



ABF Pan Asia Bond Index Fund

ABF PAN ASIA BOND INDEX FUND

Interim Report 2008

For the period from 1st July 2008
to 31st December 2008

www.abf-paif.com

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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 organizations in China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, and Thailand.

Country weights were reviewed in October 2008 and changed effective 1st November 2008. The previous and current market weights of the index are:

| Market | Current Weights | Previous Weights |
|-------------|-----------------|------------------|
| | (%) | (%) |
| China | 17.77 | 14.89 |
| Hong Kong | 19.14 | 20.20 |
| Indonesia | 5.64 | 6.43 |
| Korea | 16.39 | 17.05 |
| Malaysia | 10.59 | 10.81 |
| Philippines | 5.24 | 4.78 |
| Singapore | 14.92 | 15.64 |
| Thailand | 10.31 | 10.20 |

* Source: International Index Company, SSgA (as of 31st December 2008).

INVESTMENT MANAGER'S REPORT *(Continued)*

PERFORMANCE SUMMARY

| Periods Ending 31st December 2008 | 3 Months | 6 Months | 1 Year | 3 Years | Annualized Since Inception ^(a) |
|--|----------|----------|--------|---------|---|
| ABF Pan Asia Bond Index Fund (PAIF) ^(b) | 5.19% | 4.43% | 3.53% | 8.27% | 7.15% |
| iBoxx ABF Pan-Asia Index | 5.50% | 4.94% | 4.22% | 8.99% | 7.94% |

Notes:

- (a) Performance inception date is from 29th 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 annualized total return of the Fund, including dividends, was 7.15% compared to an index return of 7.94%. This is a difference of -0.79% and is principally attributable to an amount of -0.72% 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 fees and expenses under the Trust Deed, and withholding taxes); the balance of -0.07% is attributable to tracking difference resulting from the sampling approach used in the management of the Fund.

The iBoxx ABF Pan-Asia Index performance on an unhedged basis was 7.94% since inception. This performance was generated from resilient bond markets (contributing 6.70% to returns) as well as from Asian currencies' appreciation (contributing 1.24%).

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 \$1,697 million, resulting to a 4.0% growth during the past year. In terms of units outstanding, the Fund grew by 4.3% for the 12-month period with 14,977,470 units outstanding at period-end. During the same period, fund subscriptions (including dividend reinvestments) net of redemptions totalled 614,560 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 31st December 2008 (Unaudited)

| | | As at 31st December 2008 | As at 30th June 2008 |
|--|-------------|--------------------------------|----------------------------|
| | <i>Note</i> | USD | USD |
| Assets | | | |
| Investments | | 1,667,790,187 | 1,716,672,006 |
| Amount due from brokers | | 53,759,008 | 36,611,992 |
| Interest income receivable from bank deposits | | 10 | 298 |
| Cash at banks | | 3,595,448 | 8,586,176 |
| | | 1,725,144,653 | 1,761,870,472 |
| Total assets | | 1,725,144,653 | 1,761,870,472 |
| Liabilities | | | |
| Amount due to brokers | | 28,294,711 | 44,767,029 |
| Derivative financial instruments | | 4,286 | 24,611 |
| Audit fee payable | | 24,219 | 58,638 |
| Trustee fee payable | | 73,950 | 145,808 |
| Management fee payable | | 181,805 | 354,288 |
| Index license fee payable | | 59,497 | 75,196 |
| Other payables | | 14,336 | 39,593 |
| | | 28,652,804 | 45,465,163 |
| Liabilities (excluding net assets attributable to holders of redeemable units) | | 28,652,804 | 45,465,163 |
| Net assets attributable to holders of redeemable units (before adjustments on formation expenses) | 3 | 1,696,491,849 | 1,716,405,309 |
| Adjustments for different bases adopted by the Fund in arriving at the net assets attributable to holders of redeemable units | 3 | 252,904 | 338,603 |
| Net assets attributable to holders of redeemable units (after adjustments on formation expenses) | 3 | 1,696,744,753 | 1,716,743,912 |

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

CONDENSED STATEMENT OF OPERATIONS

For the period from 1st July 2008 to 31st December 2008 (Unaudited)

| | | 1st July 2008 to 31st December 2008 | 1st July 2007 to 31st December 2007 |
|---|---|---|---|
| Note | | USD | USD |
| Income | | | |
| Interest income on bank deposits | | 11,917 | 69,794 |
| Net gain on investments | 4 | 76,733,403 | 54,523,507 |
| Net foreign exchange (loss)/gain | | (4,777,576) | 23,554,679 |
| Other income | | 21,647 | 61,272 |
| | | 71,989,391 | 78,209,252 |
| Total investment income | | | |
| Expenses | | | |
| Management fee | | (1,030,369) | (981,460) |
| Trustee fee | | (420,664) | (395,712) |
| Index license fee | | (131,004) | (182,028) |
| Publication and printing expenses | | (26,009) | (18,736) |
| Audit fee | | (15,499) | (20,274) |
| Processing agent fee | | (4,367) | (5,362) |
| Safe custody and bank charges | | 1,924 | (26,197) |
| Legal and professional fees | | (51,224) | (63,798) |
| Other operating expenses | | (15,605) | (15,149) |
| | | (1,692,817) | (1,708,716) |
| Total operating expenses | | | |
| | | 70,296,574 | 76,500,536 |
| Net operating profit | | | |
| Finance costs | | | |
| Distributions to holders of redeemable units | 6 | (32,664,296) | (28,174,770) |
| Profit before tax | | 37,632,278 | 48,325,766 |
| Withholding taxes | | (152,194) | (222,902) |
| | | 37,480,084 | 48,102,864 |
| Profit after tax | | | |

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

CONDENSED STATEMENT OF OPERATIONS *(Continued)*

For the period from 1st July 2008 to 31st December 2008 (Unaudited)

| | 1st July 2008 to 31st December 2008 | 1st July 2007 to 31st December 2007 |
|--|---|---|
| <i>Note</i> | USD | USD |
| Adjustments for different bases adopted by the Fund in arriving at the net assets attributable to holders of redeemable units | 3 <u>(85,699)</u> | <u>(86,164)</u> |
| Increase in net assets attributable to holders of redeemable units | <u>37,394,385</u> | <u>48,016,700</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 1st July 2008 to 31st December 2008 (Unaudited)

| | 1st July 2008 to 31st December 2008 | 1st July 2007 to 31st December 2007 |
|---|---|---|
| | USD | USD |
| Balance at beginning of the period | 1,716,743,912 | 1,563,931,673 |
| Issue of units | 36,341,478 | 104,414,660 |
| Redemption of units | (93,735,022) | (83,920,286) |
| Net (redemption)/issue of units | (57,393,544) | 20,494,374 |
| Increase in net assets attributable to holders of redeemable units | 37,394,385 | 48,016,700 |
| Balance at the end of the period | 1,696,744,753 | 1,632,442,747 |

