

BMO ETF

BMO ASIA USD INVESTMENT GRADE BOND ETF

SEMI-ANNUAL FINANCIAL STATEMENTS (UNAUDITED)

FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF OPERATIONS) TO 30 JUNE 2015

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BMO ASIA USD INVESTMENT GRADE BOND ETF

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ADMINISTRATION AND MANAGEMENT

Manager

BMO Global Asset Management (Asia) Limited
36/F & Suite 3808, One Exchange Square
Central
Hong Kong

Listing agent

Macquarie Capital Securities Limited
Level 18, Suites 2001-2 & 2015-16,
Level 22-23, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Directors of the Manager

Anthony Cousins (resigned on November 11, 2014)
Christopher Darling
Edgar Legzdins
Barry McInerney
Susanna Ng
Amit Prakash
Rajiv Silgardo
Richard Wilson (appointed on November 11, 2014)
Albert Yu

Legal counsel to the Manager

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

Trustee

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

Auditors

KPMG
8/F, Prince's Building
10 Chater Road
Central
Hong Kong

Administrator

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

Participating dealers*

Macquarie Bank Limited
Level 18, One IFC,
1 Harbour View Street,
Central,
Hong Kong

Registrar

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

SG Securities (HK) Limited
Level 37, Three Pacific Place,
1 Queen's Road East
Hong Kong

Service agent

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

*Please refer to the Manager's website, <http://www.bmo.hk/etfs/en/bmo-etfs/details?fundId=3141>, for the latest list of participating dealers.

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BMO ASIA USD INVESTMENT GRADE BOND ETF

STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED) AS AT 30 JUNE 2015

	As at 30 June 2015¹ HK\$
Current assets	
Investments	93,527,853
Cash at banks	<u>88,668</u>
Total assets	<u>93,616,521</u>
 Current liabilities	
Accruals and other payables	<u>55,303</u>
Total liabilities (excluding net assets attributable to unitholders)	<u>55,303</u>
Net assets attributable to unitholders	<u><u>93,561,218</u></u>
 Number of units in issue	6,250,000
 Net assets attributable to unitholders per unit	14.9698

¹The date of commencement of operations for this Sub-Fund was 7 November 2014. Comparative figures are unavailable.

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STATEMENT OF DISTRIBUTION (UNAUDITED) FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF OPERATIONS) TO 30 JUNE 2015

	HK\$
Undistributed income at 7 November 2014¹ (date of commencement of operations)	–
Profit for the period available for distribution	2,155,068
Distributions to unitholders	(1,625,000)
Undistributed income at 30 June 2015¹	530,068

Distribution history:

Interim distribution of HK\$0.15 per unit on 6,250,000 units declared on 24 March 2015	937,500
Interim distribution of HK\$0.11 per unit on 6,250,000 units declared on 19 June 2015	687,500
	1,625,000

¹The date of commencement of operations for this Sub-Fund was 7 November 2014. Comparative figures are unavailable.

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BMO ASIA USD INVESTMENT GRADE BOND ETF

INVESTMENT LIMITATIONS AND PROHIBITIONS UNDER THE SFC CODE (UNAUDITED)

The Hong Kong Securities and Futures Commission (the “SFC”) Code allows BMO Asia USD Investment Grade Bond ETF (the “Sub-Fund”) to invest in constituent securities issued by a single issuer for more than 10% of the Sub-Fund’s net asset value provided that the investment is limited to any constituent securities that each accounts for more than 10% of the weighting of the Barclays Asia USD Investment Grade Bond Index (the “Underlying Index”) and the Sub-Fund’s holding of any such constituent securities may not exceed their respective weightings in the Underlying Index (except as a result of changes in the composition of the Underlying Index and the excess is transitional and temporary in nature).

As at 30 June 2015, the Sub-Fund did not have any constituent securities that accounted for more than 10% of its net asset value.

