

ASSET MANAGEMENT BY

LYXOR

LYXOR ETF MSCI EMERGING MARKETS

**AUDITOR'S REPORT
ON THE ANNUAL ACCOUNTS**

Fiscal year closing on 31 July 2008

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LYXOR ETF MSCI EMERGING MARKETS

Mutual fund governed by the
Monetary and Financial Code

Management Company

LYXOR INTERNATIONAL ASSET MANAGEMENT

Tour Société Générale
17, cours Valmy
92800 Puteaux

Ladies, Gentlemen,

As part of the mission entrusted to us by the management company's executive committees, we hereby present our report relative to the fiscal year closing on 31 July 2008, with an exceptional duration of 15 months concerning:

- the verification of the annual accounts of the mutual fund LYXOR ETF MSCI EMERGING MARKETS, drawn up in euros, as they are attached to the present report,
- the bases of our assessments,
- the specific verifications and information required by law.

The annual accounts have been closed under the responsibility of the management company. It is our duty to express an opinion on these accounts based on our audit.

1. OPINION ON THE ANNUAL ACCOUNTS

We have conducted our audit in accordance with the generally accepted auditing standards in France; these standards require that we plan and perform the audit in order to obtain reasonable assurance that the annual accounts are free of material misstatements.

An audit includes examining, on a sample basis, evidence supporting the information contained in these accounts. As this is a mutual fund, it does not cover the databases provided by independent third parties for the preparation of the off-balance sheet report included in the annual accounts. An audit also involves assessing the accounting principles used and the significant estimates used for the establishment of the accounts, as well as their overall presentation. We feel that our verifications provide a reasonable basis for the opinion expressed below.

We certify that, in accordance with French accounting rules and principles, the annual accounts are truthful and in order, and present a fair picture of the operating profits and losses for the past fiscal year, as well as the fund's financial situation and assets at the end of said fiscal year.

2. JUSTIFICATION OF THE ASSESSMENTS

In application of the provisions of article L.823-9 of the [French] Commercial Code relative to the justification of our assessments, we draw your attention to the following elements:

Over-the-counter contracts are valued according to the methods described in note 1 of the appendix. On the basis of the elements leading to the determination of the adopted valuations, we have carried out an assessment of the approach used by the management company, as well as of the reasonable nature of these estimates.

The assessments made in this way are in line with our approach for the audit of the annual accounts, taken as a whole, and they therefore contributed to the formulation of our unreserved opinion as expressed in the first part of this report.

3. SPECIFIC INFORMATION AND AUDIT PROCEDURES

We have also conducted the auditing procedures required by law, in accordance with the applicable professional standards in France.

We have no observations to report regarding the truthfulness or consistency with the annual accounts of the information included in the annual report and in the documents sent to the shareholders concerning the company's situation and annual accounts.

Neuilly sur Seine, 25 september 2008

The auditor
PricewaterhouseCoopers Audit

(signature)
Marie-Christine Jetil

ANNUAL ACCOUNTS

BALANCE SHEET assets

	31.07.2008	
Currency	EUR	EUR
Net fixed assets	-	-
Deposits	-	-
Financial instruments	115 189 783,19	-
• SHARES AND SIMILAR SECURITIES		
Negotiated on a regulated or similar market	106 819 290,70	-
Not negotiated on a regulated or similar market	-	-
• BONDS AND SIMILAR SECURITIES		
Negotiated on a regulated or similar market	-	-
Not negotiated on a regulated or similar market	-	-
• DEBT INSTRUMENTS		
Negotiated on a regulated or similar market		
<i>Negotiable debt instruments</i>	-	-
<i>Other debt instruments</i>	-	-
Not negotiated on a regulated or similar market	-	-
• MUTUAL FUND SHARES		
European co-ordinated UCITS		
and French UCITS of a general nature	-	-
UCITS reserved for certain investors – FCPR (type of		
collective investment MF) – FCIMT (type of MF intervening		
on futures markets)	-	-
Listed SPVs and investment funds	-	-
Non-listed SPVs and investment funds	-	-
• TEMPORARY OPERATIONS INVOLVING SECURITIES		
Receivables representing securities held in pension	-	-
Receivables representing loaned securities	-	-
Securities borrowed	-	-
Securities given in pension	-	-
Other temporary operations	-	-
• FUTURE FINANCIAL INSTRUMENTS		
Operations on a regulated or similar market	-	-
Other positions	8 370 492,49	-
• OTHER FINANCIAL INSTRUMENTS	-	-
Liabilities	-	-
Future foreign currency operations	-	-
Other	-	-
Financial accounts	3,84	-
Liquidity	3,84	-
Total assets	115 189 787,03	-

