

Reports and Financial Statements

iShares Asia Trust

- iShares MSCI China Index ETF
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- (Sub-funds of iShares Asia Trust)

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iShares MSCI China Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares MSCI China Index ETF (the "MSCI China ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 23rd November 2001 and commenced trading under the stock code 2801 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 28th November 2001. The MSCI China ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI China ETF is benchmarked against the MSCI China Index. The Manager of the MSCI China ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

As of 31st December 2017, the MSCI China ETF invests in Chinese securities (including H-shares, Red Chips and P Chips) listed on the SEHK, B-shares of Chinese securities listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange and depositary receipts. Under the PRC Corporate Income Tax Law, the MSCI China ETF may be liable to pay PRC tax on the capital gains realized in the trading of these securities. However, no provision was made for taxation from such gains in the financial statements as the Manager believes that the MSCI China ETF can sustain a position for not filing a tax return based on the existing tax regulations and that the enforcement of such PRC tax on capital gains is not probable.

Fund Performance

The MSCI China ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the MSCI China Index in Hong Kong dollar ("HK\$") terms. As at 31st December 2017, the net asset value, applicable to primary market creations and redemptions ("Dealing NAV") per unit of the MSCI China ETF was HK\$28.05, and there were 85,800,000 units outstanding. The total size of the Sub-Fund was approximately HK\$2.4 billion.

A summary of the performance of the MSCI China ETF^(a) is given below.

Total Return ^(b) in HK\$ (as at 31st December)	2017	2016	2015	2014	2013
MSCI China Index ^(c)	55.34%	0.94%	-7.88%	7.98%	3.68%
MSCI China ETF NAV-to-NAV ^(d)	54.10%	0.34%	-8.18%	7.33%	3.06%

Total Return ^(b) in HK\$ (as at 31st December)	2012	2011	2010	Since Inception ^(e)
MSCI China Index ^(c)	22.50%	-18.48%	4.89%	13.78%
MSCI China ETF NAV-to-NAV ^(d)	21.46%	-18.87%	3.96%	12.83%

Source: BlackRock, MSCI Barra and WM/Reuters

The MSCI China Index is a free-float adjusted market capitalization-weighted index that is compiled and published by MSCI Inc. It is designed to track the equity market performance of (i) Chinese securities (including H-shares, Red Chips and P Chips) listed on the SEHK (ii) B-shares of Chinese securities listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange and (iii) companies traded outside the country of classification (i.e. foreign listed companies) including those traded by way of depositary receipts. The difference in performance between the MSCI China Index and the MSCI China ETF is mainly attributed to fees and expenses, and security misweights.

Fund Activities

The average daily trading volume for the MSCI China ETF during the year was reported by Bloomberg to be approximately 177,106 units. As at 31st December 2017, the MSCI China ETF comprised 85,800,000 outstanding units.

In accordance with the Dividend Announcement on 29th November 2017, a final distribution of HK\$0.43 was declared. The ex-dividend date for the MSCI China ETF was 18th December 2017 and the record date was 19th December 2017. The distribution was paid on 29th December 2017.

Index Activities

The MSCI China Index underwent four regular reviews during the year. As at 31st December 2017, the MSCI China ETF held all constituents in the MSCI China Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total return represents the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 23rd November 2001.

iShares MSCI China A International Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares MSCI China A International Index ETF (the "MSCI China A ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 25th January 2016 and commenced trading under the stock codes 83162 for the RMB counter and 3162 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 28th January 2016. The MSCI China A ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI China A ETF is benchmarked against the MSCI China A International Index (the "MSCI China A Index"). The Manager of the MSCI China A ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

The MSCI China A ETF may invest in China A-Shares through a combination of RQFII quota and Stock Connect. Via the release of Caishui [2014] No. 79 ("Circular 79"), Caishui [2014] No. 81 ("Circular 81") and Caishui [2016] No. 127 ("Circular 127") by the Ministry of Finance ("MOF") in the PRC, the China Securities Regulatory Commission ("CSRC") and the State Administration of Taxation ("SAT"), acting with State Council's approval, a temporary exemption from tax on capital gains derived from the trading of A-Shares on or after 17th November 2014 was provided to (i) QFIIs/RQFIIs; and (ii) foreign investors trading in A-Shares via Stock Connect. No provision was made for taxation from such gains in the financial statements as the Sub-Fund began operations post this temporary exemption being granted.

Fund Performance

The MSCI China A ETF seeks to provide investment results that, before fees and expenses, that closely correspond to the performance of the MSCI China A Index in Renminbi ("RMB") terms. As of 31st December 2017, the Dealing NAV per unit of the MSCI China A ETF was RMB7.49 and there were 9,000,000 units outstanding. The total size of the Sub-Fund was approximately RMB67.4 million.

A summary of the performance of the MSCI China A ETF^(a) is given below.

Total Return ^(b) in RMB (as at 31st December)	2017	2016	Since Inception ^(e)
MSCI China A Index ^(c)	17.72%	6.12%	12.21%
MSCI China A ETF NAV-to-NAV ^(d)	19.07%	6.83%	13.27%

Source: BlackRock, MSCI Barra and WM/Reuters

The MSCI China A Index is a free-float adjusted market capitalization-weighted index that is compiled and published by MSCI Inc. It captures the large and mid-cap representation of the Shenzhen Stock Exchange and Shanghai Stock Exchange and includes all of the China A-Share constituents of the MSCI China All Shares Index. The index was launched on 26th June 2014. The MSCI China A ETF tracks the total return version of the MSCI China A Index, net of dividend withholding tax. The difference in performance between the MSCI China A Index and the MSCI China A ETF is mainly attributed to fees and expenses of the MSCI China A ETF and security misweights.

Fund Activities

The average trading volume for the MSCI China A ETF during the year was reported by Bloomberg to be approximately 11,494 units. As at 31st December 2017, there were 9,000,000 units outstanding.

Index Activities

The MSCI China A Index underwent four regular quarterly reviews during the year. As at 31st December 2017, the MSCI China A ETF held all constituents in the MSCI China A Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 25th January 2016.

iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF))

Report of the Manager to the Unitholders
(a Sub-Fund of iShares Asia Trust)

Introduction

The iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)) (the "A50 China ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 15th November 2004 and commenced trading under the stock codes 2823 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 18th November 2004 and 82823 for the RMB counter on the SEHK on 7th July 2017. The A50 China ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The A50 China ETF is benchmarked against the FTSE China A50 Index (the "A50 Index"). The Manager of the A50 China ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

On 30th June 2017, the Manager announced that, as a result of the transition from a "synthetic representative" sub-strategy to a "physical representative" sub-strategy, the A50 China ETF's use of the "physical representative" sub-strategy and investment in A-Shares as well as physical A-Share exchange traded funds ("Physical A-Share ETFs") in aggregate, comprise more than 70% of the Net Asset Value of the A50 China ETF on an ongoing basis. Accordingly, as foreshadowed in the Manager's announcement of 28th October 2016, the Manager had applied and been granted approval by the Securities and Futures Commission of Hong Kong ("SFC") to remove the SFC synthetic labelling condition. The Manager would continue to decrease the A50 China ETF's use of the "synthetic representative" sub-strategy of investing in China A-Share Access Products ("CAAPs") and increase the use of the "physical representative" sub-strategy, including investing in A-Shares (directly through the QFII Quota and RQFII Quota available to the A50 China ETF and Stock Connect and as well as Physical A-Share ETFs). The A50 China ETF uses a representative sampling investment strategy which comprised primarily a "physical representative" sub-strategy and a "synthetic representative" sub-strategy as an ancillary strategy. On an ongoing basis, the Manager intends to manage the A50 China ETF such that its investment in A-Shares as well as a Physical A-Share ETFs will in aggregate comprise 70% or more of the Net Asset Value of A50 China ETF. On 1st December 2017, the Manager announced that the A50 China ETF had completed its transition from a "synthetic representative" strategy to a "physical representative" strategy under which its holdings in A-Shares and Physical A-Share ETFs (for cash management and contingency purposes) in aggregate comprise 90% or more of its Net Asset Value on an ongoing basis. Furthermore, the Manager also announced that it had applied to the SFC for, and has been granted, approval to remove the authorisation condition imposed on the A50 China ETF by the SFC on 29th August 2011 whereby the Manager

was (i) required to collateralise all counterparty exposures with a view to ensuring that the collateral held by the A50 China ETF must represent at least 100% of the A50 China ETF's gross total counterparty exposure and (ii) where the A50 China ETF accepted collateral in the nature of equity securities, the A50 China ETF had to obtain collateral that has a market value of at least 120%, and for not-equity collateral, the Manager was required to adopt a prudent haircut policy ("SFC Collateral Condition"). The removal of the SFC Collateral Condition took effect from 1st January 2018.

From 7th July 2017 onwards, the asterisk and annotation to the name of the A50 China ETF was removed and the name of A50 China ETF was changed from the "iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)" to "iShares FTSE A50 China Index ETF".

The A50 China ETF may invest in a combination of A-Shares, Physical A-Share ETFs, as well as derivative instruments. These derivative instruments, referred to as China A-Share Access Products ("CAAPs") are linked to A-Shares or an A-Share index and are intended to provide economic performance equivalent to holding the underlying A-Shares or the A-Share index. The CAAPs are issued by one or more Qualified Foreign Institutional Investors ("QFIIs") or their affiliates (together, "CAAP Issuers"). The Manager expanded its investment universe to include direct investments in A-Shares on behalf of the A50 China ETF through QFII quota, Renminbi Qualified Foreign Institutional Investor ("RQFII") quota, the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect on 2nd August 2013, 1st September 2014, 14th November 2014 and 5th December 2016 respectively.

With effect from 19th August 2013, the A50 China ETF may invest up to 10% of its net asset value ("NAV") in Physical A-Share ETFs for cash management and contingency purposes. During the year and as of 31st December 2017, the A50 China ETF did not invest into any Physical A-Share ETFs.

Under the general taxing provision of the PRC corporate tax law, which came into effect on 1st January 2008, a non-PRC tax resident enterprise, e.g., QFII or RQFII, is subject to 10% withholding tax on PRC sourced interest income, dividends and capital gains provided that the non-PRC tax resident enterprise does not have its central management and control in the PRC or a PRC tax establishment. In practice, however, and prior to the release of Caishui [2014] No. 79 ("Circular 79"), the PRC tax authorities have not actively enforced taxation on capital gains arising from the sale of A-Shares by non-PRC tax resident enterprises, notwithstanding the fact the PRC State Council continued to not provide any specific income tax exemption on capital gains tax under PRC Corporate Income Tax Law.

iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)) (continued)

Report of the Manager to the Unitholders
(a Sub-Fund of iShares Asia Trust)

Introduction

Via the release of Circular 79, Caishui [2014] No. 81 ("Circular 81") and Caishui [2016] No. 127 ("Circular 127") by the Ministry of Finance ("MOF") in the PRC, the China Securities Regulatory Commission ("CSRC"), and the State Administration of Taxation ("SAT") acting with State Council's approval, a temporary exemption from tax on capital gains derived from the trading of A-Shares on or after 17th November 2014 was provided to (i) QFII/RQFII; and (ii) foreign investors trading in A-Shares via Stock Connect respectively. However, Circular 79 did also state that any gains realized by QFII/RQFII prior to 17th November 2014 would be subject to tax in accordance with law.

Pursuant to Circular 79, Circular 81 and Circular 127 the Manager realigned the provisioning policy of the A50 China ETF in respect of its underlying PRC investments in CAAPs and direct A-Shares. As at 31st December 2017, the manager has settled with all CAAP issuers the withheld capital gain tax ("CGT") amounts attributable to the CAAPs invested in by the A50 China ETF. True-up adjustments representing the difference between the accrued provision and final settlement amount was made to the Sub-Fund. Depending on whether the withheld provision of the A50 China ETF was greater or less than the amount of CGT attributable resulted in adjustments to the net asset value ("NAV") of the A50 China ETF. With respect to the A50 China ETF's direct investments in A-Shares via its QFII and RQFII quotas, the A50 China ETF filed for relief under the respective Double Tax Agreement ("DTA") with the PRC tax authorities and was subsequently approved. As such, a positive yet immaterial adjustment was made to the NAV of the A50 China ETF on 29th October 2015 to reflect the true-up between tax settlement and provision.

For further detail regarding these adjustments, please refer to the iShares Asia Trust Announcements released by the Manager on 30th October 2015, 24th November 2015, 5th May 2016, 12th August 2016, 15th August 2016, 27th September 2016, 12th October 2016, 25th October 2016, 3rd November 2016, 16th November 2016, 19th December 2016 and 20th December 2016.

Fund Performance

The A50 China ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the A50 Index in Hong Kong dollar ("HK\$") terms. As of 31st December 2017, the Dealing NAV per unit of the A50 China ETF was HK\$15.08 and there were 2,050,000,000 units outstanding. The total size of the Sub-Fund was approximately HK\$30.9 billion.

A summary of the performance of the A50 China ETF^(a) is given below.

Total Return ^(b) in HK\$ (as at 31st December)	2017	2016	2015	2014	2013
A50 Index ^(c)	44.89%	-10.33%	-10.59%	67.53%	-8.94%
A50 China ETF NAV-to-NAV ^(d)	41.95%	-8.97%	-10.43%	61.21%	-12.25%

Total Return ^(b) in HK\$ (as at 31st December)	2012	2011	2010	Since Inception ^(e)
A50 Index ^(c)	15.50%	-13.45%	-19.29%	13.22%
A50 China ETF NAV-to-NAV ^(d)	10.38%	-15.00%	-21.34%	11.53%

Source: BlackRock, FTSE and WM/Reuters

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 15th November 2004.

iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)) (continued)

Report of the Manager to the Unitholders
(a Sub-Fund of iShares Asia Trust)

Fund Performance

Effective from 4th February 2014, the Sub-Fund is tracking the Net Total Return Index that has taken into account the 10% withholding tax on dividends of China A-Shares. In the past, the Sub-Fund tracked the gross (of tax) total return index.

The A50 Index is compiled and published by FTSE International Limited and comprises the top 50 A-Share companies by market capitalization and was launched on 13th December 2003. It is a net total return index which means that the net dividends of the securities of the A50 Index are reinvested. The A50 Index operates under clearly defined rules published by the index provider and is a tradable index with liquidity. In addition, the A50 Index covers both the Shanghai and Shenzhen markets. The difference in performance between the A50 Index and the A50 China ETF is mainly attributed to fees and expenses, including collateral costs, taxes on dividends and PRC capital gains, and a different currency exchange rate used for fund valuation and index calculation.

Fund Activities

The average trading volume for the A50 China ETF during the year was reported by Bloomberg to be approximately 33.0 million units. As at 31st December 2017, there were 2,050,000,000 units outstanding.

In accordance with the Dividend Announcement on 29th November 2017, a final distribution of HK\$0.32 was declared. The ex-dividend date for the A50 China ETF was 18th December 2017 and the record date was 19th December 2017. The distribution was paid on 29th December 2017.

Index Activities

The A50 Index underwent four regular quarterly reviews during the year. As at 31st December 2017, the A50 China ETF had exposure to all* of the constituents in the A50 Index.

* The A50 China ETF held all the constituents comprising the FTSE China A50 Index, in which 9 constituents were held directly in listed equities, and 41 constituents were held both directly in listed equities and indirectly through CAAPs.

iShares Core S&P BSE SENSEX India Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares Core S&P BSE SENSEX India Index ETF (the "SENSEX India ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 31st October 2006 and commenced trading under the stock code 2836 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 2nd November 2006. The SENSEX India ETF commenced trading under the stock codes 9836 for the USD counter and 82836 for the RMB counter on the SEHK on 14th October 2016. The SENSEX India ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The SENSEX India ETF is benchmarked against the S&P BSE SENSEX Index (the "SENSEX Index"). The Manager of the SENSEX India ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Until June 2009, the SENSEX India ETF invested solely in derivative instruments. These derivative instruments, referred to as India Access Products ("IAPs") were linked to the underlying Indian shares and were intended to provide economic performance equivalent to holding the underlying Indian shares. On 10th June 2009, the Manager announced its intention to restructure the SENSEX India ETF to allow it to invest directly in Indian securities in addition to IAPs. The restructuring involved the establishment of iShares BSE SENSEX Mauritius Company, a wholly owned subsidiary of the SENSEX India ETF incorporated in Mauritius (the "Mauritius Subsidiary"), to invest in Indian securities and/or IAPs. The restructure was completed on 22nd June 2009.

Following the restructure: (a) the underlying investments of the Mauritius Subsidiary, together with the direct investments made by the SENSEX India ETF, must in aggregate comply with the SENSEX India ETF's investment restrictions; (b) the SENSEX India ETF will not incur additional fees and expenses as a result of the establishment of the Mauritius Subsidiary as the Manager will rebate to the SENSEX India ETF the amount of ordinary fees and expenses incurred by the Mauritius Subsidiary (other than brokerage and transaction costs, fees and charges relating to the IAPs and extra ordinary expenses, if any); and (c) the various reports required to be prepared for the SENSEX India ETF will be prepared in a single entity form as the Mauritius Subsidiary is no longer consolidated to SENSEX India ETF and is accounted for at fair value through profit or loss.

Following the restructure, the SENSEX India ETF may invest up to 15% of its net asset value in IAPs, with a maximum exposure to any single issuer of 10% of its net asset value. As indicated above, an IAP is a derivative instrument and is not the same as direct holding or investment in the underlying Indian shares.

India Tax Law Changes

On 10th May 2016, the Indian Tax Board announced a phased removal of the capital gains tax ("CGT") exemption under the India-Mauritius Tax Treaty. The change, effective from 1st April 2017, resulted in India retaining taxation rights on capital gains arising from sales of shares of Indian resident companies acquired by a Mauritius entity on or after 1st April 2017. Shares acquired prior to 1st April 2017 would still be protected from taxing rights in India. There is a transition period from 1st April 2017 to 31st March 2019 where the tax rate will be limited to 50% of India's domestic tax rate subject to a limitation of benefits clause. Taxation in India at the full domestic tax rate will apply from financial year 2019 - 2020 onwards.

In 2017, gains arising on disposal of shares by the Mauritius subsidiary acquired prior to 1st April 2017 were not subject to tax in accordance with the above. Gains on disposal of shares acquired after 1st April 2017 will be subject to tax according to the relevant local laws. The Manager will continue to monitor the impact of India tax law changes on the SENSEX India ETF and the Mauritius Subsidiary.

iShares Core S&P BSE SENSEX India Index ETF (continued)

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Fund Performance

The SENSEX India ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the SENSEX Index in Hong Kong dollar ("HK\$") terms. As at 31st December 2017, the Dealing NAV per unit of the SENSEX India ETF was HK\$24.57, and there were 44,800,000 units outstanding. The total size of the Sub-Fund was approximately HK\$1.1 billion.

A summary of the performance of the SENSEX India ETF^(a) is given below.

