

# **Vanguard FTSE Asia Ex Japan Index ETF**

*A Sub-Fund of the Vanguard ETF Series*

## **Annual Report**

For the period

From 10 May 2013 (date of inception)

to 31 December 2013

# Vanguard FTSE Asia Ex Japan Index ETF

*A Sub-Fund of the Vanguard ETF Series*

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## Report of the manager to the unitholders

The Vanguard FTSE Asia ex Japan Index ETF (the “Sub-Fund”), a sub-fund of the Vanguard ETF Series, is a unit trust authorised under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. It was launched on 10 May 2013 and commenced trading in HKD under stock code 2805 on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 15 May 2013. The Sub-Fund is benchmarked against the FTSE Asia Pacific ex Japan, Australia and New Zealand Index (the “Index”) and adopts a representative sampling strategy. The Manager of the Sub-Fund is The Vanguard Group, Inc. (the “Manager”). The trustee is State Street Trust (HK) Limited (the “Trustee”).

The Index is compiled and published by FTSE International Limited. The Index operates under clearly defined rules published by the index provider and is a tradable index.

For and on behalf of  
The Vanguard Group, Inc.  
as the Manager

4 April 2014

## Report of the trustee to the unitholders

We hereby confirm that, in our opinion, the Manager of the Sub-Fund has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 18 March 2013, as amended for the period from 10 May 2013 (date of inception) to 31 December 2013.

For and on behalf of  
State Street Trust (HK) Limited,  
as the Trustee

4 April 2014

## Statement of responsibilities of the manager and the trustee

### MANAGER'S RESPONSIBILITIES

The Manager of the Vanguard FTSE Asia ex Japan Index ETF (the "Sub-Fund"), a sub-fund of the Vanguard ETF Series, is required by the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong and the Trust Deed dated 18 March 2013 (the "Trust Deed") to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Fund at the end of that period and of the transactions for the period then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Fund will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Sub-Fund in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities.

The Vanguard ETF Series (the "Trust") is an umbrella unit trust governed by its Trust Deed. As at the 31 December 2013, the Trust has established one sub-fund, namely, the Vanguard FTSE Asia ex Japan Index ETF.

### TRUSTEE'S RESPONSIBILITIES

The Trustee of the Sub-Fund is required to:

- ensure that the Sub-Fund is managed by the Manager in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Fund and rights attaching thereto; and
- report to the Unitholders for each annual accounting year on the conduct of the Manager in the management of the Sub-Fund.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF VANGUARD FTSE ASIA EX JAPAN INDEX ETF  
A SUB-FUND OF THE VANGUARD ETF SERIES**

**Report on the Financial Statements**

We have audited the financial statements of Vanguard FTSE Asia Ex Japan Index ETF (the "Sub-Fund"), a sub-fund of Vanguard ETF Series (the "Trust"), set out on pages 6 to 22, which comprise the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the period from 10 May 2013 (date of inception) to 31 December 2013, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Trustee and the Manager (the "Management") of the Sub-Fund are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and are responsible for ensuring that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 18 March 2013 (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong (the "SFC Code"), and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with International Standards on Auditing issued by the International Federation of Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We are also required to assess whether the financial statements of the Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the SFC Code.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Sub-Fund's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF VANGUARD FTSE ASIA EX JAPAN INDEX ETF  
A SUB-FUND OF THE VANGUARD ETF SERIES**

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2013, and of its financial transactions and cash flows for the period from 10 May 2013 (date of inception) to 31 December 2013 in accordance with International Financial Reporting Standards.

**Report on Other Legal and Regulatory Requirements**

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the SFC Code.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 4 April 2014

**Statement of financial position**  
As at 31 December 2013

	Notes	31 December 2013 HK\$
<b>Current Assets</b>		
Cash at banks		550,831
Margin deposits		11,170
Amounts due from brokers		797,055
Dividend receivable		42,234
Financial assets at fair value through profit or loss	10(b)	<u>145,147,702</u>
<b>Total Assets</b>		<u>146,548,992</u>
<b>Current Liabilities</b>		
Amounts due to brokers		251,823
Management fee payable	6(a)	46,976
Financial liabilities at fair value through profit or loss	10(b), 13	<u>43</u>
<b>Total Liabilities (excluding net assets attributable to unitholders)</b>		<u>298,842</u>
<b>Net assets attributable to unitholders (liability)</b>		
Net assets attributable to unitholders	4	<u>146,250,150</u>

The financial statements on pages 6 to 22 were approved by the Trustee and the Manager on 4 April 2014 and were signed on their behalf.

For and on behalf of  
The Vanguard Group, Inc.  
as the Manager

For and on behalf of  
State Street Trust (HK) Limited,  
as the Trustee

*The notes on pages 10 to 22 form part of these financial statements.*



## Statement of comprehensive income

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Notes	For the period from 10 May 2013 (date of inception) to 31 December 2013 HK\$
<b>Income</b>		
Dividend income		2,773,773
Interest income on bank deposits		95
Net gain/(loss) on investments and derivative financial instruments	3	(4,619,127)
Net foreign exchange gain/(loss)		150,506
<b>Total net income/(loss)</b>		<b>(1,694,753)</b>
<b>Expenses</b>		
Management fee	6(a)	350,853
Transaction handling fee		13,332
Transaction costs on investments		194,063
Other operating expenses		26,299
<b>Total operating expenses</b>		<b>584,547</b>
<b>Operating profit/(loss)</b>		<b>(2,279,300)</b>
<b>Profit/(loss) before tax</b>		<b>(2,279,300)</b>
<b>Taxation</b>		
Withholding tax on dividend and interest income		(240,550)
<b>Total comprehensive income/(loss)</b>		<b>(2,519,850)</b>

The notes on pages 10 to 22 form part of these financial statements.

**Statement of changes in net assets attributable to unitholders**

*For the period from 10 May 2013 (date of inception) to 31 December 2013*

	Notes	For the period from 10 May 2013 (date of inception) to 31 December 2013 HK\$
Net assets attributable to unitholders at beginning of the period		-
Proceeds on issue of units		
- in kind		-
- cash component and cash creation		<u>150,270,000</u>
		<u>150,270,000</u>
Payments on redemption of units		
- in kind		-
- cash component and cash redemption		<u>-</u>
		<u>-</u>
Net (redemption)/issue of units		150,270,000
Distribution to unitholders	14	(1,500,000)
Total comprehensive income/(loss) for the period		(2,519,850)
Net assets attributable to unitholders at the end of the period		<u>146,250,150</u>

*The notes on pages 10 to 22 form part of these financial statements.*

## Statement of cash flows

For the period from 10 May 2013 (date of inception) to 31 December 2013

Notes	For the period from 10 May 2013 (date of inception) to 31 December 2013 HK\$
<b>Cash flows from operating activities</b>	
Payments for purchase of investments and derivative financial instruments	(170,238,422)
Proceeds from sale of investments and derivative financial instruments	19,925,660
Management fee paid	(303,877)
Transaction cost on investment paid	(194,063)
Transaction handling fee paid	(13,332)
Other operating expenses paid	(26,299)
Withholding tax paid	(240,550)
Dividend income received	2,731,539
Interest income on bank deposits received	95
Other income received	159,880
Margin deposits	(11,401)
<b>Net cash generated from/(used in) operating activities</b>	<b>(148,210,770)</b>
<b>Cash flows from financing activities</b>	
Cash component and cash creation received on issue of units	150,270,000
Cash component and cash redemption paid on redemption of units	-
Distributions paid	(1,500,000)
<b>Net cash generated from/(used in) financing activities</b>	<b>148,770,000</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>559,230</b>
Cash and cash equivalents at the beginning of the period	-
Effects of foreign exchange rates	(8,399)
<b>Cash and cash equivalents at the end of the period</b>	<b>550,831</b>
<b>Analysis of balances of cash and cash equivalents:</b>	
Cash at banks	550,831

Please refer to note 7 for details of major non-cash transactions. The notes on pages 10 to 22 form part of these financial statements.

## Notes to the financial statements

### 1 General Information

The Vanguard ETF Series (the "Trust") is an umbrella unit trust established under the terms of the trust deed dated 18 March 2013 (the "Trust Deed") between The Vanguard Group, Inc. (the "Manager") and State Street Trust (HK) Limited (the "Trustee"). The terms of the Trust Deed are governed by the laws of Hong Kong.

The Trust has been established initially with only one sub-fund, Vanguard FTSE Asia Ex Japan Index ETF (the "Sub-Fund") which is authorised by the Securities & Futures Commission of Hong Kong (the "SFC") pursuant to section 104(1) of the Securities and Futures Ordinance. The Sub-Fund is also listed on The Stock Exchange of Hong Kong Limited (a subsidiary of the Hong Kong Exchanges and Clearing Limited).

These financial statements relate to the above-mentioned Sub-Fund. The Manager is responsible for the preparation of the financial statements.

The objective of the Sub-Fund (Stock code: 2805) is to provide investment results that, before the deduction of fees and expenses, closely correspond to the performance of the FTSE Asia Pacific ex Japan, Australia and New Zealand Index (the "Underlying Index") by investing all, or substantially all, of the assets of the Sub-Fund in a representative sample of index securities of the Underlying Index.

### 2 Summary of significant accounting policies

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

These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### (a) Basis of preparation

The financial statements of the Sub-Fund have been prepared in accordance with the provisions of the Trust Deed, the Code and International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Manager to exercise their judgment in the process of applying the Sub-Fund's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 12.

#### *Standards and amendments to existing standards effective 1 January 2013*

IFRS 13, "Fair value measurement" – The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. If an asset or a liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. On adoption of the standard, the Sub-Fund uses last traded prices as its valuation inputs for listed financial assets and liabilities to be consistent with the inputs prescribed in the Sub-Fund's offering document for the calculation of its per unit trading value for subscriptions and redemptions. The use of last traded prices is recognised as a standard pricing convention within the industry.

IFRS 12, "Disclosures of Interests in Other Entities", includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The standard did not have any impact on the Sub-Fund's financial position or performance.

## Notes to the financial statements (*Continued*)

### 2 Summary of significant accounting policies (*Continued*)

#### (a) Basis of preparation (*Continued*)

Amendments to IFRS 7, "Disclosures – Offsetting financial assets and financial liabilities" require additional disclosures to enable users of financial statements to evaluate the effect or the potential effects of netting arrangements, including rights of set-off associated with an entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The amendments did not have any impact on the Sub-Fund's financial position or performance, however, has resulted in additional disclosure in the notes to the financial statements.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial period beginning 1 January 2013 that would be expected to have a material impact on the Sub-Fund.

*New standards, amendments and interpretations effective after 1 January 2013 and have not been early adopted*

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2013, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Sub-Fund except the following set out below:

IFRS 9, "Financial instruments", effective for annual periods beginning on or after 1 January 2015, it addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The standard is not expected to have a significant impact on the Sub-Fund's financial position or performance, as it is expected that the Sub-Fund will continue to classify their financial assets and financial liabilities as being at fair value through profit or loss.

Amendments to IAS 32, "Offsetting financial assets and financial liabilities" is effective for annual periods beginning on or after 1 January 2014. These amendments clarify the offsetting criteria in IAS 32 and address inconsistencies in their application. This includes clarifying the meaning of 'currently has a legally enforceable right of set-off' and that some gross settlement systems may be considered equivalent to net settlement. The amendments did not have any impact on the Sub-Fund's financial position or performance.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Sub-Fund.

#### (b) Investments

##### (i) Classification

The Sub-Fund classifies their investments as financial assets at fair value through profit or loss. These financial assets are designated by the Manager at fair value through profit or loss at inception. Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Sub-Fund's documented investment strategies. The Sub-Fund's policies require the Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

##### (ii) Recognition/derecognition

Purchases and sales of investments are accounted for on the trade date basis. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Fund has transferred substantially all risks and rewards of ownership.

## Notes to the financial statements (*Continued*)

### 2 Summary of significant accounting policies (*Continued*)

#### (b) Investments (*Continued*)

##### (iii) Measurement

Investments are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income. Subsequent to initial recognition, all investments are measured at fair value. Realised and unrealised gains and losses on investments are recognised in the Statement of Comprehensive Income in the period in which they arise.

##### (iv) Fair value estimation

The fair value of investments that are listed or traded on an exchange is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for investments held by the Sub-Fund is the last traded price.

#### (c) Income

Interest income is recognised on a time-proportionate basis using the effective interest method.

Dividend income on equity securities is recorded on the ex-dividend date with the corresponding foreign withholding taxes recorded as an expense. Dividend income on equity securities where no ex-dividend date is quoted is accounted for when the Sub-Fund's right to receive payment is established.

#### (d) Expenses

Expenses are accounted for on an accrual basis.

#### (e) Cash component

Cash issue component represents the amount being equal to the difference between the issue price on the relevant transaction date and the value of the securities exchanged in kind for those units.

Cash redemption component represents the amount being equal to the difference between the redemption value on the relevant transaction date on which such units are redeemed and the value of securities transferred in kind to the redeeming unitholder in respect of such units.

#### (f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

#### (g) Translation of foreign currencies

##### *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Fund operates ("the functional currency"). The performance of the Sub-Fund is measured and reported to the unitholders in Hong Kong dollars. The Manager considers the Hong Kong dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Hong Kong dollars, which is the Sub-Fund's functional and presentation currency.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

## Notes to the financial statements (*Continued*)

### 2 Summary of significant accounting policies (*Continued*)

#### (g) Translation of foreign currencies (*Continued*)

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within 'net foreign exchange gains/(losses)'.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within 'net gain/(loss) on investments and derivative financial instruments'.

#### (h) Units

The Sub-Fund issues units, which are redeemable at the holder's option and are classified as liability. Units can be redeemed in-kind and/or in cash equal to a proportionate share of the Sub-Fund's net asset value. The Sub-Fund's net asset value per unit is calculated by dividing the net assets attributable to the unitholders with the total number of outstanding units. Units are created or redeemed in multiples of 100,000 units.

#### (i) Taxation

The Sub-Fund currently incurs withholding taxes imposed by certain countries on investment income. Such income is recorded gross of withholding taxes in the Statement of Comprehensive Income. Withholding taxes are included as taxation in the Statement of Comprehensive Income.

#### (j) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Manager, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker that makes strategic decisions.

### 3 Net gain/(loss) on investments and derivative financial instruments

	For the period from 10 May 2013 (date of inception) to 31 December 2013 HK\$
Net change in unrealised gain/(loss) on investments and derivative financial instruments	(548,306)
Net realised gain/(loss) on sale of investments and derivative financial instruments	(4,070,821)
	<u>(4,619,127)</u>

### 4 Number of units in issue and net assets attributable to unitholders per unit

The Sub-Fund's capital is represented by the net assets attributable to unitholders. Units are issued and redeemed in-kind and/or in cash. Subscriptions and redemptions of units during the period are shown on the statement of changes in net assets attributable to unitholders. In accordance with the objectives and risk management policies outlined in note 10, the Sub-Fund endeavours to invest in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of listed securities where necessary.

The Sub-Fund has adopted IFRS 13 on 10 May 2013 (date of inception) and determined its fair valuation inputs as the last traded market price for financial assets. This is consistent with the inputs prescribed in the Sub-Fund's prospectus for the calculation of its per unit trading value for subscriptions and redemptions.

## Notes to the financial statements (*Continued*)

### 4 Number of units in issue and net assets attributable to unitholders per unit (*Continued*)

As stated in note 2(h), redeemable units of the Sub-Fund, which are represented by assets less liabilities, are classified as liability to the Trust and accounted for in accordance with IFRS (the "Accounting NAV").

In accordance with the prospectus of the Trust, the establishment costs of establishing the Trust will be borne by the manager.

	<b>Number of units For the period from 10 May 2013 (date of inception) to 31 December 2013</b>
Units in issue at the beginning of the period	-
Issue of units	7,500,000
Redemption of units	-
Units in issue at end of the period	<u>7,500,000</u>

### 5 Taxation

No provision for Hong Kong profits tax has been made as the Sub-Fund was authorised as a collective investment scheme under section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempted from profits tax under section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

The Sub-Fund invests in H-shares of the People's Republic of China ("PRC") securities listed on the Hong Kong Stock Exchange and B-shares of PRC securities listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange. Under the PRC Corporate Income Tax Law, the Sub-Fund may be liable to pay PRC tax on the capital gains realised in the trading of these securities. However, no provision was made for taxation from such gains in the financial statements as the Manager believes that the Sub-Fund can sustain a position for not filing a tax return based on the existing tax regulations and that the enforcement of PRC tax on capital gains is not probable.