BALANCE SHEET liabilities

		31.07.2008	
Currency		EUR	EUR
Shareholders equity			
• Capital		108 311 514,11	-
• Carried forward		-	-
• Adjustment of carried forward		-	-
• Result		6 816 023,49	-
Total shareholders equity <i>(amount representing the net assets)</i>		115 127 537,60	-
Financial instruments		-	-
• Operations involving the sale of financial instruments		-	-
• Temporary operations involving securities			
Debts representing securities given in pension		-	-
Debts representing borrowed securities		-	-
Other temporary operations		-	-
• Future financial operations			
Operations on a regulated or similar exchange market		-	-
Other positions		-	-
Debts		62 249,43	-
Future foreign exchange operations		-	-
Other		62 249,43	-
Financial accounts		-	-
Current bank accommodations		-	-
Loans		-	-
Total liabilities		115 189 787,03	-

Off-balance sheet commitments

31.07.2008

Currency	EUR	EUR
Hedging operations		
• Commitments on regulated or similar markets		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Over-the-counter commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
Other operations		
• Commitments on regulated or similar markets		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-
• Over-the-counter commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Performance swaps	122 175 489,90	-
- Contracts for Differences (CFD)	-	-
• Other commitments		
- Futures market	-	-
- Options market	-	-
- Credit derivatives	-	-
- Swaps	-	-
- Contracts for Differences (CFD)	-	-

Profit and loss account

31.07.2008		
Currency	EUR	EUR
Earnings and financial operations		
• Earnings on deposits and financial accounts	-	-
• Earnings and shares and similar securities	41 542,56	-
• Earnings on bonds and similar securities	-	-
• Earnings on debt instruments	7 773 545,78	-
• Earnings on temporary acquisitions and sales of securities	-	-
• Earnings on future financial instruments	-	-
• Other financial earnings	-	-
Total (I)	7 815 088,34	-
Charges on financial operations		
• Charges on temporary acquisitions and sales of securities	-	-
• Charges on future financial instruments	-	-
• Charges on financial debts	-6 288,66	-
• Other financial charges	-	-
Total (II)	-6 288,66	-
Earnings on financial operations (I - II)	7 808 799,68	-
Other earnings (III)	-	-
Management fees and depreciation expenses (IV)	-1 148 753,45	-
Net earnings of the fiscal year (L.214-9) (I - II + III - IV)	6 660 046,23	-
Adjustment of the fiscal year's earnings (V)	155 977,26	-
Advances paid for the fiscal year (VI)	-	-
Earnings (I - II + III - IV +/- V - VI):	6 816 023,49	-

1 Accounting rules and methods

The annual accounts are presented in the format pursuant to the provisions of CRC Regulation no. 2003-02 of 2 October 2003 relative to the chart of accounts of UCITS, modified by CRC regulation no. 2005-07 03 of November 2005, and approved by the ministerial decree of 26 December 2005.

Information: This fiscal year has an exceptional duration of 15 months.

Assessment rules

The MF's assets are assessed in compliance with the applicable laws and regulations, and more particularly with the rules defined in regulation no. 2003-02 of the Comité de la Réglementation Comptable dated 2 October 2003 relative to the chart of accounts of UCITS (1st part).

The financial instruments negotiated on a regulated market are assessed at the closing price on the day preceding the calculation date of the net asset value. When these financial instruments are negotiated on several regulated markets at the same time, the chosen closing price is the one of the regulated market in which they are primarily negotiated.