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

CONDENSED STATEMENT OF CASH FLOWS

For the period from 1st July 2008 to 31st December 2008 (Unaudited)

| | 1st July 2008 to 31st December 2008 | 1st July 2007 to 31st December 2007 |
|---|---|---|
| | USD | USD |
| Operating activities | | |
| Payments for purchase of investments | (244,722,338) | (330,124,398) |
| Proceeds from sale of investments | 333,423,342 | 340,119,437 |
| Cash inflow from settlement of derivatives | 4,234 | - |
| Interest expense | (2,669) | (16,816) |
| Legal and professional fees paid | (101,142) | (72,009) |
| Realised loss on foreign exchange contracts | (12,595) | (24,804) |
| Printing and advertising expenses paid | (26,009) | (18,736) |
| Safe custody and bank charges paid | 5,483 | (9,966) |
| Trustee fee paid | (492,522) | (389,658) |
| Management fee paid | (1,202,852) | (1,204,130) |
| Withholding tax paid | (164,268) | (230,530) |
| Interest received on bank deposits | 12,205 | 72,303 |
| Others | (159,101) | (56,053) |
| | 86,561,768 | 8,044,640 |
| Financing activities | | |
| Subscription of units | 36,341,478 | 104,414,660 |
| Redemption of units | (93,735,022) | (83,934,971) |
| Distribution paid | (32,664,296) | (28,174,770) |
| | (90,057,840) | (7,695,081) |
| (Decrease)/increase in cash and cash equivalents | (3,496,072) | 349,559 |
| Effect of foreign exchange rate changes | (1,494,656) | 718,299 |
| Cash and cash equivalents at the beginning of the period | 8,586,176 | 6,849,204 |
| Cash and cash equivalents at the end of the period | 3,595,448 | 7,917,062 |
| Analysis of balances of cash and cash equivalents: | | |
| Cash at banks | 3,595,448 | 7,917,062 |

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the period from 1st July 2008 to 31st December 2008 (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 21st 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 28th June 2006, a Second Amending and Restating Deed dated 28th June 2007 and a supplemental deed dated 27th June 2008. 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 29th 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 30th June 2008.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2008 to 31st December 2008 (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 21st 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 31st December 2008, 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\$252,904 (as at 30th June 2008: US\$338,603) 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\$85,699 (6 months to 31st December 2007: US\$86,164) 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 1st July 2008 to 31st December 2008 (Unaudited)

Number of units in issue

| | 1st July 2008 to 31st December 2008 | 1st January 2008 to 30th June 2008 | 1st July 2007 to 31st December 2007 |
|---|--|---------------------------------------|--|
| | units | units | units |
| Units in issue at the beginning of the period | 15,528,850 | 14,362,910 | 14,183,790 |
| Issue of units | 328,620 | 1,305,940 | 1,878,240 |
| Redemption of units | (880,000) | (140,000) | (1,699,120) |
| Units in issue at the end of the period | 14,977,470 | 15,528,850 | 14,362,910 |
| | USD | USD | USD |
| Net assets attributable to holders of redeemable units | 1,696,744,753 | 1,716,743,912 | 1,632,442,747 |
| Net assets attributable to holders of redeemable units (per unit) | 113.29 | 110.55 | 113.66 |
| Net asset value per Creation Unit (1 Creation Unit is equivalent to 20,000 units) | 2,265,800 | 2,211,038 | 2,273,200 |

4. NET GAIN ON INVESTMENTS

| | 1st July 2008 to 31st December 2008 | 1st July 2007 to 31st December 2007 |
|---|---|---|
| | USD | USD |
| Change in unrealised gain/loss in value of investments | 53,120,702 | 40,651,212 |
| Realised gain on sale of investments | 23,612,701 | 13,872,295 |
| | 76,733,403 | 54,523,507 |

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2008 to 31st December 2008 (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\$86,349,066 (6 months to 31st December 2007 US\$106,834,688) in foreign currency transactions through its affiliated party, State Street Global Markets for the Fund's investments settlement purpose. The amount represents 13.82% (6 months to 31st December 2007: 18.98%) 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\$ | % | % |
| 31st December 2008 | | | | |
| State Street Global Markets | 86,349,066 | - | - | - |
| 31st December 2007 | | | | |
| State Street Global Markets | 106,834,688 | - | - | - |

(b) As at 31st December 2008 and 2007, 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 1st July 2008 to 31st December 2008 (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:

| | |
|--------------------------|---|
| For first US\$1 billion | 0.13% |
| For next US\$250 million | 0.12% |
| For next US\$250 million | 0.11% |
| Thereafter | 0.10% |
| | 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 is:

| | As at 31st December 2008 | As at 30th June 2008 |
|---|--------------------------------|----------------------------|
| | USD | USD |
| HSBC Institutional Trust Services (Asia) Limited | 2,926,642 | 8,570,525 |

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2008 to 31st December 2008 (Unaudited)

6. DISTRIBUTION

| | 1st July 2008 to 31st December 2008 | 1st July 2007 to 31st December 2007 |
|---|---|---|
| | USD | USD |
| Final distribution | | |
| - US\$2.09 on 15,628,850 units paid on 5th August 2008 | 32,664,296 | - |
| - US\$2.05 on 13,743,790 units paid on 6th August 2007 | - | 28,174,770 |
| | <u> </u> | <u> </u> |

7. SUPPLEMENTAL RATIOS

| | Period ended 31st December 2008 | Period ended 31st December 2007 |
|--|---------------------------------------|---------------------------------------|
| Ratio of expenses to weighted average net assets ^(a) | 0.20% | 0.22% |
| Portfolio turnover ratio ^(b) | 14.92% | 20.79% |

Notes:

- (a) annualised ratio;
- (b) for the period from 1st July 2008 to 31st December 2008 and 1st July 2007 to 31st December 2007 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\$2.14 per unit. The dividend was paid on 9th February 2009.

