

**LYXOR ETF MSCI TAIWAN**

**UNAUDITED SEMI ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the period from February 28, 2009 to August 31, 2009**

## LYXOR ETF MSCI TAIWAN

### CONTENTS

	<b>Pages</b>
Administration	1
Balance sheet	2
Income statement	3
Statement of changes in net assets attributable to holders of redeemable participating units	4
Cash flow statement	5
Notes to the financial statements	6 – 23
Schedule of investments	24 – 25
Distribution statement	26
Statement of movements in schedule of investments	27 – 28
Performance table	29

## LYXOR ETF MSCI TAIWAN

### ADMINISTRATION

#### **Manager**

Lyxor International Asset Management  
Tour Société Générale  
17 Cours Valmy  
92987 Paris-La Défense  
France

#### **Depository bank and Registrar**

Société Générale  
29 boulevard Haussmann  
75009 Paris  
France

#### **Administrative Agent**

SGSS France  
10, passage de l'Arche  
Immeuble Colline Sud  
92034 Paris La Défense  
France

#### **Auditors**

PricewaterhouseCoopers Audit  
63, rue de Villiers  
92208 Neuilly-sur-Seine  
France

#### **Singapore Representative**

RBC Dexia Trust Services Singapore Limited  
20 Cecil Street  
Equity Plaza #28-01  
Singapore 049705

LYXOR ETF MSCI TAIWAN

**BALANCE SHEET  
AS AT AUGUST 31, 2009**

	Note	AUGUST 31, 2009 USD	FEBRUARY 27, 2009 USD
<b>Assets</b>			
Investments		95,607,313.54	53,014,751.31
Swap		6,136,873.32	1,221,848.11
<b>Financial assets at fair value through profit or loss</b>	<b>2(d)</b>	<b>101,744,186.86</b>	<b>54,236,599.42</b>
Cash at bank		566,152.12	0.00
Receivable on pending trades		2,195,596.33	0.00
<b>Total assets</b>		<b>104,505,935.31</b>	<b>54,236,599.42</b>
<b>Liabilities</b>			
Provision for management fees	3	56,255.74	56,710.72
Payable on pending trades		2,761,748.44	0.00
Accrued expenses and other payables		0.00	0.00
<b>Liabilities (excluding net assets attributable to holders of redeemable participating units)</b>		<b>2,818,004.18</b>	<b>56,710.72</b>
<b>Net assets attributable to holders of redeemable participating units</b>		<b>101,687,931.13</b>	<b>54,179,888.70</b>
<b>Total Liabilities</b>		<b>104,505,935.31</b>	<b>54,236,599.42</b>

The accompanying notes form an integral part of these financial statements.

LYXOR ETF MSCI TAIWAN

INCOME STATEMENT  
FOR THE PERIOD FROM FEBRUARY 28, 2009 TO AUGUST 31, 2009

	Note	AUGUST 31, 2009 USD	FEBRUARY 27, 2009 USD
<b>Income</b>			
Gross Dividend Income	2 (g)	0.00	22,280.70
Interest income		3,270,091.32	0.00
Realised gain / (loss) on investments		2,816,461.76	(43,283,462.64)
Realised gain / (loss) on derivative financial instruments		470,884.27	63,076.95
Net change in unrealised gain/(loss) on investments		22,330,487.65	(8,879,573.56)
Net change in unrealised gain/(loss) on derivative financial instruments		610,391.59	(401,855.09)
<b>Net gain / (loss) on financial assets at fair value through profit or loss</b>	<b>2(d)</b>	<b>26,228,225.27</b>	<b>(52,501,814.34)</b>
<b>Total Investment Income / (loss)</b>		<b>29,498,316.59</b>	<b>(52,479,533.64)</b>
<b>Expenses</b>			
Interest expense		0.00	0.00
Management and other fees	3	(274,996.74)	(407,528.98)
<b>Total Operating expenses</b>		<b>(274,996.74)</b>	<b>(407,528.98)</b>
<b>Operating profit / (loss)</b>		<b>29,223,319.85</b>	<b>(52,887,062.62)</b>
<b>Finance costs</b>			
Distributions to holders of redeemable participating units	4	(3,667,140.90)	(1,338,681.10)
<b>Total Finance costs</b>		<b>(3,667,140.90)</b>	<b>(1,338,681.10)</b>
<b>Increase / (decrease) in net assets attributable to holders of redeemable participating units from operations</b>		<b>25,556,178.95</b>	<b>(54,225,743.72)</b>

The accompanying notes form an integral part of these financial statements.

LYXOR ETF MSCI TAIWAN

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE  
TO HOLDERS OF REDEEMABLE PARTICIPATING UNITS  
FOR THE PERIOD FROM FEBRUARY 28, 2009 TO AUGUST 31, 2009

	Note	AUGUST 31, 2009 USD	FEBRUARY 27, 2009 USD
Net assets attributable to holders of redeemable participating units at 1 March 2009		54,179,888.70	34,025,581.49
Proceeds from redeemable participating units issued	6	26,769,863.48	74,380,052.00
Redemptions of redeemable participating units	6	(4,818,000.00)	(1.07)
<b>Total</b>		<b>76,131,752.18</b>	<b>108,405,632.42</b>
Distribution to holders of redeemable participating units	4	(3,667,140.90)	(1,338,681.10)
Operating profit / (loss)		29,223,319.85	(52,887,062.62)
<b>Net assets attributable to holders of redeemable participating units at the end of period</b>	7	<b>101,687,931.13</b>	<b>54,179,888.70</b>

The accompanying notes form an integral part of these financial statements.

LYXOR ETF MSCI TAIWAN

CASH FLOW STATEMENT  
FOR THE PERIOD FROM FEBRUARY 28, 2009 TO AUGUST 31, 2009

	AUGUST 31, 2009 USD	FEBRUARY 27, 2009 USD
<b>Cash flows from operating activities</b>		
Purchase of financial assets and settlement of financial liabilities	(336,218,397.96)	(500,585,206.34)
Proceeds from sale of investments	319,365,516.76	426,171,811.16
Proceeds from derivative financial instruments	(3,833,749.35)	1,730,956.53
Net proceeds from forward foreign exchange contracts	0.00	0.00
Interest received	3,270,549.23	0.00
Amount received to brokers	0.00	0.00
Dividend received	0.00	22,280.70
Operating expenses paid	(275,451.72)	(381,328.42)
<b>Net cash (outflow) / inflow from operating activities</b>	<b>(17,691,533.04)</b>	<b>(73,041,486.37)</b>
<b>Cash flows from financing activities</b>		
Distributions paid to holders of redeemable shares	(3,667,140.90)	(1,338,681.10)
Net proceeds from short term borrowings	(27,037.42)	0.00
Proceeds from redeemable shares	26,769,863.48	74,380,052.00
Redemptions of redeemable shares	(4,818,000.00)	(1.07)
<b>Net cash (outflow) / inflow from financing activities</b>	<b>18,257,685.16</b>	<b>73,041,369.83</b>
<b>Net increase / (decrease) in cash and cashequivalents</b>	<b>566,152.12</b>	<b>(116.54)</b>
<b>Cash and cash equivalents at February 27, 2009</b>	<b>0.00</b>	<b>116.54</b>
<b>Cash and cash equivalents at August 31, 2009</b>	<b>566,152.12</b>	<b>0.00</b>

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

**1 Fund's principal activity**

Lyxor ETF MSCI Taiwan ("the Fund") is an open-ended standalone collective investment scheme constituted outside Singapore and recognized under Section 287 of the SFA. The Fund is a fonds commun de placement ("FCP") approved by the French financial markets authority, namely the Autorité des Marchés Financiers ("AMF" or the "Financial Markets Authority"), on 21 November 2006 and established in France on 13 February 2007. The Fund is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

Following French regulation, the Fund is publishing its financial statements in accordance with French GAAP and in French language. The following IFRS financial statements have been prepared for the purpose of the Fund's listing in Singapore.

