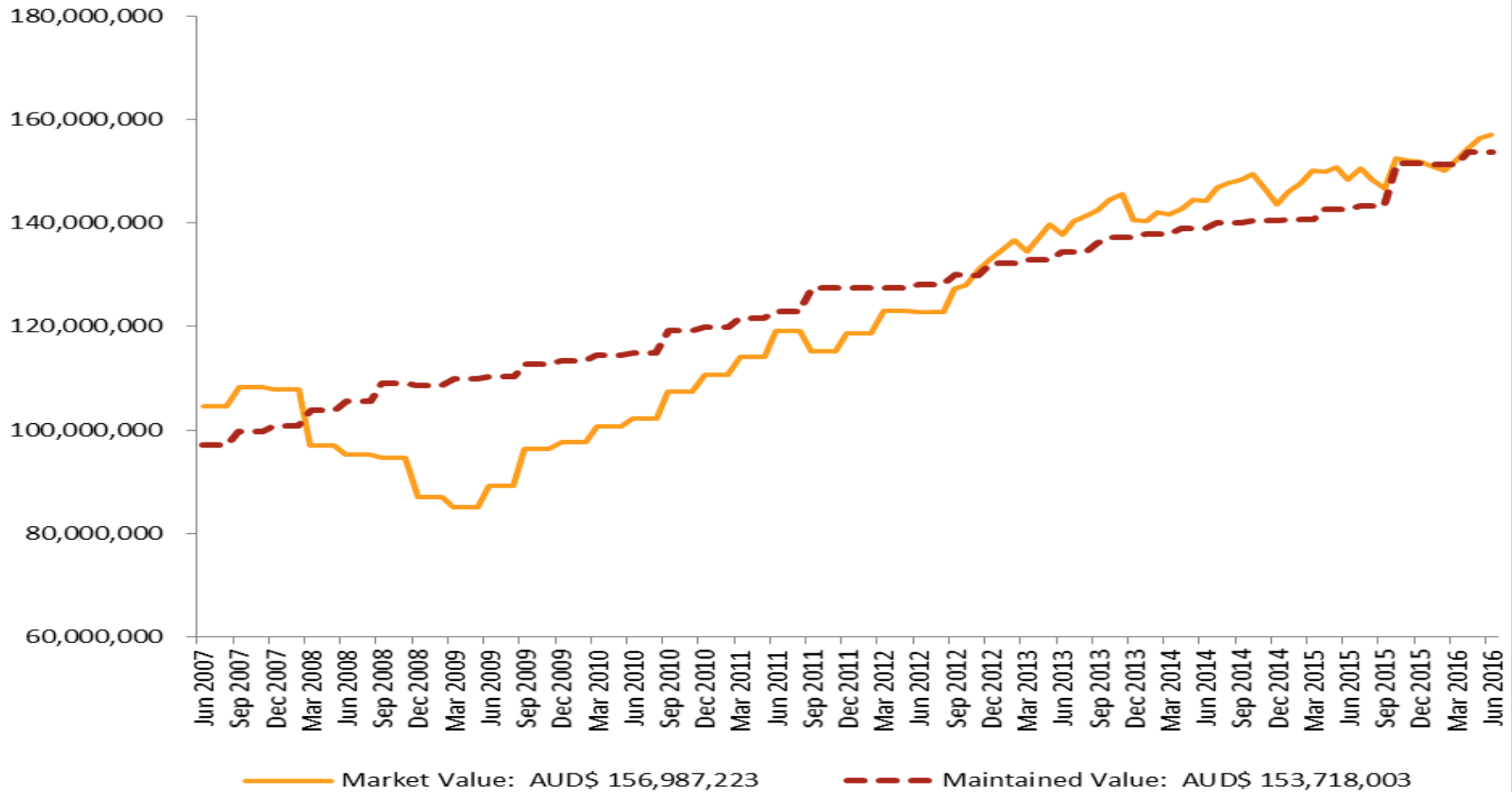


AMP Asset Category Allocation



Investment Performance, 2007-2016

Jan 2007 - Jan 2016
Fiscal Year Ends: October/Septmeber
TTF Market Value vs. Maintained Value



Challenges

- ▶ Board of Trustees
- ▶ Ministry of Finance
- ▶ Investment Managers, and Investment Consultants
- ▶ Political Risk
- ▶ Transparency

Thank you
Questions?