However, in the absence of significant transactions on a regulated market, the following financial instruments are assessed using the following specific methods:

- negotiable debt securities (“NDS”) having a residual life upon acquisition that is less than or equal to 3 months are assessed with a straight-line extension over the residual lifespan of the difference between the acquisition value and the redemption value. The management company nevertheless reserves the possibility of assessing these securities at the actual value in case of particular sensitivity to market risks (rates, etc.). The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer;
- NDS, of which the residual lifespan at acquisition is greater than 3 months but of which the residual lifespan on the net asset value closing date is equal to or less than 3 months, are assessed by means of a linear distribution, over the residual lifespan, of the difference between the last adopted current value and the reimbursement value. The management company nevertheless reserves the possibility of assessing these securities at the actual value in case of particular sensitivity to market risks (rates, etc.). The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer;
- NDS, of which the residual lifespan on the net asset value closing date is greater than 3 months, are assessed at their current value. The chosen rate is that of the equivalent security issues allocated to the risk margin related to the issuer.

Firm future financial instruments negotiated on organised markets are assessed at the clearing price on the day before the net asset value calculation date. Conditional future financial instruments negotiated on organised markets are assessed at the market value on the day before the net asset value calculation date. Over-the-counter firm or conditional future financial instruments are assessed at the price given by the financial instrument's counterparty. They are presented in the off-balance sheet on the basis of the nominal value defined in the contract.

In the event of the holding of an EMTN, it will be valued on the basis of a market price given by the financial instrument's counterparty.

The management company independently carries out a verification of this valuation.

Deposits are assessed at their nominal value, plus any related interest that has accrued.

Subscription warrants, cash certificates, promissory notes and mortgage notes are assessed at their probable negotiation value, under the management company's responsibility.

Temporary acquisitions and sales of securities are assessed at the market price.

Units and shares in undertakings for collective investment in transferable securities operating under French law are assessed at the last net asset value known on the calculation date of the MF's net asset value.

Units and shares of investment funds operating under foreign law are assessed at the last unit net asset value known on the calculation date of the MF's net asset value.

Financial instruments negotiated on a regulated market for which the price has not been determined or for which the price has been corrected are assessed at their probable negotiation value, under the management company's responsibility.

The exchange rates used for the assessment of financial instruments drafted in a currency other than the MF's reference currency are the WM Reuters closing fixings of the day before the closing date of the net asset value.

Posting method for the negotiation fees

The chosen method is that of included fees.

Posting method of revenues from fixed revenue securities

The chosen method is that of the collected coupon.

Operation and management fees

These fees include all of the fees invoiced directly to the MF, except for the transaction fees. The transaction fees include intermediation fees (brokerage, stock market tax, etc.) and the transaction commission which, if relevant, may notably be collected by the custodian and management company. The following can be added to the operation and management fees:

- outperformance commissions. These reward the management company when the MF has exceeded its objectives. They are therefore invoiced to the MF;
- transaction commissions invoiced to the MF;
- a portion of the earnings from temporary acquisitions and sales of securities.

For more details on the fees actually invoiced to the MF, refer to the Statistical Part of the simplified prospectus.

Fees invoiced to the MF	Basis	Schedule rate
Operation and management fees, tax incl. ⁽¹⁾	Net assets	maximum 0.65% per year
Outperformance commissions	Net assets	None
Service providers collecting commissions on transactions	Collection on each transaction	None

⁽¹⁾ including all fees excluding transaction fees, outperformance commissions and fees related to investments in UCITS or investment funds.

No transaction commission will be charged to the Fund.

Accounting currency

The UCITS' accounting is carried out in Euros.

Indication of changes having to be declared to the bearers

- Occurred change: None
 - Creation of the B units (in USD) on 24 April 2007.
- Future change: None

Indication and justification of the changes to estimates and application provisions

None.

Indication of the nature of the errors corrected during the fiscal year

None.

Indication of the rights and conditions attached to each category of units

The management company reserves the right to capitalise and/or distribute all or part of the revenues each year.