*Investment objective*

The Fund's investment objective is to gain exposure to the Taiwanese equities market by replicating movements in MSCI TAIWANTM (the "Index") while minimizing as far as possible the tracking error between the Fund's performance and that of the Index.

The Fund aims to achieve a tracking error, calculated over a period of 52 weeks, of less than 1%. Should the tracking error be higher than 1%, however, the Fund still aims to achieve a rate of tracking error that is less than 5% of the volatility of Index.

*Investment policy*

In order to provide the greatest possible correlation between the Fund's performance with the performance of the Index, the Fund may purchase :

- (i) a basket of international and Euro zone shares from all economic sectors and listed on any recognised exchange including the small capitalisation markets (the "Basket of Stocks");
- (ii) and subject to a limit of 10% of the Fund's assets (as further described in paragraph 7.6 of the prospectus of the Fund ("the Prospectus")), financial derivative instruments on equities and indices negotiated over-the-counter. In particular, the Manager currently intends to enter into swap agreements (the "Swaps") with a counterparty selected by the Manager. The Swaps would essentially exchange the performance of the Index with that of the Basket of Stocks such that the counterparty or the Fund will be required to provide the other with the difference (if any) between (a) the performance of the Index (with cumulated net dividend) and (b) the performance of the Basket of Stocks.

As part of the management of the Basket of Stocks, the Fund qualifies for the special investment ratios applicable to index-based UCITS under the applicable laws in that an index-based UCITS is entitled to use a maximum of 20% of its assets to acquire shares of a single issuing entity, and this 20% limit can be increased to 35% for one of such single issuing entities which the index-based UCITS invests in.

The Fund, nonetheless, currently intends only to invest in accordance with the standard investment restrictions of 10% in a single issuing entity.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**2 Principal accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below.

**(a) Basis of preparations**

These financial statements have been prepared on the historical cost basis modified by the revaluation of financial assets and liabilities to fair value and in accordance with International Financial Reporting Standards. The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates included in the financial statements.

All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating units unless otherwise stated.

***Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Fund:***

- IFRS 8 'Operating Segments' ('IFRS 8'), which replaces IAS 14 'Segment Reporting' ('IAS 14'), was issued on November 30, 2006 and is effective for annual periods beginning on or after January 1, 2009. This standard specifies how an entity should report information about its operating segments, based on information about the components of the entity that management uses to make operating decisions;
- Amendment to IAS 23, 'Borrowing Costs' (effective from January 1, 2009);
- Amendment to IAS 32, 'Financial instruments: Presentation' and IAS 1, 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (the amendment) (effective from January 1, 2009).
- IAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009). The amendment is part of the IASB's annual improvement project published in May 2008. The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading is also amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short term profit taking is included in such a portfolio on initial recognition. The Fund will apply IAS 39 (Amendment) from January 1, 2009.

However, it is not expected to have an impact on the Fund's income statement.

- IAS 1 (Revised), 'Presentation of financial statements' (effective from January 1, 2009). The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

performance statement but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period. The Fund will apply IAS 1 (Revised) from January 1, 2009 and it is likely the Fund will present solely a statement of comprehensive income. This change is not expected to significantly change in the presentation of the Fund's performance statement.

- IAS 1 (Amendment), 'Presentation of financial statements' (effective from January 1, 2009). The amendment is part of the IASB's annual improvement project published in May 2008. The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39, 'Financial instruments : Recognition and measurement', are examples of current assets and liabilities respectively. The Fund will apply the amendments from January 1, 2009. However, it is not expected to have an impact on the Fund's financial statements.

There are a number of minor amendments to IFRS 7, 'Financial instruments : Disclosures'; IAS 8, 'Accounting policies, changes in accounting estimates and errors'; IAS 10, 'Events after the reporting period' and IAS 18, 'Revenue' (all effective from January 1, 2009), which are part of the IASB's annual improvement project published in May 2008 (not addressed above). These amendments are unlikely to have an impact on the Fund's accounts and have therefore not been analysed in detail.

***Standards, amendments and interpretations that are not yet effective and not relevant for the Fund's operations:***

The following interpretations are mandatory for the Fund's accounting periods beginning on or after 1 July 2008 or later periods but are not relevant for the Fund's operations :

- IFRIC 13, 'Customer loyalty programmes' (effective from July 1, 2008);
- IAS 27 (Revised), 'Consolidated and separate financial statements' (effective from 1 July 2009);
- IFRIC 15, 'Agreements for construction of real estates' (effective from 1 Janua2009);
- IFRIC 16, 'Hedges of a net investment in a foreign operation'(effective from 1 October 2008);

**(b) Segment reporting**

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

The Fund is invested in securities traded on regulated markets and in a performance Swap (“Swap”). In addition, the Cash and cash equivalent is managed so as always be more or less equal to nil. It is therefore not relevant to proceed to a segment analysis.

**(c) Functional and presentation currency**

Items included in the Fund’s financial statements are measured using the primary currency used by investors to subscribe in the Fund. The financial statements are presented in USD, which is the Fund’s functional and presentation currency.

**(d) Financial assets and liabilities at fair value through profit or loss**

The Fund invests in an equity basket and a performance swap. The basket is composed of european and international equities. The Swap consists in swapping the performance of this basket against the MSCI TAIWANTM performance.

*Classification*

Financial assets and liabilities have been designated by management at fair value through profit or loss at inception.

*Recognition*

Regular-way purchases and sales of investments are recognised on trade date – the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value, and transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed as incurred.

*Measurement*

Gains and losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are included in the income statement in the period in which they arise.

*Fair value estimation*

Listed investments (ie: equities of the basket) are valued at the official close of business bid price on the principal regulated market.

The swap is valued at its fair market value as determined in good faith by the Counterparty using a pricing methodology taking into account observable market data such as time value, intrinsic value, interest rates and dividends, and non observable market data such as correlation between the constituents of the Basket of Stocks and volatility.

The Manager is checking the swap price, using its own pricing methodology which consists in computing a set of parameters (observable traditional market datas such as interest rates, non observable implicit datas such as volatility and correlation) in an independent pricing tool (which is also commonly used by market participants). The pricing is conducted by a dedicated team.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

The resulting unrealised gains and losses on investments are recognised in the income statement. Security transactions are accounted for on the trade date (the date on which the order to buy or sell is executed). Realised gains and losses on sales of securities are calculated on an average cost basis and are recorded in the income statement.

