



VALUE TAIWAN ETF (3060 HK)

A Sub-fund of Value ETFs Trust

SEMI-ANNUAL REPORT 2013

For the six months ended 30 September 2013

Sensible Asset Management Hong Kong Limited

9th Floor, Nexus Building,
41 Connaught Road Central, Hong Kong

Tel : (852) 2880 9263

Fax : (852) 2564 8487

Email : operations@valueetf.com.hk

Website : www.valueETF.com.hk

In the event of inconsistency, the English text of this Semi-Annual Report shall prevail over the Chinese text.

CONTENTS

	<i>Pages</i>
General information	2-3
Manager's report	4
Statement of financial position (unaudited)	5
Investment portfolio (unaudited)	6-7
Statement of movements in portfolio holdings (unaudited)	8

VALUE TAIWAN ETF

A Sub-fund of Value ETFs Trust
(A Hong Kong Umbrella Unit Trust)

GENERAL INFORMATION

Investment Manager

Sensible Asset Management Hong Kong Limited
9th Floor, Nexxus Building
41 Connaught Road Central
Hong Kong

Sub-investment Manager

Value Partners Hong Kong Limited
9th Floor, Nexxus Building
41 Connaught Road Central
Hong Kong

Directors of the Investment Manager

Mr Chow Wai Chiu William
Mr So Chun Ki Louis

Trustee and Registrar

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Legal Advisor

Simmons & Simmons
13th Floor, One Pacific Place
88 Queensway
Hong Kong

Auditor

KPMG
8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong

Information available from:

Sensible Asset Management Hong Kong Limited
9th Floor, Nexxus Building
41 Connaught Road Central
Hong Kong

Telephone : (852) 2880 9263
Fax : (852) 2564 8487
Email : operations@valueetf.com.hk
Website : www.valueETF.com.hk

GENERAL INFORMATION (Continued)

Recent awards and achievements

Corporate award		
2012	•	2012 The Asset Triple A Investment Awards Highly Commended ETF House for Hong Kong <i>– The Asset</i>

VALUE TAIWAN ETF

A Sub-fund of Value ETFs Trust
(A Hong Kong Umbrella Unit Trust)

MANAGER'S REPORT

Value Taiwan ETF ("the Fund") is an index-tracking exchange traded fund whose units are listed and traded on the Stock Exchange of Hong Kong Limited ("SEHK"). The Fund aims to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE Value-Stocks Taiwan Index ("the Index") by holding a portfolio of the constituent stocks of the Index. The Index comprises 50 value stocks amongst Taiwanese companies' shares listed on The Taiwan Stock Exchange Corporation and GreTai Securities Market, which is a market regulated and supervised by the Taiwan Financial Supervisory Commission.

As at 30 September 2013, the Net Asset Value ("NAV") per unit of the Fund was TWD128.0976, and 2,700,000 units were outstanding. The total size of the Fund was approximately TWD346 million.

A summary of the performance of the Index and the Fund is given below.

Total Return in TWD	From 1 Apr 2013 to 30 Sep 2013	2013 YTD (as at 30 Sep)	Since inception from 23 May 2012 to 30 Sep 2013
FTSE Value-Stocks Taiwan Index	6.9%	12.0%	26.1%
Value Taiwan ETF	4.4%	8.3%	17.8%

The difference in performance between the FTSE Value-Stocks Taiwan Index and the Value Taiwan ETF is mainly attributed to fees and expenses, and security misweightings. The historical tracking error for the NAV of the Fund against the FTSE Value-Stocks Taiwan Index was at 51 basis points on an annualized basis since its inception on 23 May 2012.

Sensible Asset Management Hong Kong Limited

20 November 2013

All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg, in TWD, NAV to NAV with dividends reinvested, as at 30 September 2013. Performance data is net of all fees.

Investors should note that investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the prospectus for details and risk factors in particular those associated with investment in emerging markets and the arrangement in the event that the Fund is de-listed. Investors should also note that the Fund is different from a typical retail investment fund, in particular, units in the Fund may only be created or redeemed directly by a participating dealer in large unit sizes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2013 (UNAUDITED)

	30.9.2013 TWD	31.3.2013 TWD
Assets		
Financial assets at fair value through profit or loss	341,777,038	329,181,288
Prepayment	132,766	125,970
Receivable	916,009	–
Amounts receivable on sale of investments	249,755	–
Cash and cash equivalents	3,707,770	7,858,534
	<u>346,783,338</u>	<u>337,165,792</u>
Total assets		
Current liabilities		
Audit fees payable	459,593	666,400
Manager's fees payable	207,632	201,570
Trustee's fees payable	251,975	246,174
Amounts payable on purchase of investments	–	1,128,045
Accrued expenses and other payables	295,220	4,192,470
	<u>1,214,420</u>	<u>6,434,659</u>
Total liabilities		
Total equity		
	<u>345,568,918</u>	<u>330,731,133</u>
Represented by:		
Net assets attributable to unitholders (at last traded prices)	345,863,545	331,162,484
Adjustment from last traded prices to bid prices	(294,627)	(431,351)
	<u>345,568,918</u>	<u>330,731,133</u>
Net asset value per unit based on 2,700,000 (31.3.2013: 2,700,000) units outstanding		
	<u>128.0976</u>	<u>122.6528</u>

