

INVESTMENT PORTFOLIO

As at 31st December 2006

	Holdings	Fair value HK\$	% of net assets
Hong Kong			
Listed investments (99.49%)			
Equities (99.49%)			
Properties (10.08%)			
CHEUNG KONG (HOLDINGS) LTD.	8,988,321	859,732,904	3.23
HANG LUNG GROUP LTD.	16,074,892	312,817,398	1.18
HENDERSON LAND DEVELOPMENT CO. LTD.	7,540,312	327,249,541	1.23
SINO LAND CO. LTD.	17,433,595	316,245,413	1.19
SUN HUNG KAI PROPERTIES LTD.	9,671,030	864,590,082	3.25
		2,680,635,338	10.08
Finance (35.39%)			
BANK OF CHINA	88,509,000	377,048,340	1.42
BANK OF CHINA HONG KONG	41,033,896	865,815,206	3.26
BANK OF EAST ASIA LTD.	5,993,811	263,727,684	0.99
CHINA CONSTRUCTION BANK	130,799,503	646,149,545	2.43
HANG SENG BANK LTD.	7,421,117	788,122,625	2.96
HONG KONG EXCHANGES AND CLEARING LTD.	4,134,884	352,085,373	1.32
HSBC HOLDINGS PLC	42,944,102	6,119,534,535	23.01
		9,412,483,308	35.39
Utilities (4.60%)			
CHINA LIGHT & POWER HOLDINGS LTD.	9,345,919	538,324,934	2.02
HONG KONG & CHINA GAS CO. LTD., THE	21,384,052	372,937,867	1.40
HONGKONG ELECTRIC HOLDINGS LTD.	8,283,732	313,953,443	1.18
		1,225,216,244	4.60

INVESTMENT PORTFOLIO (Continued)

As at 31st December 2006

	Holdings	Fair value HK\$	% of net assets
Commerce and Industry (49.42%)			
CATHAY PACIFIC AIRWAYS LTD.	15,274,448	292,963,912	1.10
CHEUNG KONG INFRASTRUCTURE HOLDINGS LTD.	8,721,039	210,177,040	0.79
CHINA MERCHANTS HOLDINGS (INTERNATIONAL) CO. LTD.	9,005,633	287,279,693	1.08
CHINA MOBILE LTD.	77,405,985	5,213,293,090	19.60
CHINA NETCOM GROUP CORP. (HK) LTD.	25,793,116	536,496,813	2.02
CHINA PETROLEUM & CHEMICAL CORPORATION	65,122,000	468,878,400	1.76
CHINA RESOURCES ENTERPRISES, LTD.	9,098,989	202,907,455	0.76
CHINA UNICOM LTD.	49,090,999	560,619,208	2.11
CITIC PACIFIC LTD.	8,494,021	227,639,763	0.86
CNOOC LTD.	168,157,351	1,241,001,250	4.67
COSCO PACIFIC LTD.	8,651,359	157,281,706	0.59
ESPRIT HOLDINGS LTD.	4,739,555	412,578,263	1.55
FOXCONN INTERNATIONAL HOLDINGS LTD	8,107,059	205,108,593	0.77
HUTCHISON WHAMPOA LTD.	16,544,735	1,307,034,065	4.91
LI & FUNG LTD.	13,233,317	317,599,608	1.19
MTR CORPORATION LTD.	21,536,036	420,814,143	1.58
NEW WORLD DEVELOPMENT CO. LTD.	14,178,710	222,038,598	0.83
PACIFIC CENTURY CYBERWORKS LTD.	26,111,901	123,248,173	0.46
SWIRE PACIFIC LTD. (A SHARES)	3,610,173	302,893,515	1.14
WHARF (HOLDINGS) LTD. THE	9,502,814	272,730,762	1.03
YUE YUEN INDUSTRIAL (HOLDINGS) LTD.	6,718,938	165,285,875	0.62
		<u>13,147,869,925</u>	<u>49.42</u>
Total listed investments		26,466,204,815	99.49
Other net assets		<u>136,741,380</u>	<u>0.51</u>
Net assets at 31st December 2006		<u><u>26,602,946,195</u></u>	<u><u>100.00</u></u>
Total investments, at cost		<u><u>14,111,538,164</u></u>	