



# VALUE TAIWAN ETF (Stock code: 3060)

A Sub-fund of Value ETFs Trust

## SEMI-ANNUAL REPORT 2014

For the six months ended 30 September 2014

## Sensible Asset Management Hong Kong Limited

9<sup>th</sup> Floor, Nexus Building,  
41 Connaught Road Central, Hong Kong

Tel : (852) 2880 9263

Fax : (852) 2564 8487

Email : [operations@valueetf.com.hk](mailto:operations@valueetf.com.hk)

Website : [www.valueETF.com.hk](http://www.valueETF.com.hk)

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

## CONTENTS

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

# VALUE TAIWAN ETF

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

## GENERAL INFORMATION

### Investment Manager

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

### Sub-investment Manager

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

### Directors of the Investment Manager

Mr Chow Wai Chiu William  
Mr So Chun Ki Louis

### Trustee and Registrar

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

### Legal Advisor

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

### Auditor

Ernst & Young  
22/F, CITIC Tower  
1 Tim Mei Avenue  
Central  
Hong Kong

### Information available from:

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

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

## GENERAL INFORMATION (Continued)

### Recent awards and achievements

Corporate award	
2012	<ul style="list-style-type: none"><li>• 2012 The Asset Triple A Investment Awards Highly Commended ETF House for Hong Kong – <i>The Asset</i></li></ul>

# VALUE TAIWAN ETF

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

## MANAGER'S REPORT

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

As at 30 September 2014, the Net Asset Value (“NAV”) per unit of the Fund was TWD140.6975, and 1,950,000 units were outstanding. The total size of the Fund was approximately TWD274 million.

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

	From 1 Apr 2014 to 30 Sep 2014	2014 YTD (as at 30 Sep)	Since inception (from 23 May 2012 to 30 Sep 2014)
Total return in TWD			
FTSE Value-Stocks Taiwan Index	8.7%	13.7%	48.1%
Value Taiwan ETF	6.2%	10.5%	33.8%

The difference in performance between the FTSE Value-Stocks Taiwan Index and the Value Taiwan ETF is mainly attributed to fees and expenses, and security misweightings. The historical tracking error for the NAV of the Fund against the FTSE Value-Stocks Taiwan Index was at 44 basis points on an annualized basis since its inception on 23 May 2012.

### Sensible Asset Management Hong Kong Limited

20 November 2014

*All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg, in TWD, NAV to NAV with dividends reinvested, as at 30 September 2014. Performance data is net of all fees.*

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

**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

AS AT 30 SEPTEMBER 2014

	<b>30.9.2014</b>	<b>31.3.2014</b>
	<i>TWD</i>	<i>TWD</i>
<b>Assets</b>		
Financial assets at fair value through profit or loss	271,703,014	366,569,071
Dividend receivables	414,487	–
Prepayments and other receivables	328,757	706,070
Cash and cash equivalents	<u>3,071,382</u>	<u>4,583,785</u>
<b>Total assets</b>	<u>275,517,640</u>	<u>371,858,926</u>
<b>Liabilities</b>		
Audit fees payable	735,554	491,018
Management fees payable	174,745	420,675
Trustee and registrar fees payable	152,855	459,593
Amounts payable on purchase of investments	–	375,216
Other payables	<u>94,327</u>	<u>41,136</u>
<b>Total liabilities</b>	<u>1,157,481</u>	<u>1,787,638</u>
<b>Net assets attributable to unitholders</b>	<u>274,360,159</u>	<u>370,071,288</u>
<b>Net asset value per unit based on 1,950,000 (31.3.2014: 2,700,000) units outstanding</b>	<u>140.6975</u>	<u>137.0634</u>

