

**XIE Shares Taiwan (TAIEX) ETF\***  
**(\*This is a synthetic ETF) (Stock Code: 3089)**  
**a sub-fund of the XIE Shares Trust I\* (\*This is a synthetic ETF)**

**Unaudited Interim Report**

For the period from 1st January 2015  
to 30th June 2015

## CONTENTS

Page

Management and Administration .....	1
Statement of Financial Position .....	2
Statement of Comprehensive Income .....	3
Statement of Changes in Net Assets Attributable to Unitholders .....	4
Statement of Cash Flows. ....	5
Investment Portfolio (Unaudited) .....	6 - 7
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  
BEATTIE Nigel John  
GLADSTONE Xenophon Thomas  
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 Makers

BNP Paribas Securities (Asia) Limited  
Commerzbank AG  
Macquarie Capital Securities 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](http://www.xieshares.com).

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

**STATEMENT OF FINANCIAL POSITION**

as at 30th June 2015

	<b>30th June 2015</b> <b>HKD</b> <b>(UNAUDITED)</b>	<b>31st December 2014</b> <b>HKD</b> <b>(AUDITED)</b>
<b>ASSETS</b>		
Investments in listed securities	105,322,963	74,648,802
Investments in derivative instruments	3,195,856	3,152,462
Dividends receivable	33,299	-
Cash and cash equivalent	18,068,223	16,951,105
Other receivables	10,286	20,571
<b>TOTAL ASSETS</b>	<b>126,630,627</b>	<b>94,772,940</b>
<b>LIABILITIES</b>		
Investments in derivative instruments	1,819,208	963,450
Payable due to swap counterparties	955,106	1,022,445
Management fee payable	42,290	40,205
Audit fees payable	114,848	-
Other fees payable	7,605	252,362
<b>TOTAL LIABILITIES</b>	<b>2,939,057</b>	<b>2,278,462</b>
<b>EQUITY</b>		
Net assets attributable to unitholders	<b>123,691,570</b>	<b>92,494,478</b>
<b>Number of units outstanding</b>	<b>13,000,000</b>	<b>10,000,000</b>
<b>Net asset value per unit</b>	<b>9.5147</b>	<b>9.2494</b>

**STATEMENT OF COMPREHENSIVE INCOME**

for the period ended 30th June 2015

	Period from 1st January 2015 to 30th June 2015 HKD (UNAUDITED)	Period from 1st January 2014 to 30th June 2014 HKD (UNAUDITED)
<b>INCOME</b>		
Dividend income	1,310,851	1,329,110
Interest income	3,705	8,689
Net gain/(loss) on investments	3,059,687	13,652,700
Net foreign exchange gain/(loss)	(22,359)	(13,655)
<b>Total net income/(loss)</b>	<b>4,351,884</b>	<b>14,976,844</b>
<b>OPERATING EXPENSES</b>		
Management fees	239,226	295,901
Audit fees	129,168	119,574
Preliminary expenses	-	5,303
Interest expense	11,949	556
Bank charges	2,258	460
Other operating expenses	57,890	58,478
<b>Total operating expenses</b>	<b>440,491</b>	<b>480,272</b>
<b>Operating profit/(loss)</b>	<b>3,911,393</b>	<b>14,496,572</b>
<b>Profit/(loss) before taxation</b>	<b>3,911,393</b>	<b>14,496,572</b>
Dividend withholding tax	65,301	74,557
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>3,846,092</b>	<b>14,422,015</b>

**STATEMENT OF CHANGES IN NET ASSETS**  
**ATTRIBUTABLE TO UNITHOLDERS**  
for the period ended 30th June 2015

	<b>Period from</b> <b>1st January 2015</b> <b>to 30th June 2015</b> <b>HKD</b> <b>(UNAUDITED)</b>	<b>Period from</b> <b>1st January 2014</b> <b>to 30th June 2014</b> <b>HKD</b> <b>(UNAUDITED)</b>
<b>Balance at the beginning of the period</b>	92,494,478	142,852,837
Proceeds on issue of units	27,351,000	27,434,400
Payment on redemption of units	-	-
Net increase from unit transactions	27,351,000	27,434,400
Total comprehensive income for the period	3,846,092	14,422,015
<b>Balance at the end of the period</b>	<b>123,691,570</b>	<b>184,709,252</b>