### 6 Transactions with the related parties of the manager and its connected persons

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. 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"). All transactions entered into during the period between the Sub-Fund and the Manager and its Connected Persons, were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Fund does not have any other transactions with its related parties, including the Manager and its Connected Persons except for those disclosed below.

#### (a) Management fee

Management fee is currently charged at a rate of 0.38% per annum of the net asset value of the Sub-Fund, accrued daily and paid as soon as practicable after the last dealing day in each month. The Manager is entitled to receive a management fee of up to 4% per annum of the net asset value of the Sub-Fund. The Sub-Fund has a single fee structure whereby a single flat fee (i.e. management fee) is paid to the Manager to cover the fees, costs and expenses of the Sub-Fund (including, but not limited to, the Manager's fee, the Trustee's fee, the registrar's fee, fees and expenses of the service agent, auditors, legal counsel and other service providers, ordinary out-of-pocket fees, charges and expenses incurred by the Trustee or the Manager, and the costs, fees and expenses relating to index-related services).



## Notes to the financial statements (*Continued*)

### 6 Transactions with the related parties of the manager and its connected persons (*Continued*)

#### (b) Establishment costs

The costs and expenses, such as the costs of establishing the Trust and the Sub-Fund and the preparation of the prospectus, inception fees, the costs of seeking and obtaining the listing and authorisation by the SFC and all initial legal and printing costs (collectively, "establishment costs"), incurred by the Manager and the Trustee in establishing the Trust and the Sub-Fund, are borne by the Manager.

### 7 Major non-cash transactions

There were no units issued or redeemed in exchange for Index Basket investments for the period from 10 May 2013 (date of inception) to 31 December 2013.

### 8 Soft commission

There has been no soft commission arrangements existing during the period in relation to directing transactions of the Sub-Fund through a broker or dealer.

### 9 Investment limitations and prohibitions under the SFC Code

Pursuant to the SFC's Guidelines for Regulating Index Tracking Exchange Trade Funds (the "ETF Guidelines"), the Sub-Fund's holding of any such constituent securities may not exceed their respective weightings in the underlying index, except where the weightings are exceeded as a result of changes in the composition of the underlying index and the excess is only transitional and temporary in nature. The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the period from 10 May 2013 (date of inception) to 31 December 2013.

As at 31 December 2013, the Sub-Fund did not have any constituent securities that accounted for more than 10% of its net asset value.

During the period, the FTSE Asia Pacific ex Japan, Australia and New Zealand Index decreased by 0.28%, while the net asset value per unit of the Sub-Fund decreased by 1.47%.

### 10 Financial risk management

#### (a) Strategy in using financial instruments

##### *Investment objectives and investment policies*

The Sub-Fund's investment objective is to provide investment results, before fees and expenses that closely correspond to the performance of the FTSE Asia Pacific ex Japan, Australia and New Zealand Index ("Index"). The Manager seeks to achieve this investment objective by investing all or substantially all of the assets of the Sub-Fund in a representative sample of index securities of the Underlying Index. Using a replication strategy, the Sub-Fund will invest in all, or substantially all, the securities constituting the Index in the same, or substantially the same, weightings (i.e. proportions) as those securities have in the Index.

#### (b) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

## Notes to the financial statements (*Continued*)

### 10 Financial risk management (*Continued*)

#### (b) Market price risk (*Continued*)

All securities investments present a risk of loss of capital. The Sub-Fund's market price risk is managed through diversification of investment portfolio. The Manager monitors the investments on a daily basis and rebalances the portfolio of investments from time to time to reflect any changes to the composition of, or the weighting of shares in, the Index.

As at 31 December 2013, the Sub-Fund's investments were concentrated in the following industries:

	As at 31 December 2013	
	Fair Value at HK\$	% of net assets
<b>Equities</b>		
Consumer discretionary	14,884,981	10.16
Consumer staples	8,326,571	5.71
Energy	8,122,389	5.52
Financials	37,591,118	25.70
Health care	1,850,618	1.29
Industrials	13,272,081	9.08
Information technology	26,549,339	18.15
Materials	11,431,807	7.78
Real estate	8,734,365	5.99
Telecomm services	9,290,930	6.37
Utilities	5,093,503	3.49
	<u>145,147,702</u>	<u>99.24</u>
<b>Derivative financial instruments</b>		
Foreign currency contracts (note 13)	(43)	-
	<u>145,147,659</u>	<u>99.24</u>

## Notes to the financial statements (Continued)

### 10 Financial risk management (Continued)

#### (b) Market price risk (Continued)

The following table shows the net market exposures of the Sub-Fund:

	2013 HK\$
<b>Market exposed to</b>	
China	962,507
Hong Kong	53,690,875
India	13,826,715
Indonesia	3,679,169
Korea	28,467,095
Malaysia	7,151,403
Philippines	2,024,217
Singapore	10,816,322
Taiwan	20,751,614
Thailand	<u>3,777,785</u>
	<u>145,147,702</u>
<b>Derivative financial instruments</b>	
Foreign currency contracts (note 13)	<u>(43)</u>
	<u>145,147,659</u>

The Sub-Fund held substantially all the constituents comprising the FTSE Asia Pacific ex Japan, Australia and New Zealand Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the FTSE Asia Pacific ex Japan, Australia and New Zealand Index.

	31 December 2013		
	Change in market index %		Impact HK\$
FTSE Asia Pacific ex Japan, Australia and New Zealand Index	-2	+27	(2,902,954) 39,189,880

The Manager has used their view of what would be a “reasonable shift” in each key market to estimate the change for use in the market sensitivity analysis above. Disclosures above are shown in absolute terms, changes and impacts could be positive or negative. Changes in market index % are revised annually depending on the Manager’s current view of market volatility and other relevant factor.

#### (c) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

As at 31 December 2013, interest rate risk arises only from bank balances, for which interest rates are reset monthly. As these interest bearing assets are short-term in nature, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material. Therefore, no sensitivity analysis has been disclosed.

## Notes to the financial statements (Continued)

### 10 Financial risk management (Continued)

#### (d) Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to pay amounts in full when due.

The Sub-Fund's financial assets which are potentially subject to credit risk consist principally of securities and bank balances. The Sub-Fund limits its exposure to credit risk by transacting with well established broker-dealers and banks with high credit ratings.

All transactions in securities are settled/paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

At 31 December 2013, bank balances of HK\$550,831 and investments of HK\$145,147,702 were placed with State Street Bank and Trust Company, the custodian of the Sub-Fund. The credit rating issued by Moody's was as follows:

#### 2013 Credit Rating

State Street Bank and Trust Company

Aa3

Accordingly, the Sub-Fund has no significant credit risk.

The maximum exposure to credit risk at period end is the carrying amount of the financial assets as shown on the statement of net assets.

None of the assets are impaired nor past due but not impaired.

#### (e) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in settling a liability, including a redemption request.

The Sub-Fund invests the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Sub-Fund's securities are considered readily realisable, as they are listed on a prescribed Stock Exchange. It is the intent of the Manager to monitor the Sub-Fund's liquidity position on a daily basis.

The following table illustrates the expected liquidity of assets held at 31 December 2013 and gives the contractual undiscounted cash-flow projection of the Sub-Fund's financial liabilities. The Sub-Fund manages its liquidity risk by investing in securities that it expects to be able to liquidate within 1 month or less. Although the fund has the ability to liquidate the securities, it is not the intention of the fund to sell within 1 month. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month HK\$	1 month to less than 3 months HK\$	Over 3 months HK\$
<b>As at 31 December 2013</b>			
<b>Financial assets</b>			
Cash at banks	550,831	-	-
Margin deposits	11,170	-	-
Amount due from brokers	797,055	-	-
Dividend receivable	42,234	-	-
Financial assets at fair value through profit or loss	<u>145,147,702</u>	-	-
<b>Total financial assets</b>	<u>146,548,992</u>	-	-

## Notes to the financial statements (Continued)

### 10 Financial risk management (Continued)

#### (e) Liquidity risk (Continued)

	Less than 1 month HK\$	1 month to less than 3 months HK\$	Over 3 months HK\$
<b>As at 31 December 2013</b>			
<b>Financial liabilities</b>			
Amounts due to brokers	251,823	-	-
Management fee payable	46,976	-	-
Financial liabilities at fair value through profit or loss	43	-	-
<b>Total financial liabilities</b>	<b>298,842</b>	<b>-</b>	<b>-</b>

As at 31 December 2013, 1 unitholder held 71% of the Sub-Fund's total net assets.

Units are redeemed at the unitholder's option.

#### (f) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Sub-Fund's foreign exchange exposure on international equity securities is embedded in the price risk as presented on page 16. Other than the Sub-Fund's exposure to foreign exchange on international equity securities the Sub-Fund has no significant currency risk as substantially all other assets and liabilities are denominated in Hong Kong dollars, the Sub-Fund's functional and presentation currency.

### 11 Capital risk management

The Sub-Fund's objective is to provide investment results that closely correspond to the performance of the FTSE Asia Pacific ex Japan, Australia and New Zealand Index. The Manager may:

- Redeem and issue new units in accordance with the constitutive documents of the Sub-Fund, which include the ability to amend the Creation Unit and Redemption Unit size upon giving prior notice to the Trustee;
- Suspend the creation and redemption of units under certain circumstances stipulated in the Trust Deed.

### 12 Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the period end date. The Sub-Fund adopted IFRS 13, "Fair value measurement", from 10 May 2013 (date of inception) and used last traded market price as its fair valuation inputs for financial assets.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

## Notes to the financial statements (Continued)

### 12 Fair value estimation (Continued)

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Sub-Fund for similar financial instruments.

IFRS 13 requires the Sub-Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Inputs for the asset or liability that are unobservable inputs (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Sub-Fund. The Sub-Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Sub-Fund's investments (by class) measured at fair value at 31 December 2013:

As at 31 December 2013	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
<b>Financial assets at fair value through profit or loss:</b>				
Equities	<u>145,147,702</u>	-	-	<u>145,147,702</u>
Total assets	<u>145,147,702</u>	-	-	<u>145,147,702</u>
<b>Financial liabilities at fair value through profit or loss:</b>				
Foreign currency contracts	-	<u>43</u>	-	<u>43</u>
Total liabilities	-	<u>43</u>	-	<u>43</u>

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The Sub-Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As of 31 December 2013, the Sub-Fund did not hold any investments classified in level 3.

There were no transfers between levels during the period.

## Notes to the financial statements (Continued)

### 12 Fair value estimation (Continued)

The following table analyses within the fair value hierarchy the Sub-Fund's assets and liabilities (by class) not measured at fair value at 31 December 2013 but for which fair value is disclosed.

As at 31 December 2013	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
<b>Assets</b>				
Cash at banks	550,831	-	-	550,831
Margin deposits	11,170	-	-	11,170
Amounts due from brokers	797,055	-	-	797,055
Dividend receivable	42,234	-	-	42,234
Total financial assets	1,401,290	-	-	1,401,290
<b>Liabilities</b>				
Amounts due to brokers	251,823	-	-	251,823
Management fee payable	46,976	-	-	46,976
Total liabilities	298,799	-	-	298,799

The assets and liabilities included in the above table are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

Dividend receivables include the contractual amounts for settlement of obligations due to the Sub-Fund. Management fee payables represent the contractual amounts and obligations due by the Sub-Fund for settlement of expenses.

### 13 Derivative financial instruments

Derivative financial instruments are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivative financial instruments are carried as assets when fair value is positive and as liabilities when fair value is negative.

The best evidence of the fair value of derivative financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received). Subsequent changes in the fair value of any derivative financial instrument are recognised immediately in the Statement of Comprehensive Income.

As at 31 December 2013	Contract/notional HK\$	Fair Value HK\$
Foreign currency contracts	752,034	(43)
		(43)

### 14 Distributions

The Manager may in its absolute discretion distribute income to unitholders at such time or times as it may determine in each financial year or determine that no distribution shall be made in any financial year. The amount to be distributed to unitholders, if any, will be derived from the net income of the Sub-Fund.

## Notes to the financial statements (*Continued*)

### 14 Distributions (*Continued*)

The Sub-Fund has made the following distribution for the period from 10 May 2013 (date of inception) to 31 December 2013.

Distributions	2013 HK\$
- HK\$0.20 on 7,500,000 units Paid on 11 October 2013	1,500,000

### 15 Segment information

The Manager makes the strategic resource allocations on behalf of the Sub-Fund. The Sub-Fund has determined the operating segments based on the reports reviewed by the Manager, which are used to make strategic decisions.

The Manager is responsible for the Sub-Fund's entire portfolio and considers the business to have a single operating segment. The Manager's asset allocation decisions are based on a single, integrated investment strategy and the Sub-Fund's performance is evaluated on an overall basis.

The Sub-Fund trades in the constituent shares of the FTSE Asia Pacific ex Japan, Australia and New Zealand Index with the objective to provide investment results that closely correspond to the performance of the Index.

The internal reporting provided to the Manager for the Sub-Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of IFRS.

There were no changes in the reportable segment during the period.

The Sub-Fund is domiciled in Hong Kong. The majority of the Sub-Fund's income is from investments in entities listed in Hong Kong.

The Sub-Fund has no assets classified as non-current assets. The Sub-Fund has a diversified portfolio of investments. During the period from 10 May 2013 (date of inception) to 31 December 2013, there was no investment which accounted for more than 10% of the Sub-Fund's income. As at 31 December 2013, there was no investment which accounted for more than 10% of the Sub-Fund's net assets.

### 16 Subsequent events

No events have occurred since the reporting date which would impact on the financial position of the Sub-Fund disclosed as at 31 December 2013 or on the results and cash flows of the Sub-Fund for the period ended on that date.

### 17 Approval of financial statements

The financial statements were approved by the Trustee and the Manager on 4 April 2014.



