

XIE Shares Indonesia (LQ45) ETF*
(*This is a synthetic ETF) (Stock Code: 3031)
a sub-fund of the XIE Shares Trust I* (*This is a synthetic ETF)

Unaudited Interim Report

For the period from 1st January 2014
to 30th June 2014

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MANAGEMENT AND ADMINISTRATION

Manager and Listing Agent

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Directors of the Manager

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Participating Dealers

Citigroup Global Markets Asia Limited
J.P. Morgan Broking (Hong Kong) Limited
RBS Asia Limited
BNP Paribas Securities Services (operating through its Hong Kong branch)
Standard Chartered Bank (Hong Kong) Limited

Market Maker

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Any opinion contained in this Interim Report (if any) reflects the Manager's view as at the date of this report and is subject to amendment(s) without notice. The information contained in this Interim Report does not constitute recommendation or investment advice. Investors should refer to the Prospectus of the XIE Shares Trust I for further details (including but not limited to risk factors, fees and charges and other important information) which is available from the website www.xieshares.com.

Issued by Enhanced Investment Products Limited, the Manager of the XIE Shares Indonesia (LQ45) ETF* (*This is a synthetic ETF).

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

as at 30th June 2014

30th June 2014
HKD**ASSETS**

Investments in listed securities	44,117,766
Investments in derivative instruments	229,076
Cash and cash equivalent	6,476,664
Receivable due from swap counterparties	2,123,605
Other receivables	10,286

TOTAL ASSETS

52,957,397

LIABILITIES

Investments in derivative instruments	1,084,558
Management fee payable	17,942
Audit fees payable	12,567
Other fees payable	17,605

TOTAL LIABILITIES

1,132,672

EQUITY

Net assets attributable to unitholders	51,824,725
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Number of units outstanding	7,000,000
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Net asset value per unit	7.4035
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STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

for the period ended 30th June 2014

Period from
1st January 2014
to 30th June 2014
HKD

INCOME

Dividend income	178,794
Interest income	1,178
Net gain/(loss) on investments	2,417,802
Net foreign exchange gain/(loss)	(1,335)

Total net income/(loss)	2,596,439
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OPERATING EXPENSES

Management fees	56,298
Audit fees	12,347
Preliminary expenses	5,486
Interest expense	168
Bank charges	240
Other operating expenses	58,478

Total operating expenses	133,017
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Operating profit/(loss)	2,463,422
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Profit/(loss) before taxation	2,463,422
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Dividend withholding tax	9,742
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TOTAL COMPREHENSIVE GAIN/(LOSS) FOR THE PERIOD	2,453,680
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STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)
for the period ended 30th June 2014

	Period from 1st January 2014 to 30th June 2014 HKD
Balance at the beginning of the period	15,300,695
Proceeds on issue of units	37,794,500
Payment on redemption of units	<u>(3,724,150)</u>
Net increase from unit transactions	34,070,350
Total comprehensive income for the period	2,453,680
Balance at the end of the period	<u><u>51,824,725</u></u>

STATEMENT OF CASH FLOWS (UNAUDITED)

for the period ended 30th June 2014

Period from
1st January 2014
to 30th June 2014
HKD

OPERATING ACTIVITIES

Payments for purchase of investments	(30,965,041)
Proceeds from sale of investments	4,339,170
Dividends received	193,875
Interest received	1,178
Management fee paid	(43,637)
Dividend withholding tax paid	(9,742)
Preliminary expenses paid	(5,486)
Interest expense paid	(168)
Net payments to swap counterparties	(1,906,444)
Other receipts and payments	(56,025)

Cash generated from/(used in) operating activities	(28,452,319)
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FINANCING ACTIVITIES

Proceeds from issue of units	37,794,500
Redemption paid on redemption of units	(3,724,150)

Cash flows generated from financing activities	34,070,350
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Net increase/(decrease) in cash and cash equivalents	5,618,031
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Cash and cash equivalents at beginning of period	859,968
Net foreign exchange loss	(1,335)

Cash and cash equivalents at end of period	6,476,664
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Analysis of balances of cash and cash equivalents