## STATEMENT OF CASH FLOWS

for the period ended 30th June 2015

	Period from 1st January 2015 to 30th June 2015 HKD (UNAUDITED)	Period from 1st January 2014 to 30th June 2014 HKD (UNAUDITED)
<b>OPERATING ACTIVITIES</b>		
Payments for purchase of investments	(26,597,586)	(20,883,669)
Proceeds from sale of investments	2,306,181	9,768,642
Dividends received	1,277,552	1,407,163
Interest received	3,705	8,689
Management fee paid	(237,141)	(284,204)
Dividend withholding tax paid	(65,301)	(74,557)
Preliminary expenses paid	-	(5,303)
Interest expense	(11,949)	(556)
Net receipts from/(payments to) swap counterparties	(2,578,044)	3,307,452
Other receipts and payments	(308,940)	(156,763)
<b>Cash generated from/(used in) operating activities</b>	<b>(26,211,523)</b>	<b>(6,913,106)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issue of units	27,351,000	27,434,400
Redemption paid on redemption of units	-	-
<b>Cash flows generated from financing activities</b>	<b>27,351,000</b>	<b>27,434,400</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,139,477</b>	<b>20,521,294</b>
Cash and cash equivalents at beginning of period	16,951,105	20,325,918
Net foreign exchange loss	(22,359)	(13,655)
<b>Cash and cash equivalents at end of period</b>	<b>18,068,223</b>	<b>40,833,557</b>
<b>Analysis of balances of cash and cash equivalents</b>		
Cash and cash equivalents	<b>18,068,223</b>	<b>40,833,557</b>

## INVESTMENT PORTFOLIO (UNAUDITED)

as at 30th June 2015

### Investments

#### Listed Equities

Australia	Holdings	Fair Value HKD <sup>1</sup>	% of Net Assets
AGL ENERGY LTD	1,060	98,216	0.08%
COMMONWEALTH BANK OF AUSTRALIA	4,702	2,385,116	1.93%
FORTESCUE METALS GROUP LTD	44,866	510,617	0.41%
ORIGIN ENERGY LTD	11,130	793,841	0.64%
RIO TINTO LTD	10,914	3,495,479	2.83%
WESFARMERS LTD	6,091	1,416,549	1.15%
WESTPAC BANKING CORP	6,009	1,151,138	0.93%
WOODSIDE PETROLEUM LTD	7,627	1,555,625	1.26%

#### Total Investments in Listed Australian Securities at Fair Value

11,406,581	9.23%
------------	-------

Japan	Holdings	Fair Value HKD <sup>1</sup>	% of Net Assets
ASTELLAS PHARMA INC	17,600	1,946,342	1.57%
BRIDGESTONE CORPORATION	7,200	2,065,274	1.67%
CANON INC	1,600	403,703	0.33%
DAIKIN INDUSTRIES LTD	5,800	3,236,989	2.62%
DENTSU INC	10,100	4,056,928	3.28%
FANUC CORP	1,900	3,019,033	2.44%
FAST RETAILING CO LTD	1,300	4,576,066	3.70%
FUJI HEAVY INDUSTRIES LTD	3,600	1,028,189	0.83%
HONDA MOTOR CO LTD	10,300	2,585,137	2.09%
JAPAN TOBACCO INC	2,000	552,526	0.45%
KAO CORP	9,300	3,354,369	2.71%
KDDI CORP	19,500	3,649,487	2.95%
KYOCERA CORP	7,600	3,063,812	2.48%
MITSUBISHI CORP	4,900	835,714	0.68%
NITTO DENKO CORP	12,700	8,094,469	6.54%
NTT DATA CORPORATION	5,000	1,694,769	1.37%
PANASONIC CORP	22,200	2,365,029	1.91%
SECOM CO LTD	3,100	1,560,423	1.26%
SHIN ETSU CHEMICAL CO LTD	7,100	3,418,231	2.76%
SOFTBANK CORP	4,500	2,055,295	1.66%
SUZUKI MOTOR CORP	12,700	3,327,100	2.69%
TAKEDA PHARMACEUTICAL	10,500	3,932,212	3.18%
TOKYO ELECTRON LTD	7,600	3,730,215	3.02%
TOYOTA MOTOR CORP	4,500	2,338,686	1.89%