Total Return ^(b) in HK\$ (as at 31st December)	2017	2016	2015	2014	2013
SENSEX Index ^(c)	38.91%	0.89%	-8.15%	29.24%	-1.90%
SENSEX India ETF NAV-to-NAV ^(d)	38.25%	-0.01%	-9.04%	27.78%	-2.89%

Total Return ^(b) in HK\$ (as at 31st December)	2012	2011	2010	Since Inception ^(e)
SENSEX Index ^(c)	23.80%	-35.76%	24.31%	7.24%
SENSEX India ETF NAV-to-NAV ^(d)	22.57%	-36.38%	22.81%	5.98%

Source: BlackRock, Asia Index Private Limited and WM/Reuters

The SENSEX Index is a float adjusted market capitalization-weighted index that is compiled and published by Asia Index Private Limited, a joint venture company established by BSE Limited ("BSE") and S&P Dow Jones Indices LLC. It comprises the 30 largest and most actively traded stocks, representative of various sectors, on BSE. The difference in performance between the SENSEX Index and the SENSEX India ETF is mainly attributed to fees and expenses, and a different currency exchange rate used for fund valuation and index calculation.

Fund Activities

The average daily trading volume for the SENSEX India ETF during the year was reported by Bloomberg to be approximately 115,207 units. As at 31st December 2017, a total of 44,800,000 units were outstanding.

Index Activities

The SENSEX Index had two regular reviews during the year. As at 31st December 2017, the SENSEX India ETF invested all, or substantially all, of its assets in Indian equity securities through the Mauritius Subsidiary, in substantially the same weightings as constituted in the SENSEX Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund. Starting on the 14th September 2011, the calculation of the Total Return Index has been adjusted by the index provider as from the date of inception. The SENSEX Index performance for comparative periods has been restated accordingly.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 31st October 2006.

iShares Core MSCI AC Asia ex Japan Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares Core MSCI AC Asia ex Japan Index ETF (the "MSCI AC Asia ex Japan ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 12th March 2009 and commenced trading under the stock code 3010 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 23rd April 2009. The MSCI AC Asia ex Japan ETF commenced trading under the stock codes 9010 for the USD counter and 83010 for the RMB counter on the SEHK on 14th October 2016. The MSCI AC Asia ex Japan ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI AC Asia ex Japan ETF is benchmarked against the MSCI All Country Asia ex Japan Index, and, prior to 27th July 2015, MSCI Asia APEX 50 Index. The Manager of the MSCI AC Asia ex Japan ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The MSCI AC Asia ex Japan ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the MSCI All Country Asia ex Japan Index, and, prior to 27th July 2015, the MSCI Asia APEX 50 Index, in Hong Kong dollar ("HK\$") terms. As at 31st December 2017, the Dealing NAV per unit of the MSCI AC Asia ex Japan ETF was HK\$56.08, and there were 132,320,000 units outstanding. The total size of the Sub-Fund was approximately HK\$7.4 billion.

A summary of the performance of the MSCI AC Asia ex Japan ETF^(a) is given below.

Total Return ^(b) in HK\$ (as at 31st December)	2017	2016	2015	2014	2013
MSCI All Country Asia ex Japan Index ^(c)	42.89%	5.48%	-7.20%	N/A	N/A
MSCI Asia APEX 50 Index ^(c)	N/A	N/A	N/A	4.41%	6.34%
MSCI AC Asia ex Japan ETF NAV-to-NAV ^(d)	42.47%	5.17%	-8.10%	3.88%	5.51%

Total Return ^(b) in HK\$ (as at 31st December)	2012	2011	2010	Since Inception ^(e)
MSCI All Country Asia ex Japan Index ^(c)	N/A	N/A	N/A	15.37%
MSCI Asia APEX 50 Index ^(c)	24.90%	-12.71%	15.70%	N/A
MSCI AC Asia ex Japan ETF NAV-to-NAV ^(d)	24.25%	-13.45%	15.13%	14.64%

Source: BlackRock, MSCI Barra and WM/Reuters

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund. The Index changed from the MSCI Asia APEX 50 Index to the MSCI All Country Asia ex Japan Index on 27th July 2015. The performance of the Sub-Fund prior 27th July 2015 was achieved under circumstances that no longer apply.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 12th March 2009.

iShares Core MSCI AC Asia ex Japan Index ETF (continued)

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Fund Performance

The MSCI All Country Asia ex Japan Index is a free-float adjusted market capitalization-weighted index that is compiled and published by MSCI Inc. It is designed to capture the large and mid-cap representation across two of three developed markets countries (excluding Japan) and nine emerging markets countries (as of 1st June 2017) in Asia. The MSCI AC Asia ex Japan ETF will track the total return version of the MSCI All Country Asia ex Japan Index, net of dividend withholding tax.

The MSCI AC Asia ex Japan ETF invests primarily in securities (including depositary receipts) included in the MSCI All Country Asia ex Japan Index. It also invests in (i) the iShares MSCI India Index ETF (the "SG MSCI India ETF"), a Singapore-listed ETF, and (ii) the iShares MSCI India ETF (the "US MSCI India ETF"), an ETF traded in the United States of America with its primary listing on the BATS Exchange, Inc, to gain access to the India securities comprised in the MSCI All Country Asia ex Japan Index ("Indian Constituents"). The SG MSCI India ETF and US MSCI India ETF are not authorized by the Securities and Futures Commission of Hong Kong (the "SFC") and are not available to Hong Kong residents. There is no guarantee as to the performance of the SG MSCI India ETF or the US MSCI India ETF or the correlation of their future performance to that of the Indian Constituents. There is no additional management fee charged to the MSCI AC Asia ex Japan ETF for holding the SG MSCI India ETF and US MSCI India ETF.

The difference in performance between the MSCI All Country Asia ex Japan Index and the MSCI AC Asia ex Japan ETF is mainly attributed to fees and expenses, and security misweights.

Fund Activities

The average daily trading volume for the MSCI AC Asia ex Japan ETF during the year was reported by Bloomberg to be approximately 318,178 units. As at 31st December 2017, MSCI AC Asia ex Japan ETF comprised 132,320,000 outstanding units.

In accordance with the Dividend Announcement on 29th November 2017, a final distribution of HK\$0.94 was declared. The ex-dividend date for the MSCI AC Asia ex Japan ETF was 18th December 2017 and the record date was 19th December 2017. The distribution was paid on 29th December 2017.

Index Activities

The MSCI All Country Asia ex Japan Index underwent four regular reviews during the year. As at 31st December 2017, the MSCI AC Asia ex Japan ETF held all[†] constituents in the MSCI All country Asia ex Japan Index.

Effective from 1st June 2017, MSCI Inc. reclassified the MSCI Pakistan Index from Frontier Markets to Emerging Markets. As such, from 1st June 2017, MSCI AC Asia ex Japan ETF may invest in such foreign listed companies as part of its investment strategy and to meet its investment objective.

[†] The MSCI AC Asia ex Japan ETF held all constituents comprising the MSCI All Country Asia Ex Japan Index, in which 569 constituents were held directly in listed equities and 78 constituents were held indirectly through SG MSCI India ETF and US MSCI India ETF.

iShares MSCI Emerging Asia Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares MSCI Emerging Asia Index ETF (the "MSCI Emerging Asia ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 12th March 2009 and commenced trading under the stock code 2802 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 23rd April 2009. The MSCI Emerging Asia ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI Emerging Asia ETF is benchmarked against the MSCI EM Asia Index. The Manager of the MSCI Emerging Asia ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The MSCI Emerging Asia ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the MSCI EM Asia Index in Hong Kong dollar ("HK\$") terms. As at 31st December 2017, the Dealing NAV per unit of the MSCI Emerging Asia ETF was HK\$56.36 and there were 3,200,000 units outstanding. The total size of the Sub-Fund was approximately HK\$180.3 million.

A summary of the performance of the MSCI Emerging Asia ETF^(a) is given below.

Total Return ^(b) in HK\$ (as at 31st December)	2017	2016	2015	2014	2013
MSCI EM Asia Index ^(c)	44.02%	6.18%	-9.85%	4.91%	2.02%
MSCI Emerging Asia ETF NAV-to-NAV ^(d)	43.74%	5.61%	-10.66%	5.12%	0.53%

Total Return ^(b) in HK\$ (as at 31st December)	2012	2011	2010	Since Inception ^(e)
MSCI EM Asia Index ^(c)	20.58%	-17.52%	19.28%	14.86%
MSCI Emerging Asia ETF NAV-to-NAV ^(d)	18.34%	-15.33%	19.53%	14.52%

Source: BlackRock, MSCI Barra and WM/Reuters

The MSCI EM Asia Index is a free float-adjusted market capitalization-weighted index that is compiled and published by MSCI Inc. It is designed to track the equity market performance of emerging market countries of Asia. The MSCI Emerging Asia ETF is not a registered Foreign Portfolio Investor ("FPI") with the Securities and Exchange Investment Board of India ("SEBI") and is investing in the iShares Core S&P BSE SENSEX India Index ETF to gain exposure to the Indian market segment of the MSCI EM Asia Index. There is no additional management fee charged to the MSCI Emerging Asia ETF for holding the iShares Core S&P BSE SENSEX India Index ETF. The difference in performance between the MSCI EM Asia Index and the MSCI Emerging Asia ETF is mainly attributed to fees and expenses, and security misweights.

Fund Activities

The average daily trading volume for the MSCI Emerging Asia ETF during the year was reported by Bloomberg to be approximately 14,839 units. As at 31st December 2017, the MSCI Emerging Asia ETF comprised 3,200,000 outstanding units.

In accordance with the Dividend Announcement on 29th November 2017, a final distribution of HK\$0.76 was declared. The ex-dividend date for the MSCI Emerging Asia ETF was 18th December 2017 and the record date was 19th December 2017. The distribution was paid on 29th December 2017.

Index Activities

The MSCI EM Asia Index underwent four regular reviews during the year. As at 31st December 2017, the MSCI Emerging Asia ETF held 417* constituents versus the 572 constituents in the MSCI EM Asia Index.

Effective from 1st June 2017, MSCI Inc. reclassified the MSCI Pakistan Index from Frontier Markets to Emerging Markets. As such, from 1st June 2017, MSCI Emerging Asia ETF may invest in such foreign listed companies as part of its investment strategy and to meet its investment objective.

* The MSCI Emerging Asia ETF directly held 390 constituents and indirectly held 27 constituents through SENSEX India ETF, out of 572 constituents comprising the MSCI EM Asia Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 12th March 2009.

iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))

Report of the Manager to the Unitholders
(a Sub-Fund of iShares Asia Trust)

Introduction

The iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)) (the "CSI 300 ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 12th November 2009 and commenced trading under the stock code 2846 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 18th November 2009. The CSI 300 ETF commenced trading under the stock codes 9846 for the USD counter and 82846 for the RMB counter on the SEHK on 28th February 2017. The CSI 300 ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The CSI 300 ETF is benchmarked against the CSI 300 Index. The Manager of the CSI 300 ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

On 18th November 2016, the Manager announced the investment strategy of the CSI 300 ETF would change, effective 21st November 2016 ("Effective Date"), to introduce a "physical representative" sub-strategy, and the Manager intended to seek to decrease the CSI 300 ETF's reliance on the "synthetic representative" investment strategy. The "physical representative" sub-strategy consists of direct investments in A-Shares via (i) Stock Connect where the CSI 300 ETF has direct access to certain eligible A-Shares via the securities trading and clearing linked programme with an aim to achieve mutual stock market access between the PRC and Hong Kong stock exchange and (ii) the RQFII Quota of BlackRock (Singapore) Limited ("RQFII Licence Holder"), an affiliate of the Manager, which will allocate its RQFII Quota for use by the CSI 300 ETF from time to time, as well as investments in Physical A-Share ETFs for cash management and contingency purposes. Prior to the Effective Date, the CSI 300 ETF adopted a "synthetic representative" investment strategy through investing solely in China A-Share Access Products ("CAAPs") or a combination of CAAPs and the iShares CSI Sector Index Funds*. On 17th February 2017, the Manager announced that the CSI 300 ETF had completed its transition from a "synthetic representative" strategy to a "physical representative" strategy under which its holding in A-Shares and Physical A-Share ETFs (for cash management and contingency purposes) in aggregate comprise 90% or more of its Net Asset Value on an ongoing basis.

From 28th February 2017 onwards, the asterisk and annotation to the name of the CSI 300 ETF was removed and the name of CSI 300 ETF was changed from the "iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)" to "iShares Core CSI 300 Index ETF".

Pursuant to the authorization conditions imposed on the CSI 300 ETF by the SFC on 29th August 2011, the Manager was required to collateralize all counterparty exposures with a view to ensuring that the collateral held by the CSI 300 ETF must represent at least 100% of the CSI 300 ETF's gross total counterparty exposure. In addition, where the CSI 300 ETF accepted collateral in the nature of equity securities, the CSI 300 ETF had to obtain collateral that has a market value of at least 120%. Further, for non-equity collateral, the Manager was required to adopt a prudent haircut policy (the "SFC Collateral Condition"). As a result of the transition from a "synthetic representative" strategy to a "physical representative" strategy, the Manager applied to the SFC for, and was granted, approval to remove the SFC Collateral Condition with effect from 28th February 2017. From this date onwards, the CSI 300 ETF may continue to invest in CAAPs from time to time, but on an uncollateralized basis and only for cash management and contingency purposes. The CSI 300 ETF's aggregate investment in CAAPs for cash management and contingency purposes will not exceed 10% of the Net Asset Value of the CSI 300 ETF.

Under the general taxing provision of the PRC corporate tax law, which came into effect on 1st January 2008, a non-PRC tax resident enterprise, e.g., QFII or RQFII, is subject to 10% withholding tax on PRC sourced interest income, dividends and capital gains, provided that the non-PRC tax resident enterprise does not have its central management and control in the PRC or a PRC tax establishment. In practice, however, and prior to the release of Caishui [2014] No. 79 ("Circular 79"), the PRC tax authorities have not actively enforced taxation on capital gains arising from the sale of A-Shares by non-PRC tax resident enterprises, notwithstanding the fact the PRC State Council continued to not provide any specific income tax exemption on capital gains tax under PRC Corporate Income Tax Law.

Via the release of Circular 79, Caishui [2014] No. 81 ("Circular 81") and Caishui [2016] No. 127 ("Circular 127") by the Ministry of Finance ("MOF") in the PRC, the China Securities Regulatory Commission ("CSRC"), and the State Administration of Taxation ("SAT") acting with State Council's approval, a temporary exemption from tax on capital gains derived from the trading of A-Shares on or after 17th November 2014 was provided to (i) QFIIs/RQFIIs; and (ii) foreign investors trading in A-Shares via Stock Connect respectively. However, Circular 79 did also state that any gains realized by QFIIs/RQFIIs prior to 17th November 2014 would be subject to tax in accordance with law.

* "iShares CSI Sector Index Funds" means the (i) iShares CSI A-Share Energy Index ETF* (*This is a synthetic ETF); (ii) iShares CSI A-Share Materials Index ETF* (*This is a synthetic ETF); (iii) iShares CSI A-Share Financials Index ETF* (*This is a synthetic ETF); (iv) iShares CSI A-Share Infrastructure index ETF* (*This is a synthetic ETF); (v) iShares CSI A-Share Consumer Discretionary Index ETF* (*This is a synthetic ETF); and (vi) iShares CSI A-Share Consumer Staples Index ETF* (*This is a synthetic ETF).

iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)) (continued)

Report of the Manager to the Unitholders
(a Sub-Fund of iShares Asia Trust)

Introduction

Pursuant to Circular 79, the Manager realigned the provisioning policy of the CSI 300 ETF in respect of its underlying PRC investments in CAAPs. As at 31st December 2017, the Manager has settled with all CAAP issuers the withheld capital gains tax ("CGT") amounts attributable to the CAAPs invested in by the CSI 300 ETF. True-up adjustments representing the difference between the accrued provision and final settlement amount was made to the Sub-Fund. Depending on whether the withheld provision of the CSI 300 ETF was greater or less than the amount of CGT attributable resulted in adjustments to the net asset value ("NAV") of the CSI 300 ETF, be it positive or negative.

For further detail regarding these adjustments, please refer to the iShares Asia Trust Announcements released by the Manager on 30th October 2015, 24th November 2015, 12th August 2016, 12th October 2016, 25th October 2016 and 20th December 2016.

Fund Performance

The CSI 300 ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the CSI 300 Index in Hong Kong dollar ("HK\$") terms. As at 31st December 2017, the Dealing NAV per unit of the CSI 300 ETF was HK\$31.29, and there were 5,750,000 units outstanding. The total size of the Sub-Fund was approximately HK\$179.9 million.

A summary of the performance of the CSI 300 ETF^(a) is given below.

Total Return ^(b) in HK\$ (as at 31st December)	2017	2016	2015	2014	2013
CSI 300 Index ^(c)	32.69%	-15.21%	0.79%	54.92%	-2.54%
CSI 300 ETF NAV-to-NAV ^(d)	30.46%	-15.77%	0.34%	51.18%	-6.62%

Total Return ^(b) in HK\$ (as at 31st December)	2012	2011	2010	Since Inception ^(e)
CSI 300 Index ^(c)	10.70%	-20.55%	-8.16%	4.35%
CSI 300 ETF NAV-to-NAV ^(d)	1.56%	-24.65%	-4.63%	1.87%

Source: BlackRock, China Securities Index Co Ltd (CSI) and WM/Reuters

The CSI 300 Index is a free-float market capitalization-weighted index that is compiled and published by China Securities Index Co., Ltd ("CSI") since 31st December 2004. The CSI 300 Index is a diversified index consisting of 300 constituent stocks traded on the Shanghai Stock Exchange and Shenzhen Stock Exchange. The difference in performance between the CSI 300 Index and the CSI 300 ETF is mainly attributed to fees and expenses, including collateral costs, taxes on dividends and PRC capital gains, and a different currency exchange rate used for fund valuation and index calculation.

Effective from 4th February 2014, the Sub-Fund is tracking the Net Total Return Index that has taken into account the 10% withholding tax on dividends of China A-Shares. In the past, the Sub-Fund tracked the gross (of tax) total return index.

Fund Activities

The average daily trading volume for the CSI 300 ETF during the year was reported by Bloomberg to be approximately 22,966 units. As at 31st December 2017, the CSI 300 ETF comprised 5,750,000 outstanding units.

In accordance with the Dividend Announcement on 29th November 2017, a final distribution of HK\$0.29 was declared. The ex-dividend date for the CSI 300 ETF was 18th December 2017 and the record date was 19th December 2017. The distribution was paid on 29th December 2017.

Index Activities

The CSI 300 Index underwent two regular reviews during the year. As at 31st December 2017, the CSI 300 ETF held 281 constituents versus the 300 constituents in the CSI 300 Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 12th November 2009.

iShares Core KOSPI 200 Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares Core KOSPI 200 Index ETF (the "KOSPI 200 ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 22nd June 2016 and commenced trading under the stock codes 83170 for the RMB counter, 9170 for the USD counter and 3170 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 29th June 2016. The KOSPI 200 ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The KOSPI 200 ETF is benchmarked against the KOSPI 200 Net Total Return USD Index. The Manager of the KOSPI 200 ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The KOSPI 200 ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the KOSPI 200 Net Total Return USD Index in United States dollar ("US\$") terms. As at 31st December 2017, the Dealing NAV per unit of the KOSPI 200 Index ETF was US\$1.52 and there were 9,000,000 units outstanding. The total size of the Sub-Fund was approximately US\$13.7 million.

