

XIE Shares Korea (KOSPI 200) ETF*
(*This is a synthetic ETF) (Stock Code: 3090)
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

CONTENTS	Page
Management and Administration	1
Statement of Financial Position (Unaudited)	2
Statement of Comprehensive Income (Unaudited)	3
Statement of Changes in Net Assets Attributable to Unitholders (Unaudited)	4
Statement of Cash Flows (Unaudited)	5
Investment Portfolio (Unaudited)	6
Statement of Movements in Portfolio Holdings (Unaudited)	8
Performance Record (Unaudited)	9

MANAGEMENT AND ADMINISTRATION

Manager and Listing Agent

Enhanced Investment Products Limited
337 New Henry House
10 Ice House Street
Central
Hong Kong

Directors of the Manager

BLAND Tobias Christopher James
FORD Richard Andrew
LAU Che Loon David

Trustee

Cititrust Limited
50/F, Citibank Tower, Citibank Plaza
3 Garden Road
Central
Hong Kong

Administrator

Cititrust, N.A.
50/F, Citibank Tower, Citibank Plaza
3 Garden Road
Central
Hong Kong

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

BNP Paribas Securities (Asia) Limited

Registrar

Computershare Hong Kong Investor
Services Limited
46/F, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Service Agent

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

Legal Counsel to the Manager

Simmons & Simmons
13/F, One Pacific Place
88 Queensway
Hong Kong

Auditor

PricewaterhouseCoopers
22/F Prince's Building
10 Chater Road
Central
Hong Kong

Custodian

Citibank, N.A. Hong Kong Branch
50/F, Citibank Tower, Citibank Plaza
3 Garden Road
Central
Hong Kong

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 Korea (KOSPI 200) 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	71,964,360
Investments in derivative instruments	1,609,685
Dividends receivable	21,496
Cash and cash equivalent	14,794,526
Receivable due from swap counterparties	450,057
Other receivables	10,286

TOTAL ASSETS**88,850,410****LIABILITIES**

Investments in derivative instruments	1,387,869
Management fee payable	28,871
Audit fees payable	75,877
Other fees payable	7,605

TOTAL LIABILITIES**1,500,222****EQUITY**

Net assets attributable to unitholders	87,350,188
--	-------------------

Number of units outstanding**10,000,000****Net asset value per unit****8.7350**

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	934,926
Interest income	3,803
Net gain/(loss) on investments	2,422,781
Net foreign exchange gain/(loss)	(3,274)

Total net income/(loss)	3,358,236
--------------------------------	------------------

OPERATING EXPENSES

Management fees	173,061
Audit fees	79,741
Preliminary expenses	5,312
Interest expense	414
Bank charges	255
Other operating expenses	58,478

Total operating expenses	317,261
---------------------------------	----------------

Operating profit/(loss)	3,040,975
--------------------------------	------------------

Profit/(loss) before taxation	3,040,975
--------------------------------------	-----------

Dividend withholding tax	56,447
--------------------------	--------

TOTAL COMPREHENSIVE GAIN/(LOSS) FOR THE PERIOD	2,984,528
---	------------------

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	93,037,860
Proceeds on issue of units	33,750,800
Payment on redemption of units	<u>(42,423,000)</u>
Net increase from unit transactions	(8,672,200)
Total comprehensive income for the period	2,984,528
Balance at the end of the period	<u><u>87,350,188</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	(26,308,073)
Proceeds from sale of investments	36,213,997
Dividends received	1,035,711
Interest received	3,803
Management fee paid	(176,005)
Dividend withholding tax paid	(56,447)
Preliminary expenses paid	(5,312)
Interest expense	(414)
Net payments to swap counterparties	(1,215,499)
Other receipts and payments	(119,397)

Cash generated from/(used in) operating activities	9,372,364
---	------------------

FINANCING ACTIVITIES

Proceeds from issue of units	33,750,800
Redemption paid on redemption of units	(42,423,000)

Cash flows generated from financing activities	(8,672,200)
---	--------------------

Net increase/(decrease) in cash and cash equivalents	700,164
---	----------------

Cash and cash equivalents at beginning of period	14,097,636
Net foreign exchange loss	(3,274)

Cash and cash equivalents at end of period	14,794,526
---	-------------------

Analysis of balances of cash and cash equivalents

Cash and cash equivalents	14,794,526
---------------------------	-------------------