#### Total Investments in Listed Japanese Securities at Fair Value

66,889,998	54.08%
------------	--------

Singapore	Holdings	Fair value HKD <sup>1</sup>	% of Net Assets
GENTING SINGAPORE	269,500	1,388,735	1.12%
GLOBAL LOGISTIC PROPERTIES	338,200	4,926,422	3.98%
KEPPEL CORP	101,100	4,784,763	3.87%
SINGAPORE TECH ENGINEERING	10,000	189,999	0.15%
SINGAPORE TELECOM LTD	300,100	7,274,206	5.88%
WILMAR INTERNATIONAL LTD	448,100	8,462,259	6.84%

#### Total Investments in Listed Singaporean Securities at Fair Value

27,026,384	21.84%
------------	--------

#### Total Investments in Securities at Fair Value

105,322,963	85.15%
-------------	--------

Index Swaps Issued by	Fair Value HKD <sup>2</sup>	% of Net Assets
JPMORGAN CHASE BANK N.A.	14,975	0.01%
BNP PARIBAS	244,033	0.20%



STANDARD CHARTERED BANK (HONG KONG) LIMITED	1,291,430	1.04%
<b>Total Investment in Index Swaps at Fair Value</b>	<b>1,550,438</b>	<b>1.25%</b>
<b>Equity Swaps Issued by</b>	<b>Fair Value HKD<sup>2</sup></b>	<b>% of Net Assets</b>
JPMORGAN CHASE BANK N.A.	389,131	0.31%
BNP PARIBAS	140,847	0.11%
STANDARD CHARTERED BANK (HONG KONG) LIMITED	(703,768)	-0.57%
<b>Total Investment in Equity Swaps at Fair Value</b>	<b>(173,790)</b>	<b>-0.15%</b>
<b>Total Investments</b>	<b>106,699,611</b>	<b>86.25%</b>
<b>Other net assets</b>	<b>16,991,959</b>	<b>13.75%</b>
<b>Net assets attributable to Unitholders at 30th June 2015</b>	<b>123,691,570</b>	<b>100%</b>
<b>Total Investments, at cost</b>	<b>98,801,242</b>	