## Investment portfolio (Unaudited)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>China 0.66%</b>			
BENGANG STEEL PLATES CO – B	11,600	29,348	0.02
BOE TECHNOLOGY GROUP CO LTD – B	16,300	31,133	0.02
CHINA MERCHANTS PROPERTY DEVELOPMENT CO LTD – B	1,000	21,490	0.02
CHINA VANKE CO LTD – B	7,700	93,170	0.06
CHONGQING CHANGAN AUTOMOBILE CO LTD – B	5,300	81,090	0.06
CSG HOLDING CO LTD – B	5,200	32,396	0.02
DAZHONG TRANSPORTATION GROUP – B	8,700	44,792	0.03
GUANGDONG ELECTRIC POWER – B	12,800	59,136	0.04
HUADIAN ENERGY CO LTD – B	17,600	41,213	0.03
INNER MONGOLIA EERDUOSI RESOURCES CO LTD – B	3,100	23,267	0.02
INNER MONGOLIA YITAI COAL – B	5,800	79,555	0.05
JIANGLING MOTORS CORP LTD – B	1,000	28,900	0.02
JINZHOU PORT CO LTD – B	9,000	28,123	0.02
SH JINJIANG INTERNATIONAL HOTELS DEVELOPMENT CO LTD – B	3,300	40,633	0.03
SHANDONG CHENMING PAPER HOLDINGS LTD – B	9,300	35,712	0.02
SHANGHAI CHLOR ALKALI CHEMICAL CO LTD – B	7,900	29,218	0.02
SHANGHAI FRIENDSHIP GROUP INC CO – B	3,000	32,589	0.02
SHANGHAI JINQIAO EXPORT PROCESSING ZONE DEVELOPMENT CO LTD – B	3,200	26,425	0.02
SHANGHAI LUJIAZUI FINANCE & TRADE ZONE DEVELOPMENT CO LTD – B	3,800	47,585	0.03
SHANGHAI MECHANICAL AND ELECTRICAL INDUSTRY – B	3,500	46,786	0.03
SHANGHAI ZHENHUA HEAVY INDUSTRY CO LTD – B	11,300	37,850	0.03
SHENZHEN CHIWAN WHARF HOLDINGS LTD – B	2,300	33,396	0.02
YANTAI CHANGYU PIONEER – B	1,500	38,700	0.03
		<u>962,507</u>	<u>0.66</u>
<b>Hong Kong 36.71%</b>			
AAC TECHNOLOGIES HOLDINGS INC	4,500	169,425	0.12
AGILE PROPERTY HOLDINGS LTD	8,000	66,480	0.05
AGRICULTURAL BANK OF CHINA – H	157,000	598,170	0.41
AIA GROUP LTD	73,800	2,870,820	1.96
AIR CHINA LTD – H	10,000	57,900	0.04
ALUMINUM CORP OF CHINA LTD – H	12,000	32,400	0.02
ANGANG STEEL CO LTD – H	6,000	34,560	0.02
ANHUI CONCH CEMENT CO LTD – H	7,000	201,250	0.14

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Hong Kong 36.71%</b>			
ANHUI EXPRESSWAY CO LTD – H	6,000	25,800	0.02
ANTA SPORTS PRODUCTS LTD	6,000	57,600	0.04
ASM PACIFIC TECHNOLOGY	1,400	90,860	0.06
BANK OF CHINA LTD – H	476,000	1,699,320	1.16
BANK OF COMMUNICATIONS CO – H	65,000	355,550	0.24
BANK OF EAST ASIA	6,400	210,240	0.14
BBMG CORPORATION – H	6,500	43,875	0.03
BEIJING CAPITAL INTERNATIONAL AIRPORT CO LTD – H	10,000	60,700	0.04
BEIJING ENTERPRISES HOLDINGS	3,000	230,700	0.16
BEIJING NORTH STAR CO LTD – H	12,000	21,000	0.01
BELLE INTERNATIONAL HOLDINGS	31,000	278,070	0.19
BOC HONG KONG HOLDINGS LTD	26,000	646,100	0.44
BOSIDENG INTERNATIONAL HOLDINGS LTD	20,000	29,200	0.02
BRIGHTOIL PETROLEUM HOLDINGS	17,000	36,210	0.03
BRILLIANCE CHINA AUTOMOTIVE	16,000	202,240	0.14
BYD CO LTD H	3,500	133,000	0.09
CAFE DE CORAL HOLDINGS LTD	2,000	50,000	0.03
CATHAY PACIFIC AIRWAYS	6,000	98,400	0.07
CHAMPION	22,000	75,460	0.05
CHEUNG KONG HOLDINGS LTD	8,000	979,200	0.67
CHEUNG KONG INFRASTRUCTURE	1,000	48,950	0.03
CHINA AGRI INDUSTRIES HOLDINGS LTD	14,000	54,180	0.04
CHINA BLUECHEMICAL LTD – H	12,000	58,200	0.04
CHINA CITIC BANK CORP LTD – H	53,000	223,130	0.15
CHINA COAL ENERGY CO – H	24,000	104,640	0.07
CHINA COMMUNICATIONS CONSTRUCTION CO LTD – H	25,000	156,250	0.11
CHINA COMMUNICATIONS SERVICES CORP LTD – H	18,000	86,400	0.06
CHINA CONSTRUCTION BANK – H	456,000	2,667,600	1.82
CHINA COSCO HOLDINGS – H	13,000	49,140	0.03
CHINA EASTERN AIRLINES CO – H	10,000	29,200	0.02
CHINA EVERBRIGHT LTD	6,000	73,560	0.05
CHINA FOODS LTD	6,000	19,740	0.01
CHINA GAS HOLDINGS LTD	10,000	114,000	0.08
CHINA INTERNATIONAL MARINE – H	2,900	47,850	0.03
CHINA LIFE INSURANCE CO – H	46,000	1,115,500	0.76
CHINA LONGYUAN POWER GROUP – H	16,000	159,840	0.11
CHINA MENGNIU DAIRY CO	9,000	331,200	0.23
CHINA MERCHANTS BANK – H	31,067	513,227	0.35

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Hong Kong 36.71%</b>			
CHINA MERCHANTS HOLDINGS INTERNATIONAL CO LTD	6,000	169,800	0.12
CHINA MINSHENG BANKING – H	29,000	249,690	0.17
CHINA MOBILE LTD	31,500	2,532,600	1.73
CHINA NATIONAL BUILDING MATERIAL CO LTD – H	18,000	150,120	0.10
CHINA OILFIELD SERVICES – H	10,000	240,500	0.16
CHINA OVERSEAS LAND & INVEST	24,000	523,200	0.36
CHINA PACIFIC INSURANCE GROUP – H	12,800	389,120	0.27
CHINA PETROLEUM & CHEMICAL CORP – H	151,200	957,096	0.65
CHINA RAILWAY CONSTRUCTION – H	10,500	81,060	0.06
CHINA RAILWAY GROUP LTD – H	22,000	88,000	0.06
CHINA RESOURCES CEMENT HOLDING LTD	12,000	62,520	0.04
CHINA RESOURCES ENTERPRISE	8,000	206,000	0.14
CHINA RESOURCES GAS GROUP LTD	2,000	54,000	0.04
CHINA RESOURCES LAND LTD	12,000	230,640	0.16
CHINA RESOURCES POWER HOLDINGS CO LTD	10,000	183,800	0.13
CHINA RONGSHENG HEAVY INDUSTRIES GROUP HOLDINGS LTD	19,000	22,990	0.02
CHINA SHENHUA ENERGY CO – H	22,000	537,900	0.37
CHINA SHIPPING CONTAINER – H	21,000	42,420	0.03
CHINA SHIPPING DEVELOPMENT – H	6,000	36,120	0.02
CHINA SOUTHERN AIRLINES CO – H	10,000	30,200	0.02
CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LTD	10,000	139,000	0.10
CHINA TAIPING INSURANCE HOLDINGS CO LTD	4,600	72,864	0.05
CHINA TELECOM CORP LTD – H	98,000	384,160	0.26
CHINA TRAVEL INTERNATIONAL INV HK	26,000	42,380	0.03
CHINA UNICOM HONG KONG LTD	26,000	301,600	0.21
CHINA YURUN FOOD GROUP LTD	8,000	39,840	0.03
CHONGQING RURAL COMMERCIAL – H	14,000	52,640	0.04
CHOW TAI FOOK JEWELLERY GROUP	5,600	64,736	0.04
CITIC PACIFIC LTD	7,000	83,020	0.06
CITIC SECURITIES CO LTD H	4,500	95,175	0.07
CLP HOLDINGS LTD	7,500	459,750	0.31
CNOOC LTD	95,000	1,369,900	0.94
COSCO PACIFIC LTD	10,000	106,400	0.07
COUNTRY GARDEN HOLDINGS CO	21,000	98,280	0.07
CSR CORP LTD – H	11,000	69,960	0.05
DATANG INTERNATIONAL POWER GEN CO – H	22,000	78,760	0.05
DONGFANG ELECTRIC CORP LTD – H	1,800	24,480	0.02

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Hong Kong 36.71%</b>			
DONGFENG MOTOR GROUP CO LTD – H	16,000	194,240	0.13
ENN ENERGY HOLDINGS LTD	4,000	229,400	0.16
ESPRIT HOLDINGS LTD	11,000	164,340	0.11
EVERGRANDE REAL ESTATE GROUP	27,000	79,920	0.05
FAR EAST HORIZON LTD	9,000	59,670	0.04
FIH MOBILE LTD	14,000	58,380	0.04
FIRST PACIFIC CO	13,500	119,070	0.08
FOSUN INTERNATIONAL	11,500	88,550	0.06
FRANSHION PROPERTIES	24,000	64,800	0.04
GALAXY ENTERTAINMENT GROUP LTD	13,000	904,150	0.62
GCL POLY ENERGY HOLDINGS LTD	44,000	105,600	0.07
GEELY AUTOMOBILE HOLDINGS LTD	25,000	93,750	0.06
GOLDEN EAGLE RETAIL GROUP	3,000	30,720	0.02
GOME ELECTRICAL APPLIANCES	68,000	97,240	0.07
GREAT EAGLE HOLDINGS LTD	2,000	53,100	0.04
GREAT WALL MOTOR COMPANY – H	6,000	256,800	0.18
GREENTOWN CHINA HOLDINGS	4,500	53,280	0.04
GUANGDONG INVESTMENT LTD HKD5	14,000	106,120	0.07
GUANGSHEN RAILWAY CO LTD – H	10,000	35,900	0.02
GUANGZHOU AUTOMOBILE GROUP – H	12,000	101,760	0.07
GUANGZHOU BAIYUNSHAN PHARMACEUTICAL	2,000	54,300	0.04
GUANGZHOU R&F PROPERTIES – H	5,600	63,504	0.04
HAIER ELECTRONICS GROUP CO	5,000	112,500	0.08
HAITONG SECURITIES CO LTD – H	7,600	102,600	0.07
HANG LUNG GROUP LTD	5,000	195,750	0.13
HANG LUNG PROPERTIES LTD	13,000	318,500	0.22
HANG SENG BANK LTD	5,500	691,350	0.47
HARBIN ELECTRIC CO LTD – H	4,000	20,080	0.01
HENDERSON LAND DEVELOPMENT	6,600	292,050	0.20
HENGAN INTERNATIONAL GROUP CO LTD	4,500	412,200	0.28
HONG KONG & CHINA GAS	36,500	648,970	0.44
HONG KONG EXCHANGES AND CLEARING LTD	7,700	995,610	0.68
HOPEWELL HIGHWAY INFRASTRUCTURE	12,000	44,280	0.03
HOPEWELL HOLDINGS LTD	4,000	105,000	0.07
HOPSON DEVELOPMENT HOLDINGS	4,000	37,360	0.03
HUABAO INTERNATIONAL HOLDING	12,000	51,480	0.04
HUADIAN POWER INTERNATIONAL CORP – H	12,000	36,360	0.03
HUANENG POWER INTERNATIONAL INC – H	20,000	140,200	0.10
HUTCHISON TELECOMM HONG KONG	16,000	47,040	0.03

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Hong Kong 36.71%</b>			
HUTCHISON WHAMPOA LTD	14,000	1,475,600	1.01
HYSAN DEVELOPMENT CO	4,000	133,600	0.09
INDUSTRIAL AND COMMERCIAL BANK OF CHINA – H	458,000	2,399,920	1.64
JIANGSU EXPRESS CO LTD – H	8,000	76,240	0.05
JIANGXI COPPER CO LTD - H	5,000	70,000	0.05
JOHNSON ELECTRIC HOLDINGS	13,000	97,500	0.07
KERRY LOGISTICS NETWORK LTD	1,750	19,285	0.01
KERRY PROPERTIES LTD	3,500	94,150	0.06
KINGBOARD CHEMICAL HOLDINGS	3,500	70,875	0.05
KINGBOARD LAMINATES HOLDINGS	7,500	24,675	0.02
KOWLOON DEVELOPMENT CO LTD	3,000	28,650	0.02
KUNLUN ENERGY CO LTD	12,000	163,920	0.11
KWG PROPERTY HOLDING LTD	6,500	27,950	0.02
L OCCITANE INTERNATIONAL SA	3,500	57,750	0.04
LEE & MAN PAPER MANUFACTURING	10,000	51,100	0.04
LENOVO GROUP LTD	36,000	339,480	0.23
LI & FUNG LTD	34,000	340,000	0.23
LIFESTYLE INTERNATIONAL HOLDINGS LTD	3,000	43,080	0.03
LINK	14,000	526,400	0.36
LONGFOR PROPERTIES	6,000	65,040	0.04
MELCO INTERNATIONAL DEVELOP	5,000	142,500	0.10
METALLURGICAL CORP OF CHINA LTD – H	14,000	20,020	0.01
MGM CHINA HOLDINGS LTD	4,400	145,640	0.10
MONGOLIAN MINING CORP	19,000	19,570	0.01
MTR CORP	8,500	249,475	0.17
NEW CHINALIFE INSURANCE CO – H	2,300	59,800	0.04
NEW WORLD CHINA LAND LTD	18,000	67,500	0.05
NEW WORLD DEVELOPMENT	22,000	215,380	0.15
NINE DRAGONS PAPER HOLDINGS	10,000	67,500	0.05
NWS HOLDINGS LTD	9,000	106,380	0.07
ORIENT OVERSEAS INTERNATIONAL LTD	1,000	38,950	0.03
PARKSON RETAIL GROUP LTD	7,500	17,925	0.01
PCCW LTD	30,000	104,100	0.07
PEOPLE S INSURANCE CO GROUP – H	20,000	75,000	0.05
PETROCHINA CO LTD	128,000	1,088,000	0.74
PICC PROPERTY & CASUALTY – H	16,000	184,000	0.13
PING AN INSURANCE GROUP CO – H	12,000	833,400	0.57
POLY PROPERTY GROUP CO LTD	10,000	41,400	0.03
POWER ASSETS HOLDINGS LTD	6,000	369,900	0.25

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Hong Kong 36.71%</b>			
PRADA SPA	3,200	220,800	0.15
RENHE COMMERCIAL HOLDINGS	60,000	29,700	0.02
SAMSONITE INTERNATIONAL SA	9,300	219,480	0.15
SANDS CHINA LTD	14,400	912,240	0.62
SEMICONDUCTOR MANUFACTURING	133,000	81,130	0.06
SHANDONG WEIGAO GROUP MEDICAL – H	12,000	125,520	0.09
SHANGHAI ELECTRIC GROUP CO LTD – H	16,000	45,120	0.03
SHANGHAI INDUSTRIAL HOLDINGS LTD	3,000	85,050	0.06
SHANGHAI PHARMACEUTICALS – H	4,300	81,614	0.06
SHANGRI LA ASIA LTD	8,000	120,960	0.08
SHENZHEN INTERNATIONAL HOLDINGS	57,500	55,775	0.04
SHENZHEN INVESTMENT LTD	14,000	40,880	0.03
SHENZHOU INTERNATIONAL GROUP	3,000	87,300	0.06
SHIMAO PROPERTY HOLDINGS LTD	8,000	142,560	0.10
SHOUGANG FUSHAN RESOURCES GR	18,000	48,960	0.03
SHUI ON LAND LTD	17,500	41,650	0.03
SHUN TAK HOLDINGS LTD	14,000	63,840	0.04
SINO LAND CO	16,000	169,600	0.12
SINO OCEAN LAND HOLDINGS	18,000	91,620	0.06
SINOFERT HOLDINGS LTD	14,000	17,640	0.01
SINOPEC SHANGHAI PETROCHEMICAL – H	24,000	53,520	0.04
SINOPHARM GROUP CO – H	4,400	97,900	0.07
SINOTRANS LIMITED – H	16,000	46,880	0.03
SJM HOLDINGS LTD	11,000	286,000	0.20
SOHO CHINA LTD	11,000	73,480	0.05
SUN ART RETAIL GROUP LTD	14,500	158,630	0.11
SUN HUNG KAI PROPERTIES	9,000	885,150	0.61
SWIRE PACIFIC LTD – A	4,000	363,600	0.25
SWIRE PROPERTIES LTD	7,000	137,200	0.09
TECHTRONIC INDUSTRIES CO	7,500	165,000	0.11
TELEVISION BROADCASTS LTD	2,600	134,810	0.09
TENCENT HOLDINGS LTD	5,600	2,769,760	1.89
TEXWINCA HOLDINGS LTD	4,000	32,640	0.02
TINGYI (CAYMAN ISLN) HOLDING CO	12,000	268,800	0.18
TRAVELSKY TECHNOLOGY LTD – H	8,000	61,200	0.04
TSINGTAO BREWERY CO LTD – H	2,000	131,100	0.09
UNI PRESIDENT CHINA HOLDINGS	9,000	71,100	0.05
UNITED CO RUSAL PLC	23,000	52,900	0.04
VTECH HOLDINGS LTD	900	90,630	0.06