A summary of the performance of the KOSPI 200 ETF^(a) is given below.

Total Return ^(b) in US\$ (as at 31st December)	2017	2016	Since Inception ^(e)
KOSPI 200 Net Total Return USD Index ^(c)	44.53%	0.89%	28.11%
KOSPI 200 ETF NAV-to-NAV ^(d)	42.47%	1.73%	27.61%

Source: BlackRock, MSCI Barra and WM/Reuters

The KOSPI 200 Net Total Return USD Index is a free float-adjusted market capitalization-weighted index based on 200 blue chip companies listed on the Korea Stock Market, which are selected on the basis of such factors as their market and sector representation and liquidity. It is calculated and maintained by the Korea Exchange. The KOSPI 200 Net Total Return USD Index is a net total return index, meaning its performance is calculated on the basis that dividends net of tax are reinvested.

Fund Activities

The average daily trading volume for the KOSPI 200 ETF during the year was reported by Bloomberg to be approximately 29,907 units. As at 31st December 2017, the KOSPI 200 ETF comprised 9,000,000 outstanding units.

Index Activities

The KOSPI 200 Net Total Return USD Index underwent one regular review during the year. As at 31st December 2017, the KOSPI 200 ETF held 197 constituents versus the 200 constituents in the KOSPI 200 Net Total Return USD Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 22nd June 2016.

iShares Core MSCI Taiwan Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares Core MSCI Taiwan Index ETF (the "MSCI Taiwan ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 22nd June 2016 and commenced trading under the stock codes 83074 for the RMB counter, 9074 for the USD counter and 3074 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 29th June 2016. The MSCI Taiwan ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI Taiwan ETF is benchmarked against the MSCI Taiwan Index. The Manager of the MSCI Taiwan ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The MSCI Taiwan ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the MSCI Taiwan Index in United States dollar ("US\$") terms. As at 31st December 2017, the Dealing NAV per unit of the MSCI Taiwan ETF was US\$1.41 and there were 22,200,000 units outstanding. The total size of the Sub-Fund was approximately US\$31.3 million.

A summary of the performance of the MSCI Taiwan ETF^(a) is given below.

Total Return ^(b) in US\$ (as at 31st December)	2017	2016	Since Inception ^(e)
MSCI Taiwan Index ^(c)	27.53%	9.57%	24.58%
MSCI Taiwan ETF NAV-to-NAV ^(d)	26.98%	9.31%	24.04%

Source: BlackRock, MSCI Barra and WM/Reuters

The MSCI Taiwan Index is a free float-adjusted market capitalization covering approximately 85% of the Taiwan investable equity universe on a net total return basis with dividends net of tax reinvested, subject to a global minimum size requirement. It is calculated and maintained by MSCI Inc.

Fund Activities

The average daily trading volume for the MSCI Taiwan ETF during the year was reported by Bloomberg to be approximately 70,724 units. As at 31st December 2017, the MSCI Taiwan ETF comprised 22,200,000 outstanding units.

In accordance with the Dividend Announcement on 30th August 2017, a quarterly distribution of US\$0.02 was declared. The ex-dividend date for the MSCI Taiwan ETF was 18th September 2017 and the record date was 19th September 2017. The distribution was paid on 29th September 2017.

Index Activities

The MSCI Taiwan Index underwent four regular reviews during the year. As at 31st December 2017, the MSCI Taiwan ETF held all constituents in the MSCI Taiwan Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 22nd June 2016.

iShares DAX Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares DAX Index ETF (the "DAX ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 23rd June 2016 and commenced trading under the stock codes 83146 for the RMB counter, 9146 for the USD counter and 3146 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 29th June 2016. The DAX ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The DAX ETF is benchmarked against the DAX Index. The Manager of the DAX ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The DAX ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the DAX Index in the Euro ("EUR") terms. As at 31st December 2017, the Dealing NAV per unit of the DAX ETF was EUR 1.17 and there were 2,400,000 units outstanding. The total size of the Sub-Fund was approximately EUR 2.8 million.

A summary of the performance of the DAX ETF^(a) is given below.

Total Return ^(b) in EUR (as at 31st December)	2017	2016	Since Inception ^(e)
DAX Index ^(c)	12.51%	11.93%	16.39%
DAX ETF NAV-to-NAV ^(d)	11.55%	11.82%	15.66%

Source: BlackRock, MSCI Barra and WM/Reuters

The DAX Index is a free float-adjusted market capitalization weighted index that tracks the segment of the 30 largest and most important companies – known as blue chips – on the Frankfurt Stock Exchange. It is calculated and maintained by Deutsche Börse AG. The DAX Index is a gross total return index, meaning its performance is calculated on the basis that dividends gross of tax are reinvested.

Fund Activities

The average daily trading volume for the DAX ETF during the year was reported by Bloomberg to be approximately 35,491 units. As at 31st December 2017, the DAX ETF comprised 2,400,000 outstanding units.

Index Activities

The DAX Index underwent two regular reviews during the year. As at 31st December 2017, the DAX ETF held all constituents in the DAX Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 23rd June 2016.

iShares EURO STOXX 50 Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares EURO STOXX 50 Index ETF (the "EURO STOXX 50 ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 23rd June 2016 and commenced trading under the stock codes 83155 for the RMB counter, 9155 for the USD counter and 3155 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 29th June 2016. The EURO STOXX 50 ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The EURO STOXX 50 ETF is benchmarked against the EURO STOXX 50 Index. The Manager of the EURO STOXX 50 ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The EURO STOXX 50 ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the EURO STOXX 50 Index in the Euro ("EUR") terms. As at 31st December 2017, the Dealing NAV per unit of the EURO STOXX 50 ETF was EUR 1.11 and there were 3,000,000 units outstanding. The total size of the Sub-Fund was approximately EUR 3.3 million.

A summary of the performance of the EURO STOXX 50 ETF^(a) is given below.

Total Return ^(b) in EUR (as at 31st December)	2017	2016	Since Inception ^(e)
EURO STOXX 50 Index ^(c)	9.15%	8.93%	12.07%
EURO STOXX 50 ETF NAV-to-NAV ^(d)	8.96%	8.79%	11.84%

Source: BlackRock, MSCI Barra and WM/Reuters

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 23rd June 2016.

The EURO STOXX 50 Index is a free float-adjusted market capitalization weighted index. It represents the 50 largest companies in terms of free-float market capitalization in 12 Eurozone countries. It is calculated and maintained by STOXX Limited. The EURO STOXX 50 Index is a net total return index, meaning its performance is calculated on the basis that dividends net of tax are reinvested.

Fund Activities

The average daily trading volume for the EURO STOXX 50 ETF during the year was reported by Bloomberg to be approximately 37,881 units. As at 31st December 2017, the EURO STOXX 50 ETF comprised 3,000,000 outstanding units.

Index Activities

The EURO STOXX 50 Index underwent four regular reviews during the year. As at 31st December 2017, the EURO STOXX 50 ETF held all constituents in the EURO STOXX 50 Index.

iShares FTSE 100 Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares FTSE 100 Index ETF (the "FTSE 100 ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 23rd June 2016 and commenced trading under the stock codes 82847 for the RMB counter, 9847 for the USD counter and 2847 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 29th June 2016. The FTSE 100 ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The FTSE 100 ETF is benchmarked against the FTSE 100 Index. The Manager of the FTSE 100 ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The FTSE 100 ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the FTSE 100 Index in British Pound ("GBP") terms. As at 31st December 2017, the Dealing NAV per unit of the FTSE 100 ETF was GBP 0.93 and there were 3,000,000 units outstanding. The total size of the Sub-Fund was approximately GBP 2.8 million.

A summary of the performance of the FTSE 100 ETF^(a) is given below.

Total Return ^(b) in GBP (as at 31st December)	2017	2016	Since Inception ^(e)
FTSE 100 Index ^(c)	11.91%	14.63%	17.82%
FTSE 100 ETF NAV-to-NAV ^(d)	11.56%	14.46%	17.46%

Source: BlackRock, MSCI Barra and WM/Reuters

The FTSE 100 Index is a free float market capitalization-weighted index of UK-listed blue chips companies. It is designed to measure the performance of the 100 largest UK companies listed on the London Stock Exchange (the "LSE") by full market capitalization, i.e. before the application of any investability weights. It is calculated and maintained by FTSE International Limited ("FTSE"). The FTSE 100 Index is a net total return index, meaning its performance is calculated on the basis that dividends net of tax are reinvested.

Fund Activities

The average daily trading volume for the FTSE 100 ETF during the year was reported by Bloomberg to be approximately 11,655 units. As at 31st December 2017, the FTSE 100 ETF comprised 3,000,000 outstanding units.

Index Activities

The FTSE 100 Index underwent four regular reviews during the year. As at 31st December 2017, the FTSE 100 ETF held all constituents in the FTSE 100 Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 23rd June 2016.

iShares NASDAQ 100 Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares NASDAQ 100 Index ETF (the "NASDAQ 100 ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 22nd June 2016 and commenced trading under the stock codes 82834 for the RMB counter, 9834 for the USD counter and 2834 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 29th June 2016. The NASDAQ 100 ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The NASDAQ 100 ETF is benchmarked against the NASDAQ 100 Index. The Manager of the NASDAQ 100 ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The NASDAQ 100 ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the NASDAQ 100 Index in United States dollar ("US\$") terms. As at 31st December 2017, the Dealing NAV per unit of the NASDAQ 100 ETF was US\$1.52 and there were 6,000,000 units outstanding. The total size of the Sub-Fund was approximately US\$9.1 million.

A summary of the performance of the NASDAQ 100 ETF^(a) is given below.

Total Return ^(b) in US\$ (as at 31st December)	2017	2016	Since Inception ^(e)
NASDAQ 100 Index ^(c)	32.53%	10.91%	28.79%
NASDAQ 100 ETF NAV-to-NAV ^(d)	32.05%	10.73%	28.35%

Source: BlackRock, MSCI Barra and WM/Reuters

The NASDAQ 100 Index is a modified market capitalization-weighted index. It includes 100 of the largest US and international non-financial companies listed on The NASDAQ Stock Market LLC ("NASDAQ") based on market capitalization. It is calculated and maintained by The NASDAQ OMX Group Inc. or its affiliates. The NASDAQ 100 Index is a net total return index, meaning its performance is calculated on the basis that dividends net of tax are reinvested.

Fund Activities

The average daily trading volume for the NASDAQ 100 ETF during the year was reported by Bloomberg to be approximately 21,871 units. As at 31st December 2017, the NASDAQ 100 ETF comprised 6,000,000 outstanding units.

Index Activities

The NASDAQ 100 Index underwent four regular reviews during the year. As at 31st December 2017, the NASDAQ 100 ETF held all constituents in the NASDAQ 100 Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 22nd June 2016.

iShares Core Hang Seng Index ETF

Report of the Manager to the Unitholders (a Sub-Fund of iShares Asia Trust)

Introduction

The iShares Core Hang Seng Index ETF (the "Hang Seng ETF") (the "Sub-Fund"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 18th November 2016 and commenced trading under the stock codes 83115 for the RMB counter, 9115 for the USD counter and 3115 for the HKD counter on The Stock Exchange of Hong Kong Limited (the "SEHK") on 23rd November 2016. The Hang Seng ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The Hang Seng ETF is benchmarked against the Hang Seng Index (net total return version) ("HSI Net Total Return Index"). The Manager of the Hang Seng ETF is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Fund Performance

The Hang Seng ETF seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the HSI Net Total Return Index. As at 31st December 2017, the Dealing NAV per unit of the Hang Seng ETF was HK\$107.43 and there were 3,200,000 units outstanding. The total size of the Sub-Fund was appropriately HK\$343.8 million.

A summary of the performance of the Hang Seng ETF^(a) is given below.

Total Return ^(b) in HK\$ (as at 31st December)	2017	2016	Since Inception ^(e)
HSI Net Total Return Index ^(c)	41.04%	-1.47%	34.27%
Hang Seng ETF NAV-to-NAV ^(d)	40.70%	-1.48%	33.97%

Source: BlackRock, MSCI Barra and WM/Reuters

The HSI Net Total Return Index adopts a free float adjusted market capitalization-weighted methodology with a 10% cap on individual securities. The universe of securities of HSI Net Total Return Index includes stocks and real estate investment trusts primarily listed on the main board of The Stock Exchange of Hong Kong Limited ("SEHK"), excluding securities that are secondary listings, foreign companies, preference shares, debt securities, mutual funds and other derivatives. Securities need to meet eligibility requirements based on market value, turnover and listing history, and H-shares are only included if they meet specific additional requirements. Final selections are based on the market capitalization and turnover rank of securities, the representation of the relevant sub-sector within the HSI Net Total Return Index directly reflecting that of the market and the financial performance. The review of HSI Net Total Return Index is conducted quarterly.

Fund Activities

The average daily trading volume for the Hang Seng ETF during the period was reported by Bloomberg to be approximately 138,171 units. As at 31st December 2017, the Hang Seng ETF comprised 3,200,000 outstanding units.

In accordance with the Dividend Announcements on 31st May 2017 and 29th November 2017, semi-annual distribution of HK\$0.71 and HK\$2.95 were declared, corresponding with an ex-dividend date of 19th June 2017 and 18th December 2017, and a record date of 20th June 2017, 19th December 2017. The distribution was paid on 30th June 2017 and 29th December 2017.

Index Activities

The HSI Net Total Return Index underwent four regular reviews during the period. As at 31st December 2017, the Hang Seng held all constituents in the HSI Net Total Return Index.

^(a) Past performance figures shown are not indicative of the future performance of the Sub-Fund.

^(b) Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December.

^(c) An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns of the Sub-Fund.

^(d) Units in the Sub-Fund are issued and redeemed at NAV. Therefore, the Sub-Fund does not publish a bid price and the Sub-Fund's returns have been calculated from NAV.

^(e) This is the annualized return since fund inception. The Sub-Fund inception date is 18th November 2016.

Report of the Trustee to the Unitholders

iShares Asia Trust

We hereby confirm that, in our opinion, the Manager of the iShares MSCI China Index ETF, iShares MSCI China A International Index ETF, iShares FTSE A50 China Index ETF (*formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)*), iShares Core S&P BSE SENSEX India Index ETF, iShares Core MSCI AC Asia ex Japan Index ETF, iShares MSCI Emerging Asia Index ETF, iShares Core CSI 300 Index ETF (*formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)*), iShares Core KOSPI 200 Index ETF, iShares Core MSCI Taiwan Index ETF, iShares DAX Index ETF, iShares EURO STOXX 50 Index ETF, iShares FTSE 100 Index ETF, iShares NASDAQ 100 Index ETF and iShares Core Hang Seng Index ETF (the "Sub-Funds") has, in all material respects, managed the Sub-Funds in accordance with the provisions of the Trust Deed dated 16th November 2001, as amended, for the period ended 31st December 2017.

HSBC Institutional Trust Services (Asia) Limited
26th April 2018

Statement of Responsibilities of the Manager and the Trustee

iShares Asia Trust

Manager's Responsibilities

The Manager of the iShares MSCI China Index ETF, iShares MSCI China A International Index ETF, iShares FTSE A50 China Index ETF (*formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)*), iShares Core S&P BSE SENSEX India Index ETF, iShares Core MSCI AC Asia ex Japan Index ETF, iShares MSCI Emerging Asia Index ETF, iShares Core CSI 300 Index ETF (*formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)*), iShares Core KOSPI 200 Index ETF, iShares Core MSCI Taiwan Index ETF, iShares DAX Index ETF, iShares EURO STOXX 50 Index ETF, iShares FTSE 100 Index ETF, iShares NASDAQ 100 Index ETF and iShares Core Hang Seng Index ETF (the Sub-Funds of iShares Asia Trust) (the "Sub-Funds") is required by the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong and the Trust Deed dated 16th November 2001, as amended (the "Trust Deed"), to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Funds at the end of that period and of the transactions for the period then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Funds will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Sub-Funds in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities in relation to the Sub-Funds.

iShares Asia Trust (the "Trust") is an umbrella unit trust governed by its Trust Deed. As at 31st December 2017, the Trust has established fourteen sub-funds, namely iShares MSCI China Index ETF, iShares MSCI China A International Index ETF, iShares FTSE A50 China Index ETF (*formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)*), iShares Core S&P BSE SENSEX India Index ETF, iShares Core MSCI AC Asia ex Japan Index ETF, iShares MSCI Emerging Asia Index ETF, iShares Core CSI 300 Index ETF (*formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)*), iShares Core KOSPI 200 Index ETF, iShares Core MSCI Taiwan Index ETF, iShares DAX Index ETF, iShares EURO STOXX 50 Index ETF, iShares FTSE 100 Index ETF, iShares NASDAQ 100 Index ETF and iShares Core Hang Seng Index ETF.

Trustee's Responsibilities

The Trustee of the Sub-Funds is required to:

- ensure that the Sub-Funds in all material respects are managed in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Funds and rights attaching thereto; and
- report to the Unitholders for each annual accounting period should the Manager not managing the Sub-Funds in accordance of the Trust Deed.