**(e) Foreign exchange**

The exchange rate used to value instruments in currency is the close fixing WM Reuters of the day before the valuation day.

Foreign currency transactions are translated into USD using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the income statement and included in realised and unrealised gains/(loss) on investments.

**(f) Accrued expenses**

All expenses are accounted for on an accrual basis.

**(g) Interest income and dividend income**

Dividend on equity is credited to Dividend Income in the income statement when the security is quoted at ex-dividend.

**(h) Redeemable participating units**

The Fund issues redeemable units, which are redeemable at the holder's option and are classified as financial liabilities in accordance with IAS 32, 'Financial Instruments - Presentation'. Redeemable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The redeemable unit is carried at the redemption amount that is payable at the balance sheet date if the holder exercises the right to put the unit back to the Fund.

Redeemable units are issued and redeemed at the holder's option at prices based on the Fund's net assets value per unit at the time of issue or redemption. The Fund's net asset value per unit is calculated by dividing the net assets attributable to the holders of redeemable units with the total number of outstanding redeemable units. In accordance with the provisions of the Fund's regulations, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for subscriptions and redemptions.

The Manager of the Fund has not yet analyzed the effects of the Amendment to IAS 32, 'Puttable Financial instruments and Obligations Arising on Liquidation' (effective from January 1, 2009) on the accounts.

## LYXOR ETF MSCI TAIWAN

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### (i) **Proceeds and payments on issue and redemption of units**

The net asset value of the Fund is computed daily.

Prices for issues and redemptions are based on the latest available underlying prices on the day immediately preceding the valuation day (usually the underlying closing prices).

Proceeds and payments for units issued and redeemed during fund life are shown as movements in the statement of changes in net assets attributable to holders of redeemable participating units

#### (j) **Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise bank balances net of bank overdrafts.

### **3 Fees**

#### **Management fees**

The operating expenses supported by the Fund represent 0.65 percent per annum of the net assets. As at August 31, 2009, management fees are USD 274,996.74 and provision for management fees USD 56,255.74.

These expenses recover all the expenses invoiced directly to the fund, with the exception of transaction fees. Transaction fees include the expenses of brokerage (courtage, stock exchange taxes) and the movement commission, if necessary, which can be notably perceived by the depositary and the management company. Other expenses may be included:

- commissions on flows invoiced to the Fund;
- a share of income of the temporary transactions of acquisitions and sale of securities.

Lyxor International Asset Management is not entitled to receive commissions in kind either for his account or for a third party.

### **4 Distributions payable to holders of redeemable shares**

Proposed distributions to holders of redeemable shares are recognised in the income statement when they are ratified by the Annual General Meeting. The distribution on these redeemable shares is recognised in the income statement as finance cost.

### **5 Bank loans, overdrafts and other borrowings**

There are no bank loans, overdrafts and other borrowings as at August 31, 2009.

LYXOR ETF MSCI TAIWAN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**6 Units in issue**

	<b>For the period from February 27, 2009 to August 31, 2009</b>	<b>For the year ended February 27, 2009</b>
Units outstanding at the beginning of the period	82,662,830.000	28,412,831.000
Units issued	10,250,000.000	54,250,000.000
Units redeemed	(7,300,000.000)	(1.000)
Units outstanding at the end of the period	85,612,830.000	82,662,830.000

**7 Net asset value per unit**

	<b>As at August 31, 2009</b>	<b>As at February 27, 2009</b>
Net assets attributable to holders of Redeemable participating units (share A)	62,604,100.77	42,282,254.95
Net assets attributable to holders of Redeemable participating units (share B)	35,188,154.83	9,262,661.05
Net assets attributable to holders of Redeemable participating units (share E)	3,895,675.60	2,634,972.70
Number of units in issue (share A)	80,612,830.000	80,412,830.000
Number of units in issue (share B)	4,500,000.000	1,750,000.000
Number of units in issue (share E)	500,000.000	500,000.000
Net asset value per unit (share A)	0.77	0.52
Net asset value per unit (share B)	7.81	5.29
Net asset value per unit (share E)	7.79	5.26

**8 Transactions with Manager and its connected persons**

- (a) Investment transactions with connected persons of the Manager

## LYXOR ETF MSCI TAIWAN

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The following is a summary of the transactions entered into during the period between the Fund and the Manager, and its connected persons:

Name of company	Aggregate value of purchases and sales of securities USD	% of the Fund's total transactions	% of the Fund's total commission paid in the year	Average rate of commission %
-----------------	----------------------------------------------------------------------	------------------------------------------	------------------------------------------------------------	---------------------------------------

For the period from February 27, 2009 to August 31, 2009

Société Générale	655,583,914.72	100.00	0.00	0.00
------------------	----------------	--------	------	------

Year ended February 27, 2009

Société Générale	925,494,150.53	100.00	0.00	0.00
------------------	----------------	--------	------	------

As at August 31, 2009, the equity linked swap concluded with Société Générale has a market value of USD 6,136,873.32.

The Manager, Lyxor International Asset Management, is also a 100% subsidiary of Société Générale.

(b) The Fund utilises the brokerage, custodian, agency and banking services of Société Générale, connected persons of the Manager.

#### **9 Soft commission arrangements**

During the year, the Manager and its connected persons did not enter into any soft commission arrangements with brokers.

#### **10 Stock lending arrangements**

There are no stock-lending arrangements.

#### **11 Commitments**

There are no commitments.

#### **12 Negotiability of assets**

The Fund's assets are not restricted by statutory or contractual requirements and therefore are freely negotiable.

#### **13 Contingent liabilities**

There are no contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**14 Post-balance sheet event**

There are no post-balance sheet events.

**15 Risk factors**

The following summary is not intended to be a comprehensive outline of all risks and investors should refer to the Prospectus for a more detailed discussion of the risks inherent in investing in the Fund.

The general risks of investing in the Fund are as follows:

- (a) while the Manager believes that the Fund offers income revenue and potential for capital appreciation, no assurance can be given that these objectives will be achieved. Prospective investors should read this Prospectus and discuss all risks with their financial and legal advisers before making an investment decision;
- (b) investors may not get back their original investment. Investments in the Fund are not suitable for short term speculation;
- (c) prospective investors should be aware that the price of Units may go down as well as up in response to changes in interest rates, foreign exchange, economic and political conditions and the financial condition of issuers whose securities are in the Index; and
- (d) dealings in the Units and the calculation of the NAV thereof may be suspended or deferred in certain circumstances.

The specific risks of investing in the Fund are as follows :

*Market and Equity risk*

The Fund's NAV and trading prices will react to securities markets movements. Investors may lose money over short periods due to fluctuation in the Fund's NAV and trading price in response to market movements, and over longer periods during market downturns.

Notwithstanding the composition of the investment portfolio, the Fund is entirely exposed through the swap to the MSCI TAIWANTM, and is therefore exposed to 100% of market risks linked to movements in equities comprised in the Index. Unitholders are thus exposed to any declines in the Index. The Fund therefore carries an equity high risk profile.