INVESTMENT PORTFOLIO

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|---|--------------------------------------|--|--|
| | | USD | (%) |
| QUOTED INVESTMENTS | | | |
| BONDS | | | |
| THE PEOPLE'S REPUBLIC OF CHINA (16.64 %) | | | |
| Denominated in RMB | | | |
| AGRICULTURAL DEV BK CHINA 2.86% 22AUG10 | 20,000,000 | 2,851,319 | 0.17 |
| CHINA (GOVT OF) 2.14% 20OCT2010 0511 | 10,000,000 | 1,498,696 | 0.09 |
| CHINA (GOVT OF) 2.72% 15AUG2011 0612 | 16,000,000 | 2,455,638 | 0.14 |
| CHINA (GOVT OF) 2.83% 25AUG2012 0509 | 8,000,000 | 1,238,211 | 0.07 |
| CHINA (GOVT OF) 2.93% 6FEB2014 SER 0701 | 20,000,000 | 3,165,312 | 0.19 |
| CHINA (GOVT OF) 3.18% 23APR2012 0705 | 20,000,000 | 3,158,399 | 0.19 |
| CHINA (GOVT OF) 3.27% 15NOV2021 0619 | 25,000,000 | 3,865,074 | 0.23 |
| CHINA (GOVT OF) 3.5% 19NOV2010 0311 | 99,000,000 | 15,171,556 | 0.89 |
| CHINA (GOVT OF) 3.53% 16JUL2010 0711 | 110,000,000 | 16,975,465 | 1.00 |
| CHINA (GOVT OF) 3.69% 16SEP2013 0817 | 80,000,000 | 12,868,835 | 0.76 |
| CHINA (GOVT OF) 3.7% 26JUN2026 SER 0609 | 10,000,000 | 1,287,986 | 0.08 |
| CHINA (GOVT OF) 3.74% 24MAY2014 0707 | 20,000,000 | 3,277,245 | 0.19 |
| CHINA (GOVT OF) 3.9% 23AUG2014 0714 | 20,000,000 | 3,288,637 | 0.19 |
| CHINA (GOVT OF) 3.92% 14JUL2011 0811 | 40,000,000 | 6,362,184 | 0.38 |
| CHINA (GOVT OF) 4.16% 28FEB2023 SER 0802 | 6,000,000 | 977,384 | 0.06 |
| CHINA (GOVT OF) 4.4% 25JUN2017 0710 | 20,000,000 | 3,390,922 | 0.20 |
| CHINA (GOVT OF) 4.86% 25NOV2011 SER 0410 | 14,000,000 | 2,264,763 | 0.13 |
| CHINA (GOVT OF) SER 0215 2.93% 6DEC2009 | 50,000,000 | 7,466,566 | 0.44 |
| CHINA (GOVT OF) SER 0301 2.66% 19FEB2010 | 80,000,000 | 12,195,364 | 0.72 |
| CHINA (GOVT OF) SER 0501 4.44% 28FEB2015 | 35,000,000 | 5,939,185 | 0.35 |
| CHINA (GOVT OF) SER 0505 3.37% 25MAY2012 | 18,000,000 | 2,856,825 | 0.17 |
| CHINA (GOVT OF) SER 1503 3.3% 26APR2010 | 2,288,000 | 350,938 | 0.02 |
| CHINA DEV BANK 3.42% 2AUG2015 0514 | 11,000,000 | 1,716,130 | 0.10 |
| CHINA DEV BANK 3.8% 30OCT2036 0624 | 10,000,000 | 1,415,704 | 0.08 |
| CHINA DEV BANK 4.1% 30AUG2025 0517 | 28,000,000 | 4,085,247 | 0.24 |
| CHINA DEV BANK 4.52% 12JAN2032 0121 | 3,000,000 | 457,501 | 0.03 |
| CHINA GOVERNMENT BD 2.66% 19FEB2010 1301 | 6,000,000 | 913,230 | 0.05 |
| CHINA GOVERNMENT BOND 2.66% 20AUG2010 | 44,000,000 | 6,667,245 | 0.39 |
| CHINA GOVERNMENT BOND 2.95% 25SEP2011 | 1,688,000 | 257,747 | 0.02 |
| CHINA GOVERNMENT BOND 3.05% 30OCT11 1112 | 5,481,000 | 838,154 | 0.05 |
| CHINA GOVERNMENT BOND 3.4% 17APR2023 | 65,663,000 | 9,903,718 | 0.58 |
| CHINA GOVT BOND 2.48% 25OCT2011 0618 | 46,000,000 | 6,985,077 | 0.41 |
| CHINA GOVT BOND 2.51% 27FEB2013 0601 | 6,000,000 | 928,894 | 0.05 |
| CHINA GOVT BOND 2.51% 27FEB2013 1601 | 4,000,000 | 605,734 | 0.04 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|---|--------------------------------------|--|--|
| | | USD | (%) |
| THE PEOPLE'S REPUBLIC OF CHINA (16.64 %) | | | |
| <i>(Continued)</i> | | | |
| Denominated in RMB | | | |
| CHINA GOVT BOND 2.54% 18APR2012 1203 | 47,500,000 | 7,250,398 | 0.43 |
| CHINA GOVT BOND 2.6% 20SEP2017 1213 | 58,767,000 | 8,645,362 | 0.51 |
| CHINA GOVT BOND 2.8% 27MAR2016 0603 | 20,000,000 | 3,078,327 | 0.18 |
| CHINA GOVT BOND 2.8% 9APR2013 0302 | 6,000,000 | 938,736 | 0.06 |
| CHINA GOVT BOND 2.89% 31AUG2013 0613 | 10,000,000 | 1,554,996 | 0.09 |
| CHINA GOVT BOND 2.9% 24MAY2032 0205 | 20,000,000 | 2,589,546 | 0.15 |
| CHINA GOVT BOND 2.92% 26SEP2016 0616 | 4,000,000 | 619,360 | 0.04 |
| CHINA GOVT BOND 3.01% 25NOV2012 0513 | 23,000,000 | 3,562,749 | 0.21 |
| CHINA GOVT BOND 3.3% 26APR2010 0503 | 2,000,000 | 308,081 | 0.02 |
| CHINA GOVT BOND 3.91% 23OCT2038 SER 0820 | 20,000,000 | 3,074,649 | 0.18 |
| CHINA GOVT BOND 4.18% 24OCT2018 0309 | 10,000,000 | 1,652,440 | 0.10 |
| CHINA GOVT BOND 4.27% 17MAY2037 SER 0706 | 10,000,000 | 1,893,764 | 0.11 |
| CHINA GOVT BOND 4.41% 17DEC2017 SER SPC8 | 10,000,000 | 1,695,277 | 0.10 |
| CHINA GOVT BOND 4.42% 20APR2009 0403 | 2,000,000 | 305,056 | 0.02 |
| CHINA GOVT BOND 4.46% 24SEP2017 SER SPC3 | 50,000,000 | 8,533,414 | 0.50 |
| CHINA GOVT BOND 4.55% 29SEP2022 SER SPC4 | 50,000,000 | 8,720,492 | 0.51 |
| CHINA GOVT BOND 4.71% 25AUG2011 0407 | 46,000,000 | 7,449,459 | 0.44 |
| CHINA GOVT BOND 4.89% 25MAY2011 1404 | 17,000,000 | 2,767,605 | 0.16 |
| EXPORT IMPORT BANK CHINA 3.38% 24JUN2012 | 30,000,000 | 4,281,030 | 0.25 |
| EXPORT IMPORT BANK CHINA 4.13% 15APR2010 | 10,000,000 | 1,498,963 | 0.09 |
| PEOPLE'S BANK OF CHINA 3.1% 2MAR2010 | 10,000,000 | 1,535,568 | 0.09 |
| PEOPLE'S BANK OF CHINA 3.1% 9MAR2010 | 10,000,000 | 1,534,597 | 0.09 |
| PEOPLE'S BANK OF CHINA 3.24% 23MAR2010 | 30,000,000 | 4,613,168 | 0.27 |
| PEOPLE'S BANK OF CHINA 3.28% 13APR2010 | 20,000,000 | 3,018,555 | 0.18 |
| PEOPLE'S BANK OF CHINA 3.28% 30MAR2010 | 60,000,000 | 9,233,740 | 0.54 |
| PEOPLE'S BANK OF CHINA 3.28% 6APR2010 | 47,000,000 | 7,089,451 | 0.42 |
| PEOPLE'S BANK OF CHINA 3.71% 3AUG2010 | 85,000,000 | 13,108,592 | 0.77 |
| PEOPLE'S BANK OF CHINA 4.56% 18APR2011 | 80,000,000 | 12,899,902 | 0.76 |
