



ABF PAN ASIA BOND INDEX FUND

Interim Report 2007

For the period from 1 July 2007
to 31 December 2007

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STATE STREET
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INVESTMENT MANAGER'S REPORT

ABOUT ABF PAN ASIA BOND INDEX FUND (PAIF)

ABF Pan Asia Bond Index Fund (the "Fund") is a component of Asian Bond Fund 2 (ABF2), the second phase of the EMEAP (Executives' Meeting of East-Asia and Pacific Central Banks) Group's initiative to further develop the bond markets in Asia.

The Fund is designed to track the performance of the iBoxx ABF Pan-Asia Index (the "Index") and invests in domestic currency-denominated government and quasi-government bonds issued in eight EMEAP markets, namely, China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, and Thailand.

ABOUT THE IBOXX ABF PAN-ASIA INDEX

The Fund is benchmarked to the iBoxx ABF Pan-Asia Index, which is constructed and published by International Index Company Limited. The iBoxx ABF Pan-Asia Index is a benchmark for the investment returns of Asian currency denominated bonds issued by both government and quasi-government organisations in China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, and Thailand.

Country weights were reviewed in October 2007 and changed effective 1 November 2007. The previous and current market weights of the index are:

Market	Current Weights	Previous Weights
	(%)	(%)
China	14.89	12.31
Hong Kong	20.20	18.56
Indonesia	6.43	6.06
Korea	17.05	20.96
Malaysia	10.81	10.37
Philippines	4.78	5.26
Singapore	15.64	17.92
Thailand	10.20	8.56

* Source: International Index Company, SSgA (as of 31 December 2007).

INVESTMENT MANAGER'S REPORT *(Continued)*

PERFORMANCE SUMMARY

Periods Ending 31 December 2007	3 Months	Year to Date	Annualized Since Inception ^(a)
ABF Pan Asia Bond Index Fund (PAIF) ^(b)	2.50%	7.80%	8.63%
iBoxx ABF Pan-Asia Index	2.69%	8.39%	9.47%

Notes:

- (a) Performance inception date is from 29 June 2005 when the units of the Fund were first issued.
- (b) The Fund's returns have been computed from Net Asset Values in USD terms including dividends.

PORTFOLIO AND MARKET REVIEW

Since inception, the annualised total return of the Fund, including dividends, was 8.63% compared to an index return of 9.47%. This is a difference of -0.84% and is principally attributable to an amount of -0.89% due to the estimated impact of certain relevant factors that are unavoidable in the performance of an indexed fund relative to its benchmark (the relevant factors are the permitted expenses under the Trust Deed, withholding tax, transaction costs and the valuations with different sources of FX rates); the balance of +0.06% is attributable to tracking difference resulting from the sampling approach used in the management of the Fund.

The iBoxx ABF Pan-Asia Index annualized performance on an unhedged basis was 9.47% since inception. This performance was generated from resilient bond markets (contributing 5.36% to returns) as well as strong Asian currencies (contributing 4.11%).

PORTFOLIO STRATEGY

The investment objective of the Fund is to provide investment results, before fees and expenses, which correspond closely to the total return of the underlying index. To achieve its objective, the Fund is passively managed.

The Manager employs stratified sampling approach to match the index's characteristics and returns through investing in a well diversified portfolio that represents the index. Full replication in a broad market index would either be impossible or not cost-effective in Asian fixed income markets as the cost of transacting in many bonds is high and some bonds may not be available as they are already held by other long-term investors.

INVESTMENT MANAGER'S REPORT *(Continued)*

FUND GROWTH

The Fund has grown to a total net asset value of \$1,632 million or 14.6% growth during the past year. In terms of units outstanding, the Fund grew by 10.5% for the 12-month period with 14,362,910 units outstanding at period-end. During the same period, fund subscriptions net of redemptions totalled 1,361,370 units.

OTHER INFORMATION

During the reporting period, the Fund had no exposure to other unit trusts, mutual funds and collective investment schemes and had no borrowings. There are no other material information that will adversely impact the valuation of the Fund.

CONDENSED STATEMENT OF NET ASSETS

As at 31 December 2007 (Unaudited)

		As at 31 December 2007	As at 30 June 2007
	Note	USD	USD
Assets			
Investments		1,637,242,288	1,563,730,288
Amount due from brokers		9,355,774	17,536,203
Interest receivable from bank deposits		1,024	3,533
Cash at banks		7,917,062	6,849,204
		1,654,516,148	1,588,119,228
Liabilities			
Amount due to brokers		21,860,003	23,918,084
Audit fee payable		52,063	40,000
Trustee fee payable		135,401	129,347
Management fee payable		175,276	397,946
Index license fee payable		225,236	114,612
Other payables		48,792	97,100
		22,496,771	24,697,089
Liabilities (excluding net assets attributable to holders of redeemable units)			
		22,496,771	24,697,089
Net assets attributable to holders of redeemable units (before adjustments on formation expenses)			
	3	1,632,019,377	1,563,422,139
Adjustments for different bases adopted by the Fund in arriving at the net assets attributable to holders of redeemable units			
	3	423,370	509,534
Net assets attributable to holders of redeemable units (after adjustments on formation expenses)			
	3	1,632,442,747	1,563,931,673

The notes on pages 9 to 14 form part of these financial statements.

CONDENSED STATEMENT OF OPERATIONS

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

		1 July 2007 to 31 December 2007	1 July 2006 to 31 December 2006
	<i>Note</i>	USD	USD
Income			
Interest income on bank deposits		69,794	34,756
Net gain on investments	4	54,523,507	95,387,619
Net foreign exchange gain		23,554,679	7,736,907
Other income		61,272	164,931
		78,209,252	103,324,213
Expenses			
Management fee		(981,460)	(1,033,379)
Trustee fee		(395,712)	(328,865)
Index license fee		(182,028)	(128,916)
Publication and printing expenses		(18,736)	(31,389)
Audit fee		(20,274)	(20,055)
Processing agent fee		(5,362)	(6,042)
Safe custody and bank charges		(26,197)	(21,581)
Legal and professional fees		(63,798)	(30,199)
Other operating expenses		(15,149)	(10,624)
		(1,708,716)	(1,611,050)
		76,500,536	101,713,163
Finance costs			
Distributions to holders of redeemable units	6	(28,174,770)	(25,811,434)
		48,325,766	75,901,729
Profit before tax		48,325,766	75,901,729
Withholding taxes		(222,902)	(89,807)
		48,102,864	75,811,922
		48,102,864	75,811,922

The notes on pages 9 to 14 form part of these financial statements.

CONDENSED STATEMENT OF OPERATIONS *(Continued)*

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

		1 July 2007 to 31 December 2007	1 July 2006 to 31 December 2006
	Note	USD	USD
Adjustments for different bases adopted by the Fund in arriving at the net assets attributable to holders of redeemable units	3	<u>(86,164)</u>	<u>(84,768)</u>
Increase in net assets attributable to holders of redeemable units		<u>48,016,700</u>	<u>75,727,154</u>

The notes on pages 9 to 14 form part of these financial statements.

CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

	1 July 2007 to 31 December 2007	1 July 2006 to 31 December 2006
	USD	USD
Balance at beginning of the period	1,563,931,673	1,198,619,313
Issue of units	104,414,660	150,098,828
Redemption of units	(83,920,286)	-
Net issue of units	20,494,374	150,098,828
Increase in net assets attributable to holders of redeemable units	48,016,700	75,727,154
Balance at the end of the period	1,632,442,747	1,424,445,295

The notes on pages 9 to 14 form part of these financial statements.

CONDENSED STATEMENT OF CASH FLOWS

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

	1 July 2007 to 31 December 2007	1 July 2006 to 31 December 2006
	USD	USD
Operating activities		
Payments for purchase of investments	(330,124,398)	(262,949,685)
Proceeds from sale of investments	340,119,437	156,921,469
Interest expense	(16,816)	(10,546)
Legal and professional fees paid	(72,009)	(30,199)
Realised loss on foreign exchange contracts	(24,804)	15,241
Printing and advertising expenses paid	(18,736)	(29,766)
Safe custody and bank charges paid	(9,966)	(10,879)
Trustee fee paid	(389,658)	(266,156)
Management fee paid	(1,204,130)	(1,014,430)
Withholding tax paid	(230,530)	(88,860)
Interest received on bank deposits	72,303	33,004
Others	(56,053)	(152,885)
	8,044,640	(107,583,692)
Financing activities		
Subscription of units	104,414,660	143,531,228
Redemption of units	(83,934,971)	-
Distribution paid	(28,174,770)	(25,811,434)
	(7,695,081)	117,719,794
Increase in cash and cash equivalents	349,559	10,136,102
Effect of foreign exchange rate changes	718,299	(21,972)
Cash and cash equivalents at the beginning of the period	6,849,204	2,566,091
	7,917,062	12,680,221
Cash and cash equivalents at the end of the period		
	7,917,062	12,680,221
Analysis of balances of cash and cash equivalents:		
Cash at banks	7,917,062	12,680,221

The notes on pages 9 to 14 form part of these financial statements.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

1. GENERAL INFORMATION

ABF Pan Asia Bond Index Fund (the "Fund") is a Singapore unit trust authorised under Section 286 of the Securities and Futures Act (Cap 289) of Singapore and Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The Fund was constituted by a Trust Deed dated 21 June 2005 between State Street Global Advisors Singapore Limited and HSBC Institutional Trust Services (Singapore) Limited. The Trust Deed was amended and restated by an Amending and Restating Deed on 28 June 2006 and a Second Amending and Restating Deed dated 28 June 2007. The Trust Deed and all supplement deeds are governed in accordance with the laws of Singapore. The Fund is also listed on The Stock Exchange of Hong Kong Limited. The date of commencement of operation of the Fund was on 29 June 2005.

The investment objective of the Fund is to seek to provide investment results that correspond closely to the total return of the iBoxx ABF Pan-Asia Index (the "Underlying Index"), before fees and expenses. The Underlying Index is determined and composed by International Index Company Limited (the "Index Provider"). The Underlying Index is an indicator of investment returns of Asian Currency denominated debt obligations issued or guaranteed by an Asian Government or by an agency or instrumentality of an Asian Government in each case as determined by the Index Provider and which are for the time being constituent securities of the Underlying Index.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These unaudited condensed interim financial statements ("Interim Financial Statements") have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". The Interim Financial Statements are prepared under the historical cost convention as modified by the revaluation of investments. The accounting policies and methods of computation used in the preparation of these Interim Financial Statements are consistent with those used in the annual financial statements for the year ended 30 June 2007.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

3. NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AND NUMBER OF UNITS IN ISSUE

Net assets attributable to holders of redeemable units

In accordance with the provisions of the Fund's Trust Deed dated 21 June 2005, as amended, the formation expenses (including costs for setting up, authorization and listing of the Fund) or costs incidental to the establishment of the Fund will be paid out of the assets of the Fund and amortised over the first 5 financial years. However, the accounting policy of the Fund for the purpose of compliance with IAS 38 – Intangible Assets and for reporting purpose is to expense the costs incurred in the formation of the Fund in the period in which they arose. As at 31 December 2007, the expensing of the unamortised formation expenses as stated in the financial statements resulted in a decrease in the Fund's net assets attributable to holders of redeemable units by US\$423,370 (as at 30 June 2007: US\$509,534) compared with using the methodology indicated in the Fund's Trust Deed.

Net assets attributable to holders of redeemable units represent a liability in the Condensed Statement of Net Assets (Unaudited), carried at the redemption amount that would be payable at the period end date if the holders of redeemable units exercised the right to redeem units in the Fund. Consequently, the changes in carrying amount of the net assets attributable to holders of redeemable units amounted to US\$86,164 (6 months to 31 December 2006: US\$84,768) is recognised in the Condensed Statement of Operations (Unaudited). The cumulative differences are included as "Adjustments for different bases adopted by the Fund in arriving at net assets attributable to holders of redeemable units" on the Condensed Statement of Net Assets (Unaudited).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

Number of units in issue

	1 July 2007 to 31 December 2007	1 January 2007 to 30 June 2007	1 July 2006 to 31 December 2006
	units	units	Units
Units in issue at the beginning of the period	14,183,790	13,001,540	11,574,670
Issue of units	1,878,240	1,462,250	1,426,870
Redemption of units	(1,699,120)	(280,000)	-
Units in issue at the end of the period	<u>14,362,910</u>	<u>14,183,790</u>	<u>13,001,540</u>

	USD	USD	USD
Net assets attributable to holders of redeemable units	<u>1,632,442,747</u>	<u>1,563,931,673</u>	<u>1,424,445,295</u>
Net assets attributable to holders of redeemable units (per unit)	<u>113.66</u>	<u>110.26</u>	<u>109.56</u>
Net asset value per Creation Unit (1 Creation Unit is equivalent to 20,000 units)	<u>2,273,200</u>	<u>2,205,200</u>	<u>2,191,200</u>

4. NET GAIN ON INVESTMENTS

	1 July 2007 to 31 December 2007	1 July 2006 to 31 December 2006
	USD	USD
Change in unrealised gain/loss in value of investments	40,651,212	82,847,484
Realised gain on sale of investments	<u>13,872,295</u>	<u>12,540,135</u>
	<u>54,523,507</u>	<u>95,387,619</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

5. TRANSACTIONS WITH THE MANAGER AND ITS CONNECTED PERSONS

Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the "SFC Code"). The Manager and the Trustee of the Fund are State Street Global Advisors Singapore Limited and HSBC Institutional Trust Services (Singapore) Limited respectively. State Street Global Advisors Singapore Limited is a subsidiary of State Street Corporation. HSBC Institutional Trust Services (Singapore) Limited is a subsidiary of HSBC Holdings plc. All transactions entered into during the period between the Fund and the Manager and the Connected Persons were carried out in the normal course of business and on normal commercial terms.

(a) Foreign currency transactions with connected person of the Manager

During the period, the Manager transacted US\$106,834,688 (6 months to 31 December 2006: US\$33,756,711) in foreign currency transactions through its affiliated party, State Street Global Markets for the Fund's investments settlement purpose. The amount represents 18.98% (6 months to 31 December 2006: 12.43%) of all the Fund's transactions during the period.