-

INVESTMENT PORTFOLIO (UNAUDITED)

as at 30th June 2014

Investments

Listed Equities

Australia	Holdings	Fair Value HKD ¹	% of Net Assets
AGL ENERGY LTD	576	65,226	0.07%
BHP BILLITON LTD	3,553	933,072	1.07%
COMMONWEALTH BANK OF AUSTRALIA	1,861	1,101,066	1.26%
FORTESCUE METALS GROUP LTD	24,251	771,693	0.88%
ORIGIN ENERGY LTD	6,016	643,400	0.74%
RIO TINTO LTD	2,525	1,095,507	1.25%
WESFARMERS LTD	3,343	1,023,184	1.17%
WESTPAC BANKING CORP	3,265	809,193	0.93%
WOODSIDE PETROLEUM LTD	4,123	1,238,693	1.42%

Total Investments in Listed Australian Securities at Fair Value

7,681,034	8.79%
-----------	-------

Japan	Holdings	Fair Value HKD ¹	% of Net Assets
BRIDGESTONE CORPORATION	1,000	271,211	0.31%
DAIKIN INDUSTRIES LTD	6,900	3,374,253	3.86%
DENSO CORP	1,000	369,903	0.42%
FANUC CORP	2,400	3,207,717	3.67%
HONDA MOTOR CO LTD	7,900	2,137,736	2.45%
JAPAN TOBACCO INC	7,000	1,977,740	2.26%
KDDI CORP	10,800	5,105,447	5.84%
KYOCERA CORP	9,000	3,310,540	3.79%
MITSUBISHI CORP	1,000	161,197	0.18%
MITSUBISHI ESTATE CO LTD	1,000	191,340	0.22%
MITSUMI FUDOSAN CO LTD	1,000	261,342	0.30%
SEVEN & I HOLDINGS CO LTD	1,000	326,525	0.37%
SOFTBANK CORP	7,500	4,328,099	4.95%
SUZUKI MOTOR CORP	15,000	3,641,272	4.17%
TAKEDA PHARMACEUTICAL	1,000	359,499	0.41%
TOYOTA MOTOR CORP	7,000	3,258,210	3.73%

Total Investments in Listed Japanese Securities at Fair Value

32,282,031	36.96%
------------	--------

Singapore	Holdings	Fair Value HKD ¹	% of Net Assets
CAPITALAND LTD	120,203	2,391,353	2.74%
GLOBAL LOGISTIC PROPERTIES LTD	403,000	6,764,679	7.74%
SINGAPORE EXCHANGE LTD	142,600	6,161,446	7.05%
SINGAPORE PRESS HOLDINGS LTD	250,100	6,483,777	7.42%
SINGAPORE TECH ENGINEERING	10,000	236,245	0.27%
SINGAPORE TELECOM LTD	292,823	7,008,810	8.02%
WILMAR INTERNATIONAL LTD	149,000	2,954,985	3.38%

Total Investments in Listed Singaporean Securities at Fair Value

32,001,295	36.64%
------------	--------

Total Investments in Securities at Fair Value

71,964,360	82.39%
------------	--------

Index Swaps Issued by	Fair Value HKD ²	% of Net Assets
JPMORGAN CHASE BANK N.A.	253,006	0.29%
THE ROYAL BANK OF SCOTLAND PLC	338,752	0.39%
BNP PARIBAS	466,648	0.53%
STANDARD CHARTERED BANK (HONG KONG) LIMITED	424,404	0.49%

Total Investment in Index Swaps at Fair Value

1,482,810	1.70%
-----------	-------

Equity Swaps Issued by

JPMORGAN CHASE BANK N.A.	(100,092)	-0.11%
THE ROYAL BANK OF SCOTLAND PLC	(629,528)	-0.72%
BNP PARIBAS	(120,351)	-0.14%
STANDARD CHARTERED BANK (HONG KONG) LIMITED	(411,023)	-0.47%

Total Investment in Equity Swaps at Fair Value

(1,260,994)	-1.44%
-------------	--------

Total Investments	72,186,176	82.64%
-------------------	------------	--------

Other net assets	<u>15,164,012</u>	<u>17.36%</u>
Net assets attributable to Unitholders at 30th June 2014	<u>87,350,188</u>	<u>100%</u>
Total Investments, at cost	<u>68,831,728</u>	