| PEOPLE'S BANK OF CHINA 4.56% 1FEB2011 | 70,000,000 | 11,320,947 | 0.67 |
| | | 282,455,109 | 16.64 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|---|--------------------------------------|--|--|
| | | USD | (%) |
| HONG KONG (18.87%) | | | |
| Denominated in HKD | | | |
| EUROFIMA 4.18% EMTN 8JUN2015 | 32,500,000 | 4,763,679 | 0.28 |
| HK GOVERNMENT 4.49% 26NOV2012 7211 | 25,000,000 | 3,668,144 | 0.22 |
| HK GOVERNMENT BOND 1012 7.01% 6DEC2010 | 42,600,000 | 6,199,163 | 0.37 |
| HK GOVERNMENT BOND 1412 3.51% 8DEC2014 | 15,500,000 | 2,267,888 | 0.13 |
| HK GOVERNMENT BOND 2.88% 17JUN2013 | 41,000,000 | 5,691,236 | 0.34 |
| HK GOVERNMENT BOND 3.27% 28AUG2023 | 16,000,000 | 2,683,535 | 0.16 |
| HK GOVERNMENT BOND 3.56% 25JUN2018 | 15,000,000 | 2,338,852 | 0.14 |
| HK GOVERNMENT BOND 3.63% 19DEC2011 5112 | 77,000,000 | 10,771,140 | 0.63 |
| HK GOVERNMENT BOND 3.78% 6DEC2016 1612 | 30,000,000 | 4,640,536 | 0.27 |
| HK GOVERNMENT BOND 3.97% 19SEP2011 5109 | 61,000,000 | 8,634,830 | 0.51 |
| HK GOVERNMENT BOND 4.06% 19MAR2012 | 39,000,000 | 5,596,872 | 0.33 |
| HK GOVERNMENT BOND 4.13% 22FEB2013 7302 | 31,000,000 | 4,550,210 | 0.27 |
| HK GOVERNMENT BOND 4.23% 21MAR2011 5103 | 59,500,000 | 8,372,069 | 0.49 |
| HK GOVERNMENT BOND 4.28% 28FEB2014 | 24,500,000 | 3,690,904 | 0.22 |
| HK GOVERNMENT BOND 4.33% 7DEC2015 1512 | 31,500,000 | 4,935,810 | 0.29 |
| HK GOVERNMENT BOND 4.4% 22AUG2013 7308 | 29,500,000 | 4,419,842 | 0.26 |
| HK GOVERNMENT BOND 4.53% 18JUN2012 | 27,500,000 | 3,986,131 | 0.23 |
| HK GOVERNMENT BOND 4.57% 13JUN2011 5106 | 99,000,000 | 14,003,170 | 0.83 |
| HK GOVERNMENT BOND 4.74% 24MAY2013 7305 | 20,000,000 | 2,992,129 | 0.18 |
| HK GOVERNMENT BOND 4.83% 7JUN2016 1606 | 26,500,000 | 4,313,267 | 0.25 |
| HK GOVERNMENT BOND 5003 3.52% 22MAR2010 | 55,000,000 | 7,436,908 | 0.44 |
| HK GOVERNMENT BOND 5006 3.33% 14JUN2010 | 54,000,000 | 7,268,613 | 0.43 |
| HK GOVERNMENT BOND 5012 4.26% 20DEC2010 | 57,500,000 | 7,961,312 | 0.47 |
| HK GOVERNMENT BOND 5912 2.69% 21DEC2009 | 47,000,000 | 6,209,968 | 0.37 |
| HK GOVERNMENT BOND 7002 3.8% 26FEB2010 | 56,300,000 | 7,647,583 | 0.45 |
| HK GOVERNMENT BOND 7008 3.92% 20AUG2010 | 46,500,000 | 6,419,586 | 0.38 |
| HK GOVERNMENT BOND 7108 3.93% 26AUG2011 | 18,000,000 | 2,548,397 | 0.15 |
| HK GOVERNMENT BOND 7111 3.12% 25NOV2011 | 16,000,000 | 2,207,471 | 0.13 |
| HK GOVERNMENT BOND 7202 3.14% 24FEB2012 | 20,000,000 | 2,791,200 | 0.16 |
| HK GOVERNMENT BOND 7205 3.61% 28MAY2012 | 15,000,000 | 2,116,547 | 0.12 |
| HK GOVERNMENT EX FD NT 1006 7.31% 21JUN10 | 27,000,000 | 3,840,365 | 0.23 |
| HK GOVERNMENT EX FD NT 1106 6.13% 20JUN11 | 15,500,000 | 2,268,172 | 0.13 |
| HK GOVERNMENT EX FD NT 1112 5.92% 5DEC11 | 33,400,000 | 4,963,680 | 0.29 |
| HK GOVERNMENT EX FD NT 1206 5.8% 19JUN12 | 32,400,000 | 4,881,321 | 0.29 |
| HK GOVERNMENT EX FD NT 1212 4.5% 4DEC12 | 26,500,000 | 3,885,336 | 0.23 |
| HK GOVERNMENT EX FD NT 1306 3.73% 5JUN13 | 23,400,000 | 3,365,434 | 0.20 |
| HK GOVERNMENT EX FD NT 1312 4.32% 2DEC13 | 17,200,000 | 2,556,328 | 0.15 |
| HK GOVERNMENT EX FD NT 1406 4.82% 2JUN14 | 17,000,000 | 2,615,675 | 0.15 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 (%) |
|--|--------------------------------------|--|---|
| | | USD | |
| HONG KONG (18.87%) <i>(Continued)</i> | | | |
| Denominated in HKD | | | |
| HK GOVERNMENT EX FD NT 7005 3.19% 28MAY10 | 16,000,000 | 2,150,260 | 0.13 |
| HK GOVERNMENT EX FD NT 7011 3.95% 26NOV10 | 15,000,000 | 2,068,439 | 0.12 |
| HK GOVERNMENT EX FD NT 7011 3.95% 26NOV10 | 19,000,000 | 2,615,465 | 0.15 |
| HK GOVERNMENT EX FD NT 7102 3.27% 25FEB11 | 33,000,000 | 4,546,740 | 0.27 |
| HK GOVERNMENT EX FD NT 7105 4.5% 27MAY11 | 20,000,000 | 2,825,681 | 0.17 |
| HK GOVERNMENT SER 1506 3.5% 22JUN2015 | 33,700,000 | 4,974,461 | 0.29 |
| HK GOVERNMENT SER 5009 3.79% 20SEP2010 | 46,000,000 | 6,328,812 | 0.37 |
| HK GOVERNMENT SER 7208 4% 27AUG2012 | 12,000,000 | 1,738,032 | 0.10 |
| HK MORTGAGE CORP 3.78% 4APR2011 | 4,000,000 | 544,946 | 0.03 |
| HK MORTGAGE CORP EMTN 3.8% 6APR2011 | 13,000,000 | 1,765,819 | 0.10 |
| HKSAR GOVERNMENT 5.125% 23JUL2019 | 36,500,000 | 6,323,891 | 0.37 |
| HONG KONG (GOVT OF) 1.52% 15FEB2010 | 20,000,000 | 2,629,382 | 0.15 |
| HONG KONG (GOVT OF) 1.61% 10DEC2018 | 40,000,000 | 5,355,699 | 0.32 |
| HONG KONG (GOVT OF) 1.67% 19DEC2013 | 30,000,000 | 3,963,167 | 0.23 |
| HONG KONG (GOVT OF) 2.03% 18MAR2013 | 37,800,000 | 5,087,925 | 0.30 |
| HONG KONG (GOVT OF) 2.66% 17DEC2012 | 40,000,000 | 5,484,215 | 0.32 |
| HONG KONG (GOVT OF) 2.71% 20FEB2023 | 18,000,000 | 2,792,446 | 0.16 |
| HONG KONG (GOVT OF) 3.52% 5DEC2017 | 27,000,000 | 4,167,187 | 0.25 |
| HONG KONG (GOVT OF) 3.83% 22NOV2013 | 32,500,000 | 4,732,360 | 0.28 |
| HONG KONG (GOVT OF) 4.04% 30MAY2014 | 10,000,000 | 1,482,235 | 0.09 |
| HONG KONG (GOVT OF) 4.04% 30MAY2014 | 4,000,000 | 596,613 | 0.04 |
| HONG KONG (GOVT OF) 4.2% 17SEP2012 | 45,000,000 | 6,549,840 | 0.39 |
| HONG KONG (GOVT OF) 4.65% 29AUG2022 | 18,000,000 | 3,356,255 | 0.20 |
| HONG KONG (GOVT OF) 4.85% 27JUN2017 | 29,000,000 | 4,841,142 | 0.29 |