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Hong Kong 36.71%</b>			
WANT WANT CHINA HOLDINGS LTD	40,000	448,000	0.31
WEICHAI POWER CO LTD – H	3,000	93,750	0.06
WHARF HOLDINGS LTD	9,000	533,700	0.37
WHEELOCK & CO LTD	5,000	178,250	0.12
WING HANG BANK LTD	1,000	117,000	0.08
WUMART STORES INC – H	4,000	50,400	0.03
WYNN MACAU LTD	6,000	210,900	0.14
XINJIANG GOLDWIND SCI&TEC – H	4,600	40,664	0.03
XINYI GLASS HOLDINGS LTD	10,000	68,400	0.05
XINYI SOLAR HOLDINGS LTD	10,000	16,000	0.01
YANZHOU COAL MINING CO – H	16,000	113,280	0.08
YUE YUEN INDUSTRIAL HOLDING	5,500	142,450	0.10
YUEXIU PROPERTY CO LTD	30,000	57,300	0.04
ZHAOJIN MINING INDUSTRY – H	3,500	15,505	0.01
ZHEJIANG EXPRESSWAY CO – H	10,000	73,300	0.05
ZHONGSHENG GROUP HOLDINGS	3,000	32,100	0.02
ZHUZHOU CSR TIMES ELECTRIC CO LTD – H	3,000	83,700	0.06
ZIJIN MINING GROUP CO LTD – H	30,000	49,800	0.03
ZOOMLION HEAVY INDUSTRY – H	7,000	50,680	0.03
ZTE CORP – H	3,800	58,520	0.04
		53,690,875	36.71
<b>India 9.45%</b>			
ADANI ENTERPRISES LTD	1,337	43,994	0.03
AMBUJA CEMENTS LTD	4,746	108,664	0.07
ASIAN PAINTS LTD	1,894	116,336	0.08
AXIS BANK LTD	1,757	286,221	0.20
BAJAJ AUTO LTD	552	132,222	0.09
BANK OF BARODA	1,240	100,343	0.07
BHARAT HEAVY ELECTRICALS	5,578	123,693	0.08
BHARTI AIRTEL LTD	8,011	331,640	0.23
CAIRN INDIA LTD	2,760	112,010	0.08
CIPLA LTD	2,099	105,457	0.07
COAL INDIA LTD	4,129	150,100	0.10
DLF LTD	4,578	95,664	0.06
DR REDDY S LABORATORIES	544	172,840	0.12
GAIL INDIA LTD	2,535	108,773	0.07
GODREJ CONSUMER PRODUCTS LTD	829	89,141	0.06
HCL TECHNOLOGIES LTD	1,290	204,162	0.14

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>India 9.45%</b>			
HDFC BANK LIMITED	7,837	654,129	0.45
HERO MOTOCORP LTD	616	160,250	0.11
HINDALCO INDUSTRIES LTD	6,917	106,303	0.07
HINDUSTAN UNILEVER LTD	4,442	317,750	0.22
HOUSING DEVELOPMENT FINANCE	9,889	985,066	0.67
ICICI BANK LTD	3,742	515,394	0.35
IDEA CELLULAR LTD	4,574	95,695	0.07
IDFC LTD	8,396	115,351	0.08
INDUSIND BANK LTD	2,342	123,508	0.08
INFOSYS LTD	2,918	1,274,988	0.87
ITC LTD	12,352	498,342	0.34
JAIPRAKASH ASSOCIATES LTD	6,542	44,653	0.03
JINDAL STEEL & POWER LTD	2,999	98,119	0.07
JSW STEEL LTD	925	117,947	0.08
KOTAK MAHINDRA BANK LTD	2,120	193,532	0.13
LARSEN & TOUBRO LTD	1,724	231,291	0.16
LUPIN LTD	904	102,911	0.07
MAHINDRA & MAHINDRA LTD	2,184	258,496	0.18
MARUTI SUZUKI INDIA LTD	639	141,290	0.10
NESTLE INDIA LTD	146	96,802	0.07
NMDC LTD	6,070	107,971	0.07
NTPC LTD	13,698	235,242	0.16
OIL + NATURAL GAS CORP LTD	12,695	459,745	0.31
POWER FINANCE CORPORATION	2,239	46,857	0.03
POWER GRID CORP OF INDIA LTD	8,951	112,092	0.08
RANBAXY LABORATORIES LTD	782	44,431	0.03
RELIANCE CAPITAL LTD	1,681	76,165	0.05
RELIANCE COMMUNICATIONS LTD	4,126	67,237	0.05
RELIANCE INDUSTRIES LTD	9,746	1,093,663	0.75
RURAL ELECTRIFICATION CORP	3,770	104,252	0.07
SESA STERLITE LTD	8,914	225,659	0.15
SHRIRAM TRANSPORT FINANCE	1,353	114,075	0.08
STATE BANK OF INDIA	1,121	248,231	0.17
SUN PHARMACEUTICAL INDUSTRY	4,651	330,835	0.23
TATA CONSULTDANCY SERVICES LTD	2,883	784,967	0.54
TATA MOTORS LTD	6,606	311,692	0.21
TATA POWER CO LTD	8,567	98,101	0.07
TATA STEEL LTD	2,179	115,868	0.08
TECH MAHINDRA LTD	399	91,922	0.06



## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>India 9.45%</b>			
ULDRATECH CEMENT LTD	620	137,105	0.09
UNITED BREWERIES LTD	439	42,574	0.03
UNITED SPIRITS LTD	546	178,537	0.12
WIPRO LTD	3,112	218,144	0.15
YES BANK LTD	1,218	56,522	0.04
ZEE ENTERTAINMENT ENTERPRISE	3,223	111,751	0.08
		<u>13,826,715</u>	<u>9.45</u>
<b>Indonesia 2.52%</b>			
INDOFOOD SUKSES MAKMUR TBK	29,000	121,945	0.08
PT ADARO ENERGY TBK	105,000	72,918	0.05
PT ANEKA TAMBANG PERSERO TBK	20,000	13,889	0.01
PT ASTRA AGRO LESTARI TBK	2,500	39,979	0.03
PT ASTRA INTERNATIONAL TBK	129,500	561,048	0.38
PT BANK CENTRAL ASIA TBK	72,500	443,436	0.30
PT BANK DANAMON INDONESIA TBK	16,000	38,482	0.03
PT BANK MANDIRI PERSERO TBK	50,000	250,070	0.17
PT BANK NEGARA INDONESIA (PERSERO) TBK	37,000	93,115	0.06
PT BANK RAKYAT INDONESIA (PERSERO) TBK	59,000	272,528	0.19
PT BUMI RESOURCES TBK	136,500	26,090	0.02
PT CHAROEN POKPHAND INDONESIA TBK	47,500	102,138	0.07
PT GLOBAL MEDIACOM TBK	29,000	35,105	0.02
PT GUDANG GARAM TBK	3,500	93,657	0.07
PT INDO TAMBANGRAYA MEGAH TBK	2,000	36,316	0.03
PT INDOCEMENT TUNGGAL PRAKARSA TBK	8,000	101,939	0.07
PT INDOFOOD CBP SUKSES MAKMUR TBK	8,500	55,238	0.04
PT INDOSAT TBK	8,500	22,474	0.02
PT JASA MARGA (PERSERO) TBK	13,000	39,135	0.03
PT KALBE FARMA TBK	129,500	103,134	0.07
PT MEDIA NUSANTARA CITRA TBK	20,500	34,285	0.02
PT PERUSAHAAN GAS NEGARA (PERSERO) TBK	68,500	195,301	0.13
PT SEMEN INDONESIA (PERSERO) TBK	18,000	162,275	0.11
PT TAMBANG BATUBARA BUKIT ASAM TBK	7,500	48,740	0.03
PT TELEKOMUNIKASI INDONESIA (PERSERO) TBK	313,500	429,435	0.29
PT UNILEVER INDONESIA TBK	7,000	115,956	0.08
PT UNITED TRACTORS TBK	8,500	102,895	0.07
PT VALE INDONESIA TBK	17,500	29,546	0.02
PT XL AXIATA TBK	11,500	38,100	0.03
		<u>3,679,169</u>	<u>2.52</u>

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Korea 19.46%</b>			
AMOREPACIFIC CORP	20	146,942	0.10
AMOREPACIFIC GROUP	22	75,161	0.05
BS FINANCIAL GROUP INC	1,050	123,431	0.08
CELLTRION INC	460	129,610	0.09
CHEIL INDUSTRIES INC	294	191,164	0.13
CHEIL WORLDWIDE INC	590	119,207	0.08
CJ CHEILJEDANG CORP	51	103,792	0.07
CJ CORP	94	80,458	0.06
CJ KOREA EXPRESS CORP	63	46,287	0.03
COWAY CO LTD	351	171,234	0.12
DAELIM INDUSTRIAL CO LTD	155	107,161	0.07
DAEWOO ENGINEERING & CONSTRUCTION	1,070	57,938	0.04
DAEWOO INTERNATIONAL CORP	260	78,893	0.05
DAEWOO SECURITIES CO LTD	1,030	67,351	0.05
DAEWOO SHIPBUILDING & MARINE	530	136,289	0.09
DAISHIN SECURITIES CO LTD	740	30,283	0.02
DAUM COMMUNICATIONS CORP	99	61,098	0.04
DGB FINANCIAL GROUP INC	640	77,585	0.05
DONGBU INSURANCE CO LTD	320	132,130	0.09
DOOSAN CORP	61	62,520	0.04
DOOSAN HEAVY INDUSTRIES	230	59,820	0.04
DOOSAN INFRACORE CO LTD	470	43,510	0.03
E MART CO LTD	133	260,414	0.18
GS ENGINEERING & CONSTRUCTION	160	35,854	0.02
GS HOLDINGS	286	120,403	0.08
HALLA VISTEON CLIMATE CONTRO	220	62,634	0.04
HANA FINANCIAL GROUP	1,640	528,961	0.36
HANJIN SHIPPING CO LTD	650	36,581	0.03
HANKOOK TIRE CO LTD	390	173,928	0.12
HANWHA CHEMICAL CORP	410	64,915	0.04
HANWHA CORPORATION	360	103,682	0.07
HANWHA LIFE INSURANCE CO LTD	1,340	74,724	0.05
HITE JINRO CO LTD	230	37,261	0.03
HYOSUNG CORPORATION	152	78,508	0.05
HYUNDAI DEPARTMENT STORE CO	98	115,922	0.08
HYUNDAI DEVELOPMENT CO	370	63,067	0.04
HYUNDAI ENGINEERING & CONSTRUCTION	409	182,401	0.12
HYUNDAI GLOVIS CO LTD	91	154,443	0.11
HYUNDAI HEAVY INDUSTRIES	251	473,939	0.32

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Korea 19.46%</b>			
HYUNDAI HYSKO	170	51,834	0.04
HYUNDAI MARINE & FIRE INSURANCE CO	410	97,900	0.07
HYUNDAI MERCHANT MARINE	481	40,287	0.03
HYUNDAI MIPO DOCKYARD	58	75,851	0.05
HYUNDAI MOBIS CO LTD	414	892,737	0.61
HYUNDAI MOTOR CO	930	1,615,955	1.10
HYUNDAI SECURITIES CO	590	25,359	0.02
HYUNDAI STEEL CO	327	207,336	0.14
HYUNDAI WIA CORP	89	124,239	0.08
INDUSTRIAL BANK OF KOREA	630	56,238	0.04
KANGWON LAND INC	740	168,270	0.12
KB FINANCIAL GROUP INC	2,410	748,099	0.51
KCC CORP	32	110,148	0.08
KEPCO ENGINEERING & CONSTRUCTION	59	26,225	0.02
KIA MOTORS CORPORATION	1,482	610,838	0.42
KOREA ELECTRIC POWER CORP	1,460	372,755	0.25
KOREA GAS CORPORATION	202	98,842	0.07
KOREA INVESTMENT HOLDINGS CO	240	71,943	0.05
KOREA ZINC CO LTD	56	130,837	0.09
KOREAN AIR LINES CO LTD	144	33,009	0.02
KT CORP	810	187,759	0.13
KT&G CORP	767	419,824	0.29
KUMHO PETRO CHEMICAL CO LTD	106	74,141	0.05
LG CHEM LTD	257	565,516	0.39
LG CORP	519	244,041	0.17
LG DISPLAY CO LTD	1,340	249,573	0.17
LG ELECTRONICS INC	639	319,715	0.22
LG HAUSYS LTD	48	49,901	0.03
LG HOUSEHOLD & HEALTHDH CARE	58	233,520	0.16
LG UPLUS CORP	1,360	107,414	0.07
LOTTE CHEMICAL CORP	83	141,476	0.10
LOTTE CHILSUNG BEVERAGE CO	6	67,226	0.05
LOTTE CONFECTIONERY CO LTD	6	84,286	0.06
LOTTE SHOPPING CO	67	198,871	0.14
LS CORP	94	55,872	0.04
MANDO CORP	67	61,532	0.04
MIRAE ASSET SECURITIES CO LTD	140	39,498	0.03
NAVER CORP	165	877,683	0.60
NCSOFT CORPORATION	90	164,318	0.11

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Korea 19.46%</b>			
NHN ENTERTAINMENT CORP	75	53,119	0.04
NONGSHIM CO LTD	28	51,635	0.04
OCI CO LTD	107	150,152	0.10
ORION CORP	24	167,337	0.11
POSCO	438	1,050,685	0.72
S 1 CORPORATION	173	95,074	0.07
S OIL CORPORATION	306	166,368	0.11
SAMSUNG C&T CORP	722	321,459	0.22
SAMSUNG CARD CO	250	68,695	0.05
SAMSUNG ELECTRO MECHANICS CO	336	180,209	0.12
SAMSUNG ELECTRONICS CO LTD	649	6,542,053	4.47
SAMSUNG ENGINEERING CO LTD	206	99,891	0.07
SAMSUNG FINE CHEMICALS CO	136	44,515	0.03
SAMSUNG FIRE & MARINE INSURANCE	235	447,181	0.31
SAMSUNG HEAVY INDUSTRIES	1,030	287,943	0.20
SAMSUNG LIFE INSURANCE CO LTD	597	456,166	0.31
SAMSUNG SDI CO LTD PFD	205	243,997	0.17
SAMSUNG SECURITIES CO LTD	348	112,626	0.08
SAMSUNG TECHWIN CO LTD	235	93,925	0.06
SHINHAN FINANCIAL GROUP LTD	2,860	993,900	0.68
SHINSEGAE CO LTD	42	77,916	0.05
SK C&C CO LTD	157	155,722	0.11
SK HOLDINGS CO LTD	150	210,494	0.14
SK HYNIX INC	3,090	835,452	0.57
SK INNOVATION CO LTD	391	406,489	0.28
SK NETWORKS CO LTD	840	46,657	0.03
SK TELECOM	246	415,698	0.28
SKC CO LTD	120	26,934	0.02
WOORI FINANCE HOLDINGS CO	1,800	175,889	0.12
WOORI INVESTMENT & SECURITIES	610	42,980	0.03
YUHAN CORPORATION	55	75,565	0.05
		<u>28,467,095</u>	<u>19.46</u>
<b>Malaysia 4.89%</b>			
AIRASIA BHD	11,300	58,848	0.04
ALLIANCE FINANCIAL GROUP BHD	3,400	38,311	0.03
AMMB HOLDINGS BHD	9,200	157,674	0.11
ASTRO MALAYSIA HOLDINGS BHD	11,900	84,509	0.06
AXIATA GROUP BERHAD	23,200	378,941	0.26

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Malaysia 4.89%</b>			
BERJAYA SPORTS TOTO BHD	7,300	69,986	0.05
BRITISH AMERICAN TOBACCO BHD	1,000	151,785	0.10
BUMI ARMADA BERHAD	12,900	123,063	0.08
CIMB GROUP HOLDINGS BHD	22,300	402,248	0.27
DIGICOM BHD	23,100	271,224	0.19
FELDA GLOBAL VENTURES	12,600	133,922	0.09
GAMUDA BHD	11,500	130,669	0.09
GENTING BHD	12,700	308,450	0.21
GENTING MALAYSIA BHD	17,600	182,482	0.12
HONG LEONG BANK BERHAD	1,700	57,949	0.04
HONG LEONG FINANCIAL GROUP	1,800	65,960	0.04
IHH HEALTHDHCARE BHD	13,900	127,009	0.09
IJM CORP BHD	7,900	109,961	0.08
IOI CORPORATION BHD	19,900	221,875	0.15
IOI PROPERTIES GROUP SDN BHD	6,633	43,886	0.03
KUALA LUMPUR KEPONG BHD	3,600	212,195	0.14
LAFARGE MALAYSIA BHD	3,800	77,090	0.05
MALAYAN BANKING BHD	28,700	675,309	0.46
MALAYSIA MARINE AND HEAVY ENGINEERING	7,500	62,139	0.04
MAXIS BHD	14,800	254,701	0.17
MMC CORP BHD	4,100	27,952	0.02
PARKSON HOLDINGS BHD	3,800	24,737	0.02
PETRONAS CHEMICALS GROUP BHD	17,600	288,305	0.20
PETRONAS DAGANGAN BHD	3,100	230,716	0.16
PETRONAS GAS BHD	3,100	178,174	0.12
PPB GROUP BERHAD	1,500	57,310	0.04
PUBLIC BANK BHD	5,900	272,905	0.19
RHB CAPITAL BHD	4,500	84,154	0.06
SAPURAKENCANA PETROLEUM BHD	24,600	285,342	0.19
SIME DARBY BERHAD	20,500	461,982	0.32
SP SETIA BHD	4,300	30,639	0.02
TELEKOM MALAYSIA BHD	8,200	107,731	0.07
TENAGA NASIONAL BHD	10,600	285,550	0.20
UEM SUNRISE BHD	7,200	40,223	0.03
UMW HOLDINGS BHD	3,900	111,339	0.08
YTL CORPORATION BERHAD	37,500	143,807	0.10
YTL POWER INTERNATIONAL BHD	26,900	120,351	0.08
		<u>7,151,403</u>	<u>4.89</u>