The Fund's investments in the Taiwanese market and its exposure to this market may involve a greater risk of potential losses than investments or exposure to developed markets, notably arising from higher market volatility, a lower trading volume in the relevant assets, possible economic and/or political instability, risks of market closure or government restrictions on foreign investment.



**LYXOR ETF MSCI TAIWAN**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

As at August 31, 2009, the composition of the MSCI TAIWAN™ is as follows.

<b>Name</b>	<b>Ticker</b>	<b>% weight in the index</b>
Acer Inc	2353 TT Equity	1.853017
Advanced Semiconductor Engineering Inc	2311 TT Equity	1.030504
Advantech Co Ltd	2395 TT Equity	0.158147
Asia Cement Corp	1102 TT Equity	0.533827
Asustek Computer Inc	2357 TT Equity	2.170422
AU Optronics Corp	2409 TT Equity	2.05595
Capital Securities Corp	6005 TT Equity	0.157716
Catcher Technology Co Ltd	2474 TT Equity	0.395312
Cathay Financial Holding Co Ltd	2882 TT Equity	3.193984
Chang Hwa Commercial Bank	2801 TT Equity	0.680055
Cheng Shin Rubber Industry Co Ltd	2105 TT Equity	0.522246
Cheng Uei Precision Industry Co Ltd	2392 TT Equity	0.201644
Chi Mei Optoelectronics Corp	3009 TT Equity	0.72191
Chicony Electronics Co Ltd	2385 TT Equity	0.2543
China Airlines Ltd	2610 TT Equity	0.17836
China Development Financial Holding Corp	2883 TT Equity	0.78325
China Steel Corp	2002 TT Equity	2.685051
Chinatrust Financial Holding Co Ltd	2891 TT Equity	1.6286
Chinese Gamer International Corp	3083 TT Equity	0.155688
Chunghwa Picture Tubes	2475 TT Equity	0.310701
Chunghwa Telecom Co Ltd	2412 TT Equity	2.761541
Clevo Co	2362 TT Equity	0.191954
CMC Magnetics Corp	2323 TT Equity	0.186871
Compal Communications Inc	8078 TT Equity	0.125057
Compal Electronics Inc	2324 TT Equity	1.342947
Coretronic Corp	5371 TT Equity	0.234937
CSBC Corp Taiwan	2208 TT Equity	0.107753
Delta Electronics Inc	2308 TT Equity	1.406681
E.Sun Financial Holding Co Ltd	2884 TT Equity	0.386447
Epistar Corp	2448 TT Equity	0.585207
Eternal Chemical Co Ltd	1717 TT Equity	0.163142
Eva Airways Corp	2618 TT Equity	0.157321
Evergreen International Storage & Transp	2607 TT Equity	0.1114
Evergreen Marine Corp Taiwan Ltd	2603 TT Equity	0.167756
Everlight Electronics Co Ltd	2393 TT Equity	0.268183
Far Eastern Department Stores Co Ltd	2903 TT Equity	0.277424
Far Eastern New Century Corp	1402 TT Equity	1.020586
Far EasTone Telecommunications Co Ltd	4904 TT Equity	0.540971
Farglory Land Development Co Ltd	5522 TT Equity	0.164363
Feng Hsin Iron & Steel Co	2015 TT Equity	0.205308
First Financial Holding Co Ltd	2892 TT Equity	0.867936

**LYXOR ETF MSCI TAIWAN**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

<b>Name</b>	<b>Ticker</b>	<b>% weight in the index</b>
Formosa Chemicals & Fibre Corp	1326 TT Equity	1.617961
Formosa International Hotels Corp	2707 TT Equity	0.13828
Formosa Petrochemical Corp	6505 TT Equity	0.924204
Formosa Plastics Corp	1301 TT Equity	2.368102
Formosa Sumco Technology Corp	3532 TT Equity	0.136735
Formosa Taffeta Co Ltd	1434 TT Equity	0.165219
Foxconn Technology Co Ltd	2354 TT Equity	0.608086
Fubon Financial Holding Co Ltd	2881 TT Equity	1.579613
Giant Manufacturing Co Ltd	9921 TT Equity	0.211176
Global Unichip Corp	3443 TT Equity	0.095989
HannStar Display Corp	6116 TT Equity	0.257859
HON HAI Precision Industry Co Ltd	2317 TT Equity	9.486834
HTC Corp	2498 TT Equity	2.0286
Hua Nan Financial Holdings Co Ltd	2880 TT Equity	0.636536
InnoLux Display Corp	3481 TT Equity	0.867512
Inotera Memories Inc	3474 TT Equity	0.300121
Inventec Co Ltd	2356 TT Equity	0.315233
KGI Securities Co Ltd	6008 TT Equity	0.437567
Kinsus Interconnect Technology Corp	3189 TT Equity	0.192053
Largan Precision Co Ltd	3008 TT Equity	0.350969
Lite-On Technology Corp	2301 TT Equity	0.813096
Macronix International	2337 TT Equity	0.507412
MediaTek Inc	2454 TT Equity	3.933724
Mega Financial Holding Co Ltd	2886 TT Equity	1.357555
Micro-Star International Co Ltd	2377 TT Equity	0.171798
Mitac International	2315 TT Equity	0.157041
Motech Industries Inc	6244 TT Equity	0.216889
Nan Ya Plastics Corp	1303 TT Equity	2.598622
Nan Ya Printed Circuit Board Corp	8046 TT Equity	0.179275
Nanya Technology Corp	2408 TT Equity	0.189858
Novatek Microelectronics Corp Ltd	3034 TT Equity	0.334547
Phison Electronics Corp	8299 TT Equity	0.220256
Pixart Imaging Inc	3227 TT Equity	0.20906
Polaris Securities Co Ltd	2854 TT Equity	0.339514
Pou Chen Corp	9904 TT Equity	0.4559
Powerchip Semiconductor Corp	5346 TT Equity	0.26507
Powertech Technology Inc	6239 TT Equity	0.471714
President Chain Store Corp	2912 TT Equity	0.353666
Prime View International Co Ltd	8069 TT Equity	0.187373
Qisda Corp	2352 TT Equity	0.272622
Quanta Computer Inc	2382 TT Equity	1.266316
Realtek Semiconductor Corp	2379 TT Equity	0.265985
Richtek Technology Corp	6286 TT Equity	0.309842

