

ETFS PHYSICAL GOLD ETF

(Stock code: 2830 HK)

Interim Report

For the six months ended 30 June 2014

(Unaudited)

ETFS Physical Gold ETF

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Management and Advisors

Manager

ETF Securities (HK) Limited
1303, Silver Fortune Plaza
1 Wellington Street
Central
Hong Kong

Directors of the Manager

Chi Lok Cheung
Graham Tuckwell

Trustee and Registrar

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

Custodian

HSBC Bank USA, N.A.
8 Canada Square
London, E14 5HQ
United Kingdom

Service Agent

HK Conversion Agency Services Limited
2nd Floor
Infinitus Plaza
199 Des Voeux Road
Central
Hong Kong

Listing Agent

Changjiang Corporate Finance (HK) Limited
Suite 1908
19th Floor, Cosco Tower
183 Queen's Road
Central
Hong Kong

Auditors

Deloitte Touche Tohmatsu
35th Floor, One Pacific Place
88 Queensway
Hong Kong

Legal Adviser to the Manager

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

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Investment Report

Manager's Report

The ETFS Physical Gold ETF (the "Fund") is an exchange traded fund listed on The Stock Exchange of Hong Kong Limited (the "SEHK"). The Fund's investment objective is to provide investment results, before fees and expenses, that closely correspond to the performance of the London PM Fix for gold.

We are pleased to present the second interim report of the Fund for the six months ended 30 June 2014.

Fund Performance

As at 30 June 2014, the net asset value ("NAV") per unit of the Fund was USD 130.687848 and 20,000 units were outstanding. The total net assets attributable to unitholders of the Fund was approximately USD 2,613,757.

Market Commentary

During the first half of 2014, gold rallied 9.3%, recovering some of the sharp declines of 2013. Gold ended the first half of 2014 with solid gains on the back of declining real yields, increasing political tensions, and lackluster economic growth, notably in the US. Geopolitical tensions between Russia and the Ukraine and in Iraq helped to support the gold price in the first half of 2014 in addition to the surprise decline in real yields, globally. Real yields fell sharply, confounding the consensus and supporting the gold price. Gold remained within a US \$1,200/oz. to US \$1,385/oz. range for during the first half of 2014, with a closing price at 30 June 2014 of US \$1,315/oz. (London PM fix). Gold has remained within a US \$1,200/oz. to US \$1,400/oz. range since May of 2013. Total gold ETP holdings continued to see outflows in the first half of 2014, declining 2.5% to 55.3 million ounces which is about 35% below the historic high.

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Investment Report (Continued)

Investment portfolio

As at 30 June 2014

Commodity	Holdings Fine Troy Ounces	Market value USD	% of net assets
Gold bullion	1,988	2,613,627	100.00
Financial assets at FVTPL			
Precious metal ETF			
- ETFS Physical Swiss Gold Shares	1	130	0.00
Total investments		2,613,757	100.00
Net assets value attributable to unitholders at 30 June 2014		2,613,757	100.00
Total investments, at cost		3,402,816	

Statement of movements in portfolio holdings

For the period from 1 January 2014 to 30 June 2014

Commodity	Holdings			30 June 2014 Fine Troy Ounces / Units
	1 January 2014 Fine Troy Ounces / Units	Additions Fine Troy Ounces / Units	Deductions Fine Troy Ounces / Units	
Gold bullion	1,991	-	3	1,988
Financial Assets at FVTPL				
Precious metal ETF				
- ETFS Physical Swiss Gold Shares	1	-	-	1

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Investment Report (Continued)

Performance table

Net asset value

	Total net asset value USD	Net asset value per unit USD
At end of financial period dated		
30 June 2014	2,613,757	130.687848
31 December 2013	2,392,782	119.639118

Performance record

	Highest issue price per unit USD	Lowest redemption price per unit USD
Financial period from 1 January 2014 to 30 June 2014	137.803459	121.570439
Financial period from 5 September 2012 (Date of Establishment) to 31 December 2013	172.594502	118.929284

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Statement of Financial Position

	30 June 2014	31 December 2014
	USD	USD
Assets		
Gold bullion (at fair value)	2,613,627	2,392,664
Precious metal ETFs (at fair value)	130	118
Receivable from broker	842	832
	<hr/>	<hr/>
Total Assets	2,614,599	2,393,614
	<hr/> <hr/>	<hr/> <hr/>
Liability		
Provision for management fee	842	832
	<hr/>	<hr/>
Total Liability	842	832
	<hr/> <hr/>	<hr/> <hr/>
Total Equity	2,613,757	2,392,782
	<hr/> <hr/>	<hr/> <hr/>
Net asset value per Unit based on 20,000 Units outstanding	130.687848	119.639118
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