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Philippines 1.38%</b>			
ABOITIZ EQUITY VENTURES INC	12,860	122,556	0.08
ABOITIZ POWER CORP	16,900	100,384	0.07
ALLIANCE GLOBAL GROUP INC	24,000	108,176	0.07
AYALA CORPORATION	1,100	99,546	0.07
AYALA LAND INC	36,800	159,119	0.11
BANK OF THE PHILIPPINE ISLAND	8,620	128,005	0.09
BDO UNIBANK INC	6,560	78,619	0.05
BLOOMBERRY RESORTS CORP	12,000	18,050	0.01
DMCI HOLDINGS INC	4,720	46,178	0.03
ENERGY DEVELOPMENT CORP	62,900	58,570	0.04
GLOBE TELECOM INC	235	67,331	0.05
INTERNATIONAL CONTAINER TERMINAL SERVICES INC	4,970	88,564	0.06
JOLLIBEE FOODS CORPORATION	2,930	88,606	0.06
MANILA ELECTRIC COMPANY	1,390	60,952	0.04
METROPOLITAN BANK & TRUST	4,043	53,363	0.04
PHILIPPINE LONG DISTANCE TELEPHONE	525	244,523	0.17
SAN MIGUEL CORP	5,290	57,761	0.04
SM INVESTMENTS CORP	1,775	220,480	0.15
SM PRIME HOLDINGS INC	39,200	100,534	0.07
UNIVERSAL ROBINA CORP	6,220	122,900	0.08
		<u>2,024,217</u>	<u>1.38</u>
<b>Singapore 7.40%</b>			
ASCENDAS REAL ESTATE INVESTMENT TRUST	12,000	162,125	0.11
CAPITACOMMERCIAL TRUST	13,000	115,760	0.08
CAPITALAND LTD	14,000	260,505	0.18
CAPITAMALL TRUST	16,000	187,181	0.13
CAPITAMALLS ASIA LTD	8,000	96,292	0.07
CITY DEVELOPMENTS LTD	4,000	235,818	0.16
COMFORTDELGRO CORP LTD	15,000	185,154	0.13
COSCO CORP SINGAPORE LTD	5,000	23,183	0.02
DBS GROUP HOLDINGS LTD	10,000	1,050,128	0.72
GENTING SINGAPORE PLC	35,000	321,333	0.22
GLOBAL LOGISTIC PROPERTIES LTD	17,000	301,712	0.21
GOLDEN AGRI RESOURCES LTD	42,000	140,570	0.10
HONGKONG LAND HOLDINGS LTD	7,000	320,230	0.22
HUTCHISON PORT HOLDINGS	31,000	162,247	0.11
INDOFOOD AGRI RESOURCES LTD	6,000	32,609	0.02
JARDINE CYCLE & CARRIAGE LTD	1,000	220,773	0.15

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Singapore 7.40%</b>			
JARDINE MATHESON HOLDINGS LTD	1,200	486,718	0.33
JARDINE STRATEGIC HOLDINGS LTD	1,500	372,180	0.25
KEPPEL CORP LTD	8,000	549,751	0.38
KEPPEL LAND LTD	5,000	102,556	0.07
M1 LTD	3,000	60,244	0.04
NEPTUNE ORIENT LINES LTD	5,000	34,544	0.02
NOBLE GROUP LTD	21,000	137,991	0.09
OLAM INTERNATIONAL LTD	9,000	84,839	0.06
OVERSEA CHINESE BANKING CORP	18,000	1,127,506	0.77
SEMBCORP INDUSTRIES LTD	5,000	168,573	0.12
SEMBCORP MARINE LTD	5,000	136,639	0.09
SIA ENGINEERING CO LTD	2,000	62,148	0.04
SINGAPORE AIRLINES LTD	3,000	191,787	0.13
SINGAPORE EXCHANGE LTD	5,000	222,922	0.15
SINGAPORE POST LTD	17,000	138,328	0.10
SINGAPORE PRESS HOLDINGS LTD	3,000	75,904	0.05
SINGAPORE TECH ENGINEERING	10,000	243,188	0.17
SINGAPORE TELECOMMUNICATIONS	45,000	1,011,439	0.69
SMRT CORP LTD	10,000	71,237	0.05
STARHUB LTD	4,000	105,381	0.07
SUNTEC	15,000	141,859	0.10
UNITED OVERSEAS BANK LTD	7,000	913,058	0.62
UOL GROUP LTD	2,000	76,027	0.05
VENTURE CORP LTD	1,000	47,164	0.03
WILMAR INTERNATIONAL LTD	13,000	273,033	0.19
WING TAI HOLDINGS LTD	4,000	48,269	0.03
YANGZIJANG SHIPBUILDING	12,000	87,326	0.06
YANLORD LAND GROUP LTD	4,000	30,091	0.02
		<u>10,816,322</u>	<u>7.40</u>
<b>Taiwan 14.19%</b>			
ACER INC	16,000	76,176	0.05
ADVANCED SEMICONDUCTOR ENGINEERING	36,000	259,434	0.18
ADVANTECH CO LTD	2,000	107,447	0.07
ASIA CEMENT CORP	15,300	153,647	0.10
ASUSTEK COMPUTER INC	4,000	278,894	0.19
AU OPTRONICS CORP	47,000	116,407	0.08
CAPITAL SECURITIES CORP	17,000	48,872	0.03
CATCHER TECHNOLOGY CO LTD	4,000	201,366	0.14

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Taiwan 14.19%</b>			
CATHAY FINANCIAL HOLDING CO	43,840	550,316	0.38
CATHAY REAL ESTATE DEVELOPMENT	8,000	39,128	0.03
CHANG HWA COMMERCIAL BANK	8,560	40,865	0.03
CHENG SHIN RUBBER IND CO LTD	10,350	210,029	0.14
CHENG UEI PRECISION INDUSTRY	3,000	46,673	0.03
CHICONY ELECTRONICS CO LTD	4,040	78,724	0.05
CHINA AIRLINES LTD	12,000	34,185	0.02
CHINA DEVELOPMENT FINANCIAL HOLDING CO INC	63,000	147,512	0.10
CHINA MOTOR CORP	5,000	37,528	0.03
CHINA STEEL CORP	73,730	517,908	0.35
CHUNGHWA TELECOM CO LTD	24,000	581,307	0.40
COMPAL ELECTRONICS	25,000	148,618	0.10
CTBC FINANCIAL HOLDING CO LTD	63,130	334,230	0.23
DELTDA ELECTRONICS INC	12,000	530,731	0.36
EPISTAR CORP	5,000	74,667	0.05
ESUN FINANCIAL HOLDING CO	22,000	113,327	0.08
ETERNAL CHEMICAL CO LTD	12,000	90,537	0.06
EVA AIRWAYS CORP	9,000	38,868	0.03
EVERGREEN MARINE CORP LTD	10,000	47,350	0.03
FAR EASTERN NEW CENTURY CORP	21,420	191,700	0.13
FAR EASTONE TELECOMM CO LTD	11,000	187,447	0.13
FENG HSIN IRON & STEEL CO LTD	6,000	85,385	0.06
FIRST FINANCIAL HOLDING CO	26,625	128,493	0.09
FORMOSA CHEMICALS & FIBRE CORP	25,750	562,731	0.38
FORMOSA PETROCHEMICAL CORP	14,000	297,938	0.20
FORMOSA PLASTICS CORP	29,120	609,862	0.42
FORMOSA TAFFETA CO	9,000	84,410	0.06
FOXCONN TECHNOLOGY CO LTD	6,300	114,076	0.08
FUBON FINANCIAL HOLDING CO	38,000	431,037	0.29
GIANT MANUFACTURING CO LTD	2,000	106,667	0.07
HON HAI PRECISION INDUSTRY	71,500	1,489,989	1.02
HOTAI MOTOR COMPANY LTD	2,000	191,480	0.13
HTC CORP	5,000	183,415	0.13
HUA NAN FINANCIAL HOLDINGS CO LTD	24,150	109,323	0.07
INNOLUX CORP	39,000	115,161	0.08
INVENTEC CO LTD	23,000	157,671	0.11
LARGAN PRECISION CO LTD	1,000	316,097	0.22
LITE ON TECHNOLOGY CORP	14,069	174,959	0.12
MACRONIX INTERNATIONAL	23,000	40,151	0.03



## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Taiwan 14.19%</b>			
MEDIATEK INC	8,000	923,056	0.63
MEGA FINANCIAL HOLDING CO LTD	48,582	317,244	0.22
MSTAR SEMICONDUCTOR INC	2,000	180,553	0.12
NAN YA PLASTICS CORP	38,380	687,969	0.47
NOVATEK MICROELECTRONICS COR	3,000	95,219	0.06
ORIENTAL UNION CHEMICAL	8,000	67,122	0.05
PEGATRON CORP	10,000	99,902	0.07
POU CHEN	8,000	92,722	0.06
PRESIDENT CHAIN STORE CORP	4,000	214,894	0.15
PRESIDENT SECURITIES CORP	13,000	59,863	0.04
QUANTA COMPUTER INC	11,000	198,894	0.14
REALTEK SEMICONDUCTOR CORP	3,030	63,063	0.04
SHIN KONG FINANCIAL HOLDING	42,335	113,444	0.08
SILICONWARE PRECISION INDUSTRIES CO	18,000	166,712	0.11
SINOPAC FINANCIAL HOLDINGS	34,548	133,473	0.09
SYNNEX TECHNOLOGY INTERNATIONAL COR	8,000	98,445	0.07
TAISHIN FINANCIAL HOLDING	23,959	91,317	0.06
TAIWAN CEMENT	20,000	240,650	0.16
TAIWAN COOPERATIVE FINANCIAL	13,780	58,436	0.04
TAIWAN FERTILIZER CO LTD	6,000	105,366	0.07
TAIWAN GLASS IND CORP	8,000	68,995	0.05
TAIWAN MOBILE CO LTD	11,000	275,590	0.19
TAIWAN SECOM	5,000	97,301	0.07
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	145,000	3,979,834	2.72
TECO ELECTRIC & MACHINERY	13,000	115,499	0.08
TON YI INDUSTRIAL CORP	10,000	79,610	0.05
TPK HOLDING CO LTD	2,000	91,577	0.06
TRANSCEND INFORMATION INC	3,000	66,888	0.05
U MING MARINE TRANSPORT CORP	5,000	69,593	0.05
UNI PRESIDENT ENTERPRISES CO	27,560	385,033	0.26
UNIMICRON TECHNOLOGY CORP	9,000	52,917	0.04
UNITED MICROELECTRONICS CORP	72,000	231,336	0.16
VANGUARD INTERNATIONAL SEMICONDUCTOR	6,000	55,259	0.04
WALSIN LIHWA CORP	19,000	47,256	0.03
WAN HAI LINES LTD	7,000	28,228	0.02
WATERLAND FINANCIAL HOLDINGS	25,750	66,925	0.05
WISTRON CORP	14,700	95,801	0.07
YAGEO CORPORATION	14,000	39,154	0.03
YANG MING MARINE TRANSPORT	8,000	29,034	0.02

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Taiwan 14.19%</b>			
YFY INC	19,000	73,652	0.05
YUANTA FINANCIAL HOLDING CO	52,000	240,806	0.16
YULON MOTOR COMPANY	5,000	<u>70,244</u>	<u>0.05</u>
		<u>20,751,614</u>	<u>14.19</u>
<b>Thailand 2.58%</b>			
ADVANCED INFO SERVICE	7,300	343,645	0.24
AIRPORTS OF THAILAND PCL	2,500	93,500	0.06
BANGKOK BANK PCL	2,000	84,003	0.06
BANGKOK DUSIT MEDICAL SERVICE	2,000	55,451	0.04
BANPU PUBLIC CO LTD	4,500	32,120	0.02
BEC WORLD PCL	5,800	69,114	0.05
BERLI JUCKER PUB CO	2,400	27,325	0.02
BIG C SUPERCENTER PCL	1,500	65,126	0.04
CENTRAL PATTANA PUB CO	7,600	73,526	0.05
CHAROEN POKPHAND FOOD	18,200	137,425	0.09
CP ALL PCL	26,500	262,627	0.18
DELTA ELECTRONICS THAI	4,000	50,496	0.03
ELECTRICITY GEN PUB CO	2,400	69,373	0.05
GLOW ENERGY PCL	3,500	58,224	0.04
INDORAMA VENTURES	6,600	31,147	0.02
IRPC PCL	91,000	70,001	0.05
KASIKORNBANK PCL	7,300	273,021	0.19
KRUNG THAI BANK PUB CO	14,400	56,065	0.04
LAND & HOUSES PUB CO LTD	17,000	35,902	0.02
PTT EXPLORATION & PRODUCTION	8,100	318,232	0.22
PTT GLOBAL CHEMICAL PCL	9,100	169,634	0.12
PTT PCL	5,700	384,667	0.26
RATCHABURI	4,800	55,499	0.04
SHIN CORP PCL	9,200	147,076	0.10
SIAM CEMENT PUB CO	1,700	162,862	0.11
SIAM CITY CEMENT PCL	500	46,957	0.03
SIAM COMMERCIAL BANK	8,900	301,360	0.21
THAI OIL PCL	7,000	92,910	0.06
THAI UNION FROZEN PROD	3,800	64,335	0.04
TMB BANK PUBLIC CORP	88,800	43,164	0.03

**Investment portfolio (Unaudited) (Continued)**

*As at 31 December 2013*

	Holding at 31 December 2013	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>Thailand 2.58%</b>			
TOTAL ACCESS COMMUNICATION	4,500	<u>102,998</u>	<u>0.07</u>
		<u>3,777,785</u>	<u>2.58</u>
Total Listed Equities		<u>145,147,702</u>	<u>99.24</u>
Foreign currency contracts		(43)	-
Total Investments		<u>145,147,659</u>	<u>99.24</u>
Total investments, at cost		<u>145,855,389</u>	

## Investment portfolio (Unaudited) (Continued)

As at 31 December 2013

### Portfolio of investments

	Fair value at 31 December 2013 HK\$	Percentage of total net assets at 31 December 2013 (%)
<b>(a) By asset class</b>		
Total Listed Equities	145,147,702	99.24
<b>(b) By Industry</b>		
Consumer Discretionary	14,884,981	10.16
Consumer Staples	8,326,571	5.71
Energy	8,122,389	5.52
Financials	37,591,118	25.70
Health Care	1,850,618	1.29
Industrials	13,272,081	9.08
Information Technology	26,549,339	18.15
Materials	11,431,807	7.78
Real Estate	8,734,365	5.99
Telecomm. Services	9,290,930	6.37
Utilities	5,093,503	3.49
	<u>145,147,702</u>	<u>99.24</u>
<b>Top Ten holdings</b>		
SAMSUNG ELECTRONICS CO LTD	6,542,053	4.47
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	3,979,834	2.72
AIA GROUP LTD	2,870,820	1.96
TENCENT HOLDINGS LTD	2,769,760	1.89
CHINA CONSTRUCTION BANK – H	2,667,600	1.82
CHINA MOBILE LTD	2,532,600	1.73
INDUSTRIAL AND COMMERCIAL BANK OF CHINA – H	2,399,920	1.64
BANK OF CHINA LTD – H	1,699,320	1.16
HYUNDAI MOTOR CO	1,615,955	1.10
HON HAI PRECISION INDUSTRY	1,489,989	1.02
	<u>28,567,851</u>	<u>19.51</u>