**LYXOR ETF MSCI TAIWAN**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

<b>Name</b>	<b>Ticker</b>	<b>% weight in the index</b>
Ruentex Industries Ltd	2915 TT Equity	0.218502
Shin Kong Financial Holding Co Ltd	2888 TT Equity	0.659698
Siliconware Precision Industries Co	2325 TT Equity	1.158785
Simplo Technology Co Ltd	6121 TT Equity	0.30095
Sincere Navigation	2605 TT Equity	0.099787
Sino-American Silicon Products Inc	5483 TT Equity	0.165151
SinoPac Financial Holdings Co Ltd	2890 TT Equity	0.668056
Synnex Technology International Corp	2347 TT Equity	0.63452
Taishin Financial Holding Co Ltd	2887 TT Equity	0.505119
Taiwan Business Bank	2834 TT Equity	0.159705
Taiwan Cement Corp	1101 TT Equity	0.949624
Taiwan Cooperative Bank	5854 TT Equity	0.657904
Taiwan Fertilizer Co Ltd	1722 TT Equity	0.733621
Taiwan Glass Industrial Corp	1802 TT Equity	0.217672
Taiwan Mobile Co Ltd	3045 TT Equity	1.014753
Taiwan Secom Co Ltd	9917 TT Equity	0.122118
Tatung Co Ltd	2371 TT Equity	0.324007
Teco Electric and Machinery Co Ltd	1504 TT Equity	0.21887
Transcend Information Inc	2451 TT Equity	0.315646
Tripod Technology Corp	3044 TT Equity	0.298861
TSMC	2330 TT Equity	13.55421
TSRC Corp	2103 TT Equity	0.165803
Tung Ho Steel Enterprise Corp	2006 TT Equity	0.212372
U-Ming Marine Transport Corp	2606 TT Equity	0.244351
Uni-President Enterprises Corp	1216 TT Equity	1.146684
Unimicron Technology Corp	3037 TT Equity	0.310196
United Microelectronics Corp	2303 TT Equity	1.785145
Vanguard International Semiconductor Cor	5347 TT Equity	0.103686
Via Technologies Inc	2388 TT Equity	0.062882
Walsin Lihwa Corp	1605 TT Equity	0.278386
Wan Hai Lines Ltd	2615 TT Equity	0.157254
Winbond Electronics Corp	2344 TT Equity	0.158207
Wintek Corp	2384 TT Equity	0.203981
Wistron Corp	3231 TT Equity	0.893302
WPG Holdings Co Ltd	3702 TT Equity	0.27037
Yang Ming Marine Transport Corp	2609 TT Equity	0.141375
Young Fast Optoelectronics Co Ltd	3622 TT Equity	0.283888
Yuanta Financial Holding Co Ltd	2885 TT Equity	1.549125
Yulon Motor Co Ltd	2201 TT Equity	0.315181

Market risks are controlled by the Manager through tracking error monitoring on a daily basis.

**LYXOR ETF MSCI TAIWAN**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

The overall market exposures were as follows:

<b>At August 31, 2009</b>	<b>Fair Value</b>	<b>% Net Assets</b>
Equities at fair value through profit and loss	95,607,313.54	94.02%
Derivative assets at fair value through profit and loss	6,136,873.32	6.04%
Derivate liabilities held for trading	-	-
Securities designated at fair value through profit or loss	-	-
Securities sold short	-	-
	101,744,186.86	100.06%

<b>At February 27, 2009</b>	<b>Fair Value</b>	<b>% Net Assets</b>
Equities at fair value through profit and loss	53,014,751.31	97.85%
Derivative assets at fair value through profit and loss	1,221,848.11	2.26%
Derivate liabilities held for trading	-	-
Securities designated at fair value through profit or loss	-	-
Securities sold short	-	-

*Tracking error risk*

Changes in the NAV of the Fund are unlikely to replicate exactly changes in the Index. Factors such as fees and expenses of the Fund, liquidity of the market, imperfect correlation of returns between the Fund's securities and those in the Index, changes to the Index and regulatory policies may affect the Manager's ability to achieve close correlation with the Index. Imperfect correlation between the returns of portfolio securities and the Index is more likely to happen to the extent that the Fund invests in securities that are Non-Index Securities or invests in those Index Securities with different weighting from that of the Index. The Fund's returns may therefore deviate from those of the Index. In addition, a fall in the Index may result in a corresponding fall in the NAV of the Fund.

The tracking error objective calculated over a period of 52 weeks is less than 1%. If the tracking error exceeds 1% nonetheless, the objective is to remain below 5% of the volatility of the MSCI TAIWANTM index.

The tracking error as at August 31, 2009 is 0.44566 %.

*Credit risk, counterparty risk and settlement risk*

Credit risk, is the risk that a counterparty will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the balance sheet, if any.

## LYXOR ETF MSCI TAIWAN

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Counterparty risk is the risk that the party trading with the Fund will be unable to meet its obligation to make payments or to settle a trade by the counterparty.

The Fund also bears the risk that the settlement fails for whatever reason.

To minimize those risks, Société Générale has been selected as the only counterparty of the Resetable Swap. As of August 31, 2009, Société Générale had a credit rating of A+ from Standard & Poor's.

#### *Foreign exchange risk*

Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency. As the Index replicated by the Fund is calculated in Taiwanese dollars, its constituents are quoted in Taiwanese dollars and the Units are denominated in USD, the Fund and its Holders will be exposed to the fluctuation of the exchange rates for Taiwanese dollars and US dollars.

As the Fund primarily intends to provide investment results that track that of the Index, the Fund does not have a hedging policy and does not intend to enter into any foreign exchange contract in this respect. As far as the Manager or its directors are aware, there is currently no foreign exchange controls or restrictions which are of relevance to the Fund or its investment objective or policy.

#### *Interest rate risk*

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

#### *Risks linked to the SGX-ST*

Trading in Units on the SGX-ST may be suspended: Investors will not be able to purchase or sell Units on the SGX-ST during any period that the SGX-ST suspends trading in the Units. The SGX-ST may suspend the trading of Units whenever the SGX-ST determines that it is appropriate in the interests of a fair and orderly market to protect investors. The subscription and redemption of In-Kind Units may also be suspended in the event that the trading of Units on the SGX-ST is suspended.

Units may be delisted from the SGX-ST: The SGX-ST imposes certain requirements for the continued listing of securities, including the Units, on the SGX-ST. Investors cannot be assured that the Fund will continue to meet the requirements necessary to maintain the listing of Units on the SGX-ST or that the SGX-ST will not change the listing requirements. The Fund may be terminated if its Units are delisted from the SGX-ST.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Suspension of subscriptions and redemptions: Dealings of Units on the SGX-ST may not necessarily be suspended in the event that the issuance and redemption of Units is temporarily suspended by the Manager. If the issuance and redemption of Units is temporarily suspended, the trading price of the Units may be adversely affected and differ from the market value of the Fund's underlying assets.

*Risks linked to the Index*

The Fund is exposed to the fluctuation of performance of the Index Securities comprised within the Index through the Swaps. The Fund will not be able to fully track the performance of the Index due to circumstances such as temporary unavailability of certain Index Securities or occurrence of exceptional circumstances that result in distortions in the weighting of the Index. Any re-weighting of Index can also result in miscellaneous transaction or friction costs.