Cash and cash equivalents	6,476,664
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INVESTMENT PORTFOLIO (UNAUDITED)

as at 30th June 2014

Investments

Listed Equities

Japan	Holdings	Fair Value HKD ¹	% of Net Assets
ASAHI GROUP HOLDINGS LTD	300	72,986	0.14%
ASTELLAS PHARMA INC	2,000	203,657	0.39%
BRIDGESTONE CORPORATION	700	189,848	0.37%
CANON INC	1,100	277,378	0.54%
DAIKIN INDUSTRIES LTD	8,000	3,912,178	7.55%
DENSO CORP	100	36,990	0.07%
FANUC CORP	2,600	3,475,026	6.71%
FAST RETAILING CO LTD	100	254,992	0.49%
FUJIFILM HOLDINGS CORP	2,000	432,255	0.83%
HONDA MOTOR CO LTD	14,800	4,004,872	7.73%
JAPAN TOBACCO INC	100	28,253	0.05%
KAO CORP	900	274,524	0.53%
KDDI CORP	9,000	4,254,539	8.21%
KOMATSU LTD	1,700	305,899	0.59%
KYOCERA CORP	10,500	3,862,296	7.45%
mitsubishi corp	2,400	386,872	0.75%
mitsubishi estate co ltd	1,000	191,340	0.37%
mitsui & co ltd	2,800	347,885	0.67%
mitsui fudosan co ltd	800	209,074	0.40%
secom co ltd	1,000	473,568	0.91%
seven & i holdings co ltd	400	130,610	0.25%
shin etsu chemical co ltd	900	424,008	0.82%
softbank corp	6,600	3,808,727	7.35%
sony corp	2,400	308,837	0.60%
sumitomo corporation	3,200	334,910	0.65%
suzuki motor corp	17,500	4,248,151	8.20%
takeda pharmaceutical	1,100	395,449	0.76%
toyota motor corp	600	279,275	0.54%

Total Investments in Listed Japanese Securities at Fair Value

33,124,401 63.92%

Singapore	Holdings	Fair Value HKD ¹	% of Net Assets
CAPITALAND LTD	37,000	736,089	1.42%
GENTING SINGAPORE PLC	62,000	512,651	0.99%
GLOBAL LOGISTIC PROPERTIES LTD	67,000	1,124,649	2.17%
OVERSEA-CHINESE BANKING CORP	20,000	1,187,440	2.29%
SINGAPORE AIRLINES LTD	9,000	580,229	1.12%
SINGAPORE EXCHANGE LTD	8,000	345,663	0.67%
SINGAPORE PRESS HOLDINGS LTD	21,000	544,420	1.05%
SINGAPORE TECH ENGINEERING	32,000	755,983	1.46%
SINGAPORE TELECOM LTD	113,113	2,707,395	5.22%
WILMAR INTERNATIONAL LTD	126,000	2,498,847	4.82%

Total Investments in Listed Singaporean Securities at Fair Value

10,993,364 21.21%

Total Investments in Securities at Fair Value

44,117,766 85.13%

Index Swaps Issued by	Fair Value HKD ²	% of Net Assets
THE ROYAL BANK OF SCOTLAND PLC	(238,151)	-0.46%
BNP PARIBAS	80,110	0.15%
STANDARD CHARTERED BANK (HONG KONG) LIMITED	45,800	0.09%

Total Investment in Index Swaps at Fair Value

(112,241) -0.22%

Equity Swaps Issued by

THE ROYAL BANK OF SCOTLAND PLC	(282,710)	-0.55%
BNP PARIBAS	(2,525)	0.00%
STANDARD CHARTERED BANK (HONG KONG) LIMITED	(458,006)	-0.88%

Total Investment in Equity Swaps at Fair Value

(743,241) -1.43%

Total Investments 43,262,284 83.48%

Other net assets 8,562,441 16.52%

Net assets attributable to Unitholders at 30th June 201451,824,725100%**Total Investments, at cost**41,195,490¹ Exchange rate as at 30th June 2014