Independent Auditor's Report

To the Unitholders of iShares Asia Trust (The "Trust")

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of iShares MSCI China Index ETF, iShares MSCI China A International Index ETF, iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (**This is a synthetic ETF*)), iShares Core S&P BSE SENSEX India Index ETF, iShares Core MSCI AC Asia ex Japan Index ETF, iShares MSCI Emerging Asia Index ETF, iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (**This is a synthetic ETF*)), iShares Core KOSPI 200 Index ETF, iShares Core MSCI Taiwan Index ETF, iShares DAX Index ETF, iShares EURO STOXX 50 Index ETF, iShares FTSE 100 Index ETF and iShares NASDAQ 100 Index ETF for the year ended 31st December 2017 and iShares Core Hang Seng Index ETF for the period from 18th November 2016 (date of inception) to 31st December 2017 ("relevant periods") and as at 31st December 2017 (each a separate sub-fund of the Trust and referred to individually or collectively as the "Sub-Funds") set out on pages 28 to 100, which comprise:

- the Statement of Financial Position as at 31st December 2017;
- the Statement of Comprehensive Income for the relevant periods then ended;
- the Statement of Changes in Net Assets Attributable to Unitholders for the relevant periods then ended;
- the Statement of Cash Flows for the relevant periods then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of each of the Sub-Funds as at 31st December 2017, and of each of their financial transactions and their cash flows for the relevant periods then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Sub-Funds in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of Matter

We draw your attention to Note 2 to the financial statements which states that the Manager has decided to terminate iShares MSCI China A International Index ETF. As a result, the financial statements of iShares MSCI China A International Index ETF have not been prepared on a going concern basis of accounting, and are prepared in accordance with the basis set out in Note 2. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Existence and valuation of investments

Independent Auditor's Report

To the Unitholders of iShares Asia Trust (The "Trust") (continued)

Key Audit Matter

Existence and valuation of investments

The investments held by each of the Sub-Funds as at 31st December 2017 mainly comprised (i) listed equities, (ii) China A-Share Access Products ("CAAPs") as defined in note 1 to the financial statements and (iii) an investment fund, in their respective financial statements, which were valued at:

iShares MSCI China Index ETF	listed equities: HK\$2,404,732,674
iShares MSCI China A International Index ETF	listed equities: RMB67,058,219
iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (<i>*This is a synthetic ETF</i>))	listed equities: HK\$28,741,301,772 CAAPs: HK\$2,023,653,891
iShares Core S&P BSE SENSEX India Index ETF	investment fund: HK\$1,094,333,177
iShares Core MSCI AC Asia ex Japan Index ETF	listed equities: HK\$7,399,800,310
iShares MSCI Emerging Asia Index ETF	listed equities: HK\$179,930,047
iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (<i>*This is a synthetic ETF</i>))	listed equities: HK\$179,683,353
iShares Core KOSPI 200 Index ETF	listed equities: US\$13,611,268
iShares Core MSCI Taiwan Index ETF	listed equities: US\$31,310,877
iShares DAX Index ETF	listed equities: EUR2,805,291
iShares EURO STOXX 50 Index ETF	listed equities: EUR3,319,501
iShares FTSE 100 Index ETF	listed equities: GBP2,761,857
iShares NASDAQ 100 Index ETF	listed equities: US\$9,116,638
iShares Core Hang Seng Index ETF	listed equities: HK\$343,310,604

Investments held by certain Sub-Funds included listed equities that have been suspended for trading as at 31st December 2017, valued at:

iShares MSCI China A International Index ETF	listed equities: RMB2,627,778
iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (<i>*This is a synthetic ETF</i>))	listed equities: HK\$5,008,732
iShares Core KOSPI 200 Index ETF	listed equities: US\$30,050

We focused on the existence and valuation of the investments because the investments represented the principal element of the respective Sub-Funds' net asset value. In addition, we also focused on the valuation of listed equities that have been suspended for trading as at 31st December 2017 because the judgment made by the Manager in determining their fair values involved a higher degree of subjectivity.

Refer to note 11 to the financial statements.

How our audit addressed the Key Audit Matter

We tested the existence of investments by obtaining direct confirmations from the Sub-Funds' custodians and CAAP Issuers (as applicable), and agreeing the Sub-Funds' holdings of investments to those confirmations. No material exceptions were identified from our testing.

For the listed equities held by each of the Sub-Funds, we agreed their valuations by comparing the pricing used by the Sub-Funds to external pricing sources as at 31st December 2017. We found no material exceptions from our testing.

For CAAPs, we checked the contract terms of the CAAPs on a sample basis to ensure that they were each linked to the performance of the underlying listed equities. We also performed credit spread analysis for all CAAPs Issuers to assess the impact of their credit and counterparty risk on the fair value of CAAPs, if any. In addition, we agreed the valuations of the CAAPs' underlying listed equities by comparing the pricing used by the Sub-Funds to external pricing sources as at 31st December 2017. We found no material exceptions from our testing.

For the investment fund, we agreed its valuation by comparing the pricing used to its net asset value as reported by the administrator of the investment fund.

In addition, for listed equities that have been suspended for trading as at 31st December 2017, we assessed the appropriateness of the valuation methodology adopted by the Manager. We also assessed the judgments made in determining the valuation of these investments by considering factors that may impact their fair values, including duration of the suspension period, relevant market information and news of the suspended listed equities, the price movement of comparable indices during the suspension period and, if applicable, the market prices of the suspended listed equities upon resumption of trading after 31st December 2017.

Based on the procedures we performed, we found the judgments made in determining the valuations of the investments to be supportable by available evidence.

Independent Auditor's Report

To the Unitholders of iShares Asia Trust (The "Trust") (continued)

Other Information

The Manager and the Trustee (the "Management") of the Sub-Funds are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements of the Sub-Funds does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Management of the Sub-Funds is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the Sub-Funds is responsible for assessing the Sub-Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Sub-Funds or to cease operations, or have no realistic alternative but to do so.

In addition, the Management of the Sub-Funds is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 16th November 2001, as amended ("Trust Deed") and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable

assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Funds have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report

To the Unitholders of iShares Asia Trust (The "Trust") (continued)

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Management, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on matters under the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code

In our opinion, the financial statements of the Sub-Funds have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

The engagement partner on the audit resulting in this independent auditor's report is Paul John Walters.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26th April 2018

Statement of Financial Position

As at 31st December 2017

	Note	iShares MSCI China Index ETF		iShares MSCI China A International Index ETF	
		2017 HK\$	2016 HK\$	2017 RMB	2016 RMB
Assets					
Current Assets					
Financial assets at fair value through profit or loss	11(a)	2,404,732,674	1,404,268,081	67,058,219	65,803,015
Dividends receivable		180,089	53,207	-	-
Interest receivable		115	1	19	-
Amounts due from brokers	11(b)	-	4,819,002	-	-
Management fee reimbursement receivable	7(a)	-	-	-	32,079
Other accounts receivable		-	2,104	-	-
Margin deposits	11(b)	-	175,847	-	-
Bank balances	7(e), 11(b)	3,042,526	5,114,433	402,529	248,920
Total assets		2,407,955,404	1,414,432,675	67,460,767	66,084,014
Liabilities					
Current Liabilities					
Margin deposits		38	-	-	-
Amounts due to unitholders for redemptions		-	4,821,127	-	-
Management fee payable	7(a)	1,039,811	705,736	24,612	-
Other accounts payable		47,817	30,722	1,694	11,876
Total liabilities		1,087,666	5,557,585	26,306	11,876
Net assets attributable to unitholders		2,406,867,738	1,408,875,090	67,434,461	66,072,138

Approved by the Trustee and the Manager on 26th April 2018.

HSBC Institutional Trust Services (Asia) Limited as Trustee of the Trust.

BlackRock Asset Management North Asia Limited as Manager of the Trust.

The accompanying notes form part of these financial statements.

Statement of Financial Position (continued)

As at 31st December 2017

	Note	iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF*) (*This is a synthetic ETF)		iShares Core S&P BSE SENSEX India Index ETF	
		2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Assets					
Current Assets					
Financial assets at fair value through profit or loss	11(a)	30,764,955,663	28,729,179,921	1,094,333,177	797,797,824
Interest receivable		35,616	158	88	1
Bank balances	7(e), 11(b)	187,306,629	134,370,833	6,637,987	2,113,901
Total assets		30,952,297,908	28,863,550,912	1,100,971,252	799,911,726
Liabilities					
Current Liabilities					
Management fee payable	7(a)	23,172,581	24,440,101	355,312	309,608
Securities lending expenses payable in respect of the collateral arrangements		12,238,555	25,516,273	-	-
Other accounts payable		49,968	215,345	30,000	-
Total liabilities		35,461,104	50,171,719	385,312	309,608
Net assets attributable to unitholders		30,916,836,804	28,813,379,193	1,100,585,940	799,602,118

Approved by the Trustee and the Manager on 26th April 2018.

HSBC Institutional Trust Services (Asia) Limited as Trustee of the Trust.

BlackRock Asset Management North Asia Limited as Manager of the Trust.

The accompanying notes form part of these financial statements.

Statement of Financial Position (continued)

As at 31st December 2017

	Note	iShares Core MSCI AC Asia ex Japan Index ETF		iShares MSCI Emerging Asia Index ETF	
		2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Assets					
Current Assets					
Financial assets at fair value through profit or loss	11(a)	7,399,800,311	4,201,493,393	179,930,047	118,633,229
Dividends receivable		10,137,296	689,969	263,633	9,533
Interest receivable		659	3	9	-
Bank balances	7(e), 11(b)	21,078,825	10,430,214	221,538	667,971
Total assets		7,431,017,091	4,212,613,579	180,415,227	119,310,733
Liabilities					
Current Liabilities					
Amounts due to brokers		9,229,751	-	-	-
Management fee payable	7(a)	873,158	479,360	66,569	54,690
Other accounts payable		175,238	41,746	4,808	7,443
Total liabilities		10,278,147	521,106	71,377	62,133
Net assets attributable to unitholders		7,420,738,944	4,212,092,473	180,343,850	119,248,600

Approved by the Trustee and the Manager on 26th April 2018.

HSBC Institutional Trust Services (Asia) Limited as Trustee of the Trust.

BlackRock Asset Management North Asia Limited as Manager of the Trust.

The accompanying notes form part of these financial statements.

Statement of Financial Position (continued)

As at 31st December 2017

	Note	iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))		iShares Core KOSPI 200 Index ETF	
		2017 HK\$	2016 HK\$	2017 US\$	2016 US\$
Assets					
Current Assets					
Financial assets at fair value through profit or loss	11(a)	179,683,353	192,461,359	13,611,268	13,310,016
Management fee reimbursement receivable	7(a)	16,409	-	-	-
Dividends receivable		-	3,202	103,008	157,539
Interest receivable		97	2	3	-
Bank balances	7(e), 11(b)	216,288	1,925,593	10,481	20,887
Total assets		179,916,147	194,390,156	13,724,760	13,488,442
Liabilities					
Current Liabilities					
Management fee payable	7(a)	-	168,513	2,937	3,815
Securities lending expenses payable in respect of the collateral arrangements		-	433,645	-	-
Other accounts payable		-	94,864	2,540	2,210
Total liabilities		-	697,022	5,477	6,025
Net assets attributable to unitholders		179,916,147	193,693,134	13,719,283	13,482,417

Approved by the Trustee and the Manager on 26th April 2018.

HSBC Institutional Trust Services (Asia) Limited as Trustee of the Trust.

BlackRock Asset Management North Asia Limited as Manager of the Trust.

The accompanying notes form part of these financial statements.

Statement of Financial Position (continued)

As at 31st December 2017

	Note	iShares Core MSCI Taiwan Index ETF		iShares DAX Index ETF	
		2017 US\$	2016 US\$	2017 EUR	2016 EUR
Assets					
Current Assets					
Financial assets at fair value through profit or loss	11(a)	31,310,877	19,767,905	2,805,291	6,063,264
Amounts due from brokers	11(b)	-	-	1,173,753	-
Interest receivable		1	-	-	-
Margin deposits	11(b)	1	-	-	-
Bank balances	7(e), 11(b)	29,702	78,395	2,437	16,906
Total assets		31,340,581	19,846,300	3,981,481	6,080,170
Liabilities					
Current Liabilities					
Amounts due to unitholders for redemptions		-	-	1,173,312	-
Management fee payable	7(a)	5,801	4,741	818	1,763
Interest payable		-	-	34	-
Other accounts payable		315	2,115	4,321	5,889
Total liabilities		6,116	6,856	1,178,485	7,652
Net assets attributable to unitholders		31,334,465	19,839,444	2,802,996	6,072,518

Approved by the Trustee and the Manager on 26th April 2018.

HSBC Institutional Trust Services (Asia) Limited as Trustee of the Trust.

BlackRock Asset Management North Asia Limited as Manager of the Trust.

The accompanying notes form part of these financial statements.

Statement of Financial Position (continued)

As at 31st December 2017

	Note	iShares EURO STOXX 50 Index ETF		iShares FTSE 100 Index ETF	
		2017 EUR	2016 EUR	2017 GBP	2016 GBP
Assets					
Current Assets					
Financial assets at fair value through profit or loss	11(a)	3,319,501	5,078,529	2,762,021	3,963,654
Dividends receivable		2,536	2,878	13,611	14,545
Amounts due from brokers	11(b)	668,165	-	736,856	-
Bank balances	7(e), 11(b)	18,344	27,172	12,724	14,809
Total assets		4,008,546	5,108,579	3,525,212	3,993,008
Liabilities					
Current Liabilities					
Amounts due to unitholders for redemptions		670,753	-	741,564	-
Management fee payable	7(a)	631	1,674	387	1,362
Interest payable		24	-	-	-
Other accounts payable		2,221	6,065	1,836	2,944
Total liabilities		673,629	7,739	743,787	4,306
Net assets attributable to unitholders		3,334,917	5,100,840	2,781,425	3,988,702

Approved by the Trustee and the Manager on 26th April 2018.

HSBC Institutional Trust Services (Asia) Limited as Trustee of the Trust.

BlackRock Asset Management North Asia Limited as Manager of the Trust.

The accompanying notes form part of these financial statements.

Statement of Financial Position (continued)

As at 31st December 2017

	Note	iShares NASDAQ 100 Index ETF		iShares Core Hang Seng Index ETF
		2017 US\$	2016 US\$	2017 HK\$
Assets				
Current Assets				
Financial assets at fair value through profit or loss	11(a)	9,116,638	7,822,780	343,314,064
Dividends receivable		1,626	2,730	-
Interest receivable		2	-	35
Amounts due from brokers	11(b)	4,173	-	-
Margin deposits	11(b)	-	-	19,850
Bank balances	7(e), 11(b)	26,570	29,686	468,849
Total assets		9,149,009	7,855,196	343,802,798
Liabilities				
Current Liabilities				
Amounts due to brokers		4,764	-	-
Management fee payable	7(a)	1,958	2,927	20,645
Other accounts payable		875	6,400	15,000
Total liabilities		7,597	9,327	35,645
Net assets attributable to unitholders		9,141,412	7,845,869	343,767,153

Approved by the Trustee and the Manager on 26th April 2018.

HSBC Institutional Trust Services (Asia) Limited as Trustee of the Trust.

BlackRock Asset Management North Asia Limited as Manager of the Trust.

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income

For the year ended 31st December 2017

	Note	iShares MSCI China Index ETF		iShares MSCI China A International Index ETF	
		2017 HK\$	2016 HK\$	2017 RMB	25.01.2016 (date of inception) to 31.12.2016 RMB
Income					
Dividend income		44,529,901	47,237,282	1,257,777	2,352,053
Bank interest income	7(e)	1,085	693	1,313	3,473
Net gain/(loss) on financial assets at fair value through profit or loss	5	808,743,964	(92,529,832)	11,916,612	6,209,879
Net foreign currency gain/(loss)		(27,742)	(87,927)	769	(1,431)
Total net income/(loss)		853,247,208	(45,379,784)	13,176,471	8,563,974
Expenses					
Management fee	7(a)	(11,651,794)	(10,281,726)	(414,560)	(580,172)
Transaction handling fee	7(b)	(38,454)	(75,721)	(48,949)	(124,238)
Transaction costs on financial assets at fair value through profit or loss	7(d)	(197,551)	(400,117)	(36,907)	(209,333)
Safe custody and bank charges	7(b)	(228,975)	(270,029)	(314,066)	(221,730)
Total operating expenses		(12,116,774)	(11,027,593)	(814,482)	(1,135,473)
Profit/(loss) before taxation		841,130,434	(56,407,377)	12,361,989	7,428,501
Taxation	6	(3,575,032)	(3,757,730)	(125,896)	(235,548)
Total comprehensive income/(loss)		837,555,402	(60,165,107)	12,236,093	7,192,953

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income (continued)

For the year ended 31st December 2017

Note	iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF*) (*This is a synthetic ETF)		iShares Core S&P BSE SENSEX India Index ETF	
	2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Income				
Dividend income	765,033,855	938,639,093	-	-
Bank interest income	7(e) 600,046	3,710,155	801	300
Net gain/(loss) on financial assets at fair value through profit or loss	5 10,115,562,767	(4,325,828,672)	312,238,541	4,624,765
Net foreign currency gain/(loss)	(38,870,738)	(11,593,007)	4,233	209
Other income	7(a) -	-	4,204,931	-
Total net income/(loss)	10,842,325,930	(3,395,072,431)	316,448,506	4,625,274
Expenses				
Management fee	7(a) (286,546,332)	(312,133,492)	(4,115,524)	(5,041,232)
Transaction handling fee	7(b) (836,211)	(1,050,175)	-	-
Transaction costs on financial assets at fair value through profit or loss	7(d) (63,854,489)	(272,372,295)	-	-
Safe custody and bank charges	7(b) (85,840)	(81,828)	(800)	(200)
Securities lending expenses in respect of the collateral arrangements	11(b) (149,775,020)	(369,065,397)	-	-
Total operating expenses	(501,097,892)	(954,703,187)	(4,116,324)	(5,041,432)
Operating profit/(loss)	10,341,228,038	(4,349,775,618)	312,332,182	(416,158)
Finance Costs				
Interest expense	7(f) (2,458,787)	(716)	-	-
Profit/(loss) before taxation	10,338,769,251	(4,349,776,334)	312,332,182	(416,158)
Taxation	6 (76,547,260)	(93,935,237)	-	-
Total comprehensive income/(loss)	10,262,221,991	(4,443,711,571)	312,332,182	(416,158)

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income (continued)

For the year ended 31st December 2017

	Note	iShares Core MSCI AC Asia ex Japan Index ETF		iShares MSCI Emerging Asia Index ETF	
		2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Income					
Dividend income		169,636,068	32,695,806	3,610,795	2,925,800
Bank interest income	7(e)	6,001	1,352	57	37
Net gain/(loss) on financial assets at fair value through profit or loss	5	1,986,143,386	(69,624,796)	50,961,412	5,291,258
Net foreign currency gain/(loss)		1,231,609	4,383,222	(34,183)	(14,975)
Other income		325,424	-	-	-
Total net income/(loss)		2,157,342,488	(32,544,416)	54,538,081	8,202,120
Expenses					
Management fee	7(a)	(12,614,776)	(3,650,710)	(782,272)	(606,604)
Transaction handling fee	7(b)	(123,700)	(138,093)	(25,040)	(82,108)
Transaction costs on financial assets at fair value through profit or loss	7(d)	(8,459,343)	(2,236,328)	(37,115)	(46,674)
Safe custody and bank charges	7(b)	(443,518)	(210,135)	(37,370)	(34,100)
Total operating expenses		(21,641,337)	(6,235,266)	(881,797)	(769,486)
Operating profit/(loss)		2,135,701,151	(38,779,682)	53,656,284	7,432,634
Finance Costs					
Interest expense	7(f)	-	-	(37)	(13)
Profit/(loss) before taxation		2,135,701,151	(38,779,682)	53,656,247	7,432,621
Taxation	6	(20,702,411)	(3,541,857)	(537,177)	(427,046)
Total comprehensive income/(loss)		2,114,998,740	(42,321,539)	53,119,070	7,005,575

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income (continued)