¹ 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
AGL ENERGY LTD	576	-	-	-	576
ASTELLAS PHARMA INC	5,500	-	22,000	(27,500)	-
BHP BILLITON LTD	3,553	-	-	-	3,553
BRIDGESTONE CORPORATION	5,400	-	-	(4,400)	1,000
CAPITALAND LTD	120,203	-	-	-	120,203
COMMONWEALTH BANK OF AUSTRALIA	1,861	-	-	-	1,861
DAIKIN INDUSTRIES LTD	-	6,900	-	-	6,900
DENSO CORP	4,600	-	-	(3,600)	1,000
FANUC CORP	1,300	2,400	-	(1,300)	2,400
FORTESCUE METALS GROUP LTD	24,251	-	-	-	24,251
GLOBAL LOGISTIC PROPERTIES LTD	403,000	-	-	-	403,000
HONDA MOTOR CO LTD	11,700	7,900	-	(11,700)	7,900
JAPAN TOBACCO INC	15,000	-	-	(8,000)	7,000
KDDI CORP	1,600	10,800	-	(1,600)	10,800
KYOCERA CORP	-	9,000	-	-	9,000
MITSUBISHI CORP	18,300	-	-	(17,300)	1,000
MITSUBISHI ESTATE CO LTD	3,000	-	-	(2,000)	1,000
MITSUMI FUDOSAN CO LTD	14,300	-	-	(13,300)	1,000
MITSUMI & CO LTD	24,800	-	-	(24,800)	-
ORIGIN ENERGY LTD	6,016	-	-	-	6,016
RIO TINTO LTD	2,525	-	-	-	2,525
SEVEN & I HOLDINGS CO LTD	8,000	-	-	(7,000)	1,000
SHIN ETSU CHEMICAL CO LTD	4,000	-	-	(4,000)	-
SINGAPORE EXCHANGE LTD	142,600	-	-	-	142,600
SINGAPORE PRESS HOLDINGS LTD	250,100	-	-	-	250,100
SINGAPORE TECH ENGINEERING	-	10,000	-	-	10,000
SINGAPORE TELECOM LTD	292,823	-	-	-	292,823
SOFTBANK CORP	1,100	7,500	-	(1,100)	7,500
SONY CORP	21,100	-	-	(21,100)	-
SUMITOMO CORPORATION	28,500	-	-	(28,500)	-
SUZUKI MOTOR CORP	-	15,000	-	-	15,000
TAKEDA PHARMACEUTICAL	9,700	-	-	(8,700)	1,000
TOYOTA MOTOR CORP	7,000	-	-	-	7,000
WESFARMERS LTD	3,343	-	-	-	3,343
WESTPAC BANKING CORP	3,265	-	-	-	3,265
WILMAR INTERNATIONAL LTD	-	149,000	-	-	149,000
WOODSIDE PETROLEUM LTD	4,123	-	-	-	4,123
Swaps Issued by		Fair Value as at 1st January 2014 HKD	Fair Value Change HKD	Fair Value as at 30th June 2014 HKD	
JPMORGAN CHASE BANK N.A.		(32,127)	185,041	152,914	
THE ROYAL BANK OF SCOTLAND PLC		47,676	(338,452)	(290,776)	
BNP PARIBAS		(264,310)	610,607	346,297	
STANDARD CHARTERED BANK (HONG KONG) LIMITED		-	13,381	13,381	

PERFORMANCE RECORD (UNAUDITED)

Highest and lowest net asset value per unit

	Lowest HKD	Highest HKD
Period ended 30th June 2014	<u>7.7058</u>	<u>8.8316</u>

Net asset value attributable to unitholders

	HKD
As at 30th June 2014	<u>87,350,188</u>

Net asset value per unit

	HKD
As at 30th June 2014	<u>8.7350</u>

During the period, the KOSPI 200 Index increased by 2.81%, while the net asset value per unit of XIE Shares Korea (KOSPI 200) ETF* (*This is a synthetic ETF) increased by 3.21%^(a).

The following lists the constituent securities that individually accounted for more than 10% of the KOSPI 200 Index as at 30th June 2014 and its weighting of the KOSPI 200 Index as at 30th June 2014:

Constituent securities	Respective weighting in KOSPI 200 Index
Samsung Electronics Co Ltd ^(b)	<u>21.38%</u>

^(a) This is the annualized return of Korea (KOSPI 200) ETF* (*This is a synthetic ETF) (net of fees and expenses) from 1st January 2014 to 30th June 2014.

^(b) XIE Shares Korea (KOSPI 200) ETF* (*This is a synthetic ETF) did not hold the constituent securities as at 30th June 2014.