- **Concentration of Index in certain issuers:** The Index and the investments of the Fund may be concentrated in securities of a single or several issuers. Changes in the financial condition of an issuer, changes in specific economic or political conditions that affect a particular issuer, and changes in general economic or political conditions can affect the value of an issuer's securities. Such issuer specific changes may have an impact on the securities held by the Fund.
- **Compilation of Index:** The securities which comprise the Index are determined and composed by the Index Provider without regard to the performance of the Fund. The Fund is not sponsored, endorsed, sold or promoted by the index provider, Morgan Stanley Capital International Inc ("MSCI"). The Index Provider makes no representation or warranty, express or implied, to investors in the Fund or other persons regarding the advisability of investing in securities generally or in the Fund particularly. The Index Provider has no obligation to take the needs of the Manager or investors in the Fund into consideration in determining, composing or calculating the Index. There is no assurance that the Index Provider will compile the Index accurately, or that the Index will be determined, composed or calculated accurately, and consequently there can be no guarantees that its actions will not prejudice the interests of the Fund, the Manager or investors.
- **Composition of the Index may change:** The composition of the Index will change as Index Securities mature or are redeemed or as new securities are included in the Index. When this happens the weighting or composition of the securities owned by the Fund would be changed as considered appropriate by the Manager in order to achieve the investment objective. Thus, an investment in Units will generally reflect the Index as its constituents change and not necessarily the way it is comprised at the time of an investment in Units.
- **Licence to use the Index may be terminated:** The Manager has been granted a licence by the Index Provider to use the Index in order to create the Fund based on the Index and to use certain trade marks and any copyright in the Index. The Fund may not be able to fulfill its objective and may be terminated if the licence agreement between the Manager and the Index Provider is terminated. The Fund may also be terminated if the Index ceases to be compiled or published and there is no replacement index using the same or substantially similar formula for the method of calculation as used in calculating the Index.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

*Lack of discretion of the Manager to adapt to market changes*

Unlike many conventional funds, the Fund is not "actively managed". Therefore, the Fund will not adjust the composition of its portfolio except in order to seek to closely correspond to the duration and total return of the Index. The Fund does not try to "beat" the market it tracks and does not seek temporary defensive positions when markets decline or is judged to be overvalued. Accordingly, a fall in the Index may result in a corresponding fall in the NAV of the Fund.

*Units may trade at prices other than NAV*

The NAV of the Fund represents the fair price for buying or selling Units. As with any listed fund, the market price of Units may sometimes trade above or below this NAV. There is a risk, therefore, that Holders may not be able to buy or sell at a price close to this NAV. The deviation from NAV is dependent on a number of factors, but will be accentuated when there is a large imbalance between market supply and demand for Index Securities. The "bid/ask" spread (being the difference between the prices being bid by potential purchasers and the prices being asked by potential sellers) is another source of deviation from NAV. The bid/ask spread can widen during periods of market volatility or market uncertainty, thereby increasing the deviation from NAV.

*Risk of swap agreements*

The risk of loss with respect to swaps generally is limited to the net amount of payments that the Fund is contractually obligated to make. Swap agreements are also subject to the risk that the swap counterparty will default on its obligations. If such a default were to occur, the Fund will have contractual remedies pursuant to the agreements related to the transaction. However, such remedies may be subject to bankruptcy and insolvency laws which could affect the Fund's rights as a creditor. For example, the Fund may not receive the net amount of payments that it contractually is entitled to receive. Nevertheless this risk is limited as the Fund is subject to counterparty ratio of 10% on a single counterpart. Besides, SG has been selected as the only counterparty of the swap agreement.

*Liquidity risk*

The Fund is exposed to daily cash redemptions of redeemable shares. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of; it invests only a limited proportion of its assets in investments not actively traded on a stock exchange.

The Fund's listed securities are considered readily realisable, as they are listed on the main European stock exchanges. The price at which portfolio securities may be purchased or sold by the Fund upon any rebalancing activities or otherwise and the value of the Units will be adversely affected if trading markets for the Fund's portfolio securities are limited or absent or if bid-offer spreads are wide.

The Fund's derivative contracts other the counter may be illiquid. In order to meet realisation requests, the Swap Counterparty is compelled to quote a daily price to unwind any part of the Resetable Swap. The price will reflect the market liquidity conditions and the size of transactions.

## LYXOR ETF MSCI TAIWAN

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The table below analyses the Fund's liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

<b>At August 31, 2009</b>	<b>1 - 3 months</b>	<b>More than 3 months</b>	<b>No started maturity</b>
Financial liabilities at fair value through profit or loss	-	-	-
Due to the brokers	2,195,596.33	-	-
Accrued expenses	56,255.74	-	-
Due to the bank	-	-	-
Redeemable shares *	101,687,931.13	-	-
<b>Total financial liabilities</b>	<b>103,939,783.20</b>	<b>-</b>	<b>-</b>

\* Redeemable shares are redeemed on demand at the holder's option.

#### *Minimum subscription and redemption size*

For subscriptions and redemptions in-kind, Units will only be issued or redeemed in In-Kind Unit aggregations (currently 100,000 Units, and multiples thereof). Investors who do not hold In-Kind Unit aggregations may only be able to realise the value of their Units by selling their Units on the SGX-ST at the prevailing trading price of the Units.

#### *Reliance on Market Makers*

There may or may not be Market Makers for the Fund. Investors should note that liquidity in the market for the Units may be adversely affected if there is no Market Maker for the Fund. It is Manager's current intention that there will be at least one Market Maker in respect of the Units.

#### *Reliance on Participating Dealers*

The issuance and redemption of Units may only be affected through Participating Dealers. The number of Participating Dealers at any given time will be limited. Participating Dealers are under no obligation to accept instructions to apply for or redeem Units on behalf of investors, and may charge a fee for providing this service. Participating Dealers will not be able to issue or redeem Units during any period when, amongst other things, dealings on the SGX-ST are restricted or suspended, settlement or clearing of securities through the CDP is disrupted or the Index is not compiled or published.

In addition, Participating Dealers will not be able to issue or redeem Units if some other event occurs which impedes the calculation of the NAV of the Fund or disposal of the Fund's portfolio securities cannot be effected.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

*Risks relating to the governing laws and regulations in respect of the Fund*

The Fund is a collective investment scheme constituted as a fonds commun de placement in France and registered as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) Part III scheme. As such, the Fund is subject to the applicable laws and regulations in France and the relevant UCITS Directives, and a set of internal rules established by the Manager and approved by the AMF. Such laws, regulations and rules may differ from the corresponding laws and regulations in Singapore.