For the year ended 31st December 2017

	Note	iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))		iShares Core KOSPI 200 Index ETF	
		2017 HK\$	2016 HK\$	2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$
Income					
Dividend income		2,967,567	4,431,522	217,631	216,243
Bank interest income	7(e)	5,947	17,752	36	10
Net gain/(loss) on financial assets at fair value through profit or loss	5	42,928,296	(43,937,900)	4,895,839	143,399
Net foreign currency gain/(loss)		(849,096)	87,856	16,105	2,098
Other income		-	-	182	-
Total net income/(loss)		45,052,714	(39,400,770)	5,129,793	361,750
Expenses					
Management fee	7(a)	(793,634)	(2,108,655)	(42,054)	(26,479)
Transaction handling fee	7(b)	(217,408)	(275,322)	(5,460)	(1,740)
Transaction costs on financial assets at fair value through profit or loss	7(d)	(731,115)	(1,810,416)	(19,092)	(26,272)
Safe custody and bank charges	7(b)	(34,271)	(5,682)	(2,136)	(205)
Securities lending expenses in respect of the collateral arrangements	11(b)	(142,058)	(3,740,204)	-	-
Total operating expenses		(1,918,486)	(7,940,279)	(68,742)	(54,696)
Operating profit/(loss)		43,134,228	(47,341,049)	5,061,051	307,054
Finance Costs					
Interest expense	7(f)	(35,871)	(13,768)	-	-
Profit/(loss) before taxation		43,098,357	(47,354,817)	5,061,051	307,054
Taxation	6	(297,325)	(443,275)	(47,447)	(48,562)
Total comprehensive income/(loss)		42,801,032	(47,798,092)	5,013,604	258,492

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income (continued)

For the year ended 31st December 2017

	Note	iShares Core MSCI Taiwan Index ETF		iShares DAX Index ETF	
		2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR
Income					
Dividend income		886,688	719,513	175,190	3,717
Bank interest income	7(e)	252	31	-	-
Net gain on financial assets at fair value through profit or loss	5	4,759,626	1,224,339	639,440	929,683
Net foreign currency gain/(loss)		61,322	(5,064)	280	(82)
Total net income		5,707,888	1,938,819	814,910	933,318
Expenses					
Management fee	7(a)	(76,010)	(33,642)	(12,873)	(8,420)
Transaction handling fee	7(b)	(2,925)	(4,725)	(3,085)	(371)
Transaction costs on financial assets at fair value through profit or loss	7(d)	(9,609)	(32,932)	(1,213)	(1,295)
Safe custody and bank charges	7(b)	(129)	(542)	(117)	-
Total operating expenses		(88,673)	(71,841)	(17,288)	(10,086)
Operating profit		5,619,215	1,866,978	797,622	923,232
Finance Cost					
Interest expense	7(f)	-	-	(34)	-
Profit before taxation		5,619,215	1,866,978	797,588	923,232
Taxation	6	(184,514)	(162,286)	(39,882)	(980)
Total comprehensive income		5,434,701	1,704,692	757,706	922,252

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income (continued)

For the year ended 31st December 2017

	Note	iShares EURO STOXX 50 Index ETF		iShares FTSE 100 Index ETF	
		2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR	2017 GBP	23.06.2016 (date of inception) to 31.12.2016 GBP
Income					
Dividend income		169,633	44,279	176,563	117,535
Bank interest income	7(e)	-	-	1	3
Net gain on financial assets at fair value through profit or loss	5	377,553	634,116	289,913	726,747
Net foreign currency gain/(loss)		264	(135)	328	(646)
Total net income		547,450	678,260	466,805	843,639
Expenses					
Management fee	7(a)	(10,846)	(8,127)	(8,320)	(6,825)
Transaction handling fee	7(b)	(3,250)	(3,099)	(3,572)	(2,064)
Transaction costs on financial assets at fair value through profit or loss	7(d)	(887)	(9,002)	(2,180)	(32,535)
Safe custody and bank charges	7(b)	(2,032)	(190)	(82)	-
Total operating expenses		(17,015)	(20,418)	(14,154)	(41,424)
Operating profit		530,435	657,842	452,651	802,215
Finance Cost					
Interest expense	7(f)	(24)	-	-	-
Profit before taxation		530,411	657,842	452,651	802,215
Taxation	6	(39,915)	(10,372)	(2,132)	(625)
Total comprehensive income		490,496	647,470	450,519	801,590

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income (continued)

For the year/period ended 31st December 2017

	Note	iShares NASDAQ 100 Index ETF		iShares Core Hang Seng Index ETF
		2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	18.11.2016 (date of inception) to 31.12.2017 HK\$
Income				
Dividend income		95,815	86,472	14,715,973
Bank interest income	7(e)	21	13	223
Net gain on financial assets at fair value through profit or loss	5	2,204,566	1,388,470	132,691,091
Net foreign currency gain		9	-	2,349
Total net income		2,300,411	1,474,955	147,409,636
Expenses				
Management fee	7(a)	(22,929)	(19,383)	(470,892)
Transaction handling fee	7(b)	(2,275)	(1,025)	-
Transaction costs on financial assets at fair value through profit or loss	7(d)	(173)	(3,276)	(300,632)
Safe custody and bank charges	7(b)	(128)	(1)	-
Total operating expenses		(25,505)	(23,685)	(771,524)
Profit before taxation		2,274,906	1,451,270	146,638,112
Taxation	6	(25,908)	(25,214)	(503,688)
Total comprehensive income		2,248,998	1,426,056	146,134,424

The accompanying notes form part of these financial statements.

Statement of Changes in Net Assets Attributable to Unitholders

For the year ended 31st December 2017

	Note	iShares MSCI China Index ETF		iShares MSCI China A International Index ETF	
		2017 HK\$	2016 HK\$	2017 RMB	25.01.2016 (date of inception) to 31.12.2016 RMB
Net assets attributable to unitholders at 1st January/ date of inception		1,408,875,090	2,412,353,952	66,072,138	-
Proceeds on issue of units	8				
- in-kind		380,342,509	225,900,392	-	-
- cash component and cash subscription		136,336,763	52,001,570	-	116,850,655
Payments on redemption of units	8				
- in-kind		(235,817,338)	(958,315,577)	-	-
- cash component and cash redemption		(85,594,688)	(227,296,140)	(10,873,770)	(56,711,470)
Distribution to unitholders	12	(34,830,000)	(35,604,000)	-	(1,260,000)
		160,437,246	(943,313,755)	(10,873,770)	58,879,185
Total comprehensive income/(loss) for the year/period		837,555,402	(60,165,107)	12,236,093	7,192,953
Net assets attributable to unitholders at 31st December		2,406,867,738	1,408,875,090	67,434,461	66,072,138

	Note	iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF*) (*This is a synthetic ETF)		iShares Core S&P BSE SENSEX India Index ETF	
		2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Net assets attributable to unitholders at 1st January		28,813,379,193	42,960,355,403	799,602,118	828,098,456
Proceeds on issue of units	8				
- in-kind		-	272,014,773	-	-
- cash component and cash subscription		-	1,597,627	108,388,920	14,000,400
Payments on redemption of units	8				
- in-kind		(1,642,259,617)	(6,543,468,490)	-	-
- cash component and cash redemption		(5,860,504,763)	(2,637,208,549)	(119,737,280)	(42,080,580)
Distribution to unitholders	12	(656,000,000)	(796,200,000)	-	-
		(8,158,764,380)	(9,703,264,639)	(11,348,360)	(28,080,180)
Total comprehensive income/(loss) for the year		10,262,221,991	(4,443,711,571)	312,332,182	(416,158)
Net assets attributable to unitholders at 31st December		30,916,836,804	28,813,379,193	1,100,585,940	799,602,118

	Note	iShares Core MSCI AC Asia ex Japan Index ETF		iShares MSCI Emerging Asia Index ETF	
		2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Net assets attributable to unitholders at 1st January		4,212,092,473	91,969,720	119,248,600	122,524,427
Proceeds on issue of units	8				
- in-kind		149,803,929	801,720,298	1,245,108	-
- cash component and cash subscription		3,899,209,035	3,409,472,093	9,163,072	-
Payments on redemption of units	8				
- in-kind		-	-	-	(961,386)
- cash component and cash redemption		(2,832,187,633)	(20,344,099)	-	(7,220,016)
Distribution to unitholders	12	(123,177,600)	(28,404,000)	(2,432,000)	(2,100,000)
		1,093,647,731	4,162,444,292	7,976,180	(10,281,402)
Total comprehensive income/(loss) for the year		2,114,998,740	(42,321,539)	53,119,070	7,005,575
Net assets attributable to unitholders at 31st December		7,420,738,944	4,212,092,473	180,343,850	119,248,600

The accompanying notes form part of these financial statements.

Statement of Changes in Net Assets Attributable to Unitholders (continued)

For the year ended 31st December 2017

	Note	iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))		iShares Core KOSPI 200 Index ETF	
		2017 HK\$	2016 HK\$	2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$
Net assets attributable to unitholders at 1st January/ date of inception		193,693,134	292,498,075	13,482,417	-
Proceeds on issue of units	8	7,727,170	-	-	19,831,326
- cash component and cash subscription					
Payments on redemption of units	8	(62,637,689)	(47,486,849)	(4,776,738)	(6,607,401)
- cash component and cash redemption					
Distribution to unitholders	12	(1,667,500)	(3,520,000)	-	-
		(56,578,019)	(51,006,849)	(4,776,738)	13,223,925
Total comprehensive income/(loss) for the year/period		42,801,032	(47,798,092)	5,013,604	258,492
Net assets attributable to unitholders at 31st December		179,916,147	193,693,134	13,719,283	13,482,417

	Note	iShares Core MSCI Taiwan Index ETF		iShares DAX Index ETF	
		2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR
Net assets attributable to unitholders at 1st January/ date of inception		19,839,444	-	6,072,518	-
Proceeds on issue of units	8	8,123,723	26,222,371	-	8,052,917
- cash component and cash subscription					
Payments on redemption of units	8	(1,711,403)	(7,735,619)	(4,027,228)	(2,902,651)
- cash component and cash redemption					
Distribution to unitholders	12	(352,000)	(352,000)	-	-
		6,060,320	18,134,752	(4,027,228)	5,150,266
Total comprehensive income for the year/period		5,434,701	1,704,692	757,706	922,252
Net assets attributable to unitholders at 31st December		31,334,465	19,839,444	2,802,996	6,072,518

	Note	iShares EURO STOXX 50 Index ETF		iShares FTSE 100 Index ETF	
		2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR	2017 GBP	23.06.2016 (date of inception) to 31.12.2016 GBP
Net assets attributable to unitholders at 1st January/ date of inception		5,100,840	-	3,988,702	-
Proceeds on issue of units	8	-	8,071,935	-	6,273,459
- cash component and cash subscription					
Payments on redemption of units	8	(2,256,419)	(3,618,565)	(1,657,796)	(3,086,347)
- cash component and cash redemption					
		(2,256,419)	4,453,370	(1,657,796)	3,187,112
Total comprehensive income for the year/period		490,496	647,470	450,519	801,590
Net assets attributable to unitholders at 31st December		3,334,917	5,100,840	2,781,425	3,988,702

The accompanying notes form part of these financial statements.

Statement of Changes in Net Assets Attributable to Unitholders (continued)

For the year/period ended 31st December 2017

	Note	iShares NASDAQ 100 Index ETF		iShares Core Hang Seng Index ETF
		2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	18.11.2016 (date of inception) to 31.12.2017 HK\$
Net assets attributable to unitholders at 1st January/date of inception		7,845,869	-	-
Proceeds on issue of units	8	-	-	686,322,156
- in-kind		-	-	140,817,049
- cash component and cash subscription		-	12,922,638	
Payments on redemption of units	8	-	-	(602,462,363)
- in-kind		-	-	(15,367,613)
- cash component and cash redemption		(953,455)	(6,502,825)	(11,676,500)
Distribution to unitholders	12	-	-	
		(953,455)	6,419,813	197,632,729
Total comprehensive income for the year/period		2,248,998	1,426,056	146,134,424
Net assets attributable to unitholders at 31st December		9,141,412	7,845,869	343,767,153

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31st December 2017

Note	iShares MSCI China Index ETF		iShares MSCI China A International Index ETF	
	2017 HK\$	2016 HK\$	2017 RMB	25.01.2016 (date of inception) to 31.12.2016 RMB
Operating Activities				
Payments for purchase of financial assets at fair value through profit or loss	(229,705,205)	(354,268,669)	(7,590,889)	(133,558,996)
Proceeds from sale of financial assets at fair value through profit or loss	187,301,007	528,795,006	18,253,066	73,964,429
Dividends received	44,403,019	47,219,060	1,257,777	2,352,053
Bank interest received	971	692	1,294	3,473
Management fee paid	(11,317,719)	(10,758,559)	(357,869)	(612,251)
Taxation paid	(3,575,032)	(3,757,730)	(125,896)	(235,548)
Transaction costs paid	(197,551)	(400,117)	(36,907)	(209,333)
Other fees paid	(248,230)	(385,567)	(373,197)	(334,092)
Margin deposits paid	175,885	(23,447)	-	-
Net cash generated from/(used in) operating activities	(13,162,855)	206,420,669	11,027,379	(58,630,265)
Financing Activities				
Cash component and cash subscription received on issue of units	8 136,336,763	52,001,570	-	116,850,655
Cash component and cash redemption paid on redemption of units	8 (90,415,815)	(222,475,013)	(10,873,770)	(56,711,470)
Final distribution paid	12 (34,830,000)	(35,604,000)	-	(1,260,000)
Net cash generated from/(used in) financing activities	11,090,948	(206,077,443)	(10,873,770)	58,879,185
Net increase/(decrease) in cash and cash equivalents	(2,071,907)	343,226	153,609	248,920
Cash and cash equivalents at the beginning of the year/period	5,114,433	4,771,207	248,920	-
Cash and cash equivalents at the end of the year/period	3,042,526	5,114,433	402,529	248,920
Analysis of Balances of Cash and Cash Equivalents				
Bank balances	3,042,526	5,114,433	402,529	248,920

The accompanying notes form part of these financial statements.

Statement of Cash Flows (continued)

For the year ended 31st December 2017

Note	iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF))		iShares Core S&P BSE SENSEX India Index ETF	
	2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Operating Activities				
Payments for purchase of financial assets at fair value through profit or loss	(17,502,055,432)	(16,719,849,405)	(107,979,193)	(13,958,913)
Proceeds from sale of financial assets at fair value through profit or loss	23,900,712,102	19,732,855,115	123,686,614	46,937,617
Dividends received	765,033,855	939,657,829	-	-
Bank interest received	564,588	3,710,182	714	300
Other income received	-	-	4,204,931	-
Management fee paid	(287,813,852)	(322,935,372)	(4,069,820)	(5,299,166)
Taxation paid	(76,547,260)	(93,935,237)	-	-
Transaction costs paid	(63,854,489)	(272,372,295)	-	-
Securities lending expenses paid in respect of the collateral arrangements	(163,052,738)	(405,801,747)	-	-
Other fees refunded/(paid)	(1,087,428)	(107,144,909)	29,200	(15,200)
Net cash generated from/(used in) operating activities	6,571,899,346	2,754,184,161	15,872,446	27,664,638
Financing Activities				
Interest paid	(2,458,787)	(716)	-	-
Cash component and cash subscription received on issue of units	8	1,597,627	108,388,920	14,000,400
Cash component and cash redemption paid on redemption of units	8	(2,637,208,549)	(119,737,280)	(42,080,580)
Final distribution paid	12	(796,200,000)	-	-
Net cash generated from/(used in) financing activities	(6,518,963,550)	(3,431,811,638)	(11,348,360)	(28,080,180)
Net increase/(decrease) in cash and cash equivalents	52,935,796	(677,627,477)	4,524,086	(415,542)
Cash and cash equivalents at the beginning of the year	134,370,833	811,998,310	2,113,901	2,529,443
Cash and cash equivalents at the end of the year	187,306,629	134,370,833	6,637,987	2,113,901
Analysis of Balances of Cash and Cash Equivalents				
Bank balances	187,306,629	134,370,833	6,637,987	2,113,901

The accompanying notes form part of these financial statements.

Statement of Cash Flows (continued)

For the year ended 31st December 2017

	iShares Core MSCI AC Asia ex Japan Index ETF		iShares MSCI Emerging Asia Index ETF		
	Note	2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Operating Activities					
Payments for purchase of financial assets at fair value through profit or loss		(4,582,143,298)	(3,574,046,100)	(17,088,236)	(13,229,711)
Proceeds from sale of financial assets at fair value through profit or loss		3,530,245,055	200,937,731	7,963,755	20,876,388
Dividends received		160,188,741	32,037,620	3,356,695	2,940,898
Bank interest received		5,345	1,349	48	37
Other income received		325,424	-	-	-
Management fee paid		(12,220,978)	(3,211,155)	(770,393)	(598,024)
Taxation paid		(20,702,411)	(3,541,857)	(537,177)	(427,046)
Transaction costs paid		(8,459,343)	(2,236,328)	(37,115)	(46,674)
Other fees refunded/(paid)		(433,726)	(344,035)	(65,045)	(149,499)
Net cash generated from/(used in) operating activities		(933,195,191)	(3,350,402,775)	(7,177,468)	9,366,369
Financing Activities					
Interest paid		-	-	(37)	(13)
Cash component and cash subscription received on issue of units	8	3,899,209,035	3,409,472,093	9,163,072	-
Cash component and cash redemption paid on redemption of units	8	(2,832,187,633)	(20,344,099)	-	(7,220,016)
Final distribution paid	12	(123,177,600)	(28,404,000)	(2,432,000)	(2,100,000)
Net cash generated from/(used in) financing activities		943,843,802	3,360,723,994	6,731,035	(9,320,029)
Net increase/(decrease) in cash and cash equivalents		10,648,611	10,321,219	(446,433)	46,340
Cash and cash equivalents at the beginning of the year		10,430,214	108,995	667,971	621,631
Cash and cash equivalents at the end of the year		21,078,825	10,430,214	221,538	667,971
Analysis of Balances of Cash and Cash Equivalents					
Bank balances		21,078,825	10,430,214	221,538	667,971

The accompanying notes form part of these financial statements.

Statement of Cash Flows (continued)

For the year ended 31st December 2017

	Note	iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))		iShares Core KOSPI 200 Index ETF	
		2017 HK\$	2016 HK\$	2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$
Operating Activities					
Payments for purchase of financial assets at fair value through profit or loss		(166,914,911)	(82,844,883)	(1,299,704)	(19,934,139)
Proceeds from sale of financial assets at fair value through profit or loss		221,772,117	137,633,578	5,910,396	6,769,620
Dividends received		2,970,769	4,429,416	272,162	58,704
Bank interest received		5,852	17,750	33	10
Other income received		-	-	182	-
Management fee paid		(978,556)	(2,188,714)	(42,932)	(22,664)
Taxation paid		(297,325)	(443,275)	(47,447)	(48,562)
Transaction costs paid		(731,115)	(1,810,416)	(19,092)	(26,272)
Securities lending expenses paid in respect of the collateral arrangements		(575,703)	(4,080,230)	-	-
Other fees refunded/(paid)		(346,543)	(241,329)	(7,266)	265
Net cash generated from/(used in) operating activities		54,904,585	50,471,897	4,766,332	(13,203,038)
Financing Activities					
Interest paid		(35,871)	(13,768)	-	-
Cash component and cash subscription received on issue of units	8	7,727,170	-	-	19,831,326
Cash component and cash redemption paid on redemption of units	8	(62,637,689)	(47,578,257)	(4,776,738)	(6,607,401)
Final distribution paid	12	(1,667,500)	(3,520,000)	-	-
Net cash generated from/(used in) financing activities		(56,613,890)	(51,112,025)	(4,776,738)	13,223,925
Net increase/(decrease) in cash and cash equivalents		(1,709,305)	(640,128)	(10,406)	20,887
Cash and cash equivalents at the beginning of the year/period		1,925,593	2,565,721	20,887	-
Cash and cash equivalents at the end of the year/period		216,288	1,925,593	10,481	20,887
Analysis of Balances of Cash and Cash Equivalents					
Bank balances		216,288	1,925,593	10,481	20,887

The accompanying notes form part of these financial statements.