HKD/JPY 13.07098

HKD/SGD 0.160850

HKD/USD 0.129026

² excludes cash margins deposited with swap counterparties

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

for the period ended 30th June 2014

Investments - Listed Equities	Holdings as at 1st January 2014	Additions	Corporate Action	Disposals	Holdings as at 30th June 2014
ASAHI GROUP HOLDINGS LTD	2,100	-	-	(1,800)	300
ASTELLAS PHARMA INC	400	-	1,600	-	2,000
BRIDGESTONE CORPORATION	700	-	-	-	700
CANON INC	1,100	-	-	-	1,100
CAPITALAND LTD	37,000	-	-	-	37,000
DAIICHI SANKYO CO LTD	2,500	-	-	(2,500)	-
DAIKIN INDUSTRIES LTD	-	8,000	-	-	8,000
DENSO CORP	100	-	-	-	100
EISAI CO LTD	600	-	-	(600)	-
FANUC CORP	200	2,600	-	(200)	2,600
FAST RETAILING CO LTD	100	-	-	-	100
FUJIFILM HOLDINGS CORP	2,000	-	-	-	2,000
GENTING SINGAPORE PLC	62,000	-	-	-	62,000
GLOBAL LOGISTIC PROPERTIES LTD	21,000	55,000	-	(9,000)	67,000
HONDA MOTOR CO LTD	1,300	14,800	-	(1,300)	14,800
JAPAN TOBACCO INC	100	-	-	-	100
KAO CORP	900	-	-	-	900
KDDI CORP	500	9,000	-	(500)	9,000
KOMATSU LTD	1,700	-	-	-	1,700
KYOCERA CORP	1,000	10,500	-	(1,000)	10,500
mitsubishi corp	2,400	-	-	-	2,400
mitsubishi estate co ltd	1,000	-	-	-	1,000
mitsui & co ltd	2,800	-	-	-	2,800
mitsui fudosan co ltd	800	-	-	-	800
NIKON CORP	1,800	-	-	(1,800)	-
OVERSEA-CHINESE BANKING CORP	8,000	12,000	-	-	20,000
SECOM CO LTD	1,000	-	-	-	1,000
SEVEN & I HOLDINGS CO LTD	1,200	-	-	(800)	400
SHIN ETSU CHEMICAL CO LTD	900	-	-	-	900
SINGAPORE AIRLINES LTD	9,000	-	-	-	9,000
SINGAPORE EXCHANGE LTD	8,000	-	-	-	8,000
SINGAPORE PRESS HOLDINGS LTD	31,000	-	-	(10,000)	21,000
SINGAPORE TECH ENGINEERING	22,000	10,000	-	-	32,000
SINGAPORE TELECOM LTD	36,113	77,000	-	-	113,113
SOFTBANK CORP	-	6,600	-	-	6,600
SONY CORP	2,400	-	-	-	2,400
SUMITOMO CORPORATION	3,200	-	-	-	3,200
SUZUKI MOTOR CORP	2,000	17,500	-	(2,000)	17,500
TAKEDA PHARMACEUTICAL	1,100	-	-	-	1,100
TOYOTA MOTOR CORP	600	-	-	-	600
WILMAR INTERNATIONAL LTD	26,000	100,000	-	-	126,000
Swaps Issued by			Fair Value as at 1st January 2014 HKD	Fair Value Change HKD	Fair Value as at 30th June 2014 HKD
THE ROYAL BANK OF SCOTLAND PLC			(29,020)	(491,841)	(520,861)
BNP PARIBAS			(141,378)	218,963	77,585
STANDARD CHARTERED BANK (HONG KONG) LIMITED			-	(412,206)	(412,206)

PERFORMANCE RECORD (UNAUDITED)

Highest and lowest net asset value per unit

	Lowest HKD	Highest HKD
Period ended 30th June 2014	<u>6.0284</u>	<u>8.0304</u>

Net asset value attributable to unitholders

	HKD
As at 30th June 2014	<u>51,824,725</u>

Net asset value per unit

	HKD
As at 30th June 2014	<u>7.4035</u>

During the period, the IDX LQ45 Index increased by 18.71%, while the net asset value per unit of XIE Shares Indonesia (LQ45) ETF*(*This is a synthetic ETF) increased by 19.69%^(a).

The following lists the constituent securities that individually accounted for more than 10% of the LQ45 Index as at 30th June 2014 and its weighting of the LQ45 Index as at 30th June 2014:

Constituent securities	Respective weighting in LQ45 Index
Astra International Tbk PT ^(b)	<u>10.07%</u>

^(a) This is the annualized return of XIE Shares Indonesia (LQ45) ETF*(*This is a synthetic ETF) (net of fees and expenses) from 1st January 2014 to 30th June 2014.

^(b) XIE Shares Indonesia (LQ45) ETF* (*This is a synthetic ETF) did not hold the constituent securities as at 30th June 2014.