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BMO ASIA USD INVESTMENT GRADE BOND ETF

INVESTMENT PORTFOLIO (UNAUDITED) AS AT 30 JUNE 2015

Investments	Nominal value/units	Fair value HK\$	% of net assets
Listed Bonds			
China			
Alibaba Group Holding Ltd 3.6% 28/11/2024	325,000	2,437,505	2.61
Azure Orbit II International Finance Ltd 3.375% 25/04/2019	200,000	1,588,796	1.70
Baidu Inc 2.75% 09/06/2019	200,000	1,553,769	1.66
Bank of China Ltd/Hong Kong 2.125% 23/01/2017	200,000	1,575,180	1.68
China Cinda Finance 2014 Ltd 4% 14/05/2019	200,000	1,593,696	1.70
China Overseas Finance Cayman II Ltd 5.5% 10/11/2020	100,000	843,690	0.90
China Overseas Finance Cayman VI Ltd 5.95% 08/05/2024	200,000	1,705,705	1.82
China Resources Land Ltd 4.375% 27/02/2019	200,000	1,618,502	1.73
CITIC Ltd 6.625% 15/04/2021	100,000	896,040	0.96
CNOOC Finance 2011 Ltd 4.25% 26/01/2021	200,000	1,655,253	1.77
CNOOC Nexen Finance 2014 ULC 4.25% 30/04/2024	200,000	1,594,436	1.70
CNPC HK Overseas Capital Ltd 4.5% 28/04/2021	200,000	1,663,713	1.78
CRCC Yupeng Ltd 3.95% Perpetual	200,000	1,595,238	1.71
Export-Import Bank of China/The 2.5% 31/07/2019	200,000	1,566,012	1.67
Huarong Finance II Co Ltd 5.5% 16/01/2025	200,000	1,658,105	1.77
Industrial & Commercial Bank of China Asia Ltd 5.125% 30/11/2020	100,000	838,214	0.90
Mega Advance Investments Ltd 5% 12/05/2021	200,000	1,675,117	1.79
Sinochem Overseas Capital Co Ltd 4.5% 12/11/2020	100,000	824,590	0.88
Sinopec Capital 2013 Ltd 3.125% 24/04/2023	200,000	1,492,516	1.60
Sinopec Group Overseas Development 2012 Ltd 2.75% 17/05/2017	200,000	1,582,327	1.69
Sinopec Group Overseas Development 2013 Ltd 4.375% 17/10/2023	200,000	1,638,647	1.75
State Grid Overseas Investment 2014 Ltd 2.75% 07/05/2019	200,000	1,572,444	1.68
Tencent Holdings Ltd 3.375% 02/05/2019	200,000	1,600,370	1.71
		<hr/> 34,769,865	<hr/> 37.16
Hong Kong			
AIA Group Ltd 1.75% 13/03/2018	200,000	1,545,874	1.65
Bank of China Hong Kong Ltd 5.55% 11/02/2020	100,000	864,763	0.92
Bank of East Asia Ltd/The 2.375% 24/04/2017	270,000	2,120,154	2.27
Hutchison Whampoa International 03/33 Ltd 7.45% 24/11/2033	100,000	1,062,146	1.13

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INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED) AS AT 30 JUNE 2015

Investments (continued)	Nominal value/units	Fair value HK\$	% of net assets
Listed Bonds (continued)			
Hong Kong (continued)			
Hutchison Whampoa International 11 Ltd 4.625% 13/01/2022	200,000	1,700,426	1.82
Noble Group Ltd 6.75% 29/01/2020	100,000	822,399	0.88
Sun Hung Kai Properties Capital Market Ltd 3.5% 02/11/2016	200,000	1,598,835	1.71
Swire Pacific MTN Financing Ltd 4.5% 09/10/2023	200,000	1,655,014	1.77
		<u>11,369,611</u>	<u>12.15</u>
India			
Bank of Baroda/London 4.875% 23/07/2019	200,000	1,685,148	1.80
Bharti Airtel International Netherlands BV 5.35% 20/05/2024	200,000	1,651,019	1.76
ONGC Videsh Ltd 3.25% 15/07/2019	200,000	1,579,386	1.69
Reliance Holding USA Inc 4.5% 19/10/2020	250,000	2,070,009	2.21
State Bank of India/London 3.25% 18/04/2018	200,000	1,589,632	1.70
		<u>8,575,194</u>	<u>9.16</u>
Indonesia			
Indonesia Government International Bond 6.625% 17/02/2037	100,000	895,012	0.96
Indonesia Government International Bond 7.75% 17/01/2038	100,000	1,013,714	1.08
Indonesia Government International Bond 8.5% 12/10/2035	100,000	1,060,870	1.13
Pertamina Persero PT 4.875% 03/05/2022	200,000	1,576,043	1.68
Pertamina Persero PT 6.45% 30/05/2044	200,000	1,535,584	1.64
Perusahaan Listrik Negara PT 5.5% 22/11/2021	200,000	1,648,664	1.76
		<u>7,729,887</u>	<u>8.25</u>
Malaysia			
Malaysia Sovereign Sukuk Bhd 4.236% 22/04/2045	200,000	1,464,147	1.56
Petronas Capital Ltd 5.25% 12/08/2019	100,000	874,815	0.94
Petronas Capital Ltd 7.875% 22/05/2022	150,000	1,503,136	1.61
		<u>3,842,098</u>	<u>4.11</u>