Name of Company	Aggregate value of foreign currency transactions	Total commission paid	% of the Fund's total commission paid in the period	Average commission rate
	US\$	US\$	%	%
31 December 2007				
State Street Global Markets	106,834,688	-	-	-
31 December 2006				
State Street Global Markets	33,756,711	-	-	-

(b) As at 31 December 2007 and 2006, the directors and officers of the Manager together did not hold units in the Fund.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

(c) Management fee

The Fund will pay the Manager a management fee, monthly in arrears and accrued daily, determined on the average daily net assets of the Fund at the rate as follows:

	Prior to 30 June 2007	With effect from 30 June 2007
For first US\$1 billion	0.16%	0.13%
For next US\$250 million	0.15%	0.12%
For next US\$250 million	0.14%	0.11%
Thereafter	0.13%	0.10%
	Up to a maximum of 0.25% per annum of the Fund	Up to a maximum of 0.25% per annum of the Fund

(d) Trustee fee

The Fund will pay the Trustee a trustee fee, monthly in arrears and accrued daily, of 0.05% per annum of the average daily net assets of the Fund.

(e) Bank balances

The bank balance of the Fund held with a related party of the Trustee as follows:

	As at 31 December 2007	As at 30 June 2007
	USD	USD
HSBC Institutional Trust Services (Asia) Limited	7,917,062	6,849,204

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

6. DISTRIBUTION

	1 July 2007 to 31 December 2007	1 July 2006 to 31 December 2006
	USD	USD
Final distribution		
– US\$2.05 on 13,743,790 unit paid on 6 August 2007	28,174,770	25,811,434

7. SUPPLEMENTAL RATIOS

	Period ended 31 December 2007	Period ended 31 December 2006
Ratio of expenses to weighted average net assets ^(a)	0.22%	0.23%
Portfolio turnover ratio ^(b)	20.79%	11.12%

Notes:

(a) annualised ratio;

(b) for the period from 1 July 2007 to 31 December 2007 and 1 July 2006 to 31 December 2006 computed as the lower of sales and purchases divided by the average net assets.

8. EVENT OCCURRING AFTER STATEMENT OF NET ASSETS DATE

Subsequent to the period end, the Fund announced a dividend distribution of US\$2.16 per unit. The dividend was paid on 5 February 2008.

INVESTMENT PORTFOLIO

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
QUOTED INVESTMENTS			
BONDS			
THE PEOPLE'S REPUBLIC OF CHINA (14.90%)			
Denominated in RMB			
AGRICUL DEV BANK CHINA 3.05% 12JUL2009	40,000,000	5,461,052	0.33
AGRICULTURAL DEV BK CHINA 2.86% 22AUG10	20,000,000	2,661,023	0.16
CHINA (GOVT OF) 2% 6JUN2009 SER 0206	55,000,000	7,419,926	0.45
CHINA (GOVT OF) 2.14% 20OCT2010 0511	10,000,000	1,307,824	0.08
CHINA (GOVT OF) 2.29% 16OCT2009 SER 0617	50,000,000	6,695,185	0.41
CHINA (GOVT OF) 2.72% 15AUG2011 0612	16,000,000	2,113,161	0.13
CHINA (GOVT OF) 2.83% 25AUG2012 0509	69,000,000	9,014,286	0.55
CHINA (GOVT OF) 2.93% 6FEB2014 SER 0701	20,000,000	2,619,611	0.16
CHINA (GOVT OF) 3.18% 23APR2012 0705	20,000,000	2,695,210	0.17
CHINA (GOVT OF) 3.27% 15NOV2021 0619	25,000,000	2,969,930	0.18
CHINA (GOVT OF) 3.5% 19NOV2010 0311	99,000,000	13,412,803	0.82
CHINA (GOVT OF) 3.53% 16JUL2010 0711	124,000,000	17,053,280	1.04
CHINA (GOVT OF) 3.7% 26JUN2026 SER 0609	10,000,000	1,203,256	0.07
CHINA (GOVT OF) 3.9% 23AUG2014 0714	20,000,000	2,708,011	0.17
CHINA (GOVT OF) 4.4% 25JUN2017 0710	20,000,000	2,724,280	0.17
CHINA (GOVT OF) 4.86% 25NOV2011 SER 0410	14,000,000	1,976,232	0.12
CHINA (GOVT OF) SER 0215 2.93% 6DEC2009	65,000,000	8,746,386	0.54
CHINA (GOVT OF) SER 0301 2.66% 19FEB2010	85,000,000	11,598,409	0.71
CHINA (GOVT OF) SER 0501 4.44% 28FEB2015	35,000,000	4,906,618	0.30
CHINA (GOVT OF) SER 0505 3.37% 25MAY2012	61,000,000	8,261,292	0.51
CHINA (GOVT OF) SER 1503 3.3% 26APR2010	2,288,000	315,492	0.02
CHINA DEV BANK 3.42% 2AUG2015 0514	11,000,000	1,384,667	0.08
CHINA DEV BANK 3.8% 30OCT2036 0624	10,000,000	1,091,173	0.07
CHINA DEV BANK 4.1% 30AUG2025 0517	28,000,000	3,394,497	0.21
CHINA DEV BANK 4.52% 12JAN2032 0121	3,000,000	394,229	0.02
CHINA GOVERNMENT BD 2.66% 19FEB2010 1301	11,000,000	1,501,801	0.09
CHINA GOVERNMENT BOND 2.66% 20AUG2010	44,000,000	5,872,567	0.36
CHINA GOVERNMENT BOND 2.95% 25SEP2011	4,688,000	615,580	0.04
CHINA GOVERNMENT BOND 3.05% 30OCT11 1112	5,481,000	726,211	0.04
CHINA GOVERNMENT BOND 3.4% 17APR2023	70,000,000	8,310,752	0.51
CHINA GOVT BOND 2.48% 25OCT2011 0618	46,000,000	5,969,415	0.37