Statement of Cash Flows (continued)

For the year ended 31st December 2017

Note	iShares Core MSCI Taiwan Index ETF		iShares DAX Index ETF	
	2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR
Operating Activities				
Payments for purchase of financial assets at fair value through profit or loss	(10,831,134)	(27,455,328)	(706,785)	(8,442,379)
Proceeds from sale of financial assets at fair value through profit or loss	4,109,110	8,906,698	3,430,725	3,308,716
Dividends received	886,688	719,513	175,190	3,717
Bank interest received	251	31	-	-
Management fee paid	(74,950)	(28,901)	(13,818)	(6,657)
Taxation paid	(184,514)	(162,286)	(39,882)	(980)
Transaction costs paid	(9,609)	(32,932)	(1,213)	(1,295)
Other fees refunded/(paid)	(4,854)	(3,152)	(4,770)	5,518
Margin deposit paid	(1)	-	-	-
Net cash generated from/(used in) operating activities	(6,109,013)	(18,056,357)	2,839,447	(5,133,360)
Financing Activities				
Cash component and cash subscription received on issue of units	8 8,123,723	26,222,371	-	8,052,917
Cash component and cash redemption paid on redemption of units	8 (1,711,403)	(7,735,619)	(2,853,916)	(2,902,651)
Final distribution paid	12 (352,000)	(352,000)	-	-
Net cash generated from/(used in) financing activities	6,060,320	18,134,752	(2,853,916)	5,150,266
Net increase/(decrease) in cash and cash equivalents	(48,693)	78,395	(14,469)	16,906
Cash and cash equivalents at the beginning of the year/period	78,395	-	16,906	-
Cash and cash equivalents at the end of the year/period	29,702	78,395	2,437	16,906
Analysis of Balances of Cash and Cash Equivalents				
Bank balances	29,702	78,395	2,437	16,906

The accompanying notes form part of these financial statements.

Statement of Cash Flows (continued)

For the year ended 31st December 2017

	Note	iShares EURO STOXX 50 Index ETF		iShares FTSE 100 Index ETF	
		2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR	2017 GBP	23.06.2016 (date of inception) to 31.12.2016 GBP
Operating Activities					
Payments for purchase of financial assets at fair value through profit or loss		(357,678)	(8,826,413)	(416,423)	(6,680,771)
Proceeds from sale of financial assets at fair value through profit or loss		1,826,358	4,381,865	1,171,441	3,443,218
Dividends received		169,975	41,401	177,497	102,990
Bank interest received		-	-	1	3
Management fee paid		(11,889)	(6,453)	(9,295)	(5,463)
Taxation paid		(39,915)	(10,372)	(2,132)	(625)
Transaction costs paid		(887)	(9,002)	(2,180)	(32,535)
Other fees refunded/(paid)		(9,126)	2,776	(4,762)	880
Net cash generated from/(used in) operating activities		1,576,838	(4,426,198)	914,147	(3,172,303)
Financing Activities					
Cash component and cash subscription received on issue of units	8	-	8,071,935	-	6,273,459
Cash component and cash redemption paid on redemption of units	8	(1,585,666)	(3,618,565)	(916,232)	(3,086,347)
Net cash generated from/(used in) financing activities		(1,585,666)	4,453,370	(916,232)	3,187,112
Net increase/(decrease) in cash and cash equivalents		(8,828)	27,172	(2,085)	14,809
Cash and cash equivalents at the beginning of the year/period		27,172	-	14,809	-
Cash and cash equivalents at the end of the year/period		18,344	27,172	12,724	14,809
Analysis of Balances of Cash and Cash Equivalents					
Bank balances		18,344	27,172	12,724	14,809

The accompanying notes form part of these financial statements.

Statement of Cash Flows (continued)

For the year/period ended 31st December 2017

	Note	iShares NASDAQ 100 Index ETF		iShares Core Hang Seng Index ETF
		2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	18.11.2016 (date of inception) to 31.12.2017 HK\$
Operating Activities				
Payments for purchase of financial assets at fair value through profit or loss		(367,164)	(13,149,506)	(193,013,393)
Proceeds from sale of financial assets at fair value through profit or loss		1,278,472	6,715,196	66,252,562
Dividends received		96,919	83,742	14,715,973
Bank interest received		19	13	188
Management fee paid		(23,898)	(16,456)	(450,247)
Taxation paid		(25,908)	(25,214)	(503,688)
Transaction costs paid		(173)	(3,276)	(300,632)
Other fees refunded/(paid)		(7,928)	5,374	15,000
Margin deposits paid		-	-	(19,850)
Net cash generated from/(used in) operating activities		950,339	(6,390,127)	(113,304,087)
Financing Activities				
Cash component and cash subscription received on issue of units	8	-	12,922,638	140,817,049
Cash component and cash redemption paid on redemption of units	8	(953,455)	(6,502,825)	(15,367,613)
Final distribution paid	12	-	-	(11,676,500)
Net cash generated from/(used in) financing activities		(953,455)	6,419,813	113,772,936
Net increase/(decrease) in cash and cash equivalents		(3,116)	29,686	468,849
Cash and cash equivalents at the beginning of the year/period		29,686	-	-
Cash and cash equivalents at the end of the year/period		26,570	29,686	468,849
Analysis of Balances of Cash and Cash Equivalents				
Bank balances		26,570	29,686	468,849

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1 The Trust

iShares Asia Trust (the "Trust") is an umbrella unit trust governed by its Trust Deed dated 16th November 2001, as amended, (the "Trust Deed") and authorized by the Securities and Futures Commission of Hong Kong (the "SFC") pursuant to Section 104(1) of the Securities and Futures Ordinance.

As at 31st December 2017, the Trust has established fourteen sub-funds:

Name of Sub-Fund	Listing date on The Stock Exchange of Hong Kong Limited (The "SEHK")
iShares MSCI China Index ETF	28th November 2001
iShares MSCI China A International Index ETF	28th January 2016
iShares FTSE A50 China Index ETF <i>(formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF))</i>	18th November 2004 for HKD counter 7th July 2017 for RMB counter
iShares Core S&P BSE SENSEX India Index ETF	2nd November 2006 for HKD counter 14th October 2016 for USD and RMB counters
iShares Core MSCI AC Asia ex Japan Index ETF	23rd April 2009 for HKD counter 14th October 2016 for USD and RMB counters
iShares MSCI Emerging Asia Index ETF	23rd April 2009
iShares Core CSI 300 Index ETF <i>(formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))</i>	18th November 2009 for HKD counter 28th February 2017 for USD and RMB counters
iShares Core KOSPI 200 Index ETF	29th June 2016
iShares Core MSCI Taiwan Index ETF	29th June 2016
iShares DAX Index ETF	29th June 2016
iShares EURO STOXX 50 Index ETF	29th June 2016
iShares FTSE 100 Index ETF	29th June 2016
iShares NASDAQ 100 Index ETF	29th June 2016
iShares Core Hang Seng Index ETF	23rd November 2016

The manager of the Trust is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

iShares MSCI China Index ETF ("MSCI China ETF")

The objective of the MSCI China ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the MSCI China Index. It is designed to track the equity market performance of (i) Chinese securities (including H-Shares, Red Chips and P Chips) listed on the SEHK (ii) B-shares of Chinese securities listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange and (iii) companies traded outside the country of classification (i.e. foreign listed companies) including those traded by way of depositary receipts.

iShares MSCI China A International Index ETF ("MSCI China A ETF")

The objective of the MSCI China A ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the MSCI China A International Index. The MSCI China A International Index captures large and mid-cap representation of the Shanghai Stock Exchange and Shenzhen Stock Exchange and includes the China A-Share constituents of the MSCI China All Shares Index. The MSCI China A ETF may invest in China A-Shares through a combination of Renminbi Qualified Foreign Institutional Investor ("RQFII") quota and the Stock Connect.

iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)) ("A50 China ETF")

The objective of the A50 China ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE China A50 Index. Until 2nd August 2013, the A50 China ETF did not hold A-Shares directly but rather gained access to the FTSE China A50 Index through China A-Share Access Products ("CAAPs"). Since 2nd August 2013, the A50 China ETF invests in A-Shares directly in addition to CAAPs. A CAAP represents only an obligation of each CAAP Issuer ("CAAP Issuer") to provide the economic performance equivalent to holding the underlying A-Shares or A-Share index.

On 30th June 2017, the Manager announced that, as a result of the transition from a "synthetic representative" sub-strategy to a "physical representative" sub-strategy, the A50 China ETF's use of the "physical representative" sub-strategy and investment in A-Shares as well as Physical A-Share ETF in aggregate, comprise more than 70% of the Net Asset Value of the A50 China ETF on an ongoing basis. Accordingly, as foreshadowed in the Manager's announcement of 28th October 2016, the Manager had applied and been granted approval by the Securities and Futures Commission of Hong Kong ("SFC") to remove the SFC synthetic labelling condition. The Manager would continue to decrease the A50 China ETF's use of the "synthetic representative" sub-strategy of investing in CAAPs and increase the use of the "physical representative" sub-strategy, including investing in A-Shares (directly through the QFII Quota and RQFII Quota available to the A50 China ETF and Stock Connect and as well as Physical A-Share ETFs). The A50 China ETF uses a representative sampling investment

Notes to the Financial Statements (continued)

strategy which comprised primarily a “physical representative” sub-strategy and a “synthetic representative” sub-strategy as an ancillary strategy. On a going basis, the Manager intends to manage the A50 China ETF such that its investment in A-Shares as well as Physical A-Share ETFs will in aggregate comprise 70% or more of the Net Asset Value of A50 China ETF. On 1st December 2017, the Manager announced that the A50 China ETF had completed its transition from a “synthetic representative” strategy to a “physical representative” strategy under which its holdings in A-Shares and Physical A-Share ETFs (for cash management and contingency purposes) in aggregate comprise 90% or more of its Net Asset Value on an ongoing basis. Furthermore, the Manager also announced that it had applied to the SFC for, and has been granted, approval to remove the authorisation condition imposed on the A50 China ETF by the SFC on 29th August 2011 whereby the Manager was (i) required to collateralise all counterparty exposures with a view to ensuring that the collateral held by the A50 China ETF must represent at least 100% of the A50 China ETF’s gross total counterparty exposure and (ii) where the A50 China ETF accepted collateral in the nature of equity securities, the A50 China ETF had to obtain collateral that has a market value of at least 120%, and for not-equity collateral, the Manager was required to adopt a prudent haircut policy (“SFC Collateral Condition”). The removal of the SFC Collateral Condition took effect from 1st January 2018.

From 7th July 2017 onwards, the asterisk and annotation to the name of the A50 China ETF was removed and the name of A50 China ETF was also changed from the “iShares FTSE A50 China Index ETF* (*This is a synthetic ETF)” to “iShares FTSE A50 China Index ETF”.

As at 31st December 2017, there were seventeen (2016: seventeen) participating dealers and one (2016: six) CAAP Issuers for the A50 China ETF. A list of the CAAP Issuers as at 31st December 2017 and 2016 is set out in note 11(b).

iShares Core S&P BSE SENSEX India Index ETF (“SENSEX India ETF”)

The objective of the SENSEX India ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the S&P BSE SENSEX Index.

The iShares BSE SENSEX Mauritius Company, a wholly-owned subsidiary of the SENSEX India ETF was incorporated in Mauritius (the “Mauritius Subsidiary”), to hold Indian securities and India Access Products (“IAPs”) on behalf of the SENSEX India ETF.

The SENSEX India ETF may invest up to 15% of its net asset value in IAPs; with a maximum exposure to any single issuer of 10% of its net asset value. For the years ended 31st December 2017 and 2016, the SENSEX India ETF did not hold any IAPs.

iShares Core MSCI AC Asia ex Japan Index ETF (“MSCI AC Asia ex Japan ETF”)

The objective of the MSCI AC Asia ex Japan ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the MSCI All Country Asia ex Japan Index, and, prior to 27th July 2015, the MSCI Asia APEX 50 Index. The MSCI All Country Asia ex Japan Index consists of large and mid-cap stocks and the MSCI Asia APEX 50 Index consists of 50 largest stocks that meet the tradability criteria.

The MSCI AC Asia ex Japan ETF invests in (i) the iShares MSCI India Index ETF, a Singapore-listed ETF (the “SG MSCI India ETF”), and (ii) the iShares MSCI India ETF, an ETF traded in the United States of America with its primary listing on the BATS Exchange, Inc (the “US MSCI India ETF”), to gain access to the India securities comprised in the Underlying Index (“Indian Constituents”). There is no additional management fee charged on MSCI AC Asia ex Japan ETF’s holding of the SG MSCI India ETF and the US MSCI India ETF, as detailed in note 7(a).

iShares MSCI Emerging Asia Index ETF (“MSCI Emerging Asia ETF”)

The objective of the MSCI Emerging Asia ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the MSCI EM Asia Index. The MSCI Emerging Asia ETF is designed to track the equity market performance of emerging countries in Asia. The MSCI Emerging Asia ETF is not a registered Foreign Portfolio Investor (“FPI”) with the Securities and Exchange Investment Board of India (“SEBI”) and is investing in the SENSEX India ETF to gain exposure to the Indian market segment of the MSCI EM Asia Index. There is no additional management fee charged on MSCI Emerging Asia ETF’s holding of SENSEX India ETF, as detailed in note 7(a).

iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)) (“CSI 300 ETF”)

The objective of the CSI 300 ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the CSI 300 Index. The CSI 300 Index is a diversified index consisting of 300 constituent stocks traded on the Shanghai and Shenzhen stock exchanges. Until 21st November 2016, the CSI 300 ETF did not hold A-Shares directly but rather gained access to the CSI 300 Index through investing in a combination of the iShares CSI Sector Index Funds¹ and CAAPs or solely in CAAPs. Since 21st November 2016, the CSI 300 ETF invests in A-Shares directly in addition to CAAPs. A CAAP represents only an obligation of each CAAP Issuer to provide the economic performance equivalent to holding the underlying A-Shares. There is no additional management fee charged on the CSI 300 ETF’s holding in the CSI Sector Index Funds, as detailed in note 7(a). On 17th February 2017, the Manager announced that the CSI 300 ETF

¹ Referred to individually or collectively as the “CSI Sector Index Funds”.

Notes to the Financial Statements (continued)

had completed its transition from a “synthetic representative” strategy to a “physical representative” strategy under which its holding in A-Shares and Physical A-Share ETFs (for cash management and contingency purposes) in aggregate comprise 90% or more of its Net Asset Value on an ongoing basis. As at 31st December 2017, the CSI 300 ETF solely invested in A-Share directly. As at 31st December 2016, the CSI 300 ETF invested in A-Shares directly in additions to CAAPs.

From 28th February 2017 onwards, the asterisk and annotation to the name of the CSI 300 ETF was removed and the name of CSI 300 ETF was also changed from the “iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)” to “iShares Core CSI 300 Index ETF”.

As at 31st December 2017, there were fourteen (2016: fourteen) participating dealers and nil (2016: three) CAAP Issuers for the CSI 300 ETF. A list of the CAAP Issuers as at 31st December 2016 is set out in note 11(b).

iShares Core KOSPI 200 Index ETF (“KOSPI 200 ETF”)

The objective of the KOSPI 200 ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the KOSPI 200 Net Total Return USD Index. The KOSPI 200 Net Total Return USD Index is a free float-adjusted market capitalization-weighted index based on 200 blue chip companies listed on the Korea Stock Market, which are selected on the basis of such factors as their market and sector representation and liquidity. It is calculated and maintained by the Korea Exchange. The KOSPI 200 Net Total Return USD Index is a net total return index, meaning that the performance of the KOSPI 200 Net Total Return USD Index is calculated on the basis that dividends net of tax are reinvested.

iShares Core MSCI Taiwan Index ETF (“MSCI Taiwan ETF”)

The objective of the MSCI Taiwan ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the MSCI Taiwan Index. The MSCI Taiwan Index is a free float-adjusted market capitalization-weighted index covering approximately 85% of the Taiwan investable equity universe on a net total return basis with dividends net of tax reinvested, subject to a global minimum size requirement. It is calculated and maintained by MSCI Inc.

iShares DAX Index ETF (“DAX ETF”)

The objective of the DAX ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the DAX Index. The DAX Index is a free float-adjusted market capitalization-weighted index that tracks the segment of the 30 largest and most important companies – known as blue chips – on the Frankfurt Stock Exchange. It is calculated and maintained by Deutsche Börse AG. The DAX Index is a gross total return index, meaning that the performance of the DAX Index is calculated on the basis that dividends gross of tax are reinvested.

iShares EURO STOXX 50 Index ETF (“EURO STOXX 50 ETF”)

The objective of the EURO STOXX 50 ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the EURO STOXX 50 Index. The EURO STOXX 50 Index is a free float-adjusted market capitalization-weighted index. It represents the 50 largest companies – known as blue chips – in terms of free-float market capitalization in 12 Eurozone countries. It is calculated and maintained by STOXX Limited. The EURO STOXX 50 Index is net total return index, meaning the performance of the EURO STOXX 50 Index is calculated on the basis that dividends net of tax are reinvested.

iShares FTSE 100 Index ETF (“FTSE 100 ETF”)

The objective of the FTSE 100 ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE 100 Index. The FTSE 100 Index is a free float market capitalization-weighted index of UK-listed blue chips companies. It is designed to measure the performance of the 100 largest UK companies listed on the London Stock Exchange (the “LSE”) by full market capitalization, i.e. before the application of any investability weights. It is calculated and maintained by FTSE International Limited (“FTSE”). The FTSE 100 Index is a net total return index, meaning the performance of the FTSE 100 Index is calculated on the basis that dividends net of tax are reinvested.

iShares NASDAQ 100 Index ETF (“NASDAQ 100 ETF”)

The objective of the NASDAQ 100 ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the NASDAQ 100 Index. The NASDAQ 100 Index is a modified market capitalization-weighted index. It includes 100 of the largest US and international non-financial companies listed on The NASDAQ Stock Market LLC (“NASDAQ”) based on market capitalization. It is calculated and maintained by The NASDAQ OMX Group Inc. or its affiliates. The NASDAQ 100 Index is a net total return index, meaning the performance of the NASDAQ 100 Index is calculated on the basis that dividends net of tax are reinvested.

iShares Core Hang Seng Index ETF (“Hang Seng ETF”)

The objective of the Hang Seng ETF is to provide investment results that, before fees and expenses, closely correspond to performance of the Hang Seng Index (net total return version) (“HSI Net Total Return Index”). The HSI Net Total Return Index is a net total return index, meaning that the performance of the index is calculated on the basis that dividends net of tax are reinvested. The HSI Net Total Return Index is compiled and managed by Hang Seng Indexes Company Limited (“HSIL”), a wholly-owned subsidiary of Hang Seng Bank Limited and which is a fellow subsidiary under the same group of the Trustee.