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2. Evolution of the net assets

	31.07.2008	
Currency	EUR	EUR
Net assets at the start of the fiscal year	-	-
Subscriptions (including subscription commission acquired by the UCITS)	254 279 918,27	-
Redemptions (less the redemption commission acquired by the UCITS)	-118 339 303,52	-
Capital gains generated on deposits and financial instruments	16 564 058,67	-
Capital losses generated on deposits and financial instruments	-72 086 026,74	-
Capital gains generated on future financial instruments	108 213 215,66	-
Capital losses generated on future financial instruments	-69 696 591,28	-
Negotiation fees	-	-
Exchange differentials	521 758,76	-
Changes to the estimate difference of the deposits and financial instruments:	-9 152 397,40	-
- <i>Estimate difference fiscal year N</i>	-9 152 397,40	-
- <i>Estimate difference fiscal year N-1</i>	-	-
Changes to the estimate difference of future financial instruments:	-1 837 141,05	-
- <i>Estimate difference fiscal year N</i>	-1 837 141,05	-
- <i>Estimate difference fiscal year N-1</i>	-	-
Distribution from the previous fiscal year	-	-
Net earnings of the fiscal year before adjustment account	6 660 046,23	-
Advance(s) paid during the fiscal year	-	-
Other elements	-	-
Net assets at the end of the fiscal year	115 127 537,60	-

3. Information supplements

3.1 Financial instruments: breakdown by the instrument's legal or economic type

3.1.1 Breakdown of the “Bonds and similar securities” item

	Negotiated on a regulated or similar market	Not negotiated on a regulated or similar market
Indexed bonds	-	-
Convertible bonds	-	-
Fixed-rate bonds	-	-
Variable-rate bonds	-	-
Zero coupon bonds	-	-
Equity interests	-	-
Other instruments	-	-

3.1.2 Breakdown of the “Receivables” item by legal or economic type

	Negotiated on a regulated or similar market	Not negotiated on a regulated or similar market
Treasury Bonds	-	-
Commercial paper	-	-
Deposit certificates	-	-
Negotiable medium-term notes (“ <i>BMTN</i> ”)	-	-
Other instruments	-	-

3.1.3 Breakdown of the “Sale operations on financial instruments” item by instrument type

	Securities received in pension sold	Securities borrowed sold	Securities acquired with redemption right sold	Short sales
Equities	-	-	-	-
Bonds	-	-	-	-
Debt securities	-	-	-	-
Other investments	-	-	-	-

LYXOR ETF MSCI EMERGING MARKETS

3.1.4 Breakdown of the off-balance sheet headings by market type (notably rates, equities)

	Rate	Equities	Exchange	Other
Hedging operations				
Commitments on regulated or similar markets	-	-	-	-
Over-the-counter commitments	-	-	-	-
Other commitments	-	-	-	-
Other operations				
Commitments on regulated or similar markets	-	-	-	-
Over-the-counter commitments	-	-	-	122 175 489,90
Other commitments	-	-	-	-

3.2 Breakdown by rate types of the asset, liability and off-balance sheet items

	Fixed rate	Variable rate	Revisable rate	Other
Assets				
Deposits	-	-	-	-
Bonds and similar securities	-	-	-	-
Debt instruments	-	-	-	-
Temporary operations on securities	-	-	-	-
Financial accounts	-	-	-	3,84
Liabilities				
Temporary operations on securities	-	-	-	-
Financial accounts	-	-	-	-
Off-balance sheet				
Hedging operations	-	-	-	-
Other operations	-	-	-	-

3.3 Breakdown by residual maturity of the asset, liability and off-balance sheet items

	0-3 months	3 months - 1 year	1-3 years	3-5 years	>5 years
Assets					
Deposits	-	-	-	-	-
Bonds and similar securities	-	-	-	-	-
Debt instruments	-	-	-	-	-
Temporary operations on securities	-	-	-	-	-
Financial accounts	3,84	-	-	-	-
Liabilities					
Temporary operations on securities	-	-	-	-	-
Financial accounts	-	-	-	-	-
Off-balance sheet					
Hedging operations	-	-	-	-	-
Other operations	-	-	-	-	122 175 489,90

3.4 Breakdown by listing or assessment currency of the asset, liability and off-balance sheet items

This breakdown is given for the main listing or assessment currencies, with the exception of the currency in which the accounting is maintained.