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INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED) AS AT 30 JUNE 2015

Investments (continued)	Nominal value/units	Fair value HK\$	% of net assets
Listed Bonds (continued)			
Philippines			
Philippine Government International Bond 4% 15/01/2021	200,000	1,704,990	1.82
Philippine Government International Bond 6.375% 23/10/2034	100,000	1,037,379	1.11
Philippine Government International Bond 8.375% 17/06/2019	100,000	961,721	1.03
Power Sector Assets & Liabilities Management Corp 7.25% 27/05/2019	100,000	914,137	0.98
		4,618,227	4.94
Singapore			
DBS Bank Ltd 2.35% 28/02/2017	200,000	1,590,399	1.70
Oversea-Chinese Banking Corp Ltd 3.15% 11/03/2023	200,000	1,588,791	1.70
PSA International Pte Ltd 3.875% 11/02/2021	100,000	834,529	0.89
		4,013,719	4.29
South Korea			
Export-Import Bank of Korea 4% 11/01/2017	200,000	1,640,400	1.75
Export-Import Bank of Korea 5.125% 29/06/2020	100,000	869,044	0.93
Hana Bank 4.25% 14/06/2017	200,000	1,625,969	1.74
Hyundai Capital America 1.45% 06/02/2017	50,000	388,639	0.42
Hyundai Capital America 2.55% 06/02/2019	50,000	394,605	0.42
Korea Development Bank/The 3% 14/09/2022	200,000	1,560,039	1.67
Korea Development Bank/The 3% 17/03/2019	200,000	1,608,097	1.72
Korea Exchange Bank 3.125% 26/06/2017	200,000	1,591,428	1.70
Korea Gas Corp 4.25% 02/11/2020	100,000	847,354	0.91
Korea Hydro & Nuclear Power Co Ltd 3% 19/09/2022	200,000	1,554,847	1.66
Korea National Oil Corp 2.75% 23/01/2019	200,000	1,590,049	1.70
Woori Bank 2.625% 22/07/2020	200,000	1,567,450	1.68
		15,237,921	16.30
Thailand			
PTTEP Canada International Finance Ltd 6.35% 12/06/2042	200,000	1,762,368	1.88
Siam Commercial Bank Ltd/Hong Kong 3.375% 19/09/2017	200,000	1,608,963	1.72
		3,371,331	3.60
Total investments		93,527,853	99.96
Total investments, at cost		93,516,715	

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF OPERATIONS) TO 30 JUNE 2015