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
THE PEOPLE'S REPUBLIC OF CHINA (14.90%)			
<i>(Continued)</i>			
Denominated in RMB			
CHINA GOVT BOND 2.51% 27FEB2013 0601	6,000,000	775,372	0.05
CHINA GOVT BOND 2.51% 27FEB2013 1601	4,000,000	514,235	0.03
CHINA GOVT BOND 2.54% 18APR2012 1203	55,500,000	7,267,589	0.45
CHINA GOVT BOND 2.6% 20SEP2017 1213	58,767,000	6,848,845	0.42
CHINA GOVT BOND 2.64% 23AUG2009 0211	40,000,000	5,423,369	0.33
CHINA GOVT BOND 2.8% 27MAR2016 0603	20,000,000	2,451,739	0.15
CHINA GOVT BOND 2.8% 9APR2013 0302	6,000,000	782,395	0.05
CHINA GOVT BOND 2.89% 31AUG2013 0613	10,000,000	1,290,834	0.08
CHINA GOVT BOND 2.9% 24MAY2032 0205	20,000,000	2,025,188	0.12
CHINA GOVT BOND 2.92% 26SEP2016 0616	4,000,000	490,021	0.03
CHINA GOVT BOND 3.01% 25NOV2012 0513	23,000,000	2,997,054	0.18
CHINA GOVT BOND 3.3% 26APR2010 0503	2,000,000	276,057	0.02
CHINA GOVT BOND 4.18% 24OCT2018 0309	10,000,000	1,342,116	0.08
CHINA GOVT BOND 4.27% 17MAY2037 SER 0706	10,000,000	1,293,621	0.08
CHINA GOVT BOND 4.3% 20OCT2009 1408	22,000,000	3,067,121	0.19
CHINA GOVT BOND 4.42% 20APR2009 0403	24,000,000	3,414,803	0.21
CHINA GOVT BOND 4.42% 20APR2009 1403	8,035,000	1,145,929	0.07
CHINA GOVT BOND 4.46% 24SEP2017 SER SPC3	50,000,000	6,945,181	0.43
CHINA GOVT BOND 4.55% 29SEP2022 SER SPC4	30,000,000	4,116,817	0.25
CHINA GOVT BOND 4.71% 25AUG2011 0407	46,000,000	6,529,476	0.40
CHINA GOVT BOND 4.89% 25MAY2011 1404	17,000,000	2,453,704	0.15
EXPORT IMPORT BANK CHINA 3.38% 24JUN2012	30,000,000	3,954,711	0.24
EXPORT IMPORT BANK CHINA 4.13% 15APR2010	10,000,000	1,400,354	0.09
PEOPLE'S BANK OF CHINA 3.1% 2MAR2010	15,000,000	2,053,415	0.13
PEOPLE'S BANK OF CHINA 3.24% 23MAR2010	30,000,000	4,133,732	0.25
PEOPLE'S BANK OF CHINA 3.28% 13APR2010	20,000,000	2,782,242	0.17
PEOPLE'S BANK OF CHINA 3.28% 30MAR2010	30,000,000	4,128,472	0.25
PEOPLE'S BANK OF CHINA 3.28% 6APR2010	47,000,000	6,539,666	0.40
PEOPLE'S BANK OF CHINA 3.71% 3AUG2010	85,000,000	11,724,167	0.72
		243,292,384	14.90

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
HONG KONG (20.19%)			
Denominated in HKD			
ASIA DEVELOPMENT BK 4.28% 21SEP2009 EMTN	59,000,000	7,685,137	0.47
EUROFIMA 4.18% EMTN 8JUN2015	32,500,000	4,202,205	0.26
HK GOVERNMENT 4.49% 26NOV2012 7211	36,500,000	4,993,018	0.31
HK GOVERNMENT BOND 1012 7.01% 6DEC2010	42,600,000	6,131,661	0.38
HK GOVERNMENT BOND 1412 3.51% 8DEC2014	15,500,000	2,020,057	0.12
HK GOVERNMENT BOND 3.78% 6DEC2016 1612	30,000,000	3,973,511	0.24
HK GOVERNMENT BOND 3.97% 19SEP2011 5109	35,000,000	4,702,915	0.29
HK GOVERNMENT BOND 4% 16FEB2009	61,500,000	8,130,899	0.50
HK GOVERNMENT BOND 4.06% 19MAR2012	14,000,000	1,890,621	0.12
HK GOVERNMENT BOND 4.13% 22FEB2013 7302	31,000,000	4,222,652	0.26
HK GOVERNMENT BOND 4.23% 21MAR2011 5103	35,500,000	4,797,989	0.29
HK GOVERNMENT BOND 4.28% 28FEB2014	24,500,000	3,374,175	0.21
HK GOVERNMENT BOND 4.33% 7DEC2015 1512	21,500,000	2,953,971	0.18
HK GOVERNMENT BOND 4.4% 22AUG2013 7308	29,500,000	4,081,797	0.25
HK GOVERNMENT BOND 4.53% 18JUN2012	27,500,000	3,752,541	0.23
HK GOVERNMENT BOND 4.57% 13JUN2011 5106	47,500,000	6,440,214	0.39
HK GOVERNMENT BOND 4.74% 24MAY2013 7305	20,000,000	2,777,685	0.17
HK GOVERNMENT BOND 4.83% 7JUN2016 1606	26,500,000	3,771,442	0.23
HK GOVERNMENT BOND 5003 3.52% 22MAR2010	55,000,000	7,251,541	0.44
HK GOVERNMENT BOND 5006 3.33% 14JUN2010	54,000,000	7,040,218	0.43
HK GOVERNMENT BOND 5012 4.26% 20DEC2010	40,000,000	5,347,180	0.33
HK GOVERNMENT BOND 5906 3.7% 23JUN2009	76,000,000	9,909,786	0.61
HK GOVERNMENT BOND 5909 3.18% 28SEP2009	50,800,000	6,633,047	0.41
HK GOVERNMENT BOND 5912 2.69% 21DEC2009	87,000,000	11,182,441	0.69
HK GOVERNMENT BOND 7002 3.8% 26FEB2010	64,300,000	8,551,738	0.52
HK GOVERNMENT BOND 7008 3.92% 20AUG2010	46,500,000	6,225,512	0.38
HK GOVERNMENT BOND 7108 3.93% 26AUG2011	18,000,000	2,419,998	0.15
HK GOVERNMENT BOND 7111 3.12% 25NOV2011	16,000,000	2,070,463	0.13
HK GOVERNMENT BOND 7202 3.14% 24FEB2012	20,000,000	2,608,006	0.16
HK GOVERNMENT BOND 7205 3.61% 28MAY2012	15,000,000	1,976,133	0.12
HK GOVERNMENT EX FD NT 1006 7.31% 21JUN10	27,000,000	3,847,446	0.24
HK GOVERNMENT EX FD NT 1106 6.13% 20JUN11	15,500,000	2,202,557	0.13
HK GOVERNMENT EX FD NT 1112 5.92% 5DEC11	33,400,000	4,768,774	0.29
HK GOVERNMENT EX FD NT 1206 5.8% 19JUN12	32,400,000	4,639,024	0.28
HK GOVERNMENT EX FD NT 1212 4.5% 4DEC12	26,500,000	3,623,585	0.22
HK GOVERNMENT EX FD NT 1306 3.73% 5JUN13	23,400,000	3,094,943	0.19