| HONG KONG MORTGAGE CORP 5.17% 17MAY2011 | 30,000,000 | 4,288,362 | 0.25 |
| HONG KONG MTG CORP 3.6% 10JAN2011 MTN | 40,000,000 | 5,395,202 | 0.32 |
| HONG KONG MTG CORP 4.1% 9JAN2012 MTN | 72,000,000 | 9,919,026 | 0.58 |
| INTER-AMERICAN DEV BANK 4.2% 24MAR2014 | 34,000,000 | 4,846,094 | 0.29 |
| KOWLOON-CANTON RAILWAY 4.65% 10JUN2013 | 19,500,000 | 2,827,752 | 0.17 |
| MTR CORP (C.I.) 4.15% 13NOV2009 EMTN | 23,000,000 | 3,049,745 | 0.18 |
| MTR CORP (C.I.) 4.28% 6JUL2020 EMTN | 35,000,000 | 5,585,106 | 0.33 |
| MTR CORP (C.I.) 4.75% 11MAY2020 | 22,000,000 | 3,621,401 | 0.21 |
| NORDIC INVESTMENT BANK 3.77% 12JUL2010 | 31,000,000 | 4,202,007 | 0.25 |
| | | 320,159,010 | 18.87 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|--|--------------------------------------|--|--|
| | | USD | (%) |
| INDONESIA (5.52%) | | | |
| Denominated in IDR | | | |
| INDO RECAP BD 14.275% 15DEC2013 FR20 | 55,000,000,000 | 5,489,940 | 0.32 |
| INDON GOVT 14.5% 15DEC2010 FR21 | 10,000,000,000 | 963,518 | 0.06 |
| INDON RECAP BD 13.15% 15JAN12 FR0017 | 38,000,000,000 | 3,751,894 | 0.22 |
| INDON RECAP 13.45% 15AUG2011 FR0016 | 32,000,000,000 | 3,151,003 | 0.19 |
| INDON RECAP BD 14.25% 15JUN2013 FR0019 | 34,000,000,000 | 3,373,585 | 0.20 |
| INDON RECAP BD 15.425% 15SEP2010 FR0013 | 18,500,000,000 | 1,849,566 | 0.11 |
| INDONESIA (GOVT OF) 10% 15OCT2011 FR25 | 38,000,000,000 | 3,388,836 | 0.20 |
| INDONESIA (GOVT OF) 10.75% 15MAY16 FR30 | 19,000,000,000 | 1,656,529 | 0.10 |
| INDONESIA (GOVT OF) 11% 15DEC2012 FR23 | 48,000,000,000 | 4,280,122 | 0.25 |
| INDONESIA (GOVT OF) 11.5% 15SEP2019 FR36 | 16,000,000,000 | 1,461,161 | 0.09 |
| INDONESIA (GOVT OF) 11.6% 15AUG2018 FR38 | 10,500,000,000 | 970,430 | 0.06 |
| INDONESIA (GOVT OF) 11.75% 15AUG23 FR39 | 20,000,000,000 | 1,843,266 | 0.11 |
| INDONESIA (GOVT OF) 12% 15OCT2010 FR24 | 20,000,000,000 | 1,878,585 | 0.11 |
| INDONESIA (GOVT OF) 12% 15SEP2011 FR22 | 19,000,000,000 | 1,797,805 | 0.11 |
| INDONESIA (GOVT OF) 12% 15SEP2026 FR37 | 20,000,000,000 | 1,876,432 | 0.11 |
| INDONESIA (GOVT OF) 12.5% 15MAR2013 FR33 | 41,000,000,000 | 3,932,787 | 0.23 |
| INDONESIA (GOVT OF) 12.8% 15JUN2021 FR34 | 43,000,000,000 | 4,139,598 | 0.24 |
| INDONESIA (GOVT OF) 12.9% 15JUN2022 FR35 | 46,000,000,000 | 4,462,037 | 0.26 |
| INDONESIA (GOVT OF) 9% 15SEP2018 FR48 | 20,000,000,000 | 1,562,831 | 0.09 |
| INDONESIA (REP OF) 10% 15FEB2028 FR47 | 41,000,000,000 | 3,303,775 | 0.19 |
| INDONESIA (REP OF) 10.25% 15JUL2022 FR43 | 38,000,000,000 | 3,209,991 | 0.19 |
| INDONESIA (REP OF) 11% 15SEP2025 FR40 | 53,000,000,000 | 4,630,954 | 0.27 |
| INDONESIA (REP OF) 9% 15SEP2013 FR49 | 30,000,000,000 | 2,527,160 | 0.15 |
| INDONESIA (REP OF) 9.5% 15JUL2023 FR46 | 62,000,000,000 | 4,905,246 | 0.29 |
| INDONESIA (REP OF) 9.75% 15MAY2037 FR45 | 15,000,000,000 | 1,137,667 | 0.07 |
| INDONESIA GOVERNMENT 10% 15JUL2017 FR28 | 45,000,000,000 | 3,847,447 | 0.23 |
| INDONESIA GOVERNMENT 11% 15OCT2014 FR26 | 54,000,000,000 | 4,843,520 | 0.28 |
| INDONESIA GOVERNMENT 9.5% 15JUN2015 FR27 | 49,000,000,000 | 4,012,759 | 0.24 |
| INDONESIA GOVT 10.25% 15JUL2027 SER FR42 | 62,000,000,000 | 5,156,596 | 0.30 |
| INDONESIA GOVT 11% 15NOV2020 SER FR31 | 40,000,000,000 | 3,472,955 | 0.20 |
| INDONESIA RECAP BD 13.4% 15FEB2011 FR15 | 8,000,000,000 | 783,520 | 0.05 |
| | | 93,661,515 | 5.52 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|--|--------------------------------------|--|--|
| | | USD | (%) |
| MALAYSIA (10.46%) | | | |
| Denominated in MYR | | | |
| ASIA DEVELOPMENT BK 4.265% 25APR2011 MTN | 2,000,000 | 585,855 | 0.03 |
| KHAZ NAS BHD 0% 18JAN2010 | 13,000,000 | 3,615,057 | 0.21 |
| MALAYSIA (GOVT OF) 3.461% 31JUL2013 | 22,000,000 | 6,558,074 | 0.39 |
| MALAYSIA INVESTMENT ISS 3.941% 15JUN2017 | 2,000,000 | 593,675 | 0.04 |
| MALAYSIA INVESTMENT ISS 4.635% 14JUL2011 | 3,500,000 | 1,069,860 | 0.06 |
| MALAYSIA INVESTMENT ISSUE 3.57% 15MAR10 | 12,500,000 | 3,669,146 | 0.22 |
| MALAYSIAN GOVERNMENT 3.502% 31MAY2027 | 16,300,000 | 4,578,904 | 0.27 |
| MALAYSIAN GOVT 3.644% 25AUG2010 1/05 | 17,300,000 | 5,105,857 | 0.30 |
| MALAYSIAN GOVT 3.702% 25FEB2013 3/03 | 42,400,000 | 12,698,871 | 0.75 |
| MALAYSIAN GOVT 3.718% 15JUN2012 5/06 | 50,500,000 | 14,962,702 | 0.88 |
| MALAYSIAN GOVT 3.814% 15FEB2017 SER 0207 | 32,500,000 | 9,821,478 | 0.58 |
| MALAYSIAN GOVT 3.833% 28SEP2011 1/01 | 29,500,000 | 8,798,598 | 0.52 |
| MALAYSIAN GOVT 3.869% 13APR2010 3/06 | 35,000,000 | 10,295,505 | 0.61 |
| MALAYSIAN GOVT 4.24% 7FEB2018 2/03 | 50,000,000 | 15,670,943 | 0.92 |
| MALAYSIAN GOVT 4.262% 15SEP2016 1/06 | 26,300,000 | 8,133,961 | 0.48 |
| MALAYSIAN GOVT 4.709% 15SEP2026 2/06 | 1,000,000 | 328,790 | 0.02 |
| MALAYSIAN GOVT 4.72% 30SEP2015 2/05 | 24,830,000 | 7,859,974 | 0.46 |
| MALAYSIAN GOVT 4.837% 15JUL2025 3/05 | 20,670,000 | 6,964,296 | 0.41 |
| MALAYSIAN GOVT 5.094% 30APR2014 2/04 | 43,000,000 | 13,796,341 | 0.81 |
| MALAYSIAN GOVT 5.248% 15SEP2028 0308 | 9,000,000 | 3,181,354 | 0.19 |
| MALAYSIAN GOVT 5.734% 30JUL2019 3/04 | 20,000,000 | 7,195,873 | 0.42 |
| MALAYSIAN GOVT INV 3.82% 15NOV2016 0603 | 15,000,000 | 4,456,797 | 0.26 |