# VALUE TAIWAN ETF

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

## INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 30 SEPTEMBER 2014

	Holdings	Fair value TWD	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
<b>Listed equity securities</b>			
<i>Taiwan</i>			
Advanced Semiconductor Engineering Inc	345,943	12,246,382	4.46
Asia Cement Corp	129,987	5,049,995	1.84
Asustek Computer Inc	40,092	11,626,680	4.24
Chang Hwa Commercial Bank Ltd	178,477	3,328,596	1.21
Cheng Shin Rubber Industry Co Ltd	103,584	6,950,486	2.53
Cheng Uei Precision Industry Co Ltd	21,255	1,158,398	0.42
Chicony Electronics Co Ltd	31,148	2,834,468	1.03
China Motor Corp	38,792	1,051,263	0.38
Chipbond Technology Corp	34,151	1,902,211	0.69
Compeq Manufacturing Co Ltd	61,464	1,103,279	0.40
Coretronic Corp	28,912	1,416,688	0.52
CTBC Financial Holding Co Ltd	29,054	594,154	0.22
Elan Microelectronics Corp	21,853	1,131,985	0.41
Eternal Chemical Co Ltd	46,033	1,452,341	0.53
Everlight Electronics Co Ltd	21,593	1,407,864	0.51
First Financial Holding Co Ltd	410,111	7,525,537	2.74
Formosa Taffeta Co Ltd	57,616	1,722,718	0.63
Fubon Financial Holding Co Ltd	407,368	19,024,086	6.93
Hon Hai Precision Industry Co Ltd	282,607	27,130,272	9.89
Hua Nan Financial Holdings Co Ltd	392,236	6,962,189	2.54
Kenda Rubber Industrial Co Ltd	34,307	2,075,574	0.76
King Yuan Electronics Co Ltd	61,087	1,582,153	0.58
King's Town Bank Co Ltd	57,239	1,926,092	0.70
Kinsus Interconnect Technology Corp	15,002	1,695,226	0.62
Lite-On Technology Corp	118,911	5,214,247	1.90
Makalot Industrial Co Ltd	9,074	1,401,933	0.51
MediaTek Inc	55,510	25,007,255	9.12
Mega Financial Holding Co Ltd	559,949	13,970,728	5.09
Micro-Star International Co Ltd	38,363	1,440,531	0.53
Novatek Microelectronics Corp	32,045	4,822,772	1.76
Phison Electronics Corp	7,358	1,559,896	0.57
Pou Chen Corp	148,434	5,017,069	1.83
Radiant Opto-Electronics Corp	24,778	2,985,749	1.09



**INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 30 SEPTEMBER 2014

	Holdings	Fair value TWD	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)</b>			
<b>Listed equity securities (Continued)</b>			
<i>Taiwan (Continued)</i>			
Realtek Semiconductor Corp	26,065	2,815,020	1.03
Richtek Technology Corp	7,618	1,180,790	0.43
Siliconware Precision Industries Co Ltd	165,984	6,929,832	2.53
Simplo Technology Co Ltd	16,237	2,394,957	0.87
SinoPac Financial Holdings Co Ltd	33,565	438,023	0.16
Taishin Financial Holding Co Ltd	460,759	6,565,816	2.39
Taiwan Cement Corp	180,089	8,158,032	2.97
Taiwan Fertilizer Co Ltd	41,197	2,072,209	0.76
Taiwan Semiconductor Manufacturing Co Ltd	228,384	27,406,080	9.99
Tong Hsing Electronic Industries Ltd	8,073	1,077,745	0.39
Transcend Information Inc	15,938	1,609,738	0.59
Tripod Technology Corp	27,690	1,738,932	0.63
Tung Ho Steel Enterprise Corp	46,449	1,144,968	0.42
United Microelectronics Corp	669,643	8,437,502	3.08
Vanguard International Semiconductor Corp	44,473	1,983,496	0.72
Win Semiconductors Corp	39,871	1,162,240	0.42
Yageo Corp	116,727	2,573,830	0.94
Yuanta Financial Holdings Co Ltd	552,578	8,288,670	3.02
Yungtay Engineering Co Ltd	20,033	1,406,317	0.51
<b>Total financial assets at fair value through profit or loss</b>		271,703,014	99.03
Cash and cash equivalents		3,071,382	1.12
Other net liabilities		(414,237)	(0.15)
<b>Total net assets</b>		<u>274,360,159</u>	<u>100.00</u>
<b>Total investments, at cost</b>		<u>243,422,010</u>	

# VALUE TAIWAN ETF

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

## STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014

	% of net assets	
	30.9.2014	31.3.2014
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		
<b>Listed equity securities</b>		
Taiwan	99.03	99.05
<b>Total financial assets at fair value through profit or loss</b>	99.03	99.05
Cash and cash equivalents	1.12	1.24
Other net liabilities	(0.15)	(0.29)
<b>Total net assets</b>	<b>100.00</b>	<b>100.00</b>