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
HONG KONG (20.19%) <i>(Continued)</i>			
Denominated in HKD			
HK GOVERNMENT EX FD NT 1312 4.32% 2DEC13	17,200,000	2,346,290	0.14
HK GOVERNMENT EX FD NT 1406 4.82% 2JUN14	17,000,000	2,387,239	0.15
HK GOVERNMENT EX FD NT 1906 7.21% 9JUN09	33,000,000	4,524,350	0.28
HK GOVERNMENT EX FD NT 5812 3.34% 19DEC08	10,500,000	1,363,272	0.08
HK GOVERNMENT EX FD NT 5903 2.52% 24MAR09	60,000,000	7,740,518	0.47
HK GOVERNMENT EX FD NT 7011 3.95% 26NOV10	19,000,000	2,523,471	0.15
HK GOVERNMENT EX FD NT 7011 3.95% 26NOV10	15,000,000	1,992,214	0.12
HK GOVERNMENT EX FD NT 7102 3.27% 25FEB11	33,000,000	4,334,023	0.27
HK GOVERNMENT EX FD NT 7105 4.5% 27MAY11	20,000,000	2,709,444	0.17
HK GOVERNMENT NOTE 1912 7.47% 8DEC2009	37,000,000	5,198,699	0.32
HK GOVERNMENT SER 1506 3.5% 22JUN2015	19,700,000	2,559,008	0.16
HK GOVERNMENT SER 5009 3.79% 20SEP2010	86,000,000	11,438,895	0.70
HK GOVERNMENT SER 7208 4% 27AUG2012	12,000,000	1,622,040	0.10
HK MORTGAGE CORP 3.78% 4APR2011	4,000,000	517,340	0.03
HK MORTGAGE CORP EMTN 3.8% 6APR2011	13,000,000	1,682,526	0.10
HK MORTGAGE CORPORATION 4.5% 16JAN2009	36,000,000	4,706,577	0.29
HKSAR GOVERNMENT 3.75% 23JUL2009	127,000,000	16,629,221	1.02
HKSAR GOVERNMENT 5.125% 23JUL2019	56,500,000	8,083,526	0.50
HONG KONG (GOVT OF) 2.66% 17DEC2012	40,000,000	5,033,203	0.31
HONG KONG (GOVT OF) 3.52% 5DEC2017	27,000,000	3,488,795	0.21
HONG KONG (GOVT OF) 3.83% 22NOV2013	32,500,000	4,327,065	0.26
HONG KONG (GOVT OF) 4.2% 17SEP2012	45,000,000	6,125,250	0.37
HONG KONG (GOVT OF) 4.65% 29AUG2022	16,000,000	2,348,862	0.14
HONG KONG (GOVT OF) 4.85% 27JUN2017	44,000,000	6,296,997	0.39
HONG KONG MORTGAGE CORP 5.17% 17MAY2011	30,000,000	4,132,885	0.25
HONG KONG MTG CORP 4.1% 9JAN2012 MTN	72,000,000	9,373,331	0.57
INTER-AMERICAN DEV BANK 4.2% 24MAR2014	34,000,000	4,419,987	0.27
INTL FINANCE CORP 4.45% 1SEP2009	24,500,000	3,208,631	0.20
KOWLOON-CANTON RAILWAY 4.65% 10JUN2013	19,500,000	2,630,163	0.16
MTR CORP (C.I.) 4.75% 11MAY2020	22,000,000	2,954,842	0.18
MTR CORP CAYMAN ISLANDS 4.15% 13NOV2009	39,500,000	5,150,619	0.32
MTR CORP CAYMAN ISLANDS 4.15% 13NOV2009	45,000,000	5,867,794	0.36
MTR CORPORATION (C.I.) EMTN 4.28% 6JUL20	35,000,000	4,513,175	0.28
NORDIC INVESTMENT BANK 3.77% 12JUL2010	31,000,000	4,056,927	0.25
		329,582,061	20.19

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
INDONESIA (6.45%)			
Denominated in IDR			
INDO RECAP BD 14.275% 15DEC2013 FR20	29,000,000,000	3,746,711	0.23
INDON GOVT 14.5% 15DEC2010 FR21	10,000,000,000	1,233,618	0.08
INDON RECAP 13.45% 15AUG2011 FR0016 (1)	40,000,000,000	5,053,481	0.31
INDON RECAP BD 13.15% 15JAN12 FR0017 (1)	50,000,000,000	6,288,494	0.39
INDON RECAP BD 13.15% 15JAN2012 FR0017	22,000,000,000	2,766,937	0.17
INDON RECAP BD 13.15% 15MAR2010 FR0010	35,000,000,000	4,182,834	0.26
INDON RECAP BD 13.45% 15AUG2011 FR0016	19,000,000,000	2,400,404	0.15
INDON RECAP BD 14.25% 15JUN2013 FR0019	34,000,000,000	4,358,655	0.27
INDON RECAP BD 15.425% 15SEP2010 FR0013	21,500,000,000	2,746,458	0.17
INDONESIA (GOVT OF) 10.75% 15MAY16 FR30	19,000,000,000	2,145,533	0.13
INDONESIA (GOVT OF) 11% 15DEC2012 FR23	48,000,000,000	5,484,204	0.34
INDONESIA (GOVT OF) 11.5% 15SEP2019 FR36	16,000,000,000	1,893,652	0.12
INDONESIA (GOVT OF) 11.6% 15AUG2018 FR38	24,500,000,000	2,941,427	0.18
INDONESIA (GOVT OF) 11.75% 15AUG23 FR39	20,000,000,000	2,375,421	0.14
INDONESIA (GOVT OF) 12% 15OCT2010 FR24	20,000,000,000	2,355,531	0.14
INDONESIA (GOVT OF) 12% 15SEP2011 FR22	19,000,000,000	2,256,545	0.14
INDONESIA (GOVT OF) 12% 15SEP2026 FR37	20,000,000,000	2,445,136	0.15
INDONESIA (GOVT OF) 12.5% 15MAR2013 FR33	41,000,000,000	5,058,672	0.31
INDONESIA (GOVT OF) 12.8% 15JUN2021 FR34	8,000,000,000	996,819	0.06
INDONESIA (GOVT OF) 12.9% 15JUN2022 FR35	16,000,000,000	2,022,013	0.12
INDONESIA (REP OF) 0% 20SEP2009 ZC2	22,000,000,000	2,029,509	0.12
INDONESIA (REP OF) 10% 15FEB2028 FR47	36,000,000,000	3,794,172	0.23
INDONESIA (REP OF) 10.25% 15JUL2022 FR43	18,000,000,000	1,955,950	0.12
INDONESIA (REP OF) 11% 15SEP2025 FR40	49,000,000,000	5,549,564	0.34
INDONESIA (REP OF) 9.75% 15MAY2037 FR45	15,000,000,000	1,480,052	0.09
INDONESIA GOVERNMENT 10% 15JUL2017 FR28	50,000,000,000	5,570,759	0.34
INDONESIA GOVERNMENT 11% 15OCT2014 FR26	4,000,000,000	462,523	0.03
INDONESIA GOVERNMENT 9.5% 15JUN2015 FR27	36,000,000,000	3,794,373	0.23
INDONESIA GOVT 10.25% 15JUL2027 SER FR42	62,000,000,000	6,722,911	0.41
INDONESIA GOVT 11% 15NOV2020 SER FR31	40,000,000,000	4,477,575	0.27
INDONESIA GOVT 11% 15OCT2014 FR26 (1)	50,000,000,000	5,781,541	0.35
INDONESIA RECAP BD 13.4% 15FEB2011 FR15	8,000,000,000	994,649	0.06
		<hr/> 105,366,123	<hr/> 6.45