| MALAYSIAN, GOVT OF 3.756% 28APR2011 | 39,500,000 | 11,672,348 | 0.69 |
| RANTAU ABANG CAP 4.39% 15MAR2011 IMTN | 19,000,000 | 5,668,483 | 0.33 |
| SILTERRA CAPITAL BHD 3.9% 6JUN2014 | 9,000,000 | 2,663,618 | 0.16 |
| SYARIKAT PRASARANA NEGARA 3.8% 30NOV2011 | 5,000,000 | 1,461,851 | 0.09 |
| SYARIKAT PRASARANA NEGARA 4.4% 30MAY2018 | 10,000,000 | 3,027,686 | 0.18 |
| SYKT PRASARANA NEGAR 4.27% 30NOV2016 | 10,000,000 | 3,016,448 | 0.18 |
| | | 177,452,345 | 10.46 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|--|--------------------------------------|--|--|
| | | USD | (%) |
| PHILIPPINES (5.19%) | | | |
| Denominated in PHP | | | |
| PHILIPPINE (GOVT OF) 11.5% 27JAN2010 | 50,000,000 | 1,138,274 | 0.07 |
| PHILIPPINE (GOVT OF) 12.125% 20OCT2025 | 25,000,000 | 628,025 | 0.04 |
| PHILIPPINE (GOVT OF) 5.5% 21FEB2010 3-16 | 438,097,642 | 9,300,835 | 0.55 |
| PHILIPPINE (GOVT OF) 5.875% 31JAN2018 | 50,000,000 | 994,379 | 0.06 |
| PHILIPPINE (GOVT OF) 7.125% 2NOV2013 | 91,000,000 | 1,968,140 | 0.12 |
| PHILIPPINE (GOVT OF) 7.75% 23AUG2017 | 131,000,000 | 2,903,085 | 0.17 |
| PHILIPPINE (GOVT OF) 8.375% 22MAY2015 | 110,000,000 | 2,475,618 | 0.14 |
| PHILIPPINE (GOVT OF) 8.5% 17FEB2009 3-13 | 274,636 | 5,936 | 0.00 |
| PHILIPPINE (GOVT OF) 8.5% 29NOV2032 | 100,000,000 | 1,645,911 | 0.10 |
| PHILIPPINE (GOVT OF) 8.625% 6SEP2027 | 54,000,000 | 1,006,200 | 0.06 |
| PHILIPPINE (GOVT OF) 9.375% 5OCT2031 | 50,000,000 | 919,168 | 0.05 |
| PHILIPPINE (REP OF) 11.375% 23OCT2023 | 30,000,000 | 747,797 | 0.04 |
| PHILIPPINE (REP OF) 6.5% 4OCT2014 | 100,000,000 | 2,108,175 | 0.12 |
| PHILIPPINE GOVT 11.375% 18AUG2012 7-40 | 35,000,000 | 854,117 | 0.05 |
| PHILIPPINE GOVT 11.5% 7APR2010 (5-58) | 73,000,000 | 1,645,120 | 0.10 |
| PHILIPPINE GOVT 11.875% 29MAY2023 20-5 | 96,000,000 | 2,465,054 | 0.14 |
| PHILIPPINE GOVT 12% 15APR2011 7-36 | 150,000,000 | 3,520,885 | 0.21 |
| PHILIPPINE GOVT 12% 22JUL2011 7-37 | 117,000,000 | 2,831,571 | 0.17 |
| PHILIPPINE GOVT 12.375% 24FEB15 1036 | 116,000,000 | 3,080,624 | 0.18 |
| PHILIPPINE GOVT 14.375% 24APR2017 20-1 | 65,500,000 | 1,928,645 | 0.11 |
| PHILIPPINE GOVT BONDS 11.75% 15MAY2013 | 88,000,000 | 2,168,507 | 0.13 |
| PHILIPPINE GOVT BONDS 13% 25APR2012 | 104,000,000 | 2,578,073 | 0.15 |
| PHILIPPINES (REP OF) 10.25% 19JAN2026 | 67,000,000 | 1,502,983 | 0.09 |
| PHILIPPINES (REP OF) 5.75% 21FEB2012 | 445,000,000 | 9,401,668 | 0.55 |
| PHILIPPINES (REP OF) 8% 7DEC2026 2013 | 19,000,000 | 336,476 | 0.02 |
| PHILIPPINES (REP OF) 8.5% 3MAR2011 5-62 | 374,195,535 | 8,303,146 | 0.49 |
| PHILIPPINES (REP OF) 8.75% 3MAR2013 7-43 | 348,148,282 | 7,951,998 | 0.47 |
| PHILIPPINES (REP OF) 9.125% 4SEP2016 | 522,467,977 | 12,352,649 | 0.73 |
| PHILIPPINES (REP OF) 9.25% 12JAN2016 | 54,000,000 | 1,290,957 | 0.08 |
| | | 88,054,016 | 5.19 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|--|--------------------------------------|--|--|
| | | USD | (%) |
| SINGAPORE (14.84%) | | | |
| Denominated in SGD | | | |
| ASIA DEVELOPMENT BK 3.335% 18SEP2011 MTN | 2,000,000 | 1,440,620 | 0.08 |
| HOUSING & DEV BRD 3.455% 1MAR2011 MTN | 2,500,000 | 1,829,120 | 0.11 |
| HOUSING & DEVELOPMENT BRD 3.375% 21APR15 | 4,500,000 | 3,374,711 | 0.20 |
| LAND TRANSPORT AUTH 2.159% 19JUN2013 | 5,000,000 | 3,471,882 | 0.20 |
| LAND TRANSPORT AUTH 2.9% 19JUN2023 | 2,000,000 | 1,352,516 | 0.08 |
| LAND TRANSPORT AUTHORITY 4.08% 21MAY2012 | 3,000,000 | 2,240,048 | 0.13 |
| LAND TRANSPORT AUTHORITY 4.17% 10MAY2016 | 3,000,000 | 2,305,931 | 0.14 |
| LAND TRANSPORT AUTHORITY 4.81% 9JUN2010 | 1,800,000 | 1,310,895 | 0.08 |
| PSA CORP LTD 2.83% 6JUL2015 | 3,000,000 | 2,079,079 | 0.12 |
| PSA CORP LTD 4.91% 15AUG2010 | 8,000,000 | 5,895,050 | 0.35 |
| SINGAPORE (GOVT OF) 1.625% 1APR2013 | 12,300,000 | 8,687,000 | 0.51 |
| SINGAPORE (GOVT OF) 2.5% 1OCT2012 | 11,200,000 | 8,178,531 | 0.48 |
| SINGAPORE (GOVT OF) 2.625% 1APR2012 | 15,600,000 | 11,405,439 | 0.67 |
| SINGAPORE (GOVT OF) 2.875% 1JUL2015 | 5,100,000 | 3,819,979 | 0.22 |
| SINGAPORE (GOVT OF) 3.125% 1FEB2011 | 11,650,000 | 8,585,465 | 0.51 |
| SINGAPORE (GOVT OF) 3.125% 1SEP2022 | 15,800,000 | 12,132,913 | 0.72 |
| SINGAPORE (GOVT OF) 3.5% 1MAR2027 | 19,000,000 | 15,139,161 | 0.89 |
| SINGAPORE GOVERNMENT 2.625% 1APR2010 | 8,500,000 | 6,086,440 | 0.36 |
| SINGAPORE GOVERNMENT 3.25% 1SEP2020 | 18,000,000 | 14,010,392 | 0.83 |
| SINGAPORE, GOVERNMENT OF 3.5% 1JUL2012 | 18,200,000 | 13,844,967 | 0.82 |
| SINGAPORE, GOVERNMENT OF 3.625% 1JUL2011 | 22,500,000 | 16,970,887 | 1.00 |
| SINGAPORE, GOVERNMENT OF 3.625% 1JUL2014 | 31,700,000 | 24,848,740 | 1.46 |
| SINGAPORE, GOVERNMENT OF 3.75% 1SEP2016 | 29,100,000 | 23,185,516 | 1.37 |
| SINGAPORE, GOVERNMENT OF 4% 1SEP2018 | 23,550,000 | 19,401,802 | 1.14 |
| SINGAPORE, GOVERNMENT OF 4.625% 1JUL2010 | 32,050,000 | 24,041,282 | 1.42 |
| SINGAPORE, REPUBLIC OF 2.25% 1JUL2013 | 14,200,000 | 10,352,816 | 0.61 |
| SP POWERASSETS LTD 3.73% EMTN 22OCT10 | 4,100,000 | 2,898,785 | 0.17 |
| SP POWERASSETS LTD 4.84% EMTN 22OCT2018 | 4,100,000 | 2,870,042 | 0.17 |