By main currency	-	-	-	-
Assets	-	-	-	-
Deposits	-	-	-	-
Equities and similar securities	-	-	-	-
Bonds and similar securities	-	-	-	-
Debt instruments	-	-	-	-
MF shares	-	-	-	-
Temporary operations on securities	-	-	-	-
Receivables	-	-	-	-
Financial accounts	-	-	-	-
Liabilities	-	-	-	-
Sale operations on financial instruments	-	-	-	-
Temporary operations on securities	-	-	-	-
Debts	-	-	-	-
Financial accounts	-	-	-	-
Off-balance sheet	-	-	-	-
Hedging operations	-	-	-	-
Other operations	-	-	-	-

3.5 Receivables and Debts: breakdown by type

Details of the elements comprising the "other receivables" and "other debts" items, notably breakdown of the future currency exchange operations by type of operation (purchase/sale).

Receivables	-
Future currency exchange operations	-
Future purchases of currency	-
Total negotiated amount of future currency sales	-
Other receivables:	-
-	-
-	-
-	-
-	-
-	-
Other operations	-
Debts	62 249,43
Future currency exchange operations	-
Future sales of currency	-
Total negotiated amount of future currency purchases	-
Other debts:	-
Provisioned costs	62 249,43
Adjustment accounts	-
-	-
-	-
-	-
Other operations	-

3.6 Shareholders equity

Number of units issued/redeemed during the fiscal year:	Subscriptions		Redemptions	
	Number of units	Amount	Number of units	Amount
Unit A	29 905 658	239 302 268,14	14 877 072	118 339 303,52
Unit B	1 910 000,00	14 977 650,13		
Subscription / redemption commission by share category:		Amount		Amount
Unit A		-		-
Unit B		-		-
Remittances by share category:		Amount		Amount
Unit A		-		-
Unit B		-		-
Commissions acquired by the UCITS by share category:		Amount		Amount
Unit A		-		-
Unit B		-		-

3.7 Management fees

Operating and management fees (fixed fees) as % of the average net assets:	%
Share category:	
Unit A	0,65
Unit B	0,65
Performance commissions (variable fees): amount of costs for the year	Amount
Share category:	
Unit A	-
Unit B	-
Retrocession of management fees:	
- Total amount of fees retroceded to the UCITS	-
- Breakdown by "target" UCITS	
- UCITS 1	-
- UCITS 2	-
- UCITS 3	-
- UCITS 4	-

3.8 Commitments given and received

- 3.8.1 Description of guarantees received by the UCITS with indication of the capital guarantees **None**
- 3.8.2 Description of the other commitments received and/or given **None**

3.9 Other information

3.9.1 Current value of the financial instruments that are the subject of temporary acquisition:

- Financial instruments sold under forward repurchase agreements	-
- Other temporary operations	-

3.9.2 Current value of the financial instruments comprising security deposits:

Financial instruments received as guarantees and not included in the balance sheet:

- equities	-
- bonds	-
- debt instruments	-
- other financial instruments	-

Financial estimates given as guarantees and maintained in their original item:

- equities	-
- bonds	-
- debt instruments	-
- other financial instruments	-

3.9.3 Financial instruments held in the portfolio, issued by entities linked to the management company (fund) or to the financial managers (MF) and UCITS managed by these entities

- UCITS securities	-
- Swap	8 370 492,49

3.10 Allocation of the earnings table *(in the UCITS' currency of account)*

Advances paid during the fiscal year

Date	Share category	Overall amount	Unit amount	Total tax credits	Unit tax credits
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total advances		-	-	-	-

31.07.2008

Allocation of the profit/loss	EUR	EUR
Sums still to be allocated		
Carried forward	-	-
Adjustment of carried forward	-	-
Earnings	6 816 023,49	-
Total	6 816 023,49	-

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Share category: Unit A / Isin: FR0010429068	31.07.2008	
Currency	EUR	EUR
Allocation		
Distribution	1 953 716,18	-
Carried forward for the fiscal year	-	-
Capitalisation	4 093 531,01	-
Total	6 047 247,19	-
Information relative to the units and resulting in a distribution right		
Number of circulating units	15 028 586,00	-
Distribution per unit	0,13	-
Tax credits	-	-