	Holdings as at 7 November 2014 (date of commencement of operations)	Additions	Corporate action	Disposal	Holdings as at 30 June 2015
Investments					
AIA Group Ltd 1.75% 13/03/2018	—	200,000	—	—	200,000
Alibaba Group Holding Ltd 3.6% 28/11/2024	—	325,000	—	—	325,000
Azure Orbit II International Finance Ltd 3.375% 25/04/2019	—	200,000	—	—	200,000
Baidu Inc 2.75% 09/06/2019	—	200,000	—	—	200,000
Bank of Baroda/London 4.875% 23/07/2019	—	200,000	—	—	200,000
Bank of China Hong Kong Ltd 5.55% 11/02/2020	—	100,000	—	—	100,000
Bank of China Ltd/Hong Kong 2.125% 23/01/2017	—	200,000	—	—	200,000
Bank of East Asia Ltd/The 2.375% 24/04/2017	—	270,000	—	—	270,000
Bharti Airtel International Netherlands BV 5.35% 20/05/2024	—	200,000	—	—	200,000
China Cinda Finance 2014 Ltd 4% 14/05/2019	—	200,000	—	—	200,000
China Overseas Finance Cayman II Ltd 5.5% 10/11/2020	—	100,000	—	—	100,000
China Overseas Finance Cayman VI Ltd 5.95% 08/05/2024	—	200,000	—	—	200,000
China Resources Land Ltd 4.375% 27/02/2019	—	200,000	—	—	200,000
CITIC Ltd 6.625% 15/04/2021	—	100,000	—	—	100,000
CNOOC Finance 2011 Ltd 4.25% 26/01/2021	—	200,000	—	—	200,000
CNOOC Nexen Finance 2014 ULC 4.25% 30/04/2024	—	200,000	—	—	200,000
CNPC HK Overseas Capital Ltd 4.5% 28/04/2021	—	200,000	—	—	200,000
CRCC Yupeng Ltd 3.95% Perpetual	—	200,000	—	—	200,000
DBS Bank Ltd 2.35% 28/02/2017	—	200,000	—	—	200,000
Export-Import Bank of China/The 2.5% 31/07/2019	—	200,000	—	—	200,000
Export-Import Bank of Korea 4% 11/01/2017	—	200,000	—	—	200,000
Export-Import Bank of Korea 5.125% 29/06/2020	—	100,000	—	—	100,000

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED) FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF OPERATIONS) TO 30 JUNE 2015

	Holdings as at 7 November 2014 (date of commencement of operations)	Additions	Corporate action	Disposal	Holdings as at 30 June 2015
Investments (continued)					
Hana Bank 4.25% 14/06/2017	—	200,000	—	—	200,000
Huarong Finance II Co Ltd 5.5% 16/01/2025	—	200,000	—	—	200,000
Hutchison Whampoa International 03/33 Ltd 7.45% 24/11/2033	—	100,000	—	—	100,000
Hutchison Whampoa International 11 Ltd 4.625% 13/01/2022	—	200,000	—	—	200,000
Hyundai Capital America 1.45% 06/02/2017	—	50,000	—	—	50,000
Hyundai Capital America 2.55% 06/02/2019	—	50,000	—	—	50,000
ICICI Bank Ltd/Hong Kong 5% 15/01/2016	—	100,000	—	100,000	—
ICICI Bank Ltd/Hong Kong 5.75% 16/11/2020	—	100,000	—	100,000	—
Indonesia Government International Bond 6.625% 17/02/2037	—	100,000	—	—	100,000
Indonesia Government International Bond 6.875% 17/01/2018	—	100,000	—	100,000	—
Indonesia Government International Bond 7.75% 17/01/2038	—	100,000	—	—	100,000
Indonesia Government International Bond 8.5% 12/10/2035	—	100,000	—	—	100,000
Industrial & Commercial Bank of China Asia Ltd 5.125% 30/11/2020	—	100,000	—	—	100,000
Korea Development Bank/The 3% 14/09/2022	—	200,000	—	—	200,000
Korea Development Bank/The 3% 17/03/2019	—	200,000	—	—	200,000
Korea Development Bank/The 3.25% 20/09/2016	—	100,000	—	100,000	—
Korea Exchange Bank 3.125% 26/06/2017	—	200,000	—	—	200,000
Korea Gas Corp 4.25% 02/11/2020	—	100,000	—	—	100,000
Korea Hydro & Nuclear Power Co Ltd 3% 19/09/2022	—	200,000	—	—	200,000
Korea National Oil Corp 2.75% 23/01/2019	—	200,000	—	—	200,000

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED) FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF OPERATIONS) TO 30 JUNE 2015