| | | 251,760,009 | 14.84 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|---|--------------------------------------|--|--|
| | | USD | (%) |
| REPUBLIC OF (SOUTH) KOREA (16.45%) | | | |
| Denominated in KRW | | | |
| KDICB REDEMPTION FUND 4.81% 16AUG2010 | 10,000,000,000 | 8,105,337 | 0.48 |
| KOREA DEVELOPMENT BANK 5% 6JUL09 SER0706 | 10,000,000,000 | 8,071,852 | 0.48 |
| KOREA HIGHWAY CORP 5.1% 14MAR2014 SR 412 | 10,000,000,000 | 7,865,348 | 0.46 |
| KOREA MONETARY STAB 5.1% 29APR2010 8719 | 14,000,000,000 | 11,464,555 | 0.68 |
| KOREA MONETARY STAB 6.13% 26AUG2010 8739 | 8,000,000,000 | 6,662,004 | 0.39 |
| KOREA TREASURY BD 4% 10JUN2010 1006 | 13,000,000,000 | 10,431,587 | 0.61 |
| KOREA TREASURY BD 4.25% 10SEP2014 1409 | 24,600,000,000 | 19,831,298 | 1.17 |
| KOREA TREASURY BD 4.75% 17SEP2013 1309 | 16,000,000,000 | 13,253,121 | 0.78 |
| KOREA TREASURY BD 6.91% 18JUL2011 1107 | 10,000,000,000 | 8,636,810 | 0.51 |
| KOREA TREASURY BOND 4.75% 10MAR2012 1203 | 16,000,000,000 | 13,215,056 | 0.78 |
| KOREA TREASURY BOND 4.75% 10SEP2011 1109 | 26,500,000,000 | 21,855,155 | 1.29 |
| KOREA TREASURY BOND 5% 10MAR2011 1103 | 19,500,000,000 | 16,137,211 | 0.95 |
| KOREA TREASURY BOND 5% 10SEP2016 1609 | 18,000,000,000 | 15,020,709 | 0.88 |
| KOREA TREASURY BOND 5% 26MAR2013 1303 | 9,000,000,000 | 7,490,464 | 0.44 |
| KOREA TREASURY BOND 5.25% 10DEC2010 1012 | 7,000,000,000 | 5,756,538 | 0.34 |
| KOREA TREASURY BOND 5.25% 10JUN2010 1006 | 6,000,000,000 | 4,895,153 | 0.29 |
| KOREA TREASURY BOND 5.25% 10MAR2013 1303 | 13,000,000,000 | 10,995,996 | 0.65 |
| KOREA TREASURY BOND 5.25% 10MAR2027 2703 | 5,000,000,000 | 4,270,548 | 0.25 |
| KOREA TREASURY BOND 5.25% 10SEP2012 1209 | 12,000,000,000 | 10,089,807 | 0.59 |
| KOREA TREASURY BOND 5.25% 10SEP2015 1509 | 18,500,000,000 | 15,719,338 | 0.93 |
| KOREA TREASURY BOND 5.25% 17MAR2014 | 10,000,000,000 | 8,483,416 | 0.50 |
| KOREA TREASURY BOND 5.5% 10JUN2011 1106 | 10,000,000,000 | 8,332,044 | 0.49 |
| KOREA TREASURY BOND 5.5% 10MAR2028 2803 | 7,000,000,000 | 6,245,986 | 0.37 |
| KOREA TREASURY BOND 5.5% 10SEP2017 1709 | 15,000,000,000 | 13,050,888 | 0.77 |
| KOREA TREASURY BOND 5.75% 10DEC2010 1012 | 15,000,000,000 | 12,463,049 | 0.73 |
| KOREA TREASURY BOND 5.75% 10MAR2026 2603 | 7,000,000,000 | 6,303,398 | 0.37 |
| KOREA TREASURY BOND 5.75% 10SEP2018 1809 | 5,000,000,000 | 4,511,590 | 0.27 |
| | | 279,158,258 | 16.45 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|--|--------------------------------------|--|--|
| | | USD | (%) |
| THAILAND (10.32%) | | | |
| Denominated in THB | | | |
| ASIA DEVELOPMENT BANK 5.34% 18SEP2011 | 40,000,000 | 1,223,532 | 0.07 |
| ASIAN DEVELOPMENT BANK 3.87% 24MAY2010 | 20,000,000 | 591,397 | 0.03 |
| BANK OF THAILAND BD 3.7% 24JAN2011 SR3YR | 144,000,000 | 4,348,663 | 0.26 |
| BANK OF THAILAND BOND 3.40625% 16AUG2009 | 13,000,000 | 381,679 | 0.02 |
| METROPOL WATERWORKS AUTH 6.16% 15MAR2010 | 10,000,000 | 305,571 | 0.02 |
| PTT PCL 4.86% 20MAR2015 | 50,000,000 | 1,475,176 | 0.09 |
| PTT PCL 5.79% 12OCT2016 | 82,000,000 | 2,678,659 | 0.16 |
| THAILAND (GOVT OF) 4.5% 9APR2024 | 134,000,000 | 4,466,655 | 0.26 |
| THAILAND (GOVT OF) 5.25% 12MAY2014 | 186,000,000 | 6,318,502 | 0.37 |
| THAILAND (GOVT OF) 5.25% 13JUL2013 | 184,000,000 | 6,136,482 | 0.36 |
| THAILAND (GOVT OF) 5.4% 27JUL2016 | 191,000,000 | 6,736,814 | 0.40 |
| THAILAND (GOVT OF) 5.5% 13MAR2023 | 150,000,000 | 5,542,834 | 0.33 |
| THAILAND GOVT BOND 4.25% 13MAR2013 | 354,000,000 | 11,144,665 | 0.66 |
| THAILAND GOVT BOND 5% 26MAY2017 | 188,000,000 | 6,538,204 | 0.39 |
| THAILAND GOVT BOND 5% 3DEC2014 05-2 | 223,000,000 | 7,455,728 | 0.44 |
| THAILAND GOVT BOND 5.125% 13MAR2018 | 192,000,000 | 6,816,039 | 0.40 |
| THAILAND GOVT BOND 5.5% 13AUG2019 04-5 | 135,000,000 | 4,949,862 | 0.29 |
| THAILAND GOVT BOND 5.625% 12JAN2019 | 196,000,000 | 7,254,789 | 0.43 |
| THAILAND GOVT BOND 5.85% 31MAR2021 06-5 | 253,000,000 | 9,525,305 | 0.56 |
| THAILAND GOVT BOND 6.15% 7JUL2026 06-6 | 235,000,000 | 9,629,214 | 0.57 |
| THAILAND GOVT BOND SER 04-4 4.25%13AUG10 | 221,000,000 | 6,687,375 | 0.39 |
| THAILAND, GOVERNMENT OF 3.875% 7MAR2018 | 125,000,000 | 4,022,644 | 0.24 |
| THAILAND, GOVERNMENT OF 3.875% 9JAN2011 | 118,000,000 | 3,584,892 | 0.21 |
| THAILAND, GOVERNMENT OF 4% 17OCT2013 | 98,000,000 | 3,075,630 | 0.18 |
| THAILAND, GOVERNMENT OF 4.125% 19NOV2009 | 285,000,000 | 8,379,634 | 0.49 |
| THAILAND, GOVERNMENT OF 4.125% 1NOV2012 | 110,000,000 | 3,425,420 | 0.20 |
| THAILAND, GOVERNMENT OF 4.5% 11MAR2012 | 188,000,000 | 5,896,065 | 0.35 |
| THAILAND, GOVERNMENT OF 4.8% 9APR2010 | 135,000,000 | 4,062,072 | 0.24 |
| THAILAND, GOVERNMENT OF 5.125% 8NOV2022 | 51,000,000 | 1,801,516 | 0.11 |
| THAILAND, GOVERNMENT OF 5.375% 30NOV2011 | 193,000,000 | 6,108,311 | 0.36 |
| THAILAND, GOVERNMENT OF 5.375% 3DEC2019 | 149,000,000 | 5,317,085 | 0.31 |
| THAILAND, GOVERNMENT OF 5.5% 18JAN2017 | 103,000,000 | 3,666,247 | 0.22 |
| THAILAND, GOVERNMENT OF 7.2% 7JUL2015 | 96,000,000 | 3,636,734 | 0.21 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