Notes to the Financial Statements (continued)

2 Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of the Sub-Funds have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss.

As referred to Note 14, the Manager has decided to terminate the MSCI China A ETF in an orderly manner. Accordingly the financial statements of the MSCI China A ETF have been prepared on a non-going concern basis of accounting.

The Trustee and the Manager (the "Management") have assessed that the fair values of all assets and liabilities of the MSCI China A ETF at the reporting date approximate their net realizable value and therefore no changes in accounting policies or adjustments have been made in the financial statements to reflect the fact that the MSCI China A ETF will be able to realize its assets or to extinguish its liabilities in an orderly manner.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Management to exercise their judgment in the process of applying the Sub-Funds' accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The SENSEX India ETF meets the definition of an investment entity as defined by IFRS 10 and is required to account for the investment in its subsidiary, the Mauritius Subsidiary, at fair value through profit or loss.

The financial statements of the SENSEX India ETF are the only financial statements presented by the SENSEX India ETF.

Standards and amendments to existing standards effective 1st January 2017

Amendments to IAS 7, 'Statement of Cash Flows' became effective for annual periods beginning on or after 1st January 2017. These amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. These amendments did not have any significant impact on the Sub-Fund's financial statements.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1st January 2017 that would be expected to have a material impact on the Sub-Funds.

New standards, amendments and interpretations issued but not yet effective for the financial year beginning 1st January 2017 and have not been early adopted

IFRS 9 'Financial Instruments' addresses the classification, measurement and derecognition of financial assets and liabilities. It replaces the multiple classification and measurement models in IAS 39 and is effective for reporting periods beginning on or after 1st January 2018. Classification and measurement of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognized at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. IFRS 9 also introduces a new expected credit loss (ECL) impairment model. On adoption of IFRS 9 the Sub-Funds' investment portfolio will continue to be classified as fair value through profit or loss. Other financial assets which are held for collection will continue to be measured at amortized cost with no material impact expected from application of the new impairment model. As a result, the adoption of IFRS 9 is not expected to have a material impact on the Sub-Funds' financial statements.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Sub-Funds.

(b) Investment entity

The SENSEX India ETF has multiple unrelated investors and indirectly holds multiple investments through the Mauritius Subsidiary. Ownership interests in the SENSEX India ETF are in the form of redeemable units which are classified as equity in accordance with IAS 32 and which are exposed to variable returns from changes in the fair value of the SENSEX India ETF's net assets. The SENSEX India ETF has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

Notes to the Financial Statements (continued)

(i) The SENSEX India ETF has obtained funds for the purpose of providing investors with investment management services.

(ii) The SENSEX India ETF's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income, through the Mauritius Subsidiary. The Mauritius Subsidiary is set up to hold Indian securities and IAPs on behalf of the SENSEX India ETF.

(iii) The performance of investments made through the Mauritius Subsidiary is measured and evaluated on a fair value basis.

Although the SENSEX India ETF does not meet all of the typical characteristics of an investment entity (namely, the SENSEX India ETF does not have multiple investments), Management believes it is nevertheless an investment entity because it was formed in conjunction with the Mauritius Subsidiary and effects multiple investments through the Mauritius Subsidiary.

As such, consolidated financial statements have not been prepared by the SENSEX India ETF. In these non-consolidated financial statements, the SENSEX India ETF's investment in its subsidiary is accounted for at fair value through profit or loss.

(c) Subsidiary

The Mauritius Subsidiary is a private company with limited liability by shares incorporated in Mauritius. The Mauritius Subsidiary is a wholly owned subsidiary of SENSEX India ETF. SENSEX India ETF and its Mauritius Subsidiary operate as an integrated structure whereby SENSEX India ETF invests solely into the Mauritius Subsidiary by subscribing all of the Mauritius Subsidiary's participating shares. The Mauritius Subsidiary allows redemption of these participating shares on a daily basis.

Total net redemptions made by the SENSEX India ETF during the year ended 31st December 2017 were HK\$15,195,780 (2016: net redemptions of HK\$32,977,069). As at 31st December 2017 and 2016, there were no capital commitment obligations and no amounts due to the Mauritius Subsidiary for unsettled purchases.

	2017		2016	
	Holdings No. of shares	Fair value HK\$	Holdings No. of shares	Fair value HK\$
iShares BSE SENSEX Mauritius Company	42,117,600	1,094,333,177	42,499,125	797,797,824

Movement in the fair value of the Mauritius Subsidiary's portfolio and corresponding movements in the fair value of the Mauritius Subsidiary may expose the SENSEX India ETF to a loss.

(d) Investments

(i) Classification

The Sub-Funds classify their investments as financial assets at fair value through profit or loss. These financial assets are designated by the Management at fair value through profit or loss at inception. Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Sub-Funds' documented investment strategies. The Sub-Funds' policies require the Management to evaluate the information about these financial assets on a fair value basis together with other related financial information.

(ii) Recognition/derecognition

Purchases and sales of investments are accounted for on the trade date basis. Investments are derecognized when the rights to receive cash flows from the investments have expired or the Sub-Funds have transferred substantially all risks and rewards of ownership.

(iii) Measurement

Investments are initially recognized at fair value. Transaction costs are expensed in the Statement of Comprehensive Income.

Subsequent to initial recognition, all investments are measured at fair value. Realized and unrealized gains and losses on investments are recognized in the Statement of Comprehensive Income in the period in which they arise.

(iv) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of investments traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Sub-Funds use last traded market price to determine the fair valuation of investments, where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Management will determine the point within the bid-ask spread that is most representative of fair value.

In the case of CAAPs held by the A50 China ETF and IAPs held by the SENSEX India ETF, such investments have only nominal exercise prices. Their fair value is based on the quoted market prices of the securities underlying the CAAPs and IAPs, adjusted for the expected amount payable to the issuer in respect of potential capital gains tax (if any) as described in note 6 below. For the years ended 31st December 2017 and 2016, the SENSEX India ETF did not hold any IAPs.

Notes to the Financial Statements (continued)

Investments that are not listed on an exchange or are thinly traded are valued by using quotes from brokers or based on the Manager's judgments and estimates. Debt securities are fair valued based on quoted market prices inclusive of accrued interests.

The SENSEX India ETF's investment in the Mauritius Subsidiary and the underlying investments held by the Mauritius Subsidiary have been designated at fair value through profit or loss at inception as they are managed as portfolio and their performance evaluated on a fair value basis in accordance with the SENSEX India ETF's offering document.

The Mauritius Subsidiary is fair valued based on its latest net asset value as reported by its administrator.

(v) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position where the Sub-Funds currently have a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Funds or the counterparty.

(f) Amounts due from and to brokers

Amounts due from and to brokers represent receivables for securities sold, and payables for securities purchased, that have been contracted for but not yet settled or delivered by the end of the reporting period.

These amounts are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment for amounts due from brokers. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Sub-Funds will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the amounts due from brokers are impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognized in the Statement of Comprehensive Income. Amounts due from brokers in the Statement of Financial Position are stated net of such provisions.

(g) Dividend income and bank interest income

Dividend income is recorded on an ex-dividend basis. Dividend income on equity securities and CAAPs where no ex-dividend date is quoted is accounted for when the Sub-Funds' right to receive payment is established.

Interest income from bank balances is recognized in the Statement of Comprehensive Income on a time proportionate basis using the effective interest method.

(h) Distributions to Unitholders

Distributions to Unitholders are recognized in the Statement of Changes in Net Assets Attributable to Unitholders when they are approved by the Manager.

(i) Expenses

Expenses are accounted for on an accrual basis.

(j) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown as current liabilities in the Statement of Financial Position.

(k) Translation of foreign currencies

Functional and presentation currency

MSCI China ETF, A50 China ETF, SENSEX India ETF, MSCI AC Asia ex Japan ETF, MSCI Emerging Asia ETF, CSI 300 ETF and Hang Seng ETF

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Funds operate (the "functional currency"). The performance of the Sub-Funds are measured and reported to the unitholders in Hong Kong dollar. The Management considers the Hong Kong dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Hong Kong dollar, which is each Sub-Fund's functional and presentation currency.

MSCI China A ETF

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Fund operates (the "functional currency"). The performance of the Sub-Fund is measured and reported to the unitholders in Renminbi ("RMB"). The Management considers the Renminbi as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Renminbi, which is each Sub-Fund's functional and presentation currency.

Notes to the Financial Statements (continued)

KOSPI 200 ETF, MSCI Taiwan ETF and NASDAQ 100 ETF

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Funds operate (the "functional currency"). The performance of the Sub-Funds are measured and reported to the unitholders in the United States dollar ("US dollar"). The Management considers the US dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in US dollar, which is each Sub-Fund's functional and presentation currency.

DAX ETF and EURO STOXX 50 ETF

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Funds operate (the "functional currency"). The performance of the Sub-Funds are measured and reported to the unitholders in Euro ("EUR"). The Management considers the Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euro, which is each Sub-Fund's functional and presentation currency.

FTSE 100 ETF

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Fund operates (the "functional currency"). The performance of the Sub-Fund is measured and reported to the unitholders in British Pound ("GBP"). The Management considers the British Pound as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in British Pound, which is the Sub-Fund's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date. Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within "Net foreign currency gain/(loss)". Foreign exchange gains and losses relating to financial assets and liabilities carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within "Net gain/(loss) on financial assets at fair value through profit or loss".

(l) Redeemable units

The Sub-Funds issue redeemable units, which are redeemable at the holder's option, are the most subordinated units in issue and are therefore classified as equity.

(m) Taxation

Withholding tax

The Sub-Funds currently incur withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the Statement of Comprehensive Income. Withholding tax is included as taxation in the Statement of Comprehensive Income.

Capital gains tax

The tax expense for capital gains tax for the period comprises current and deferred taxes. Tax is recognized in the Statement of Comprehensive Income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period in the countries where the Sub-Funds operate and generate taxable income. Management periodically evaluates positions taken with respect to situations in which applicable tax regulation is subject to interpretation or judgment. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same tax authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Notes to the Financial Statements (continued)

(n) Securities lending

CAAPs on loan are included in the investment portfolio of the A50 China ETF and CSI 300 ETF as these Sub-Funds are entitled to the dividend income from the CAAPs on loan and retain substantially all the risks and rewards. Relevant securities lending expenses paid by these Sub-Funds are accounted for in the Statement of Comprehensive Income.

Collateral received for the purpose of securities on loan generally consists of share, fixed income or cash collateral. Share and fixed income collateral received is treated as an off-balance sheet transaction and is therefore not included in the Statement of Financial Position because the A50 China ETF and CSI 300 ETF are not entitled to the dividend and interest income from the share and fixed income collateral and do not retain substantially all the risks and rewards. Dividends and interest received from the share and fixed income collateral are paid to the counterparty that provides the collateral to these Sub-Funds. Cash collateral received (if any) is treated as an on-balance sheet transaction with a corresponding liability shown separately. Income from the cash collateral is recognized as income in the Statement of Comprehensive Income.

Dividend income from the CAAPs on loan is recognized as income by the A50 China ETF and CSI 300 ETF in the Statement of Comprehensive Income.

(o) Changes to presentation and comparative information

When the presentation or classification of items in the financial statements is amended, comparative amounts have been updated to conform with the current year's presentation or classification.

3 Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires the Management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are outlined below.

(a) Functional Currency

MSCI China ETF, A50 China ETF, SENSEX India ETF, MSCI AC Asia ex Japan ETF, MSCI Emerging Asia ETF, CSI 300 ETF and Hang Seng ETF

Management considers the Hong Kong dollar to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Hong Kong dollar is the currency in which the Sub-Funds measure their performance and report their results, as well as the currency in which the Sub-Funds determine the net asset value per unit at the time of issue or redemption. This determination also considers that the Sub-Funds are all listed on SEHK and their units are quoted in Hong Kong dollars.

MSCI China A ETF

Management considers the RMB to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The RMB is the currency in which the Sub-Fund measures its performance and reports its results, as well as the currency in which the Sub-Fund determines the net asset value per unit at the time of issue or redemption. This determination also considers that the Sub-Fund is listed on SEHK with its units quoted in RMB.

KOSPI 200 ETF, MSCI Taiwan ETF and NASDAQ 100 ETF

Management considers the US dollar to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The US dollar is the currency in which the Sub-Funds measure their performance and report their results, as well as the currency in which the Sub-Funds determine the net asset value per unit at the time of issue or redemption. This determination also considers that the Sub-Funds are all listed on SEHK and their units are quoted in US dollar.

DAX ETF and EURO STOXX 50 ETF

Management considers the EUR to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The EUR is the currency in which the Sub-Funds measure their performance and report their results, as well as the currency in which the Sub-Funds determine the net asset value per unit at the time of issue or redemption.

FTSE 100 ETF

Management considers the GBP to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The GBP is the currency in which the Sub-Fund measures its performance and reports its results, as well as the currency in which the Sub-Fund determines the net asset value per unit at the time of issue or redemption.

Notes to the Financial Statements (continued)

(b) Fair value of securities not quoted in an active market

The fair value of such securities not quoted in an active market may be determined by the Management using reputable pricing sources (such as pricing agencies). Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. The Management would exercise judgment and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Management may value positions using their own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The inputs into these models are primarily earning multiples and discounted cash flows. The models used to determine fair values are validated and periodically reviewed by experienced personnel at the Manager.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes "observable" requires significant judgment by the Management. The Management considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

4 Movement of the Redeemable Units

The movements of the redeemable units are as follows:

	MSCI China ETF Number of units		MSCI China A ETF Number of units	
	01.01.2017 to 31.12.2017	01.01.2016 to 31.12.2016	01.01.2017 to 31.12.2017	25.01.2016 (date of inception) to 31.12.2016
Units in issue at the beginning of the year/period	76,200,000	127,800,000	10,500,000	-
Issue of units	21,000,000	14,400,000	-	19,500,000
Redemption of units	(11,400,000)	(66,000,000)	(1,500,000)	(9,000,000)
Units in issue at the end of the year/period	85,800,000	76,200,000	9,000,000	10,500,000
	HK\$	HK\$	RMB	RMB
Accounting NAV (per unit)	28.05	18.49	7.49	6.29

	A50 China ETF Number of units		SENSEX India ETF Number of units	
	01.01.2017 to 31.12.2017	01.01.2016 to 31.12.2016	01.01.2017 to 31.12.2017	01.01.2016 to 31.12.2016
Units in issue at the beginning of the year/period	2,654,000,000	3,510,000,000	45,000,000	46,600,000
Issue of units	-	24,000,000	5,200,000	800,000
Redemption of units	(604,000,000)	(880,000,000)	(5,400,000)	(2,400,000)
Units in issue at the end of the year/period	2,050,000,000	2,654,000,000	44,800,000	45,000,000
	HK\$	HK\$	HK\$	HK\$
Accounting NAV (per unit)	15.08	10.86	24.57	17.77

	MSCI AC Asia ex Japan ETF Number of units		MSCI Emerging Asia ETF Number of units	
	01.01.2017 to 31.12.2017	01.01.2016 to 31.12.2016	01.01.2017 to 31.12.2017	01.01.2016 to 31.12.2016
Units in issue at the beginning of the year/period	105,200,000	2,400,000	3,000,000	3,200,000
Issue of units	85,200,000	103,280,000	200,000	-
Redemption of units	(58,080,000)	(480,000)	-	(200,000)
Units in issue at the end of the year/period	132,320,000	105,200,000	3,200,000	3,000,000
	HK\$	HK\$	HK\$	HK\$
Accounting NAV (per unit)	56.08	40.04	56.36	39.75

	CSI 300 ETF Number of units		KOSPI 200 ETF Number of units	
	01.01.2017 to 31.12.2017	01.01.2016 to 31.12.2016	01.01.2017 to 31.12.2017	22.06.2016 (date of inception) to 31.12.2016
Units in issue at the beginning of the year/period	8,000,000	10,000,000	12,600,000	-
Issue of units	250,000	-	-	18,600,000
Redemption of units	(2,500,000)	(2,000,000)	(3,600,000)	(6,000,000)
Units in issue at the end of the year/period	5,750,000	8,000,000	9,000,000	12,600,000
	HK\$	HK\$	US\$	US\$
Accounting NAV (per unit)	31.29	24.21	1.52	1.07

Notes to the Financial Statements (continued)

	MSCI Taiwan ETF Number of units		DAX ETF Number of units	
	01.01.2017 to 31.12.2017	22.06.2016 (date of inception) to 31.12.2016	01.01.2017 to 31.12.2017	23.06.2016 (date of inception) to 31.12.2016
Units in issue at the beginning of the year/period	17,600,000	-	5,800,000	-
Issue of units	5,800,000	24,200,000	-	8,600,000
Redemption of units	(1,200,000)	(6,600,000)	(3,400,000)	(2,800,000)
Units in issue at the end of the year/period	22,200,000	17,600,000	2,400,000	5,800,000
	US\$	US\$	EUR	EUR
Accounting NAV (per unit)	1.41	1.13	1.17	1.05

	EURO STOXX 50 ETF Number of units		FTSE 100 ETF Number of units	
	01.01.2017 to 31.12.2017	23.06.2016 (date of inception) to 31.12.2016	01.01.2017 to 31.12.2017	23.06.2016 (date of inception) to 31.12.2016
Units in issue at the beginning of the year/period	5,000,000	-	4,800,000	-
Issue of units	-	8,600,000	-	8,600,000
Redemption of units	(2,000,000)	(3,600,000)	(1,800,000)	(3,800,000)
Units in issue at the end of the year/period	3,000,000	5,000,000	3,000,000	4,800,000
	EUR	EUR	GBP	GBP
Accounting NAV (per unit)	1.11	1.02	0.93	0.83

	NASDAQ 100 ETF Number of units		Hang Seng ETF Number of units
	01.01.2017 to 31.12.2017	22.06.2016 (date of inception) to 31.12.2016	18.11.2016 (date of inception) to 31.12.2017
Units in issue at the beginning of the year/period	6,800,000	-	-
Issue of units	-	12,400,000	10,150,000
Redemption of units	(800,000)	(5,600,000)	(6,950,000)
Units in issue at the end of the year/period	6,000,000	6,800,000	3,200,000
	US\$	US\$	HK\$
Accounting NAV (per unit)	1.52	1.15	107.43

5 Net gain/(loss) on Financial Assets at Fair Value through Profit or Loss

	MSCI China ETF		MSCI China A ETF	
	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$	01.01.2017 to 31.12.2017 RMB	25.01.2016 (date of inception) to 31.12.2016 RMB
Change in unrealized gain/loss in value of financial assets at fair value through profit or loss	717,604,486	170,008,941	10,008,249	3,466,346
Net realized gain/(loss) on sale of financial assets at fair value through profit or loss	91,139,478	(262,538,773)	1,908,363	2,743,533
	808,743,964	(92,529,832)	11,916,612	6,209,879