Statement of movements in investment portfolio (Unaudited)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
AAC TECHNOLOGIES HOLDINGS INC	-	4,500		4,500
ABOITIZ EQUITY VENTURES INC	-	12,860		12,860
ABOITIZ POWER CORP	-	16,900		16,900
ACER INC	-	16,000		16,000
ADANI ENTERPRISES LTD	-	1,337		1,337
ADARO ENERGY TBK PT	-	105,000		105,000
ADVANCED INFO SERVICE FOR RG FOREIGN SH THB1 A	-	8,100	800	7,300
ADVANCED SEMICONDUCTOR ENGR	-	36,000		36,000
ADVANTECH CO LTD	-	2,000		2,000
AGILE PROPERTY HOLDINGS LTD	-	8,000		8,000
AGRICULTURAL BANK OF CHINA H	-	179,000	22,000	157,000
AIA GROUP LTD	-	73,800		73,800
AIR CHINA LTD H	-	10,000		10,000
AIRASIA BHD	-	11,300		11,300
AIRPORTS OF THAILAND PCL FOR FOREIGN SH THB1 A	-	2,500		2,500
ALLIANCE FINANCIAL GROUP BHD	-	3,400		3,400
ALLIANCE GLOBAL GROUP INC	-	24,000		24,000
ALUMINUM CORP OF CHINA LTD H	-	12,000		12,000
AMBUJA CEMENTS LTD	-	4,746		4,746
AMMB HOLDINGS BHD	-	9,200		9,200
AMOREPACIFIC CORP	-	20		20
AMOREPACIFIC GROUP	-	22		22
ANEKA TAMBANG PERSERO TBK	-	20,000		20,000
ANGANG STEEL CO LTD - H	-	6,000		6,000
ANHUI CONCH CEMENT CO LTD - H	-	7,000		7,000
ANHUI EXPRESSWAY CO LTD - H	-	6,000		6,000
ANTA SPORTS PRODUCTS LTD	-	6,000		6,000
ASCENDAS REAL ESTATE INV TRT REIT	-	24,000	12,000	12,000
ASIA CEMENT CORP	-	15,300		15,300
ASIAN PAINTS LTD	-	1,894		1,894
ASM PACIFIC TECHNOLOGY	-	1,400		1,400
ASTRA AGRO LESTARI TBK	-	2,500		2,500
ASTRA INTERNATIONAL TBK PT	-	129,500		129,500
ASTRO MALAYSIA HOLDINGS BHD	-	11,900		11,900
ASUSTEK COMPUTER INC	-	5,000	1,000	4,000
AU OPTRONICS CORP	-	47,000		47,000
AXIATA GROUP BERHAD	-	34,900	11,700	23,200
AXIS BANK LTD	-	1,757		1,757
AYALA CORPORATION	-	1,100		1,100
AYALA LAND INC	-	36,800		36,800
BAJAJ AUTO LTD	-	552		552
BANGKOK BANK PCL	-	2,000		2,000
BANGKOK DUSIT MED SERVICE F FOREIGN SH THB1 A	-	2,000		2,000
BANK CENTRAL ASIA TBK PT IDR625	-	72,500		72,500
BANK DANAMON INDONESIA TBK	-	16,000		16,000
BANK MANDIRI PERSERO TBK PT	-	50,000		50,000
BANK NEGARA INDONESIA PERSER IDR75	-	37,000		37,000
BANK OF BARODA	-	1,240		1,240
BANK OF CHINA LTD H	-	502,000	26,000	476,000

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
BANK OF COMMUNICATIONS CO H	-	72,000	7,000	65,000
BANK OF EAST ASIA	-	6,400		6,400
BANK OF THE PHILIPPINE ISLAN	-	8,620		8,620
BANK RAKYAT INDONESIA PERSER IDR25	-	59,000		59,000
BANPU PUBLIC CO LTD FOR REG FOREIGN SH THB1 A	-	10,000	5,500	4,500
BBMG CORPORATION H	-	6,500		6,500
BDO UNIBANK INC	-	6,560		6,560
BEC WORLD PCL FOREIGN FOREIGN SH THB1 A	-	5,800		5,800
BEIJING CAPITAL INTL AIRPO H	-	10,000		10,000
BEIJING ENTERPRISES HOLDINGS	-	3,000		3,000
BEIJING NORTH STAR CO LTD - H	-	12,000		12,000
BELLE INTERNATIONAL HOLDINGS HKD1	-	31,000		31,000
BENGANG STEEL PLATES CO - B	-	11,600		11,600
BERJAYA SPORTS TOTO BHD	-	7,300		7,300
BERLI JUCKER PUB CO	-	2,400		2,400
BHARAT HEAVY ELECTRICALS	-	5,578		5,578
BHARTI AIRTEL LTD	-	8,011		8,011
BIG C SUPERCENTER PCL THB1 L	-	1,500		1,500
BLOOMBERRY RESORTS CORP	-	12,000		12,000
BOC HONG KONG HOLDINGS LTD HKD5	-	26,000		26,000
BOE TECHNOLOGY GROUP CO LTD - B	-	16,300		16,300
BOSIDENG INTL HLDGS LTD USD1	-	20,000		20,000
BRIGHTOIL PETROLEUM HOLDINGS 5	-	37,000	20,000	17,000
BRILLIANCE CHINA AUTOMOTIVE	-	16,000		16,000
BRITISH AMERICAN TOBACCO BHD	-	1,000		1,000
BS FINANCIAL GROUP INC	-	1,050		1,050
BUMI ARMADA BERHAD	-	17,400	4,500	12,900
BUMI RESOURCES TBK	-	136,500		136,500
BYD CO LTD H	-	3,500		3,500
CAFE DE CORAL HOLDINGS LTD	-	4,000	2,000	2,000
CAIRN INDIA LTD	-	2,760		2,760
CAPITACOMMERCIAL TRUST REIT	-	13,000		13,000
CAPITAL SECURITIES CORP	-	17,000		17,000
CAPITALAND LTD	-	14,000		14,000
CAPITAMALL TRUST REIT	-	16,000		16,000
CAPITAMALLS ASIA LTD	-	8,000		8,000
CATCHER TECHNOLOGY CO LTD	-	4,000		4,000
CATHAY FINANCIAL HOLDING CO	-	43,840		43,840
CATHAY PACIFIC AIRWAYS	-	6,000		6,000
CATHAY REAL ESTATE DEVELOPMENT	-	8,000		8,000
CELLTRION INC KRW1	-	460		460
CENTRAL PATTANA PUB CO FOREI FOREIGN SH THB5 A	-	7,600		7,600
CHAMPION REIT REIT	-	22,000		22,000
CHANG HWA COMMERCIAL BANK	-	8,560		8,560
CHAROEN POKPHAND FOOD FORGN FOREIGN SH THB1 A	-	18,200		18,200
CHAROEN POKPHAND INDONESIA PT IDR1	-	47,500		47,500
CHEIL INDUSTRIES INC	-	294		294
CHEIL WORLDWIDE INC	-	590		590
CHENG SHIN RUBBER IND CO LTD	-	10,350		10,350

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
CHENG UEI PRECISION INDUSTRY	-	3,000		3,000
CHEUNG KONG HOLDINGS LTD HKD5	-	8,000		8,000
CHEUNG KONG INFRASTRUCTURE	-	5,000	4,000	1,000
CHICONY ELECTRONICS CO LTD	-	4,040		4,040
CHINA AGRI INDUSTRIES HLDGS	-	14,000		14,000
CHINA AIRLINES LTD	-	12,000		12,000
CHINA BLUECHEMICAL LTD H	-	12,000		12,000
CHINA CITIC BANK CORP LTD H	-	83,000	30,000	53,000
CHINA COAL ENERGY CO H	-	30,000	6,000	24,000
CHINA COMMUNICATIONS CONST H	-	25,000		25,000
CHINA COMMUNICATIONS SERVI H	-	18,000		18,000
CHINA CONSTRUCTION BANK H	-	463,000	7,000	456,000
CHINA COSCO HOLDINGS H	-	13,000		13,000
CHINA DEVELOPMENT FINANCIAL	-	63,000		63,000
CHINA EASTERN AIRLINES CO - H	-	10,000		10,000
CHINA EVERBRIGHT LTD	-	6,000		6,000
CHINA FOODS LTD	-	6,000		6,000
CHINA GAS HOLDINGS LTD HKD1	-	20,000	10,000	10,000
CHINA INTERNATIONAL MARINE H	-	2,900		2,900
CHINA LIFE INSURANCE CO H	-	46,000		46,000
CHINA LONGYUAN POWER GROUP H	-	16,000		16,000
CHINA MENGNIU DAIRY CO	-	9,000		9,000
CHINA MERCHANTS BANK H	-	38,067	7,000	31,067
CHINA MERCHANTS HLDGS INTL	-	6,000		6,000
CHINA MERCHANTS PROPERTY D B	-	1,000		1,000
CHINA MINSHENG BANKING H	-	29,000		29,000
CHINA MOBILE LTD	-	32,500	1,000	31,500
CHINA MOTOR CORP	-	5,000		5,000
CHINA NATIONAL BUILDING MA H	-	18,000		18,000
CHINA OILFIELD SERVICES H	-	12,000	2,000	10,000
CHINA OVERSEAS LAND + INVEST	-	24,000		24,000
CHINA PACIFIC INSURANCE GR H	-	12,800		12,800
CHINA PETROLEUM + CHEMICAL H	-	161,200	10,000	151,200
CHINA RAILWAY CONSTRUCTION H	-	10,500		10,500
CHINA RAILWAY GROUP LTD H	-	22,000		22,000
CHINA RESOURCES CEMENT	-	12,000		12,000
CHINA RESOURCES ENTERPRISE	-	8,000		8,000
CHINA RESOURCES GAS GROUP LTD	-	2,000		2,000
CHINA RESOURCES LAND LTD	-	14,000	2,000	12,000
CHINA RESOURCES POWER HOLDIN	-	10,000		10,000
CHINA RONGSHENG HEAVY INDUST	-	19,000		19,000
CHINA SHENHUA ENERGY CO H	-	22,000		22,000
CHINA SHIPPING CONTAINER H	-	21,000		21,000
CHINA SHIPPING DEVELOPMENT H	-	6,000		6,000
CHINA SOUTHERN AIRLINES CO - H	-	10,000		10,000
CHINA STATE CONSTRUCTION INT 5	-	10,000		10,000
CHINA STEEL CORP	-	73,730		73,730
CHINA TAIPING INSURANCE HOLD	-	4,600		4,600
CHINA TELECOM CORP LTD H	-	98,000		98,000

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
CHINA TRAVEL INTL INV HK	-	26,000		26,000
CHINA UNICOM HONG KONG LTD	-	26,000		26,000
CHINA VANKE CO LTD B	-	7,700		7,700
CHINA YURUN FOOD GROUP LTD	-	8,000		8,000
CHONGQING CHANGAN AUTOMOBIL - B	-	5,300		5,300
CHONGQING RURAL COMMERCIAL H	-	14,000		14,000
CHOW TAI FOOK JEWELLERY GROU	-	5,600		5,600
CHUNGHWA TELECOM CO LTD	-	48,000	24,000	24,000
CIMB GROUP HOLDINGS BHD	-	22,300		22,300
CIPLA LTD	-	2,099		2,099
CITIC PACIFIC LTD HKD4	-	7,000		7,000
CITIC SECURITIES CO LTD H	-	4,500		4,500
CITY DEVELOPMENTS LTD	-	4,000		4,000
CJ CHEILJEDANG CORP	-	51		51
CJ CORP	-	94		94
CJ KOREA EXPRESS CORP	-	63		63
CLP HOLDINGS LTD	-	11,000	3,500	7,500
CNOOC LTD	-	114,000	19,000	95,000
COAL INDIA LTD	-	4,129		4,129
COMFORTDELGRO CORP LTD	-	15,000		15,000
COMPAL ELECTRONICS	-	25,000		25,000
COSCO CORP SINGAPORE LTD	-	5,000		5,000
COSCO PACIFIC LTD	-	10,000		10,000
COUNTRY GARDEN HOLDINGS CO	-	21,000		21,000
COWAY CO LTD	-	351		351
CP ALL PCL FOREIGN FOREIGN SH THB1 A	-	26,500		26,500
CSG HOLDING CO LTD B	-	5,200		5,200
CSR CORP LTD H	-	11,000		11,000
CTBC FINANCIAL HOLDING CO LTD	-	63,130		63,130
DAELIM INDUSTRIAL CO LTD	-	155		155
DAEWOO ENGINEERING + CONSTR	-	1,070		1,070
DAEWOO INTERNATIONAL CORP	-	260		260
DAEWOO SECURITIES CO LTD	-	1,030		1,030
DAEWOO SHIPBUILDING + MARINE	-	530		530
DAISHIN SECURITIES CO LTD PF PREFERENCE	-	740		740
DATANG INTL POWER GEN CO - H	-	22,000		22,000
DAUM COMMUNICATIONS CORP	-	99		99
DAZHONG TRANSPORTATION GRP B	-	8,700		8,700
DBS GROUP HOLDINGS LTD	-	10,000		10,000
DELTDA ELECTRONICS INC	-	12,000		12,000
DELTDA ELECTRONICS THAI FORGN FOREIGN SH THB1 A	-	4,000		4,000
DGB FINANCIAL GROUP INC	-	640		640
DIGICOM BHD	-	23,100		23,100
DLF LTD	-	4,578		4,578
DMCI HOLDINGS INC	-	4,720		4,720
DONGBU INSURANCE CO LTD	-	320		320
DONGFANG ELECTRIC CORP LTD H	-	1,800		1,800
DONGFENG MOTOR GRP CO LTD H	-	16,000		16,000
DOOSAN CORP	-	61		61



Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
DOOSAN HEAVY INDUSTRIES	-	230		230
DOOSAN INFRACORE CO LTD	-	470		470
DR REDDY S LABORATORIES	-	544		544
E MART CO LTD	-	133		133
ESUN FINANCIAL HOLDING CO	-	22,000		22,000
ELECTRICITY GEN PUB CO FOR R FOREIGN SH THB1 A	-	2,400		2,400
ENERGY DEVELOPMENT CORP	-	62,900		62,900
ENN ENERGY HOLDINGS LTD	-	8,000	4,000	4,000
EPISTAR CORP	-	10,000	5,000	5,000
ESPRIT HOLDINGS LTD	-	11,000		11,000
ETERNAL CHEMICAL CO LTD	-	12,000		12,000
EVA AIRWAYS CORP	-	9,000		9,000
EVERGRANDE REAL ESTATE GROUP	-	27,000		27,000
EVERGREEN MARINE CORP LTD	-	10,000		10,000
FAR EAST HORIZON LTD HKD1	-	9,000		9,000
FAR EASTERN NEW CENTURY CORP	-	21,420		21,420
FAR EASTONE TELECOMM CO LTD	-	22,000	11,000	11,000
FELDA GLOBAL VENTURES	-	12,600		12,600
FENG HSIN IRON + STEEL CO	-	9,000	3,000	6,000
FIH MOBILE LTD USD4	-	14,000		14,000
FIRST FINANCIAL HOLDING CO	-	26,625		26,625
FIRST PACIFIC CO	-	13,500		13,500
FORMOSA CHEMICALS + FIBRE	-	25,750		25,750
FORMOSA PETROCHEMICAL CORP	-	14,000		14,000
FORMOSA PLASTICS CORP	-	29,120		29,120
FORMOSA TAFFETA CO	-	9,000		9,000
FOSUN INTERNATIONAL	-	11,500		11,500
FOXCONN TECHNOLOGY CO LTD	-	6,300		6,300
FRANSHION PROPERTIES	-	24,000		24,000
FUBON FINANCIAL HOLDING CO	-	38,000		38,000
GAIL INDIA LTD	-	2,535		2,535
GALAXY ENTERTAINMENT GROUP L	-	14,000	1,000	13,000
GAMUDA BHD	-	11,500		11,500
GCL POLY ENERGY HOLDINGS LTD	-	44,000		44,000
GEELY AUTOMOBILE HOLDINGS LTD	-	25,000		25,000
GENTING BHD	-	12,700		12,700
GENTING MALAYSIA BHD	-	17,600		17,600
GENTING SINGAPORE PLC	-	35,000		35,000
GIANT MANUFACTURING	-	2,000		2,000
GLOBAL LOGISTIC PROPERTIES L	-	17,000		17,000
GLOBAL MEDIACOM TBK PT	-	29,000		29,000
GLOBE TELECOM INC	-	235		235
GLOW ENERGY PCL FOREIGN FOREIGN SH THB1 A	-	3,500		3,500
GODREJ CONSUMER PRODUCTS LTD	-	829		829
GOLDEN AGRI RESOURCES LTD	-	42,000		42,000
GOLDEN EAGLE RETAIL GROUP	-	3,000		3,000
GOME ELECTRICAL APPLIANCES 5	-	68,000		68,000
GREAT EAGLE HOLDINGS LTD HKD5	-	2,000		2,000
GREAT WALL MOTOR COMPANY H	-	6,000		6,000