**16 Approval of financial statements**

The financial statements were approved by the Manager on October 28, 2009

LYXOR ETF MSCI TAIWAN

SCHEDULE OF INVESTMENTS AS AT AUGUST 31, 2009

	<u>Numbers of Securities</u>	<u>Market Value in USD</u>	<u>% of Net Assets</u>
<b>Financial assets at fair value through profit or loss</b>			
<b>Listed / quoted financial assets</b>			
<b>Equities</b>			
<b>Austria</b>			
VIENNA INSURANCE	32 005.00	1 664 918.10	1.64%
<b>Finland</b>			
NOKIA OYJ	303 914.00	4 230 478.32	4.16%
METSO OYJ	31 348.00	788 603.66	0.78%
<b>France</b>			
AIR FRANCE-KLM	127.00	1 940.07	0%
CARREFOUR SA	20 650.00	973 321.59	0.96%
TOTAL SA	147 946.00	8 486 026.99	8.35%
BOUYGUES	54 724.00	2 718 373.97	2.67%
SANOFI-AVENTIS	72 480.00	4 921 867.90	4.84%
LVMH	57 676.00	5 519 794.17	5.43%
SCHNEIDER ELECTR SA	32 318.00	2 982 101.92	2.93%
CAP GEMINI SA	31 716.00	1 535 643.91	1.51%
VIVENDI	177 098.00	5 049 850.91	4.97%
BNP PARIBAS	29 767.00	2 399 421.38	2.36%
GDF SUEZ	46 796.00	1 973 673.69	1.94%
<b>Germany</b>			
DEUTSCHE BANK AG-NOM	5 298.00	359 997.07	0.35%
BASF SE	53 779.00	2 808 418.41	2.76%
DEUTSCHE TEL AG-NOM	119 488.00	1 590 395.88	1.56%
BAYER AG	8 530.00	524 281.02	0.52%
DAIMLER	113 382.00	5130 209.7	5.05%
SIEMENS AG-NOM	53 143.00	4 610 090.02	4.53%
THYSSENKRUPP AG	141 922.00	4 826 864.44	4.75%
ALLIANZ SE-NOM	727.00	84 109.34	0.08%
E.ON AG	60 770.00	2 573 507.74	2.53%
<b>Great Britain</b>			
ROYAL DUTCH SHELL	181 384.00	5 038 011.84	4.95%
<b>Italy</b>			
UNICREDIT SPA	9 765.00	35 418.53	0.03%
INTESA SANPAOLO SPA	27 973.00	121 331.17	0.12%
FONDIARIA SAI SPA	50 343.00	968 079.28	0.95%
ENI SPA	137 501.00	3 263 686.20	3.21%
ANSALDO STS SPA	47 111.00	952 577.57	0.94%
<b>Netherland</b>			
ING GROEP NV-CVA	28 749.00	435 047.19	0.43%
<b>Spain</b>			
BANCO SANTANDER SA	289 663.00	4 462 334.34	4.39%
TELEFONICA SA	60 355.00	1 523 512.87	1.50%
<b>Switzerland</b>			
SYNGENTA AG-NOM	5 656.00	1 332 571.16	1.31%
ZURICH FINL SVC	6 980.00	1 536 857.04	1.51%
NOVARTIS AG-NOM	80 814.00	3 752 950.37	3.69%
ROCHE HOLDING AG-BJ	6 414.00	1 021 397.37	1%
STRAUMANN HOLDING	697.00	158 807.47	0.16%
UBS AG NOM	41 199.00	761 715.68	0.75%
NESTLE SA	107 876.00	4 489 125.26	4.41%
<b>Total listed / quoted financial assets</b>		<b>95,607,313.54</b>	<b>94.02%</b>
<b>Unlisted / unquoted financial assets</b>			
RESETABLE SWAP		6,136,873.32	6.04%
<b>Total unlisted / unquoted financial assets</b>		<b>6,136,873.32</b>	<b>6.04%</b>
<b>Total Financial assets at fair value through profit or loss</b>		<b>101,744,186.9</b>	<b>100.06%</b>
<b>Total Financial assets at fair value through profit and loss at purchase date</b>		<b>89,651,774.66</b>	

LYXOR ETF MSCI TAIWAN

SCHEDULE OF INVESTMENTS AS AT FEBRUARY 27, 2009

	<u>Numbers of Securities</u>	<u>Market Value in USD</u>	<u>% of Net Assets</u>
<b>Financial assets at fair value through profit or loss</b>			
<b>Listed / quoted financial assets</b>			
<b>Equities</b>			
<b>Australia</b>			
ANZ BANKING GROUP	197 875.00	1 685 965.37	3.11%
<b>Finland</b>			
NOKIA OYJ	71 625.00	704 119.27	1.30%
<b>France</b>			
CREDIT AGRICOLE	130 740.00	1 348 103.20	2.49%
GDF SUEZ	10 897.00	354 024.72	0.65%
GROUPE DANONE	48 116.00	2 287 446.15	4.22%
KLEPIERRE	40 112.00	811 412.34	1.50%
L'OREAL	24 069.00	1 567 142.90	2.89%
SANOFI-AVENTIS	44 459.00	2 414 318.41	4.46%
TOTAL	51 349.00	2 497 122.77	4.61%
<b>Germany</b>			
BASF	64 641.00	1 864 351.87	3.44%
BAYER AG	37 316.00	1 835 627.36	3.39%
DAIMLER	44 077.00	1 062 187.16	1.96%
DEUTSCHE TELEKOM AG	177 812.00	2 149 297.93	3.97%
MUENCHENER RUECKVERSICHERUNGS AG	22 049.00	2 761 315.58	5.10%
RWE AG	23 464.00	1 535 080.94	2.83%
SAP AG	83 127.00	2 745 169.01	5.07%
SIEMENS AG	77 046.00	4 092 574.35	7.55%
VOLKSWAGEN AG	7 658.00	1 973 371.68	3.64%
<b>Italy</b>			
ALLEANZA ASSICURAZIONI	378 457.00	1 986 906.21	3.67%
ASSICURAZIONI GENERALI	116 622.00	1 884 014.82	3.48%
ENEL SPA	497 879.00	2 699 574.69	4.98%
ENI SPA	135 119.00	2 746 198.69	5.07%
INTESA SANPAOLO SPA	330 025.00	837 388.77	1.55%
UNICREDIT SPA	167 983.00	217 399.53	0.40%
<b>Nederland</b>			
ING GROEP NV	66 454.00	349 943.87	0.65%
ROYAL PHILIPS ELECTRONICS NV	99 947.00	1 675 802.10	3.09%
<b>Norway</b>			
DNB NOR ASA	122 323.00	441 457.09	0.82%
NORSK HYDRO ASA	139 346.00	500 876.58	0.92%
<b>Spain</b>			
BANCO SANTANDER SA	249 229.00	1 633 386.30	3.02%
TELEFONICA SA	89 611.00	1 691 025.88	3.12%
<b>Sweden</b>			
ATLAS COPCO B	320 132.00	1 978 956.03	3.65%
<b>Switzerland</b>			
SCHINDLER HOLDING PS	4 553.00	216 412.07	0.40%
ZURICH FINANCIAL SERVICES	3 145.00	466 777.67	0.86%
<b>Total listed / quoted financial assets</b>		<b>53,014,751.31</b>	<b>97.85%</b>
<b>Unlisted / unquoted financial assets</b>			
RESETABLE SWAP		1,221,848.11	2.26%
<b>Total unlisted / unquoted financial assets</b>		<b>1,221,848.11</b>	<b>2.26%</b>
<b>Total Financial assets at fair value through profit or loss</b>		<b>54,236,599.42</b>	<b>100.11%</b>
<b>Total Financial assets at fair value through profit and loss at purchase date</b>		<b>64,474,674.87</b>	

**LYXOR ETF MSCI TAIWAN****DISTRIBUTION STATEMENT  
FOR THE PERIOD FROM FEBRUARY 27, 2009 TO AUGUST 31, 2009**

	<b>AUGUST 31, 2009 USD</b>	<b>FEBRUARY 27, 2009 USD</b>
Undistributed income/(loss) brought forward	(50,337,110.00)	3,888,633.72
Operating profit / (loss)	29,223,319.85	(52,887,062.62)
Interim distributions to holders of redeemable participating units	(3,667,140.90)	(1,338,681.10)
Final distributions to holders of redeemable participating units	0.00	0.00
Increase / (decrease) in net assets attributable to holders of redeemable participating units from operations	25,556,178.95	(54,225,743.72)
Undistributed income/(loss) carried forward	775,247.90	(50,337,110.00)