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
MALAYSIA (10.81%)			
Denominated in MYR			
ASIA DEVELOPMENT BK 4.265% 25APR2011 MTN	2,000,000	616,716	0.04
KHAZ NAS BHD 0% 18JAN2010	13,000,000	3,640,304	0.22
MALAYSIA (GOVT OF) 7% 15MAR2009 SR 1/89	18,900,000	6,066,176	0.37
MALAYSIA INVESTMENT ISS 3.895% 14APR2009	17,000,000	5,196,936	0.32
MALAYSIA INVESTMENT ISS 3.941% 15JUN2017	2,000,000	599,801	0.04
MALAYSIA INVESTMENT ISS 4.635% 14JUL2011	3,500,000	1,112,570	0.07
MALAYSIA INVESTMENT ISSUE 3.57% 15MAR10	12,500,000	3,810,705	0.23
MALAYSIAN GOVERNMENT 3.502% 31MAY2027	16,500,000	4,327,375	0.27
MALAYSIAN GOVT 3.644% 25AUG2010 1/05	28,300,000	8,659,229	0.53
MALAYSIAN GOVT 3.702% 25FEB2013 3/03	22,400,000	6,845,193	0.42
MALAYSIAN GOVT 3.718% 15JUN2012 5/06	48,000,000	14,583,941	0.89
MALAYSIAN GOVT 3.814% 15FEB2017 SER 0207	30,000,000	8,950,102	0.55
MALAYSIAN GOVT 3.833% 28SEP2011 1/01	15,500,000	4,755,348	0.29
MALAYSIAN GOVT 3.869% 13APR2010 3/06	29,500,000	9,054,579	0.55
MALAYSIAN GOVT 4.032% 15SEP2009 4/04	35,500,000	10,937,025	0.67
MALAYSIAN GOVT 4.262% 15SEP2016 1/06	26,300,000	8,223,769	0.50
MALAYSIAN GOVT 4.305% 27FEB2009 1/04	37,000,000	11,449,657	0.70
MALAYSIAN GOVT 4.709% 15SEP2026 2/06	1,000,000	315,825	0.02
MALAYSIAN GOVT 4.72% 30SEP2015 2/05	20,830,000	6,788,820	0.41
MALAYSIAN GOVT 4.837% 15JUL2025 3/05	20,670,000	6,624,087	0.41
MALAYSIAN GOVT 5.094% 30APR2014 2/04	59,000,000	19,178,003	1.18
MALAYSIAN GOVT 5.734% 30JUL2019 3/04	8,000,000	2,812,584	0.17
MALAYSIAN GOVT INV 3.82% 15NOV2016 0603	15,000,000	4,452,040	0.27
MALAYSIAN, GOVT OF 3.756% 28APR2011	37,000,000	11,298,959	0.69
RANTAU ABANG CAP 4.39% 15MAR2011 IMTN	19,000,000	5,878,748	0.36
SILTERRA CAPITAL BHD 3.9% 6JUN2014	9,000,000	2,717,825	0.17
SYARIKAT PRASARANA NEGAR 3.45% 30NOV08	10,000,000	3,025,238	0.19
SYARIKAT PRASARANA NEGARA 3.8% 30NOV2011	5,000,000	1,510,156	0.09
SYKT PRASARANA NEGAR 4.27% 30NOV2016	10,000,000	3,064,632	0.19
		176,496,343	10.81

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
PHILIPPINES (4.87%)			
Denominated in PHP			
PHILIPPINE (GOVT OF) 10.75% 12MAY2009	48,000,000	1,238,328	0.08
PHILIPPINE (GOVT OF) 12.125% 20OCT2025	25,000,000	833,741	0.05
PHILIPPINE (GOVT OF) 5.5% 21FEB2010 3-16	236,097,642	5,795,841	0.36
PHILIPPINE (GOVT OF) 7.125% 2NOV2013	31,000,000	797,278	0.05
PHILIPPINE (GOVT OF) 8.5% 17FEB2009 3-13	270,274,636	6,875,021	0.42
PHILIPPINE (GOVT OF) 8.75% 27JUL2009	25,000,000	646,257	0.04
PHILIPPINE (GOVT OF) 9.375% 5OCT2031	50,000,000	1,352,288	0.08
PHILIPPINE GOVT 11.375% 18AUG2012 7-40	35,000,000	1,035,816	0.06
PHILIPPINE GOVT 11.375% 23OCT2023 20-6	100,000,000	3,216,614	0.20
PHILIPPINE GOVT 11.5% 27JAN2010 5-57	65,000,000	1,780,350	0.11
PHILIPPINE GOVT 11.5% 7APR2010 (5-58)	73,000,000	1,982,305	0.12
PHILIPPINE GOVT 11.875% 29MAY2023 20-5	96,000,000	3,166,342	0.19
PHILIPPINE GOVT 11.875% 6APR09 5-53	94,000,000	2,465,590	0.15
PHILIPPINE GOVT 12% 13JAN2009 4-14	107,000,000	2,839,377	0.17
PHILIPPINE GOVT 12% 15APR2011 7-36	150,000,000	4,267,352	0.26
PHILIPPINE GOVT 12% 22JUL2011 7-37	117,000,000	3,425,549	0.21
PHILIPPINE GOVT 12.375% 24FEB15 1036	116,000,000	3,766,122	0.23
PHILIPPINE GOVT 12.375% 3JUN2024 20-7	8,000,000	270,582	0.02
PHILIPPINE GOVT 14.375% 24APR2017 20-1	35,000,000	1,267,287	0.08
PHILIPPINE GOVT BONDS 11.75% 15MAY2013	88,000,000	2,636,972	0.16
PHILIPPINE GOVT BONDS 13% 25APR2012	84,000,000	2,538,269	0.16
PHILIPPINES (REP OF) 10.25% 19JAN2026	67,000,000	2,000,655	0.12
PHILIPPINES (REP OF) 5.75% 21FEB2012	122,000,000	3,016,103	0.18
PHILIPPINES (REP OF) 8% 7DEC2026 2013	19,000,000	457,614	0.03
PHILIPPINES (REP OF) 8.5% 3MAR2011 5-62	176,195,535	4,649,744	0.28
PHILIPPINES (REP OF) 8.75% 3MAR2013 7-43	188,148,282	5,160,327	0.32
PHILIPPINES (REP OF) 9.125% 4SEP2016	361,467,977	10,377,516	0.64
PHILIPPINES (REP OF) 9.25% 12JAN2016	54,000,000	1,567,920	0.10
		79,427,160	4.87