<sup>1</sup> Exchange rate as at 30th June 2015

HKD/AUD 0.167825

HKD/JPY 15.78386

HKD/SGD 0.173685

HKD/USD 0.12899

<sup>2</sup> excludes cash margins deposited with swap counterparties

# STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

for the period ended 30th June 2015

Investments - Listed Equities	Holdings as at 1st January 2015	Additions	Corporate Action	Disposals	Holdings as at 30th June 2015
AGL ENERGY LTD	1,060	-	-	-	1,060
ASTELLAS PHARMA INC	17,600	-	-	-	17,600
BHP BILLITON LTD	11,304	-	-	(11,304)	-
BRIDGESTONE CORPORATION	7,200	-	-	-	7,200
CANON INC	1,600	-	-	-	1,600
COMMONWEALTH BANK OF AUSTRALIA	4,702	-	-	-	4,702
DAIKIN INDUSTRIES LTD	5,800	-	-	-	5,800
DENTSU INC	10,100	-	-	-	10,100
FANUC CORP	1,900	-	-	-	1,900
FAST RETAILING CO LTD	1,300	-	-	-	1,300
FORTESCUE METALS GROUP LTD	44,866	-	-	-	44,866
FUJI HEAVY INDUSTRIES LTD	3,600	-	-	-	3,600
GENTING SINGAPORE	-	269,500	-	-	269,500
GLOBAL LOGISTIC PROPERTIES	-	338,200	-	-	338,200
HONDA MOTOR CO LTD	10,300	-	-	-	10,300
JAPAN TOBACCO INC	2,000	-	-	-	2,000
KAO CORP	9,300	-	-	-	9,300
KDDI CORP	6,500	-	13,000	-	19,500
KEPPEL CORP	-	101,100	-	-	101,100
KYOCERA CORP	7,600	-	-	-	7,600
MITSUBISHI CORP	4,900	-	-	-	4,900
NITTO DENKO CORP	12,700	-	-	-	12,700
NTT DATA CORPORATION	5,000	-	-	-	5,000
ORIGIN ENERGY LTD	11,130	-	-	-	11,130
PANASONIC CORP	22,200	-	-	-	22,200
RIO TINTO LTD	4,689	6,225	-	-	10,914
SECOM CO LTD	3,100	-	-	-	3,100
SHIN ETSU CHEMICAL CO LTD	7,100	-	-	-	7,100
SINGAPORE TECH ENGINEERING	10,000	-	-	-	10,000
SINGAPORE TELECOM LTD	-	300,100	-	-	300,100
SOFTBANK CORP	4,500	-	-	-	4,500
SUZUKI MOTOR CORP	12,700	-	-	-	12,700
TAKEDA PHARMACEUTICAL	10,500	-	-	-	10,500
TOKYO ELECTRON LTD	7,600	-	-	-	7,600
TOYOTA MOTOR CORP	4,500	-	-	-	4,500
WESFARMERS LTD	6,091	-	-	-	6,091
WESTPAC BANKING CORP	6,009	-	-	-	6,009
WILMAR INTERNATIONAL LTD	126,000	322,100	-	-	448,100
WOODSIDE PETROLEUM LTD	7,627	-	-	-	7,627
<b>Swaps Issued by</b>			<b>Fair Value as at 1st January 2015 HKD</b>	<b>Fair Value Change HKD</b>	<b>Fair Value as at 30th June 2015 HKD</b>
JPMORGAN CHASE BANK N.A.			846,975	(442,869)	404,106
BNP PARIBAS			-	384,880	384,880
STANDARD CHARTERED BANK (HONG KONG) LIMITED			1,342,037	(754,375)	587,662

## PERFORMANCE RECORD (UNAUDITED)

### Highest and lowest net asset value per unit

	Lowest HKD	Highest HKD
Period ended 30th June 2015	<u>8.9331</u>	<u>10.2472</u>

### Net asset value attributable to unitholders

	HKD
As at 30th June 2015	<u>123,691,570</u>

### Net asset value per unit

	HKD
As at 30th June 2015	<u>9.5147</u>

During the period, the TAIEX Taiwan Index increased by 3.21% , while the net asset value per unit of XIE Shares Taiwan (TAIEX) ETF\* (\*This is a synthetic ETF) increased by 2.65% <sup>(a)</sup>.

The following lists the constituent securities that individually accounted for more than 10% of the TAIEX Index as at 30th June 2015 and its weighting of the TAIEX Index as at 30th June 2015:

Constituent securities	Respective weighting in TAIEX Index
Taiwan Semiconductor Manufacturing Company Limited <sup>(b)</sup>	<u>13.48%</u>

<sup>(a)</sup> This is the return of XIE Shares Taiwan(TAIEX) ETF\*(\*This is a synthetic ETF) (net of fees and expenses) from 1st January 2015 to 30th June 2015.

<sup>(b)</sup> XIE Shares Taiwan (TAIEX) ETF\*(\*This is a synthetic ETF) did not hold the constituent securities as at 30th June 2015.