LYXOR ETF MSCI TAIWAN

STATEMENT OF MOVEMENTS IN SCHEDULE OF INVESTMENTS  
FOR THE PERIOD FROM FEBRUARY 28, 2009 TO AUGUST 31, 2009

	Percentage holdings of net assets		Variation over the period
	<u>February 27, 2009</u>	<u>August 31, 2009</u>	
<b>Financial assets at fair value through profit or loss</b>			
<b>Listed / quoted financial assets</b>			
<b>Equities</b>			
<b>Australia</b>			
VIENNA INSURANCE	0.00%	1.64%	1.64%
ANZ BANKING GROUP	3.11%	0.00%	-3.11%
<b>Finland</b>			
NOKIA OYJ	1.30%	4.16%	2.86%
METSO OYJ	0.00%	0.78%	-0.78%
<b>France</b>			
BOUYGUES	0.00%	2.67%	2.67%
SCHNEIDER ELECTR SA	0.00%	2.93%	2.93%
CAP GEMINI SA	0.00%	1.51%	1.51%
BNP PARIBAS	0.00%	2.36%	2.36%
CARREFOUR	0.00%	0.96%	0.96%
CREDIT AGRICOLE	2.49%	0.00%	-2.49%
GDF SUEZ ( ex SUEZ )	0.65%	1.94%	1.29%
GROUPE DANONE	4.22%	0.00%	-4.22%
KLEPIERRE	1.50%	0.00%	-1.50%
L'OREAL	2.89%	0.00%	-2.89%
LVMH	0.00%	5.43%	5.43%
SANOFI-AVENTIS	4.46%	4.84%	0.38%
TOTAL	4.61%	8.35%	3.74%
VIVENDI	0.00%	4.97%	4.97%
<b>Germany</b>			
DEUTSCHE BANK AG-NOM	0.00%	0.35%	0.35%
THYSSENKRUPP AG	0.00%	4.75%	4.75%
ALLIANZ SE-NOM	0.00%	0.08%	0.08%
E.ON AG	0.00%	2.53%	2.53%
BASF	3.44%	2.76%	-0.68%
BAYER AG	3.39%	0.52%	-2.87%
DAIMLER (ex DAIMLERCHRYSLER N )	1.96%	5.05%	3.09%
DEUTSCHE TELEKOM AG	3.97%	1.56%	-2.41%
MUENCHENER RUECKVERSICHERUNGS AG	5.10%	0.00%	-5.10%
RWE	2.83%	0.00%	-2.83%
SAP AG	5.07%	0.00%	-5.07%
SIEMENS AG	7.55%	4.53%	-3.02%
VOLKSWAGEN AG	3.64%	0.00%	-3.64%
<b>Great Britain</b>			
ROYAL DUTCH SHELL	0.00%	4.95%	4.95%
<b>Italy</b>			
UNICREDIT SPA	0.40%	0.03%	-0.37%
INTESA SANPAOLO SPA	1.55%	0.12%	-1.43%
FONDIARIA SAI SPA	0.00%	0.95%	0.95%
ANSALDO STS SPA	0.00%	0.94%	0.94%
ALLEANZA ASS.	3.67%	0.00%	-3.67%
ASSICURAZIONI GENERALI	3.48%	0.00%	-3.48%
ENEL SPA	4.98%	0.00%	-4.98%
ENI SPA	5.07%	3.21%	-1.86%

LYXOR ETF MSCI TAIWAN

STATEMENT OF MOVEMENTS IN SCHEDULE OF INVESTMENTS (UNAUDITED)  
FOR THE PERIOD FROM FEBRUARY 27, 2009 TO AUGUST 31, 2009

	Percentage holdings of net assets		Variation
	<u>February 27, 2009</u>	<u>August 31, 2009</u>	<u>over the period</u>
<b>Financial assets at fair value through profit or loss</b>			
<b>Listed / quoted financial assets</b>			
<b>Equities</b>			
<b>Netherland</b>			
ING GROEP NV	0.65%	0.43%	-0.22%
ROY. PHILIPS ELECTR	3.09%	0.00%	-3.09%
<b>Norway</b>			
DNB NOR ASA	0.82%	0.00%	-0.82%
NORSK HYDRO ASA	0.92%	0.00%	-0.92%
<b>Spain</b>			
BANCO SANTANDER SA	3.02%	4.39%	1.37%
TELEFONICA SA	3.12%	1.50%	-1.62%
<b>Sweden</b>			
ATLAS COPCO B	3.65%	0.00%	-3.65%
<b>Switzerland</b>			
SYNGENTA AG-NOM	0.00%	1.31%	1.31%
NOVARTIS AG-NOM	0.00%	3.69%	3.69%
ROCHE HOLDING AG-BJ	0.00%	1.00%	1.00%
STRAUMANN HOLDING	0.00%	0.16%	0.16%
NESTLE SA	0.00%	4.41%	4.41%
SCHINDLER HOLDINGS PS	0.40%	0.00%	-0.40%
UBS N	0.00%	0.75%	0.75%
ZURICH FINANCIAL SERVICES	0.86%	1.51%	0.65%
<b>Total listed / quoted financial assets</b>	<b>97.86%</b>	<b>94.02%</b>	<b>-3.84%</b>
<b>Unlisted / unquoted financial assets</b>			
RESETABLE SWAP	2.26%	6.04%	3.78%
<b>Total unlisted / unquoted financial assets</b>	<b>2.26%</b>	<b>6.04%</b>	<b>3.78%</b>
<b>Total Financial assets at fair value through profit or loss</b>	<b>100.12%</b>	<b>100.06%</b>	<b>-0.06%</b>

**LYXOR ETF MSCI TAIWAN****PERFORMANCE TABLE  
FOR THE PERIOD FROM FEBRUARY 28, 2009 TO AUGUST 31, 2009****Net asset values for last 3 years**

	Total net asset value USD	Net asset value per unit USD
As at August 31, 2009 (share A)	62,604,100.77	0.77
As at August 31, 2009 (share B)	35,188,154.83	7.81
As at August 31, 2009 (share E)	3,895,675.60	7.79
As at February 27, 2009 (share A)	42,282,254.95	0.52
As at February 27, 2009 (share B)	9,262,661.05	5.29
As at February 27, 2009 (share E)	2,,634,972.70	5.26
As at February 29, 2008 (share A)	30,743,137.38	1.09
As at February 29, 2008 (share B)	3,282,444.11	10.94

**Performance record for last 10 years**

	Highest issue price per unit USD	Lowest redemption price per unit USD
From February 27, 2009 to August 31, 2009 (share A)	0.82	0.50
From February 27, 2009 to August 31, 2009 (share B)	7.81	5.12
From February 27, 2009 to August 31, 2009 (share E)	8.22	5.10
From February 13, 2007 to February 27, 2009 (share A)	1.21	0.49
From February 13, 2007 to February 27, 2009 (share B)	12.11	4.93
From August 5, 2008 to February 27, 2009 (share E)	9.38	4.91