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
SINGAPORE (15.85%)			
Denominated in SGD			
ASIA DEVELOPMENT BK 3.335% 18SEP2011 MTN	2,000,000	1,433,247	0.09
HOUSING & DEV BRD 3.455% 1MAR2011 MTN	2,500,000	1,789,516	0.11
HOUSING & DEVELOP BRD 5.07% 21SEP2009	5,000,000	3,661,924	0.22
HOUSING & DEVELOPMENT BRD 3.375% 21APR15	4,500,000	3,172,326	0.19
LAND TRANSPORT AUTH 2.159% 19JUN2013	5,000,000	3,312,252	0.20
LAND TRANSPORT AUTH 2.9% 19JUN2023	2,000,000	1,248,137	0.08
LAND TRANSPORT AUTHORITY 4.08% 21MAY2012	3,000,000	2,186,814	0.13
LAND TRANSPORT AUTHORITY 4.17% 10MAY2016	3,000,000	2,216,258	0.14
LAND TRANSPORT AUTHORITY 4.81% 9JUN2010	1,800,000	1,314,479	0.08
PSA CORP LTD 2.83% 6JUL2015	3,000,000	2,037,634	0.13
PSA CORP LTD 4.91% 15AUG2010	8,000,000	5,951,935	0.37
SINGAPORE (GOVT OF) 2.5% 1OCT2012	9,700,000	6,836,177	0.42
SINGAPORE (GOVT OF) 2.625% 1APR2012	20,100,000	14,287,167	0.88
SINGAPORE (GOVT OF) 3.125% 1FEB2011	14,650,000	10,682,731	0.65
SINGAPORE (GOVT OF) 3.125% 1SEP2022	10,000,000	6,985,550	0.43
SINGAPORE (GOVT OF) 3.5% 1MAR2027	14,000,000	10,166,012	0.62
SINGAPORE GOVERNMENT 2.375% 1OCT2009	25,700,000	18,153,842	1.11
SINGAPORE GOVERNMENT 2.625% 1APR2010	11,500,000	8,192,713	0.50
SINGAPORE GOVERNMENT 3.25% 1SEP2020	22,900,000	16,500,042	1.01
SINGAPORE, GOVERNMENT OF 3.5% 1JUL2012	20,600,000	15,327,548	0.94
SINGAPORE, GOVERNMENT OF 3.625% 1JUL2011	21,600,000	16,085,552	0.99
SINGAPORE, GOVERNMENT OF 3.625% 1JUL2014	21,700,000	16,320,125	1.00
SINGAPORE, GOVERNMENT OF 3.75% 1SEP2016	30,400,000	23,144,486	1.42
SINGAPORE, GOVERNMENT OF 4% 1SEP2018	13,050,000	10,162,061	0.62
SINGAPORE, GOVERNMENT OF 4.375% 15JAN09	28,100,000	20,462,621	1.25
SINGAPORE, GOVERNMENT OF 4.625% 1JUL2010	23,100,000	17,533,495	1.07
SINGAPORE, REPUBLIC OF 2.25% 1JUL2013	22,200,000	15,498,126	0.95
SP POWERASSETS LTD 3.73% EMTN 22OCT10	4,100,000	2,923,310	0.18
SP POWERASSETS LTD 4.84% EMTN 22OCT2018	1,500,000	1,133,687	0.07
		258,719,767	15.85

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
REPUBLIC OF (SOUTH) KOREA (16.87%)			
Denominated in KRW			
KDICB REDEMPTION FUND 4.81% 16AUG2010	10,000,000,000	10,411,545	0.64
KOREA DEVELOPMENT BANK 5% 6JUL09 SER0706	10,000,000,000	10,603,074	0.65
KOREA HIGHWAY CORP 5.1% 14MAR2014 SR 412	10,000,000,000	9,904,002	0.61
KOREA MONETARY STAB 4.75% 15NOV2008 6747	7,000,000,000	7,456,474	0.46
KOREA MONETARY STAB 4.98% 11APR2009 7713	10,500,000,000	11,194,177	0.68
KOREA MONETARY STAB 5% 14FEB2009 7705	10,000,000,000	10,641,667	0.65
KOREA MONETARY STAB 5.12% 9MAY2009 7717	10,000,000,000	10,626,414	0.65
KOREA TREASURY BD 4% 10JUN2010 1006	13,000,000,000	13,322,580	0.82
KOREA TREASURY BD 4.25% 10SEP2014 1409	20,600,000,000	20,391,434	1.25
KOREA TREASURY BD 4.75% 17SEP2013 1309	6,000,000,000	6,157,624	0.38
KOREA TREASURY BD 6.91% 18JUL2011 1107	10,000,000,000	11,172,377	0.68
KOREA TREASURY BOND 3.5% 10DEC2009	16,000,000,000	16,357,185	1.00
KOREA TREASURY BOND 4.5% 10JUN2009 0906	10,000,000,000	10,486,760	0.64
KOREA TREASURY BOND 4.75% 10DEC2009 0912	9,000,000,000	9,427,248	0.58
KOREA TREASURY BOND 4.75% 10JUN2009 0906	11,000,000,000	11,577,871	0.71
KOREA TREASURY BOND 4.75% 10MAR2012 1203	10,000,000,000	10,401,031	0.64
KOREA TREASURY BOND 4.75% 10SEP2011 1109	10,500,000,000	10,955,388	0.67
KOREA TREASURY BOND 5% 10MAR2009 0903	10,000,000,000	10,734,321	0.66
KOREA TREASURY BOND 5% 10MAR2011 1103	9,500,000,000	10,037,961	0.61
KOREA TREASURY BOND 5% 10SEP2016 1609	18,000,000,000	18,556,460	1.14
KOREA TREASURY BOND 5% 26MAR2013 1303	2,000,000,000	2,082,439	0.13
KOREA TREASURY BOND 5.25% 10DEC2010 1012	7,000,000,000	7,369,270	0.45
KOREA TREASURY BOND 5.25% 10MAR2027 2703	1,000,000,000	1,031,567	0.06
KOREA TREASURY BOND 5.25% 10SEP2012 1209	2,000,000,000	2,124,703	0.13
KOREA TREASURY BOND 5.25% 10SEP2015 1509	18,500,000,000	19,402,027	1.19
KOREA TREASURY BOND 5.25% 17MAR2014	5,000,000,000	5,259,136	0.32
KOREA TREASURY BOND 5.75% 10MAR2026 2603	7,000,000,000	7,664,061	0.47
		275,348,796	16.87