VALUE TAIWAN ETF

A Sub-fund of Value ETFs Trust
(A Hong Kong Umbrella Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30 SEPTEMBER 2013

	Holdings	Fair value TWD	% of net asset
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Listed equity securities			
<i>Taiwan</i>			
Advanced Semiconductor Engineering Inc	547,020	15,590,070	4.51
Asustek Computer Inc	64,710	15,239,205	4.41
Catcher Technology Co Ltd	65,214	10,205,991	2.95
Cheng Uei Precision Industry Co Ltd	32,760	1,939,392	0.56
Chicony Electronics Co Ltd	50,022	3,686,621	1.07
Chin-Poon Industrial Co Ltd	27,882	1,511,204	0.44
China Motor Corp	61,398	1,639,327	0.47
Chipbond Technology Corp	44,064	2,679,091	0.78
Chong Hong Construction Co Ltd	14,634	1,461,937	0.42
Compal Electronics Inc	376,092	8,085,978	2.34
Coretronic Corp	61,020	1,519,398	0.44
CTBC Financial Holding Co Ltd	1,175,148	22,680,356	6.56
CTCI Corp	60,282	2,881,480	0.83
E Sun Financial Holding Co Ltd	453,924	8,692,645	2.52
Elan Microelectronics Corp	28,692	1,443,208	0.42
Far Eastern International Bank	189,972	2,251,168	0.65
Farglory Land Development Co Ltd	27,378	1,494,839	0.43
Flexium Interconnect Inc	16,056	1,621,656	0.47
Fubon Financial Holding Co Ltd	657,576	26,894,858	7.78
Grand Pacific Petrochemical Corp	77,220	1,621,620	0.47
Hon Hai Precision Industry Co Ltd	457,866	34,706,242	10.04
Huaku Development Co Ltd	20,628	1,784,322	0.51
Jih Sun Financial Holdings Co Ltd	195,192	1,639,613	0.47
Kenda Rubber Industrial Co Ltd	51,768	3,069,842	0.89
King Yuan Electronics Co Ltd	96,696	1,962,929	0.57
King's Town Bank Co Ltd	87,678	2,200,718	0.64
Lite-On Technology Corp	190,998	9,607,199	2.78
Mega Financial Holding Company Ltd	711,648	17,257,464	4.99
Phison Electronics Corp	11,646	2,480,598	0.72
Pou Chen Corporation	109,152	3,754,829	1.09
Powertech Technology Inc	64,152	3,547,606	1.03

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 30 SEPTEMBER 2013

	Holdings	Fair value TWD	% of net asset
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed equity securities (Continued)			
<i>Taiwan (Continued)</i>			
Quanta Computer Inc	239,328	15,316,992	4.43
Radiant Opto-Electronics Corp	40,014	4,201,470	1.22
Realtek Semiconductor Corp	42,084	3,034,256	0.88
Richtek Technology Corp	12,060	1,682,370	0.49
Simplo Technology Co Ltd	26,226	3,750,318	1.09
SinoPac Financial Holdings Co Ltd	683,226	9,291,874	2.69
Synnex Technology International Corp	117,306	5,425,403	1.57
Taishin Financial Holding Co Ltd	645,282	8,808,099	2.55
Taiwan Semiconductor Manufacturing Co Ltd	335,034	33,670,917	9.74
TPK Holding Co Ltd	22,500	6,041,250	1.75
Transcend Information Inc	25,218	2,335,187	0.68
Tripod Technology Corporation	44,712	2,575,411	0.75
TSRC Corp	61,830	3,264,624	0.94
Tung Ho Steel Enterprise Corp	72,234	1,888,919	0.55
USI Corp	76,032	1,596,672	0.46
United Microelectronics Corp	1,104,894	13,976,909	4.04
Vanguard International Semiconductor Corp	64,638	2,091,039	0.61
Wistron Corp	208,854	5,973,224	1.73
YFY Inc	114,912	1,700,698	0.49
Total financial assets at fair value through profit or loss		341,777,038	98.91
Cash and cash equivalents		3,707,770	1.07
Other net assets		84,110	0.02
Total net assets		<u>345,568,918</u>	<u>100.00</u>
Total investments, at cost		<u>330,510,001</u>	

VALUE TAIWAN ETF

A Sub-fund of Value ETFs Trust
(A Hong Kong Umbrella Unit Trust)

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS

FOR THE PERIOD ENDED 30 SEPTEMBER 2013 (UNAUDITED)

	% of net assets	
	30.9.2013	31.3.2013
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		
Listed equity securities		
Taiwan	<u>98.91</u>	<u>99.06</u>
Total financial assets at fair value through profit or loss		
Cash and cash equivalents	1.07	1.03
Other net assets/(liabilities)	<u>0.02</u>	<u>(0.09)</u>
Total net assets	<u><u>100.00</u></u>	<u><u>100.00</u></u>