	Holdings as at 7 November 2014 (date of commencement of operations)	Additions	Corporate action	Disposal	Holdings as at 30 June 2015
Investments (continued)					
Malayan Banking Bhd 3.25% 20/09/2022	—	200,000	—	200,000	—
Malaysia Sovereign Sukuk Bhd 4.236% 22/04/2045	—	200,000	—	—	200,000
Mega Advance Investments Ltd 5% 12/05/2021	—	200,000	—	—	200,000
National Agricultural Cooperative Federation 4.25% 28/01/2016	—	100,000	—	100,000	—
Noble Group Ltd 6.75% 29/01/2020	—	100,000	—	—	100,000
ONGC Videsh Ltd 3.25% 15/07/2019	—	200,000	—	—	200,000
Oversea-Chinese Banking Corp Ltd 3.15% 11/03/2023	—	200,000	—	—	200,000
Pertamina Persero PT 4.875% 03/05/2022	—	200,000	—	—	200,000
Pertamina Persero PT 6.45% 30/05/2044	—	200,000	—	—	200,000
Perusahaan Listrik Negara PT 5.5% 22/11/2021	—	200,000	—	—	200,000
Perusahaan Penerbit SBSN Indonesia III 6.125% 15/03/2019	—	200,000	—	200,000	—
Petronas Capital Ltd 5.25% 12/08/2019	—	100,000	—	—	100,000
Petronas Capital Ltd 7.875% 22/05/2022	—	150,000	—	—	150,000
Philippine Government International Bond 4% 15/01/2021	—	200,000	—	—	200,000
Philippine Government International Bond 6.375% 23/10/2034	—	100,000	—	—	100,000
Philippine Government International Bond 8.375% 17/06/2019	—	100,000	—	—	100,000
Power Sector Assets & Liabilities Management Corp 7.25% 27/05/2019	—	100,000	—	—	100,000
PSA International Pte Ltd 3.875% 11/02/2021	—	100,000	—	—	100,000
PTTEP Canada International Finance Ltd 6.35% 12/06/2042	—	200,000	—	—	200,000
Reliance Holding USA Inc 4.5% 19/10/2020	—	250,000	—	—	250,000
Republic of Korea 7.125% 16/04/2019	—	100,000	—	100,000	—

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED) FOR THE PERIOD FROM 7 NOVEMBER 2014 (DATE OF COMMENCEMENT OF OPERATIONS) TO 30 JUNE 2015

	Holdings as at 7 November 2014 (date of commencement of operations)	Additions	Corporate action	Disposal	Holdings as at 30 June 2015
Investments (continued)					
Siam Commercial Bank Ltd/Hong Kong 3.375% 19/09/2017	—	200,000	—	—	200,000
Sinochem Overseas Capital Co Ltd 4.5% 12/11/2020	—	100,000	—	—	100,000
Sinopec Capital 2013 Ltd 3.125% 24/04/2023	—	200,000	—	—	200,000
Sinopec Group Overseas Development 2012 Ltd 2.75% 17/05/2017	—	200,000	—	—	200,000
Sinopec Group Overseas Development 2013 Ltd 4.375% 17/10/2023	—	200,000	—	—	200,000
State Bank of India/London 3.25% 18/04/2018	—	200,000	—	—	200,000
State Grid Overseas Investment 2014 Ltd 2.75% 07/05/2019	—	200,000	—	—	200,000
Sun Hung Kai Properties Capital Market Ltd 3.5% 02/11/2016	—	200,000	—	—	200,000
Sun Hung Kai Properties Capital Market Ltd 4.5% 14/02/2022	—	200,000	—	200,000	—
Swire Pacific MTN Financing Ltd 4.5% 09/10/2023	—	200,000	—	—	200,000
Tencent Holdings Ltd 3.375% 02/05/2019	—	200,000	—	—	200,000
United States Treasury Note/Bond 1.75% 30/09/2019	—	450,000	—	450,000	—
Woori Bank 2.625% 22/07/2020	—	200,000	—	—	200,000
Woori Bank 4.75% 20/01/2016	—	100,000	—	100,000	—

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PERFORMANCE RECORD (UNAUDITED)

1. NET ASSET VALUE

	As at 30 June 2015	
	Dealing net asset value	Dealing net asset value per unit
	HK\$	HK\$
BMO Asia USD Investment Grade Bond ETF	93,561,218	14.9698

2. HIGHEST ISSUE PRICE AND LOWEST REDEMPTION PRICE PER UNIT

	For the period from 7 November 2014 (date of commencement of operations) to 30 June 2015	
	Highest issue price per unit	Lowest redemption price per unit
	HK\$	HK\$
BMO Asia USD Investment Grade Bond ETF	15.3918	14.9386

3. PERFORMANCE OF THE SUB-FUND

	For the period from 7 November 2014 (date of commencement of operations) to 30 June 2015	
	Sub-Fund performance	Underlying Index performance
	%	%
BMO Asia USD Investment Grade Bond ETF	1.52	1.92