

基金經理報告 Manager's Report

新華富時中國25指數於2007年第2季度重拾升軌，上半年度整體錄得14.7%的顯著增長，收報19,050.96點。

宏觀方面，上半年中國經濟增長勢頭持續強勁。第1季度國內生產總值按年增長11.1%，而固定資產投資(「FAI」)於首5個月則按年大幅增長25.9%。未償還人民幣貸款增加16.5%，而新增人民幣貸款則上升18.1%至人民幣2,470億元。儘管中國的貿易順差持續為銀行帶來充裕資金，惟整體貸款增長仍在控制之中。工業盈利首5個月即大幅增長42.1%，主要是受到中游機械及材料加工業的推動。為控制貸款及固定資產投資的增長，中國人民銀行兩次調高貸款利率共0.45%。

展望未來，我們仍然看好中資股的基本因素。此外，合資格境內機構投資者計劃之利好消息及落實內地機構的投資無疑有助於維持樂觀情緒。人民幣升值預期以及盈利增長穩定將成為下半年推動H股指數上升的主要因素。

基金派發截至2007年6月30日止之財政年度的中期股息為每單位1.00港元。除息日為2007年6月29日，登記日為2007年7月3日，派息日為2007年7月10日。

恒生投資管理有限公司
2007年8月1日

The FTSE/Xinhua China 25 Index rallied in the second quarter 2007 and recorded an impressive overall gain of 14.7% to 19,050.96 during the first half of the year.

In the macro front, China's economy continued its strong growth momentum in the first half of the year. First quarter GDP increased 11.1% year-on-year, while fixed asset investment ("FAI") jumped 25.9% year-on-year in the first five months. The outstanding renminbi grew 16.5%, while new renminbi credit grew 18.1% to RMB 247bn. The overall credit expansion is under control, although China's trade surplus continued to flush the banking with liquidity. Industrial profit surged 42.1% in the first five months with major boost from mid-stream machinery and material processing sectors. The People's Bank of China raised the lending interest rate twice by 0.45% in total in order to curb loan and fixed asset investment growth.

Looking forward, we are still confident on the fundamentals of China shares. Besides, the positive news of QDII and materialization of investment from Mainland institutions will definitely help maintain the bullish sentiment. Expectation on renminbi appreciation and solid earnings growth are the key factors to drive up the H-share index in the second half of the year.

The interim dividend distribution from the Fund was HK\$1.00 per unit in respect of the financial year ended 30 June 2007. The Ex-dividend Date was 29 June 2007 and the Record Date was 3 July 2007. The dividend distribution was paid on 10 July 2007.

Hang Seng Investment Management Limited
1 August 2007