PRIMARY – BY GEOGRAPHY *(Continued)*

| | Holdings at 31st December 2008 | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|---|--------------------------------------|--|--|
| | | USD | (%) |
| THAILAND (10.32%) <i>(Continued)</i> | | | |
| Denominated in THB | | | |
| THAILAND, GOVERNMENT OF 7.5% 5MAR2011 | 178,000,000 | 5,837,386 | 0.34 |
| THAILAND, GOVERNMENT OF 8.25% 5MAR2014 | 160,000,000 | 6,069,144 | 0.36 |
| | | 175,089,925 | 10.32 |
| Total Listed/Quoted Bonds | | 1,667,790,187 | 98.29 |
| Total investments, at cost | | 1,586,690,748 | |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

| | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|------------------------------------|--|--|
| | USD | % |
| DISTRIBUTION OF INVESTMENTS | | |
| (a) By credit rating | | |
| AAA | 238,344,514 | 14.04 |
| AA+ | 12,368,611 | 0.73 |
| AA | 319,186,130 | 18.81 |
| A+ | 46,938,076 | 2.77 |
| A | 632,772,263 | 37.28 |
| AA- | 88,801,751 | 5.22 |
| BBB+ | 381,679 | 0.02 |
| BBB | 4,348,663 | 0.26 |
| BB+ | 7,745,453 | 0.46 |
| BB | 163,340,005 | 9.62 |
| B+ | 7,401,690 | 0.44 |
| BB- | 396,812 | 0.02 |
| Non-rated | 145,764,540 | 8.62 |
| | 1,667,790,187 | 98.29 |
| Total listed/quoted bonds | 1,667,790,187 | 98.29 |
| (b) By Asset Class | | |
| Bonds | 1,667,790,187 | 98.29 |
| | 1,667,790,187 | 98.29 |

INVESTMENT PORTFOLIO *(Continued)*

As at 31st December 2008 (Unaudited)

Top Ten Holdings

| | Fair value at 31st December 2008 | Percentage of total net assets at 31st December 2008 |
|--|--|--|
| | USD | % |
| SINGAPORE, GOVERNMENT OF 3.625% 1JUL2014 | 24,848,740 | 1.46 |
| SINGAPORE, GOVERNMENT OF 4.625% 1JUL2010 | 24,041,282 | 1.42 |
| SINGAPORE, GOVERNMENT OF 3.75% 1SEP2016 | 23,185,516 | 1.37 |
| KOREA TREASURY BOND 4.75% 10SEP2011 1109 | 21,855,155 | 1.29 |
| KOREA TREASURY BD 4.25% 10SEP2014 1409 | 19,831,298 | 1.17 |
| SINGAPORE, GOVERNMENT OF 4% 1SEP2018 | 19,401,802 | 1.14 |
| CHINA (GOVT OF) 3.53% 16JUL2010 0711 | 16,975,465 | 1.00 |
| SINGAPORE, GOVERNMENT OF 3.625% 1JUL2011 | 16,970,887 | 1.00 |
| KOREA TREASURY BOND 5% 10MAR2011 1103 | 16,137,211 | 0.95 |
| KOREA TREASURY BOND 5.25% 10SEP2015 1509 | 15,719,338 | 0.93 |
| | 198,966,694 | 11.73 |
| | 198,966,694 | 11.73 |

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS

For the period from 1st July 2008 to 31st December 2008 (Unaudited)

| | Percentage of total net assets at 31st December 2008 | Percentage of total net assets at 30th June 2008 |
|--|---|---|
| Listed/Quoted Investments | | |
| Debt securities | | |
| China | 16.64 | 14.94 |
| Hong Kong | 18.87 | 20.21 |
| Indonesia | 5.52 | 6.37 |
| Korea | 16.45 | 16.86 |
| Malaysia | 10.46 | 10.81 |
| Philippines | 5.19 | 4.73 |
| Singapore | 14.84 | 15.82 |
| Thailand | 10.32 | 10.25 |
| | <hr/> | <hr/> |
| Total listed/quoted debt securities | 98.29 | 99.99 |
| | <hr/> <hr/> | <hr/> <hr/> |

ADMINISTRATION AND MANAGEMENT

Directors of the Manager

Bernard Patrick Reilly
Hon Wing Cheung
Sheau-Yien Wang

Members of the Supervisory Committee

Mr. Ric Battellino
Mr. Mu Huaipeng
Mr. Peter Pang
Mr. Budi Mulya
Mr. Akinari Horii
Dr., Mr. Gwang-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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Singapore 049320

Custodian, Administrator, Registrar and Receiving Agent

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Hong Kong

Manager

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Limited

Singapore office:
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#33-01 Capital Tower
Singapore 068912

Hong Kong branch office:
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Central
Hong Kong

Processing Agent

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Hong Kong

Auditors

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