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
THAILAND (10.34%)			
Denominated in THB			
ASIA DEVELOPMENT BANK 5.34% 18SEP2011	40,000,000	1,237,359	0.08
ASIAN DEVELOPMENT BANK 3.87% 24MAY2010	20,000,000	591,072	0.04
BANK OF THAILAND BOND 3.40625% 16AUG2009	132,000,000	3,933,650	0.24
BANK OF THAILAND BOND 4.625% 1FEB2009	211,000,000	6,435,417	0.39
BK OF THAI BD T-BILLS 3.40625% 17MAY2009	24,000,000	711,150	0.04
METROPOL WATERWORKS AUTH 6.16% 15MAR2010	10,000,000	314,326	0.02
PTT PCL 4.86% 20MAR2015	50,000,000	1,455,262	0.09
PTT PCL 5.79% 12OCT2016	82,000,000	2,503,343	0.15
THAILAND (GOVT OF) 4.5% 9APR2024	134,000,000	3,632,337	0.22
THAILAND (GOVT OF) 5.25% 12MAY2014	120,000,000	3,765,369	0.23
THAILAND (GOVT OF) 5.25% 13JUL2013	234,000,000	7,341,349	0.45
THAILAND (GOVT OF) 5.4% 27JUL2016	122,000,000	3,841,750	0.24
THAILAND GOVT BOND 4.25% 13MAR2013	189,000,000	5,606,520	0.34
THAILAND GOVT BOND 5% 26MAY2017	124,000,000	3,781,751	0.23
THAILAND GOVT BOND 5% 3DEC2014 05-2	123,000,000	3,733,999	0.23
THAILAND GOVT BOND 5.375% 15MAY2009 06-2	289,000,000	8,812,404	0.54
THAILAND GOVT BOND 5.5% 13AUG2019 04-5	195,000,000	6,112,380	0.37
THAILAND GOVT BOND 5.625% 12JAN2019	165,000,000	5,251,311	0.32
THAILAND GOVT BOND 5.85% 31MAR2021 06-5	147,000,000	4,687,351	0.29
THAILAND GOVT BOND 6.15% 7JUL2026 06-6	185,000,000	6,143,510	0.38
THAILAND GOVT BOND SER 04-4 4.25% 13AUG10	221,000,000	6,712,751	0.41
THAILAND, GOVERNMENT OF 3.875% 7MAR2018	125,000,000	3,438,677	0.21
THAILAND, GOVERNMENT OF 3.875% 9JAN2011	68,000,000	2,043,875	0.13
THAILAND, GOVERNMENT OF 4% 17OCT2013	193,000,000	5,597,422	0.34
THAILAND, GOVERNMENT OF 4.125% 19NOV2009	325,000,000	9,730,709	0.60
THAILAND, GOVERNMENT OF 4.125% 1NOV2012	50,000,000	1,473,230	0.09
THAILAND, GOVERNMENT OF 4.5% 11MAR2012	188,000,000	5,688,467	0.35
THAILAND, GOVERNMENT OF 4.625% 21JUN2009	180,000,000	5,406,726	0.33
THAILAND, GOVERNMENT OF 4.8% 9APR2010	135,000,000	4,123,524	0.25
THAILAND, GOVERNMENT OF 5.125% 8NOV2022	51,000,000	1,501,914	0.09
THAILAND, GOVERNMENT OF 5.375% 30NOV2011	193,000,000	5,981,690	0.37
THAILAND, GOVERNMENT OF 5.375% 3DEC2019	317,000,000	9,638,154	0.59
THAILAND, GOVERNMENT OF 5.5% 18JAN2017	194,000,000	6,149,954	0.38

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

	Holdings at 31 December 2007	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
		USD	(%)
THAILAND (10.34%) <i>(Continued)</i>			
Denominated in THB			
THAILAND, GOVERNMENT OF 7.2% 7JUL2015	96,000,000	3,380,190	0.21
THAILAND, GOVERNMENT OF 7.5% 5MAR2011	178,000,000	5,931,676	0.36
THAILAND, GOVERNMENT OF 8.25% 5MAR2014	160,000,000	5,791,381	0.35
THAILAND, GOVERNMENT OF 8.5% 8DEC2008	203,000,000	6,324,156	0.39
		168,806,106	10.34
Total Listed/Quoted Bonds		1,637,038,740	100.28
Derivative financial instruments			
– foreign exchange contracts		203,548	0.01
		1,637,242,288	100.29
Total Investments		1,637,242,288	100.29
Total investments, at cost		1,524,119,510	

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
	USD	%
DISTRIBUTION OF INVESTMENTS		
(a) By credit rating		
AAA	64,490,709	3.97
AA	409,960,086	25.12
A	800,937,504	49.06
BB	226,432,523	13.86
Non-rated	135,217,918	8.27
	1,637,038,740	100.28
Total listed/quoted bonds		
Derivative financial instruments		
– foreign exchange contracts	203,548	0.01
	1,637,242,288	100.29
PORTFOLIO OF INVESTMENTS		
	1,637,242,288	100.29
(b) By Asset Class		
Bonds	1,637,038,740	100.28
Derivative financial instruments		
– foreign exchange contracts	203,548	0.01
	1,637,242,288	100.29
	1,637,242,288	100.29

INVESTMENT PORTFOLIO *(Continued)*

As at 31 December 2007 (Unaudited)

Top Ten Holdings

	Fair value at 31 December 2007	Percentage of total net assets at 31 December 2007
	USD	%
SINGAPORE, GOVERNMENT OF 3.75% 1SEP2016	23,144,486	1.42
SINGAPORE, GOVERNMENT OF 4.375% 15JAN09	20,462,621	1.25
KOREA TREASURY BD 4.25% 10SEP2014 1409	20,391,434	1.25
KOREA TREASURY BOND 5.25% 10SEP2015 1509	19,402,027	1.19
MALYSIAN GOVT 5.094% 30APR2014 2/04	19,178,003	1.17
KOREA TREASURY BOND 5% 10SEP2016 1609	18,556,460	1.14
SINGAPORE GOVERNMENT 2.375% 1OCT2009	18,153,842	1.11
SINGAPORE, GOVERNMENT OF 4.625% 1JUL2010	17,533,495	1.07
CHINA (GOVT OF) 3.53% 16JUL2010 0711	17,053,280	1.04
HKSAR GOVERNMENT 3.75% 23JUL2009	16,629,221	1.02
	190,504,869	11.66
	190,504,869	11.66

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS

For the period from 1 July 2007 to 31 December 2007 (Unaudited)

	Percentage of total net assets at 31 December 2007	Percentage of total net assets at 30 June 2007
Listed/Quoted Investments		
Debt securities		
China	14.90	12.32
Hong Kong	20.19	18.53
Indonesia	6.45	6.04
Korea	16.87	20.93
Malaysia	10.81	10.41
Philippines	4.87	5.14
Singapore	15.85	18.06
Thailand	10.34	8.56
	<hr/>	<hr/>
Total listed/quoted debt securities	100.28	99.99
Derivative financial instruments		
– foreign exchange contracts	0.01	0.00
	<hr/>	<hr/>
Total investments	100.29	99.99
	<hr/> <hr/>	<hr/> <hr/>

ADMINISTRATION AND MANAGEMENT

Directors of the Manager

Bernard Patrick Reilly
Hon Wing Cheung
Lochiel Cameron Crafter
Sheau-Yien Wang

Members of the Supervisory Committee

Mr. Ric Battellino
Mr. Mu Huaipeng
Mr. Peter Pang
Dr., Mr. Aslim Tadjuddin
Mr. Akinari Horii
Dr., Mr. Guang-ju Rhee
Dato' Ooi Sang Kuang
Mr. Grant Spencer
Mrs. Ma. Ramona G. D. T. Santiago
Mr. Ong Chong Tee
Dr., Mrs Atchana Waiquamdee

Trustee

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21 Collyer Quay
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Singapore 049320

Custodian, Administrator, Registrar and Receiving Agent

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Hong Kong

Manager

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Limited

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#33-01 Capital Tower
Singapore 068912

Hong Kong branch office:
68th Floor, Two International Finance Center
8 Finance Street
Central
Hong Kong

Processing Agent

HK Conversion Agency Services Limited
2nd Floor, Vicwood Plaza
199 Des Voeux Road
Central
Hong Kong

Auditors

PricewaterhouseCoopers
8 Cross Street
#17-00 PWC Building
Singapore 048424