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
GREENTOWN CHINA HOLDINGS	-	4,500		4,500
GS ENGINEERING + CONSTRUCT	-	160		160
GS HOLDINGS	-	393	107	286
GUANGDONG ELECTRIC POWER B	-	12,800		12,800
GUANGDONG INVESTMENT LTD HKD5	-	20,000	6,000	14,000
GUANGSHEN RAILWAY CO LTD H	-	10,000		10,000
GUANGZHOU AUTOMOBILE GROUP H	-	12,000		12,000
GUANGZHOU BAIYUNSHAN PHARMACEUTICAL	-	2,000		2,000
GUANGZHOU R+F PROPERTIES H CNY25	-	5,600		5,600
GUDANG GARAM TBK PT	-	3,500		3,500
HAIER ELECTRONICS GROUP CO	-	5,000		5,000
HAITONG SECURITIES CO LTD H	-	7,600		7,600
HALLA VISTEON CLIMATE CONTRO	-	220		220
HANA FINANCIAL GROUP	-	1,640		1,640
HANG LUNG GROUP LTD	-	5,000		5,000
HANG LUNG PROPERTIES LTD	-	13,000		13,000
HANG SENG BANK LTD HKD5	-	5,500		5,500
HANJIN SHIPPING CO LTD	-	1,490	840	650
HANKOOK TIRE CO LTD	-	390		390
HANWHA CHEMICAL CORP	-	410		410
HANWHA CORPORATION	-	360		360
HANWHA LIFE INSURANCE CO LTD	-	1,340		1,340
HARBIN ELECTRIC CO LTD H	-	4,000		4,000
HCL TECHNOLOGIES LTD	-	1,290		1,290
HDFC BANK LIMITED	-	7,837		7,837
HENDERSON LAND DEVELOPMENT	-	6,000		6,000
HENGAN INTL GROUP CO LTD	-	4,500		4,500
HERO MOTOCORP LTD	-	616		616
HINDALCO INDUSTRIES LTD	-	6,917		6,917
HINDUSTAN UNILEVER LTD	-	4,442		4,442
HITE JINRO CO LTD	-	230		230
HON HAI PRECISION INDUSTRY	-	71,500		71,500
HONG KONG + CHINA GAS	-	35,000	2,000	33,000
HONG KONG EXCHANGES + CLEAR	-	8,300	600	7,700
HONG LEONG BANK BERHAD	-	1,700		1,700
HONG LEONG FINANCIAL GROUP	-	1,800		1,800
HONGKONG LAND HOLDINGS LTD	-	7,000		7,000
HOPEWELL HIGHWAY INFRASTRUCT	-	12,000		12,000
HOPEWELL HOLDINGS LTD	-	4,000		4,000
HOPSON DEVELOPMENT HOLDINGS	-	4,000		4,000
HOTAI MOTOR COMPANY LTD	-	3,000	1,000	2,000
HOUSING DEVELOPMENT FINANCE	-	9,889		9,889
HTC CORP	-	5,000		5,000
HUA NAN FINANCIAL HOLDINGS C	-	24,150		24,150
HUABAO INTERNATIONAL HOLDING	-	12,000		12,000
HUADIAN ENERGY CO LTD B	-	17,600		17,600
HUADIAN POWER INTL CORP - H	-	12,000		12,000
HUANENG POWER INTL INC - H	-	20,000		20,000
HUTCHISON PORT HOLDINGS TR U UNIT	-	31,000		31,000

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
HUTCHISON TELECOMM HONG KONG	-	16,000		16,000
HUTCHISON WHAMPOA LTD	-	14,000		14,000
HYOSUNG CORPORATION	-	152		152
HYSAN DEVELOPMENT CO HKD5	-	4,000		4,000
HYUNDAI DEPT STORE CO	-	98		98
HYUNDAI DEVELOPMENT CO ENGIN	-	370		370
HYUNDAI ENGINEERING + CONST	-	409		409
HYUNDAI GLOVIS CO LTD	-	91		91
HYUNDAI HEAVY INDUSTRIES	-	251		251
HYUNDAI HYSKO	-	170		170
HYUNDAI MARINE + FIRE INS CO	-	410		410
HYUNDAI MERCHANT MARINE	-	841	360	481
HYUNDAI MIPO DOCKYARD	-	58		58
HYUNDAI MOBIS CO LTD	-	434	20	414
HYUNDAI MOTOR CO	-	956	26	930
HYUNDAI SECURITIES CO	-	590		590
HYUNDAI STEEL CO	-	327		327
HYUNDAI WIA CORP	-	89		89
ICICI BANK LTD	-	4,057	315	3,742
IDEA CELLULAR LTD	-	4,574		4,574
IDFC LTD	-	8,396		8,396
IHH HEALTHHCARE BHD	-	13,900		13,900
IJM CORP BHD	-	7,900		7,900
IND + COMM BK OF CHINA H	-	467,000	9,000	458,000
INDO TAMBANGRAYA MEGAH TBK P	-	4,000	2,000	2,000
INDOCEMENT TUNGGAL PRAKARSA	-	8,000		8,000
INDOFOOD AGRI RESOURCES LTD	-	6,000		6,000
INDOFOOD CBP SUKSES MAKMUR T	-	8,500		8,500
INDOFOOD SUKSES MAKMUR TBK P	-	29,000		29,000
INDORAMA VENTURES FOREIGN FOREIGN SH THB1 A	-	6,600		6,600
INDOSAT TBK PT	-	8,500		8,500
INDUSIND BANK LTD	-	2,342		2,342
INDUSTRIAL BANK OF KOREA	-	630		630
INFOSYS LTD	-	2,918		2,918
INNER MONGOLIA EERDUOSI RE B	-	3,100		3,100
INNER MONGOLIA YITAI COAL - B	-	5,300	4,800	500
INNOLUX CORP	-	39,000		39,000
INTL CONTAINER TERM SVCS INC	-	4,970		4,970
INVENTEC CO LTD	-	23,000		23,000
IOI CORPORATION BHD	-	39,800	19,900	19,900
IOI PROPERTIES GROUP SDN BHD	-	6,633		6,633
IRPC PCL FOREIGN FOREIGN SH THB1 A	-	91,000		91,000
ITC LTD	-	13,424	1,072	12,352
JAIPRAKASH ASSOCIATES LTD	-	6,542		6,542
JARDINE CYCLE + CARRIAGE LTD	-	1,000		1,000
JARDINE MATHESON HLDGS LTD USD25	-	1,600	400	1,200
JARDINE STRATEGIC HLDGS LTD USD5	-	1,500		1,500
JASA MARGA (PERSERO) TBK PT	-	13,000		13,000
JIANGLING MOTORS CORP LTD B	-	1,000		1,000

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
JIANGSU EXPRESS CO LTD - H	-	8,000		8,000
JIANGXI COPPER CO LTD - H	-	5,000		5,000
JINDAL STEEL + POWER LTD	-	2,999		2,999
JINZHOU PORT CO LTD - B	-	9,000		9,000
JOHNSON ELECTRIC HOLDINGS HKD125	-	13,000		13,000
JOLLIBEE FOODS CORPORATION	-	2,930		2,930
JSW STEEL LTD	-	925		925
KALBE FARMA TBK PT IDR1	-	129,500		129,500
KANGWON LAND INC	-	740		740
KASIKORNBANK PCL FOREIGN FOREIGN SH THB1 A	-	7,300		7,300
KB FINANCIAL GROUP INC	-	2,410		2,410
KCC CORP	-	32		32
KEPCO ENGINEERING + CONSTRU	-	59		59
KEPPEL CORP LTD	-	16,000	8,000	8,000
KEPPEL LAND LTD	-	5,000		5,000
KERRY LOGISTICS NETWORK LTD	-	1,750		1,750
KERRY PROPERTIES LTD	-	7,000	3,500	3,500
KIA MOTORS CORPORATION	-	1,482		1,482
KINGBOARD CHEMICAL HOLDINGS	-	3,500		3,500
KINGBOARD LAMINATES HOLDINGS	-	7,500		7,500
KOREA ELECTRIC POWER CORP	-	1,460		1,460
KOREA GAS CORPORATION	-	202		202
KOREA INVESTMENT HOLDINGS CO	-	240		240
KOREA ZINC CO LTD	-	56		56
KOREAN AIR LINES CO LTD	-	505	361	144
KOTAK MAHINDRA BANK LTD	-	2,120		2,120
KOWLOON DEVELOPMENT CO LTD	-	3,000		3,000
KRUNG THAI BANK PUB CO FOREI FOREIGN SH THB515 A	-	14,400		14,400
KT CORP	-	810		810
KT+G CORP	-	767		767
KUALA LUMPUR KEPONG BHD	-	3,600		3,600
KUMHO PETRO CHEMICAL CO LTD	-	106		106
KUNLUN ENERGY CO LTD HKD1	-	30,000	18,000	12,000
KWG PROPERTY HOLDING LTD	-	6,500		6,500
L OCCITANE INTERNATIONAL SA EUR3	-	3,500		3,500
LAFARGE MALAYSIA BHD	-	3,800		3,800
LAND + HOUSES PUB CO LTD THB1 L	-	17,000		17,000
LARGAN PRECISION CO LTD	-	1,000		1,000
LARSEN + TOUBRO LTD	-	1,724		1,724
LEE + MAN PAPER MANUFACTURIN 5	-	10,000		10,000
LENOVO GROUP LTD 5	-	36,000		36,000
LG CHEM LTD	-	257		257
LG CORP	-	519		519
LG DISPLAY CO LTD	-	1,340		1,340
LG ELECTRONICS INC	-	639		639
LG HAUSYS LTD	-	48		48
LG HOUSEHOLD + HEALTHDH CARE	-	58		58
LG UPLUS CORP	-	1,360		1,360
LI + FUNG LTD HKD125	-	34,000		34,000

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
LIFESTYLE INTL HLDGS LTD HKD5	-	6,000	3,000	3,000
LINK REIT REIT	-	14,000		14,000
LITE ON TECHNOLOGY CORP	-	14,069		14,069
LONGFOR PROPERTIES	-	6,000		6,000
LOTTE CHEMICAL CORP	-	83		83
LOTTE CHILSUNG BEVERAGE CO	-	6		6
LOTTE CONFECTIONERY CO LTD	-	6		6
LOTTE SHOPPING CO	-	67		67
LS CORP	-	94		94
LUPIN LTD	-	904		904
M1 LTD	-	5,000	2,000	3,000
MACRONIX INTERNATIONAL	-	23,000		23,000
MAHINDRA + MAHINDRA LTD	-	2,184		2,184
MALAYAN BANKING BHD	-	28,700		28,700
MALAYSIA MARINE AND HEAVY EN	-	7,500		7,500
MANDO CORP	-	67		67
MANILA ELECTRIC COMPANY	-	1,390		1,390
MARUTI SUZUKI INDIA LTD	-	639		639
MAXIS BHD	-	14,800		14,800
MEDIA NUSANTARA CITRA TBK PT	-	20,500		20,500
MEDIATEK INC	-	16,000	8,000	8,000
MEGA FINANCIAL HOLDING CO LTD	-	48,582		48,582
MELCO INTERNATIONAL DEVELOP HKD5	-	5,000		5,000
METALLURGICAL CORP OF CHIN H	-	14,000		14,000
METROPOLITAN BANK + TRUST PHP2	-	4,043		4,043
MGM CHINA HOLDINGS LTD	-	4,400		4,400
MIRAE ASSET SECURITIES CO LTD	-	140		140
MMC CORP BHD	-	4,100		4,100
MONGOLIAN MINING CORP	-	19,000		19,000
MSTAR SEMICONDUCTOR INC	-	2,000		2,000
MTR CORP	-	8,500		8,500
NAN YA PLASTICS CORP	-	38,380		38,380
NAVER CORP	-	647	482	165
NCISOFT CORPORATION	-	90		90
NEPTUNE ORIENT LINES LTD	-	5,000		5,000
NESTLE INDIA LTD	-	146		146
NEW CHINA LIFE INSURANCE C H	-	2,300		2,300
NEW WORLD CHINA LAND LTD	-	18,000		18,000
NEW WORLD DEVELOPMENT	-	22,000		22,000
NHN ENTERTAINMENT CORP	-	76	1	75
NINE DRAGONS PAPER HOLDINGS	-	10,000		10,000
NMDC LTD	-	6,070		6,070
NOBLE GROUP LTD	-	21,000		21,000
NONGSHIM CO LTD	-	28		28
NOVATEK MICROELECTRONICS COR	-	3,000		3,000
NTPC LTD	-	13,698		13,698
NWS HOLDINGS LTD	-	9,000		9,000
OCI CO LTD	-	107		107
OIL + NATURAL GAS CORP LTD	-	12,695		12,695

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
OLAM INTERNATIONAL LTD	-	9,000		9,000
ORIENT OVERSEAS INTL LTD	-	1,000		1,000
ORIENTAL UNION CHEMICAL	-	8,000		8,000
ORION CORP	-	24		24
OVERSEA CHINESE BANKING CORP	-	18,000		18,000
PARKSON HOLDINGS BHD	-	3,800		3,800
PARKSON RETAIL GROUP LTD	-	7,500		7,500
PCCW LTD	-	30,000		30,000
PEGATRON CORP	-	10,000		10,000
PEOPLE S INSURANCE CO GROU H	-	20,000		20,000
PERUSAHAAN GAS NEGARA PERSER	-	68,500		68,500
PETROCHINA CO LTD H	-	140,000	12,000	128,000
PETRONAS CHEMICALS GROUP BHD	-	17,600		17,600
PETRONAS DAGANGAN BHD	-	3,800	700	3,100
PETRONAS GAS BHD	-	7,000	3,900	3,100
PHILIPPINE LONG DISTANCE TEL	-	525		525
PICC PROPERTY + CASUALTDY H	-	16,000		16,000
PING AN INSURANCE GROUP CO H	-	14,000	2,000	12,000
POLY PROPERTY GROUP CO LTD HKD5	-	10,000		10,000
POSCO	-	474	36	438
POU CHEN	-	8,000		8,000
POWER ASSETS HOLDINGS LTD	-	9,000	3,000	6,000
POWER FINANCE CORPORATION	-	2,239		2,239
POWER GRID CORP OF INDIA LTD	-	8,951		8,951
PPB GROUP BERHAD	-	7,400	5,900	1,500
PRADA SPA	-	3,200		3,200
PRESIDENT CHAIN STORE CORP	-	4,000		4,000
PRESIDENT SECURITIES CORP	-	13,000		13,000
PTT EXPLORATION + PROD FOR FOREIGN SH THB1 A	-	12,800	4,700	8,100
PTT GLOBAL CHEMICAL PCL FOR FOREIGN SH THB1 A	-	9,100		9,100
PTT PCL/FOREIGN FOREIGN SH THB1 A	-	5,700		5,700
PUBLIC BANK BHD FOREIGN MKT	-	5,900		5,900
QUANTA COMPUTER INC	-	11,000		11,000
RANBAXY LABORATORIES LTD	-	782		782
RATCHABURI ELEC GEN HODG FOR FOREIGN SH THB1 A	-	4,800		4,800
REALTDEK SEMICONDUCTOR CORP	-	6,030	3,000	3,030
RELIANCE CAPITAL LTD	-	1,681		1,681
RELIANCE COMMUNICATIONS LTD	-	4,126		4,126
RELIANCE INDUSTRIES LTD	-	9,746		9,746
RENHE COMMERCIAL HOLDINGS HKD1	-	60,000		60,000
RHB CAPITAL BHD	-	4,500		4,500
RURAL ELECTRIFICATION CORP	-	3,770		3,770
S 1 CORPORATION	-	173		173
S OIL CORPORATION KRW25	-	306		306
SAMSONITE INTERNATIONAL SA	-	9,300		9,300
SAMSUNG C+T CORP	-	722		722
SAMSUNG CARD CO	-	250		250
SAMSUNG ELECTRO MECHANICS CO	-	336		336
SAMSUNG ELECTRONICS CO LTD	-	670	21	649

