



中國人壽信託有限公司
CHINA LIFE TRUSTEES LIMITED

China Life MPF
Your companion for retirement life

MPF Newsletter

2019 2nd Issue



China Life MPF Won Two Prestigious Awards of “Lipper Fund Awards” in 2019



▲ Mr. Andy Lai, Deputy General Manager of China Life Trustees, received the awards together with colleagues

Performance of China Life MPF is once again affirmed by international financial information platform. We have received the following “Lipper Fund Awards 2019”:

Hong Kong Pension Funds

- Best Group - Equity
- Best Fund Over 5 Years - Equity Hong Kong

For details about the awards, please visit website of Lipper Fund Awards:
<https://www.lipperfundawards.com/Awards/HongKong>.

China Life MPF Named “Gold Rated Scheme” for 4 Consecutive Years & Won “Best New Innovation Award 2019”



China Life MPF was assessed as “Gold” ratings in “The 2019 MPF Awards” by MPF Ratings Limited. This is China Life Trustees’ 4th consecutive year of receiving this recognition!



▲ Representatives from China Life Trustees and Information Technology Department of China Life Insurance (Overseas) Company Limited received the awards on stage



Introduced by China Life Trustees in 2018, Jarvis is the first MPF AI customer services robot in Hong Kong. Jarvis was nominated as China Life MPF e-services ambassador. Enhancing customer experience through innovative fintech brings the “Best New Innovation” award to China Life MPF. Jarvis had shown the MPF knowledge in the trustees’ e-services exhibition held by the MPFA on 9 October 2018, and now Jarvis stations at China Life Trustees to answer customers’ enquiries.

Please refer to MPF Ratings’ website for details of the awards:
<https://www.mpfratings.com.hk/zh/ratings-and-awards/>



News Feed

New Tax Saving Choice MPF Tax Deductible Voluntary Contributions



MPF Tax Deductible Voluntary Contributions (TVC) is launched on 1 April 2019. This new contribution type brings taxpayers a new tool to save tax, with maximum tax concession of HK\$60,000 for year of assessment 2019/2020. In addition to tax saving, you can save more for a fruitful retirement.

3 Key Points You Should Know

1. What is the tax concession amount?

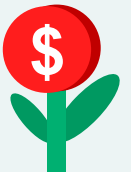
In the year of assessment 2019/2020, the maximum tax concession amount is HK\$ 60,000.¹

2. Who can make TVC?

Any current member who holds a contribution account or personal account of a registered MPF scheme or a current member of an MPF exempted ORSO scheme may open a TVC account and make contributions to the chosen MPF scheme directly. No employer is involved.

3. When can TVC be withdrawn?

Same as mandatory contributions, TVC can only be withdrawn upon retirement at age 65 or on other statutory grounds under the MPF legislation.



Comparison of 3 Types of Voluntary Contributions

What are the differences between TVC, “Employee Voluntary Contributions (EEVC)” and “Special Voluntary Contributions (SVC)”? Are all these voluntary contributions eligible for tax concession? Please see the table below:

	TVC	SVC	EEVC
Tax Concession	Eligible ¹	Not eligible	Not eligible
Account Opening	Arrange with the trustee by member	Arrange with the trustee by member	Via employer
Contribution Arrangements	Make contributions directly from member	Make contributions directly from member	Deduct from payroll via employer
Transferability	Can transfer all TVC accrued benefits to another TVC account under another MPF scheme	Not transferrable in general situation	Upon termination of employment in general situation
Withdrawal	Same as mandatory contributions, TVC can only be withdrawn upon retirement at age 65 or on other statutory grounds under the MPF legislation	Anytime ²	Upon termination of employment in general situation

TVC provides another option for retirement planning to taxpayers. You may make your plan according to your needs and situation in achieving your retirement goal.

Note 1. Such tax concession amount is an aggregate limit for both TVC and other qualifying annuity premiums rather than TVC only. Accrued benefits held in a TVC account can only be withdrawn upon retirement at age 65 or on other statutory grounds under the MPF legislation.

Note 2. May be varying based on terms and conditions of different schemes.

Note 3. Above information is for reference only and may be updated at anytime without any notice.

Market Perspectives



Global Outlook (covering March 2019)

US

The US equity market climbed in March to end the first quarter in positive territory amid hopes for a trade deal between the world's two largest economies and optimism that the US Federal Reserve (Fed) will remain less aggressive in raising interest rates. While solid earnings and ongoing economic growth support US equities, we think US corporates have very few levers left to pull. Levels of corporate debt are rising and stock market valuations look expensive relative to other major regions.

Europe (including UK)

Though generally weak economic data in eurozone and Brexit continued to dominate UK equity market. European and UK equity markets continued their rally, posting positive returns for another consecutive month. We are cautiously optimistic on European and UK equities. The economic backdrop has been soft but there is support from falling unemployment, rising wages and low interest rates.

Asia Pacific (ex Hong Kong ex China ex Japan)

March continued to be a positive month for MSCI Asia ex-Japan equities, though the pace has moderated due to concerns on global growth. A confirmed change in Fed stance to be less hawkish and continued trade talks between China and the US remained supportive to investor sentiments. We believe the positive outcome of US-China trade talks and the dovish shift of Fed policy stance have created an entirely favorable external environment for the markets compared with 2018.

Hong Kong and Mainland China

Offshore Chinese equities registered decent returns in March. Economic growth has started to show signs of stabilization and government policies remained accommodative. On the external front, the Fed's dovish shift and ongoing US-China trade talks proved positive to sustain sentiment. With macroeconomic environment to improve on the back of the government's earnings policies in China, we believe earnings trend should improve going forward. Turning to Hong Kong, we believe economy will experience stable growth as a result of healthy labor markets and improving Chinese demand.

Japan

Japanese equities were generally lower over March as corporate earnings growth forecasts remained negative. The uncertainties in the global economy and financial markets due to global trade disputes have greatly affected Japan's export sector. We see solid corporate fundamentals, attractive valuations and improving corporate governance. Other positives include low interest rates, stable politics and a government stimulus package which should help mitigate an increase in the consumption tax.

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MPFA's Article

Calling for Good MPF Employers in 2018-19!



The 2018-19 Good MPF Employer Award, organized by the Mandatory Provident Fund Schemes Authority (MPFA), will be open for applications and nominations from 1 April to 30 June 2019. Marking its fifth anniversary this year, the annual Award aims to recognize employers who are committed to enhancing the retirement benefits of their employees. The response in the past few years has been encouraging. Nearly 1,400 companies and organizations have been honoured as "Good MPF Employers" so far.

In addition to the existing "e-Contribution Award" and "MPF Support Award", two new awards will be introduced this year. Employers who fulfil the relevant requirements will be presented with one or both of the following awards:

- Good MPF Employer 5 Years
Employers who have received a Good MPF Employer Award for five consecutive years
- MPF Excellent Employer
Of the employers eligible for the Good MPF Employer 5 Years Award, those who have offered more than one Mandatory Provident Fund (MPF) scheme and MPF voluntary contributions for all of their employees during the 2018-19 financial year

The Award this year covers the period from 1 April 2018 to 31 March 2019. Employers wishing to apply for the Award can simply [submit an application online](#) on MPFA's [Good MPF Employer Award website](#). Alternatively, employers can submit their applications by email, fax or post. Employees are also welcome to nominate their employers by submitting a nomination form.

The MPFA will hold an award presentation ceremony in October this year. Certificates would be presented to awardees. They may also be invited to share their experiences with the public through various promotion channels!

Don't wait, apply now and be the Good MPF Employer of 2018-19!



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