Share category: Unit B / Isin: FR0010435297	31.07.2008	
Currency	EUR	EUR
Allocation		
Distribution	241 017,91	-
Carried forward for the fiscal year	-	-
Capitalisation	527 758,39	-
Total	768 776,30	-
Information relative to the units and resulting in a distribution right		
Number of circulating units	1 910 000,00	-
Distribution per unit	0,13	-
Tax credits	-	-

3.11 Table of the earnings and other characteristic elements of the MF during the last 5 fiscal years

UCITS creation date: Units A: 18 April 2007; Units B: 24 April 2007.

UCITS currency

EUR **31.07.2008**

Net assets	115 127 537,60	-	-	-	-
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Share category:	Unit A / Isin: FR0010429068	Currency of the UNIT and of the NAV: EUR			
31.07.2008					

Number of circulating units	15 028 586,00	-	-	-	-
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Net asset value	6,79	-	-	-	-
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Unit distribution (including advances)*	0,13	-	-	-	-
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Unit tax credit transferred to unit holders (natural persons)⁽¹⁾	-	-	-	-	-
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Unit capitalization *	0,27	-	-	-	-
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* The amounts of the unit distribution, the unit capitalisation and the tax credits are indicated in the accounting currency of the UCITS.

⁽¹⁾ Fiscal year closed; pursuant to the Fiscal Instruction of 4 March 1993 from the General Tax Department, the unit tax credit will be determined on the day of the dividend's detachment by distribution of the total amount of the fiscal tax credits between the securities in circulation on that date.

Share category:	Unit B / Isin: FR0010435297	Currency of the UNIT and of the NAV: USD			
31.07.2008					

Number of circulating units	1 910 000,00	-	-	-	-
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Net asset value	10,57	-	-	-	-
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Unit distribution (including advances)*	**0,13	-	-	-	-
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Unit tax credit transferred to unit holders (natural persons)⁽¹⁾	-	-	-	-	-
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Unit capitalization *	0,27	-	-	-	-
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* The amounts of the unit distribution, the unit capitalisation and the tax credits are indicated in the accounting currency of the UCITS.

⁽¹⁾ Fiscal year closed; pursuant to the Fiscal Instruction of 4 March 1993 from the General Tax Department, the unit tax credit will be determined on the day of the dividend's detachment by distribution of the total amount of the fiscal tax credits between the securities in circulation on that date.

** The amount of the unit dividend stems from the conversion of the dividend paid in USD of USD 0.18, and converted into euros with the WM Reuters EUR/USD fixing on 5 September 2008 at 1.42645.

4. UCITS inventory

appendix

Fund: LYXOR ETF MSCI EMERGING MARKETS

Date: 31/07/2008

Security code	Name	Quantity	Stock market value	Listing currency	% Assets
LYXOR ETF MSCI EMERGING MARKETS					
MANAGEMENT FEES					
Provisioned expenses	Prévisions		-182 240.43	EUR	-0.05
Total Provisioned expenses			-182 240.43		-0.05
Total MANAGEMENT FEES			-182 240.43		-0.05
AT BANK OR PENDING					
Demand operations					
Total Demand operations	EUR SGP bank		3.84	EUR	
Total AT BANK OR PENDING			3.84		
OTHER					
Other swaps					
Total Other swaps	Swaps repôts EUR 00		10 207 833.54	EUR	8.87
Adjustment accounts			10 207 833.54		8.87
Total Adjustment accounts					
Total OTHER	PMLETTI Swap excl. PTF		-1 837 141.05	EUR	-1.60
Equity			8 370 492.48		7.27
Shares & Securities ass. MAR or ass.					
FR0000131104	BNP PARIBAS	72 980.00	4 658 826.00	EUR	4.04
FR0000130578	SANOFI-AVENTIS	216 753.00	10 232 415.90	EUR	8.91
FR0000072372	SAFRAN	312 073.00	4 035 103.89	EUR	3.51
AL0000028897	CORIO	69 333.00	3 365 717.20	EUR	2.92
DE0007037145	RWE IZ	38 628.00	2 405 876.59	EUR	2.09
AL0000006355	UNILEVER CIA	159 756.00	3 870 253.13	EUR	3.36
FR0001231598	BANCO POPOLARE SPA	400 704.00	4 708 276.08	EUR	4.09
FR0000130007	ALCATEL LUCENT	715 216.00	2 753 551.60	EUR	2.39
DE0007037138	RWE AG	70 190.00	2 305 817.20	EUR	1.98
FR0000447026	UBI BANCA SCPA	158 376.00	2 369 711.25	EUR	2.07
FR0000132476	ENI SPA	119 232.00	2 637 852.85	EUR	2.28
FR0000089856	SHERAN PROTECTION	13 727.00	3 266 270.40	EUR	2.86
FR0000174872	SCHNEIDER ELECTRIC SA	73 344.00	5 169 068.00	EUR	4.51