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
SAMSUNG ENGINEERING CO LTD	-	285	79	206
SAMSUNG FINE CHEMICALS CO	-	136		136
SAMSUNG FIRE + MARINE INS	-	235		235
SAMSUNG HEAVY INDUSTRIES	-	1,030		1,030
SAMSUNG LIFE INSURANCE CO LTD	-	597		597
SAMSUNG SDI CO LTD PFD	-	205		205
SAMSUNG SECURITIES CO LTD	-	348		348
SAMSUNG TECHWIN CO LTD	-	235		235
SAN MIGUEL CORP	-	5,290		5,290
SANDS CHINA LTD	-	14,400		14,400
SAPURAKENCANA PETROLEUM BHD	-	28,400	3,800	24,600
SEMBCORP INDUSTRIES LTD	-	5,000		5,000
SEMBCORP MARINE LTD	-	5,000		5,000
SEMEN INDONESIA PERSERO TBK	-	18,000		18,000
SEMICONDUCTOR MANUFACTURING USD4	-	133,000		133,000
SESA STERLITE LTD	-	8,914		8,914
SH JINJIANG INTL HOTELS B	-	3,300		3,300
SHANDONG CHENMING PAPER B	-	9,300		9,300
SHANDONG WEIGAO GP MEDICAL H CNY1	-	12,000		12,000
SHANGHAI CHLOR ALKALI CHEM B	-	7,900		7,900
SHANGHAI ELECTRIC GRP CO L H	-	16,000		16,000
SHANGHAI FRIENDSHIP GROUP B	-	3,000		3,000
SHANGHAI INDUSTRIAL HLDG LTD	-	3,000		3,000
SHANGHAI JINQIAO EXPORT PR B	-	3,200		3,200
SHANGHAI LUJIAZUI FIN+TRAD B	-	3,800		3,800
SHANGHAI MECHANICAL AND EL B	-	3,500		3,500
SHANGHAI PHARMACEUTICALS H	-	4,300		4,300
SHANGHAI ZHENHUA HEAVY IND - B	-	11,300		11,300
SHANGRI LA ASIA LTD	-	8,000		8,000
SHENZHEN CHIWAN WHARF HLDG B	-	2,300		2,300
SHENZHEN INTL HOLDINGS	-	57,500		57,500
SHENZHEN INVESTMENT LTD	-	14,000		14,000
SHENZHOU INTERNATIONAL GROUP	-	3,000		3,000
SHIMAO PROPERTY HOLDINGS LTD	-	8,000		8,000
SHIN CORP PCL THB1 L	-	9,200		9,200
SHIN KONG FINANCIAL HOLDING	-	42,335		42,335
SHINHAN FINANCIAL GROUP LTD	-	2,860		2,860
SHINSEGAE CO LTD	-	42		42
SHOUGANG FUSHAN RESOURCES GR	-	18,000		18,000
SHRIRAM TRANSPORT FINANCE	-	1,353		1,353
SHUI ON LAND LTD USD25	-	17,500		17,500
SHUN TAK HOLDINGS LTD	-	14,000		14,000
SIA ENGINEERING CO LTD	-	3,000	1,000	2,000
SIAM CEMENT PUB CO FOR REG FOREIGN SH THB1 A	-	1,700		1,700
SIAM CITY CEMENT PCL FOR FOREIGN SH THB1 A	-	500		500
SIAM COMMERCIAL BANK FOREIGN FOREIGN SH THB1 A	-	8,900		8,900
SILICONWARE PRECISION INDS	-	36,000	18,000	18,000
SIME DARBY BERHAD	-	20,500		20,500
SINGAPORE AIRLINES LTD	-	3,000		3,000

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
SINGAPORE EXCHANGE LTD	-	5,000		5,000
SINGAPORE POST LTD	-	17,000		17,000
SINGAPORE PRESS HOLDINGS LTD	-	11,000	8,000	3,000
SINGAPORE TECH ENGINEERING	-	10,000		10,000
SINGAPORE TELECOMMUNICATIONS	-	45,000		45,000
SINO LAND CO	-	16,000		16,000
SINO OCEAN LAND HOLDINGS HKD8	-	18,000		18,000
SINOFERT HOLDINGS LTD	-	14,000		14,000
SINOPAC FINANCIAL HOLDINGS	-	34,548		34,548
SINOPEC SHANGHAI PETROCHEM H	-	24,000		24,000
SINOPHARM GROUP CO H	-	4,400		4,400
SINOTRANS LIMITED H	-	16,000		16,000
SJM HOLDINGS LTD	-	11,000		11,000
SK C+C CO LTD	-	157		157
SK HOLDINGS CO LTD	-	150		150
SK HYNIX INC	-	3,090		3,090
SK INNOVATION CO LTD	-	466	75	391
SK NETWORKS CO LTD KRW25	-	840		840
SK TELECOM	-	246		246
SKC CO LTD	-	120		120
SM INVESTMENTS CORP	-	1,775		1,775
SM PRIME HOLDINGS INC	-	39,200		39,200
SMRT CORP LTD	-	10,000		10,000
SOHO CHINA LTD	-	11,000		11,000
SP SETIA BHD MYR75	-	4,300		4,300
STARHUB LTD	-	7,000	3,000	4,000
STATE BANK OF INDIA	-	1,121		1,121
SUN ART RETAIL GROUP LTD	-	14,500		14,500
SUN HUNG KAI PROPERTIES HKD5	-	9,000		9,000
SUN PHARMACEUTICAL INDUS	-	4,651		4,651
SUNTEC REIT REIT	-	45,000	30,000	15,000
SWIRE PACIFIC LTD A HKD6	-	4,000		4,000
SWIRE PROPERTIES LTD	-	7,000		7,000
SYNNEX TECHNOLOGY INTL CORP	-	8,000		8,000
TAISHIN FINANCIAL HOLDING	-	23,959		23,959
TAIWAN CEMENT	-	20,000		20,000
TAIWAN COOPERATIVE FINANCIAL	-	13,520		13,520
TAIWAN FERTILIZER CO LTD	-	6,000		6,000
TAIWAN GLASS IND CORP	-	8,000		8,000
TAIWAN MOBILE CO LTD	-	22,000	11,000	11,000
TAIWAN SECOM	-	10,000	5,000	5,000
TAIWAN SEMICONDUCTOR MANUFAC	-	145,000		145,000
TAMBANG BATUBARA BUKIT ASAM	-	7,500		7,500
TATA CONSULTDANCY SVCS LTD	-	2,883		2,883
TATA MOTORS LTD	-	6,606		6,606
TATA POWER CO LTD	-	8,567		8,567
TATA STEEL LTD	-	2,179		2,179
TECH MAHINDRA LTD	-	399		399
TECHTRONIC INDUSTRIES CO	-	7,500		7,500



Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
TECO ELECTRIC + MACHINERY	-	13,000		13,000
TELEKOM MALAYSIA BHD MYR7	-	8,200		8,200
TELEKOMUNIKASI INDONESIA PER	-	347,500	34,000	313,500
TELEVISION BROADCASTS LTD	-	2,600		2,600
TENAGA NASIONAL BHD	-	10,600		10,600
TENCENT HOLDINGS LTD	-	5,800	200	5,600
TEXWINCA HOLDINGS LTD	-	4,000		4,000
THAI OIL PCL FRGN FOREIGN SH THB1 A	-	7,000		7,000
THAI UNION FROZEN PROD FOREI FOREIGN SH THB1 A	-	3,800		3,800
TINGYI (CAYMAN ISLN) HLDG CO USD5	-	12,000		12,000
TMB BANK PUBLIC CORP FOREIGN FOREIGN SH THB95 A	-	88,800		88,800
TON YI INDUSTRIAL CORP	-	10,000		10,000
TOTAL ACCESS COMMUNICATION THB2 L	-	4,500		4,500
TPK HOLDING CO LTD	-	2,000		2,000
TRANSCEND INFORMATION INC	-	6,000	3,000	3,000
TRAVELSKY TECHNOLOGY LTD H	-	15,000	7,000	8,000
TSINGTAO BREWERY CO LTD H	-	6,000	4,000	2,000
U MING MARINE TRANSPORT CORP	-	5,000		5,000
UEM SUNRISE BHD	-	7,200		7,200
ULTDRATECH CEMENT LTD	-	817	197	620
UMW HOLDINGS BHD	-	3,900		3,900
UNI PRESIDENT CHINA HOLDINGS HKD1	-	9,000		9,000
UNI PRESIDENT ENTERPRISES CO	-	27,560		27,560
UNILEVER INDONESIA TBK PT IDR1	-	7,000		7,000
UNIMICRON TECHNOLOGY CORP	-	9,000		9,000
UNITED BREWERIES LTD	-	439		439
UNITED CO RUSAL PLC	-	23,000		23,000
UNITED MICROELECTRONICS CORP	-	72,000		72,000
UNITED OVERSEAS BANK LTD	-	8,000	1,000	7,000
UNITED SPIRITS LTD	-	546		546
UNITED TRACTORS TBK PT IDR25	-	8,500		8,500
UNIVERSAL ROBINA CORP	-	6,220		6,220
UOL GROUP LTD	-	2,000		2,000
VALE INDONESIA TBK IDR25	-	17,500		17,500
VANGUARD INTERNATIONAL SEMICONDUCTOR	-	6,000		6,000
VENTURE CORP LTD	-	2,000	1,000	1,000
VTECH HOLDINGS LTD USD5	-	1,300	400	900
WALSIN LIHWA CORP	-	19,000		19,000
WAN HAI LINES LTD	-	14,000	7,000	7,000
WANT WANT CHINA HOLDINGS LTD	-	40,000		40,000
WATERLAND FINANCIAL HOLDINGS	-	25,750		25,750
WEICHAI POWER CO LTD H	-	3,000		3,000
WHARF HOLDINGS LTD	-	9,000		9,000
WHEELOCK + CO LTD HKD5	-	5,000		5,000
WILMAR INTERNATIONAL LTD	-	13,000		13,000
WING HANG BANK LTD	-	1,000		1,000
WING TAI HOLDINGS LTD	-	4,000		4,000
WIPRO LTD	-	3,112		3,112
WISTRON CORP	-	14,700		14,700

Statement of movements in investment portfolio (Unaudited) (Continued)

For the period from 10 May 2013 (date of inception) to 31 December 2013

	Beginning holdings as at 10 May 2013	Additions	Disposals	Closing holding as at 31 December 2013
WOORI FINANCE HOLDINGS CO	-	1,800		1,800
WOORI INVESTMENT + SECURITIE	-	610		610
WUMART STORES INC H	-	4,000		4,000
WYNN MACAU LTD HKD1	-	6,000		6,000
XINJIANG GOLDWIND SCI+TEC H	-	4,600		4,600
XINYI GLASS HOLDINGS LTD	-	20,000	10,000	10,000
XINYI SOLAR HOLDINGS LTD	-	10,000		10,000
XL AXIATA TBK PT	-	11,500		11,500
YAGEO CORPORATION	-	34,000	20,000	14,000
YANG MING MARINE TRANSPORT	-	8,000		8,000
YANGZIJIANG SHIPBUILDING	-	12,000		12,000
YANLORD LAND GROUP LTD	-	4,000		4,000
YANTAI CHANGYU PIONEER - B	-	1,500		1,500
YANZHOU COAL MINING CO - H	-	16,000		16,000
YES BANK LTD	-	2,137	919	1,218
YFY INC	-	19,000		19,000
YTL CORPORATION BERHAD	-	37,500		37,500
YTL POWER INTERNATIONAL BHD	-	26,900		26,900
YUANTA FINANCIAL HOLDING CO	-	52,000		52,000
YUE YUEN INDUSTRIAL HLDG	-	5,500		5,500
YUEXIU PROPERTY CO LTD	-	30,000		30,000
YUHAN CORPORATION	-	55		55
YULON MOTOR COMPANY	-	5,000		5,000
ZEE ENTERTAINMENT ENTERPRISE	-	3,223		3,223
ZHAOJIN MINING INDUSTRY H	-	3,500		3,500
ZHEJIANG EXPRESSWAY CO H	-	10,000		10,000
ZHONGSHENG GROUP HOLDINGS	-	3,000		3,000
ZHUZHOU CSR TIMES ELECTRIC H	-	3,000		3,000
ZIJIN MINING GROUP CO LTD H CNY1	-	30,000		30,000
ZOOMLION HEAVY INDUSTRY H	-	7,000		7,000
ZTE CORP H	-	3,800		3,800

## Performance record (Unaudited)

As at 31 December 2013

### Net asset values

	Net asset value of the Sub-Fund HK\$	Net asset value per unit HK\$
<b>At the end of financial period dated</b>		
31 December 2013	146,250,150	19.50
<b>Highest and lowest net asset value per unit since inception</b>		
	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
<b>Financial year ended</b>		
31 December 2013	20.15	17.34

### Performance of the Sub-Fund

During the period from 10 May 2013 (date of inception) to 31 December 2013, the FTSE Asia Pacific ex Japan, Australia and New Zealand Index decreased by 0.28%, while the net asset value per unit of the Sub-Fund decreased by 1.47%.

### Total expense ratio

#### Financial year ended

31 December 2013 0.38%\*

\*The total expense ratio ("TER") is the sum of the anticipated charges to the Sub-Fund, including the ongoing fees payable out of the Sub-Fund, the Manager's fee, the operational fees, all costs and expenses connected with the management and operating activities of the Sub-Fund, investment management and advisory fees, administration, registration, transfer agency, listing agent, registrar, custody and trustee fees, and other operating expenses. The TER will not cover (to the extent not included in the operational fees) any fees, costs and expenses payable by investors on the creation or redemption of units, such as the fees to participating dealers, brokerage fees, transaction fees, stamp duty or other duties and charges, or any extraordinary or exceptional costs and expenses as may arise from time to time and any tax liabilities in respect of the Sub-Fund which will be paid separately out of the Fund assets of the Sub-Fund. The TER does not represent estimated tracking error.

## Administration and management

### Manager

The Vanguard Group, Inc.  
100 Vanguard Boulevard  
Malvern, Pennsylvania 19355 U.S.A

### Directors of the Manager

F. William McNabb III  
Emerson U. Fullwood  
Rajiv L. Gupta  
Amy Gutmann  
JoAnn Heffernan Heisen  
F. Joseph Loughrey  
Mark Loughridge  
Scott C. Malpass  
Andre F. Perold  
Alfred M. Rankin, Jr.

### Investment Advisor

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Australia

### Trustee & Registrar

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Level 68, Two International Finance Center  
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### Hong Kong Representative

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### Service Agent

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### Legal advisor as to matters of Hong Kong law

King & Wood Mallesons  
Level 13, Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Central, Hong Kong

### Initial participating dealers

#### Macquarie Bank Limited

Level 18, One IFC  
1 Harbour View Street  
Central, Hong Kong

#### Credit Suisse Securities (Hong Kong) Limited

6/F, Alexandra House  
18 Chater Road  
Central, Hong Kong

#### Goldman Sachs (Asia) Securities Limited

68/F Cheung Kong Center  
2 Queens Road  
Central, Hong Kong

#### ABN AMRO Clearing Hong Kong Ltd

Level 70 International Commerce Center  
1 Austin Road West  
Kowloon, Hong Kong

#### Listing Agent

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Central, Hong Kong

#### Auditor

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