Security code	Name	Quantity	Stock market value	Listing currency	% Assets
IFR0000120537	LAFARGE SA	30 008,00	7 882 900,64	EUR	8,36
IFR0000120275	TOTAL SA	25 698,00	1 263 592,72	EUR	1,10
IES0178430E18	TELEFONICA SA	459 892,00	7 611 620,72	EUR	6,61
0X0007238101	SIEMENS AG-NOM	59 978,00	5 342 346,10	EUR	4,84
0F0007162000	K & S AG	41 249,00	3 021 416,00	EUR	2,82
0F0008431025	MUEBLENIA RUECKVERSICHERUNGS AG-NOM	92 326,00	9 791 939,70	EUR	8,50
0E000543300W	CONTINENTAL AG	40 719,00	2 926 617,67	EUR	2,54
IT0003437188	TELECOM ITALIA SPA	2 838 000,00	2 879 356,00	EUR	2,32
DE0005752000	BAYER AG	81 391,00	4 446 976,42	EUR	3,86
IT0000082272	ASSICURAZIONI GENERALI	151 120,00	4 095 123,20	EUR	3,56
IT0000094854	UNICREDIT SPA	768 167,00	2 527 516,41	EUR	2,54
Total Shares & Securities ass. NMR or ass.					92,78
Total Equities					100,00
Total LYXOR ETF MSCI EMERGING MARKETS					100,00

Information provided as part of the fund's marketing in Hong Kong

4. Operations with the Manager and its affiliated companies

4.1. Transactions with affiliated companies

The present memo summarizes the transactions carried out during the period between the Fund, the Manager and its affiliated companies.

The companies affiliated with the Manager are those defined in the Hong Kong "Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission". All transactions were carried out as part of the Fund's normal activities and according to normal market conditions.

Transactions with affiliated companies:

Company name	Total value of the purchases / sales of securities	% of the Fund's total transactions	% of the total commissions paid by the Fund over the year	Average commission rate
Closing on 31 July 2008	EUR			
Société Générale	1 713 853 242,42	100%	0,00	0,00

4.2. Fees for transactions with affiliated companies

The Fund uses the services of the Société Générale, a company affiliated with the Manager, namely brokerage, safekeeping and bank services.

The Fund does not pay transaction fees to Lyxor International Asset Management or to Société Générale.

5. Soft commissions

The Manager has no knowledge of agreements providing for soft commissions signed with third parties or pertaining to the transactions carried out by the Fund.

6. Securities representing more than 10% of the portfolio on the closing date

On the closing date, no security represents more than 10% of the portfolio.

7. Fund performance relative to the performance of its reference index

The LYXOR ETF MSCI EMERGING MARKETS Fund posted a performance of -5.83% for the A unit (EUR) between 18/04/2007 and 31/07/2008 and a performance of +7.75% for the B unit (USD) between 24/04/2007 and 31/07/2008.

Over the period from 18/04/2007 to 31/07/2008, the MSCI EMERGING MARKETS INDEX posted a performance of +6.19%.

Over the period from 24/04/2007 to 31/07/2008, the MSCI EMERGING MARKETS INDEX posted a performance of +5.92%.

Nota: As the fund is not valued in the index currency, the evolution of the A unit (listed in euros) has been adjusted accordingly.