	A50 China ETF		SENSEX India ETF	
	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$
Change in unrealized gain/loss in value of financial assets at fair value through profit or loss	6,812,988,191	(5,972,140,103)	270,990,359	(4,048,118)
Net realized gain on sale of financial assets at fair value through profit or loss	3,302,574,576	1,646,311,431	41,248,182	8,672,883
	10,115,562,767	(4,325,828,672)	312,238,541	4,624,765

	MSCI AC Asia ex Japan ETF		MSCI Emerging Asia ETF	
	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$
Change in unrealized gain/loss in value of financial assets at fair value through profit or loss	1,583,771,257	(73,342,706)	50,890,583	6,305,361
Net realized gain/(loss) on sale of financial assets at fair value through profit or loss	402,372,129	3,717,910	70,829	(1,014,103)
	1,986,143,386	(69,624,796)	50,961,412	5,291,258

Notes to the Financial Statements (continued)

	CSI 300 ETF		KOSPI 200 ETF	
	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$	01.01.2017 to 31.12.2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$
Change in unrealized gain/ loss in value of financial assets at fair value through profit or loss	46,813,731	(32,421,575)	3,841,573	(94,240)
Net realized gain/(loss) on sale of financial assets at fair value through profit or loss	(3,885,435)	(11,516,325)	1,054,266	237,639
	42,928,296	(43,937,900)	4,895,839	143,399

	MSCI Taiwan ETF		DAX ETF	
	01.01.2017 to 31.12.2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	01.01.2017 to 31.12.2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR
Change in unrealized gain/ loss in value of financial assets at fair value through profit or loss	4,407,104	713,087	(154,848)	642,472
Net realized gain on sale of financial assets at fair value through profit or loss	352,522	511,252	794,288	287,211
	4,759,626	1,224,339	639,440	929,683

	EURO STOXX 50 ETF		FTSE 100 ETF	
	01.01.2017 to 31.12.2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR	01.01.2017 to 31.12.2017 GBP	23.06.2016 (date of inception) to 31.12.2016 GBP
Change in unrealized gain/ loss in value of financial assets at fair value through profit or loss	23,746	426,160	12,289	437,049
Net realized gain on sale of financial assets at fair value through profit or loss	353,807	207,956	277,624	289,698
	377,553	634,116	289,913	726,747

	NASDAQ 100 ETF		Hang Seng ETF
	01.01.2017 to 31.12.2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	18.11.2016 (date of inception) to 31.12.2017 HK\$
Change in unrealized gain/loss in value of financial assets at fair value through profit or loss	2,070,990	722,138	68,694,295
Net realized gain on sale of financial assets at fair value through profit or loss	133,576	666,332	63,996,796
	2,204,566	1,388,470	132,691,091

6 Taxation

No provision for Hong Kong profits tax has been made for the Sub-Funds as they are authorized as collective investment schemes under Section 104 of the Hong Kong Securities and Futures Ordinance and are therefore exempt from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Taxation of each Sub-Fund represents:

	MSCI China ETF		MSCI China A ETF	
	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$	01.01.2017 to 31.12.2017 RMB	25.01.2016 (date of inception) to 31.12.2016 RMB
Taxation				
- Withholding tax on dividend income	3,575,032	3,757,730	125,778	235,205
- Withholding tax on interest income	-	-	118	343
	3,575,032	3,757,730	125,896	235,548

	A50 China ETF		SENSEX India ETF	
	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$
Taxation				
- Withholding tax on dividend income	76,503,386	93,863,909	-	-
- Withholding tax on interest income	43,874	71,328	-	-
	76,547,260	93,935,237	-	-

Notes to the Financial Statements (continued)

	MSCI AC Asia ex Japan ETF		MSCI Emerging Asia ETF	
	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$
Taxation				
- Withholding tax on dividend income	20,701,853	3,541,807	537,177	427,046
- Withholding tax on interest income	558	50	-	-
	20,702,411	3,541,857	537,177	427,046

	CSI 300 ETF		KOSPI 200 ETF	
	01.01.2017 to 31.12.2017 HK\$	01.01.2016 to 31.12.2016 HK\$	01.01.2017 to 31.12.2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$
Taxation				
- Withholding tax on dividend income	296,757	443,152	47,447	48,562
- Withholding tax on interest income	568	123	-	-
	297,325	443,275	47,447	48,562

	MSCI Taiwan ETF		DAX ETF	
	01.01.2017 to 31.12.2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	01.01.2017 to 31.12.2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR
Taxation				
- Withholding tax on dividend income	184,514	162,286	39,882	980
	184,514	162,286	39,882	980

	EURO STOXX 50 ETF		FTSE 100 ETF	
	01.01.2017 to 31.12.2017 EUR	23.06.2016 (date of inception) to 31.12.2016 EUR	01.01.2017 to 31.12.2017 GBP	23.06.2016 (date of inception) to 31.12.2016 GBP
Taxation				
- Withholding tax on dividend income	39,915	10,372	2,132	625
	39,915	10,372	2,132	625

	NASDAQ 100 ETF		Hang Seng ETF
	01.01.2017 to 31.12.2017 US\$	22.06.2016 (date of inception) to 31.12.2016 US\$	18.11.2016 (date of inception) to 31.12.2017 HK\$
Taxation			
- Withholding tax on dividend income	25,908	25,214	503,688
	25,908	25,214	503,688

India Capital Gains Tax

The SENSEX India ETF invests in India through the Mauritius Subsidiary which invests in securities traded in the Indian market and the Mauritius Subsidiary expects to obtain benefits under the double taxation treaty between Mauritius and India. To obtain benefits under the treaty, the Mauritius Subsidiary must meet annually certain tests and conditions, including the establishment of Mauritius tax residence and related requirements. The Mauritius Subsidiary has obtained a tax residence certification ("TRC") from the Mauritius Revenue Authority, and as it has no branch or permanent establishment in India, it will not be subject to capital gains tax in India on the sale of securities.

On 10th May 2016, the Indian Tax Board announced a phased removal of the capital gains tax ("CGT") exemption under the India-Mauritius Tax Treaty. The change, effective from 1st April 2017, resulted in India retaining taxation rights on capital gains arising from sales of shares of Indian resident companies acquired by a Mauritius entity on or after 1st April 2017. Shares acquired prior to 1st April 2017 would still be protected from taxing rights in India. There is a transition period from 1st April 2017 to 31st March 2019 where the tax rate will be limited to 50% of India's domestic tax rate subject to a limitation of benefits clause. Taxation in India at the full domestic tax rate will apply from financial year 2019 - 2020 onwards.

In 2017 gains arising on disposal of shares by the Mauritius Subsidiary acquired prior to 1st April 2017 were not subject to tax in accordance with the above. Gains on disposal of shares acquired after 1st April 2017 will be subject to tax according to the relevant local laws. The Manager is continuing to review the impact of the treaty change and the India tax law changes on the Mauritius Subsidiary.

Dividends on shares received from an Indian company on which dividend distribution tax has been paid are exempt from tax in the hands of the shareholder. Indian companies paying the dividends are liable to pay dividend distribution tax of 15% (plus applicable surcharge and education cess).

The foregoing is based on current interpretation and practice and is subject to any future changes in Indian and Mauritian tax laws and the tax treaty between India and Mauritius.

Notes to the Financial Statements (continued)

Mauritius Income Tax

The taxation of income and capital gains of the Mauritius Subsidiary is subject to the fiscal law and practice of Mauritius and the countries in which the Mauritius Subsidiary invests. The following is a summary of the current taxation laws, by jurisdiction, in which the Mauritius Subsidiary operates.

The Mauritius Subsidiary is centrally managed and controlled from Mauritius and is therefore a tax resident in Mauritius. The Mauritius Subsidiary invests in securities traded in the Indian market and the Mauritius Subsidiary expects to obtain benefits under the double taxation treaty between Mauritius and India. Capital gains from the sales of units and securities are exempted from Mauritius tax and any dividend paid by the Mauritius Subsidiary to its shareholder are exempt in Mauritius from any withholding tax.

The Mauritius Subsidiary, under current laws and regulations, is liable to pay income tax on its net income at the rate of 15% for the financial year ended 31st December 2017 (2016: 15%). However, the Mauritius Subsidiary is entitled to a tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritius tax on its foreign source income, thus reducing its maximum effective tax rate to 3%. A company holding at least 5% of share capital of an Indian company and receiving dividends may claim a credit for tax paid by the Indian company on its profit out of which the dividends were distributed including the Dividend Distribution Tax. Capital gains from the sales of securities by the Mauritius Subsidiary are exempted from income tax in Mauritius.

PRC Withholding Tax on Dividends

The investments of the MSCI China A ETF, A50 China ETF and CSI 300 ETF in the A-Shares of PRC listed companies are held directly through the Manager's QFII and RQFII quotas or through the CAAPs issued by one or more QFIIs or their affiliates or through Stock Connect. A 10% (2016: 10%) tax is withheld at source on all PRC sourced dividends.

PRC Capital Gains Tax

In preparing these financial statements, Management has made certain assumptions and used various estimates concerning the tax exposure which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

MSCI China ETF, MSCI AC Asia ex Japan ETF, MSCI Emerging Asia ETF and Hang Seng ETF

The Sub-Funds invest in Chinese securities (including H-shares, Red Chips and P Chips) listed on the SEHK, B-shares of Chinese securities listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange and depositary receipts. Under the PRC Corporate Income Tax Law, the Sub-Funds may be liable to pay PRC tax on the capital gains realized from the trading of these securities. However, no provision was made for taxation from such gains in the financial statements as the Manager believes that the Sub-Funds can sustain a position for not filing a tax return based on the existing tax regulations and that the enforcement of such PRC tax on capital gains is not probable.

MSCI China A ETF

The Sub-Fund invests in China A-Shares through a combination of RQFII quota and Stock Connect. Via the release of Caishui [2014] No.79 ("Circular 79"), Caishui [2014] No.81 ("Circular 81") and Caishui [2016] No.127 ("Circular 127") by the Ministry of Finance ("MOF") in the PRC, the China Securities Regulatory Commission ("CSRC") and the State Administration of Taxation ("SAT"), acting with State Council's approval, a temporary exemption from tax on capital gains derived from the trading of A-Shares on or after 17th November 2014 was provided to (i) Qualified Foreign Institutional Investor ("QFII")/RQFIIs; and (ii) foreign investors trading in A-Shares via Stock Connect. No provision was made for taxation from such gains in the financial statements as the Sub-Fund began operations post this temporary exemption being granted.

A50 China ETF

The Sub-Fund invests directly in A-Shares of China securities. Under the PRC Corporate Income Tax Law, the Sub-Fund may be liable to pay PRC tax on the capital gains realized from the trading of these securities at 10% via the Manager's QFII and RQFII license quotas, provided that the Sub-Fund does not have a PRC tax establishment nor its central management and control in the PRC.

Via the release of Circular 79, Circular 81 and Circular 127 by the Ministry of Finance ("MOF") in the PRC, the China Securities Regulatory Commission ("CSRC"), and the State Administration of Taxation ("SAT") acting with State Council's approval, a temporary exemption from tax on capital gains derived from the trading of A-Shares on or after 17th November 2014 was provided to (i) QFIIs/RQFIIs; and (ii) foreign investors trading in A-Shares via Stock Connect. However, Circular 79 did also state that any gains realized by QFIIs/RQFIIs prior to 17th November 2014 would be subject to tax in accordance with law.

Notes to the Financial Statements (continued)

Pursuant to Circular 79, Circular 81 and Circular 127, the Manager realigned the provisioning policy of the A50 China ETF in respect of its direct A-Shares investments. As such, the A50 China ETF currently no longer provisions for unrealized capital gains, or for capital gains realized on or after 17th November 2014. With respect to the A50 China ETF's direct investments in A-Shares via its QFII and RQFII quotas, the A50 China ETF filed for relief under the respective Double Tax Agreement ("DTA") with the PRC tax authorities and was subsequently approved. As such, a positive yet immaterial adjustment was made to the NAV of the A50 China ETF on 29th October 2015 to reflect the true-up between tax settlement and provision.

The A50 China ETF has direct investments in A-Shares with the use of the Manager's QFII quota, RQFII quota and through Stock Connect with effect from 2nd August 2013, 1st September 2014, 14th November 2014 and 5th December 2016 respectively.

Valuation of CAAPs

A50 China ETF and CSI 300 ETF

The A50 China ETF and CSI 300 ETF gain some, or all, of their exposure to the relevant indices through CAAPs, being derivative instruments linked to A-Shares, issued by one or more QFIIs or their affiliates (together, "CAAP Issuers").

Under the general taxing provision of PRC corporate tax law, a 10% withholding tax may be payable on the gains derived from the sale of A-Shares by QFIIs. As such, since November 2008, or the respective Sub-Fund's inception date (whichever is later), certain CAAP Issuers have withheld up to 10% on realized gains on CAAPs, and although different CAAP Issuers commenced withholding on different dates, certain CAAP Issuers were withholding an amount of 10% representing the PRC capital gains tax on realized gains prior to 17th November 2014 that they believe would be payable on the actual sale of the underlying A-Shares of each CAAP issued.

Pursuant to the release of Circular 79 on 14th November 2014, the Manager realigned the provisioning policy of the A50 China ETF and CSI 300 ETF in respect of their underlying PRC investments in CAAPs. CAAP Issuers are no longer withholding 10% on gains realized on or after 17th November 2014 and have ceased to return any capital gains tax withheld and retained after five years as previously agreed. Any provisions made on realized gains by CAAP Issuers prior to 17th November 2014 were maintained until settlement with CAAP Issuers. Likewise, any amounts previously withheld by the CAAP Issuers but then subsequently refunded to the Sub-Funds after the agreed five year anniversary continued to be provided for by the Sub-Funds until settlement with CAAP Issuers. Moreover, the Manager made a further provision during the year ended 31st December 2014, included within other accounts payable as disclosed in the Statement of

Financial Position, based on independent advice, on any capital gains tax shortfall of provisioning on realized gains in respect of CAAPs from 1st January 2008, or the respective Sub-Fund's inception date (whichever is later), up to and including 14th November 2014.

During the year ended 31st December 2016, the Manager has agreed and settled all the withheld capital gains tax amounts attributable to the CAAPs Issuers. The settlements resulted in a reversal of part of the provision included within other accounts payable, and a refund of previously withheld capital gains tax amounts with the corresponding adjustments to net gain/(loss) on financial assets at fair value through profit or loss, as disclosed in the following table.

	2016	
	Refund of previously withheld capital gains tax HK\$'000	Reversal of provision HK\$'000
A50 China ETF	533,324	477,858
CSI 300 ETF	3,181	927

The Manager estimates, on the basis of information provided by the relevant CAAP Issuers and the Trustee, the maximum realized gains since the Sub-Funds' respective inception dates which could be exposed to PRC taxation at the rate of 10% as at 31st December 2017 were HK\$Nil (2016: HK\$Nil).

At 31st December 2017 and 2016, no amount were withheld by the CAAP Issuers in respect of potential PRC capital gains tax.

Pursuant to Circular 79, all provision on unrealized gains from 17th November 2014 onwards has ceased, the balances of which have been reversed with an impact to NAV.

7 Transactions with the Trustee, Manager and Connected Persons

The following is a summary of significant related party transactions/transactions entered into during the year between the Sub-Funds and the Trustee, the Manager and their Connected Persons. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong (the "SFC Code"). All transactions entered into during the year between the Sub-Funds and the Manager and its Connected Persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Funds do not have any other transactions with Connected Persons except for those disclosed below.

Notes to the Financial Statements (continued)

(a) Management Fee

MSCI China ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.59% of the net asset value of the Sub-Fund. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

MSCI China A ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.60% of the net asset value of the Sub-Fund. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears. As at 31st December 2017, the Sub-Fund had a receivable of RMB Nil (2016: RMB32,079) from the Manager for the expenses of the Sub-Fund paid on behalf of the Manager.

A50 China ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.99% of the net asset values of the Sub-Funds. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

SENSEX India ETF

Prior to 1st July 2016, the Manager was entitled to receive a management fee, at the annual rate of 0.99% of the net asset value of the Sub-Fund. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears. From 1st July 2016, the management fee was reduced from 0.99% to 0.64% per annum of the net asset value of the Sub-Fund. The management fee includes fees and expenses of the Mauritius Subsidiary but does not include certain expenses as disclosed in the prospectus. Included in "Other income" in the Statement of Comprehensive Income is a rebate from the Manager in respect of expenses of the Mauritius Subsidiary representing the amount which should have been deducted from the management fee of the Sub-Fund.

MSCI AC Asia ex Japan ETF

Prior to 1st July 2016, the Manager was entitled to receive a management fee, at the annual rate of 0.59% of the net asset value of the Sub-Fund. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears. From 1st July 2016, the management fee was reduced from 0.59% to 0.28% per annum of the net asset value of the Sub-Fund.

During the year ended 31st December 2017, MSCI AC Asia ex Japan ETF invested in the iShares MSCI India Index ETF (the "SG MSCI India ETF"), an exchange traded fund managed by BlackRock (Singapore) Limited ("BSL"), and iShares MSCI India ETF (the "US MSCI India ETF"), an exchange traded fund managed by BlackRock Fund Advisors ("BFA"). BSL and BFA are affiliated companies of the Manager. The Manager has waived the portion of the management fee charged on the SG MSCI India ETF and the US MSCI India ETF, which represented MSCI AC Asia ex Japan ETF's holding in the SG MSCI India ETF and the US MSCI India ETF.

MSCI Emerging Asia ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.59% of the net asset value of the Sub-Fund. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

During the years ended 31st December 2017 and 2016, the Manager has waived the portion of the management fee charged on the SENSEX India ETF, which represented MSCI Emerging Asia ETF's holding in the SENSEX India ETF.

CSI 300 ETF

Prior to 28th February 2017, the Manager was entitled to receive a management fee, at the annual rate of 0.99% of the net asset value of the Sub-Fund. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears. From 28th February 2017, the management fee was reduced from 0.99% to 0.38% per annum of the net asset value of the Sub-Fund. As at 31st December 2017, the Sub-Fund had a receivable of HK\$16,409 (2016: HK\$Nil) from the Manager for the expenses of the Sub-Fund paid on behalf of the Manager.

KOSPI 200 ETF and MSCI Taiwan ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.30% of the net asset values of the Sub-Funds. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

DAX ETF, EURO STOXX 50 ETF and FTSE 100 ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.20% of the net asset values of the Sub-Funds. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

NASDAQ 100 ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.28% of the net asset value of the Sub-Fund. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

Hang Seng ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.09% of the net asset value of the Sub-Fund. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

Apart from the fees and expenses stated in notes 7(b) to (d) below, all other fees and expenses of each Sub-Fund are paid by the Manager.

(b) Fees and Charges Paid to the Trustee and its Connected Persons

Notes to the Financial Statements (continued)

The following fees and charges are paid to the Trustee and/or its Connected Persons by the Sub-Funds (with the exception of CSI 300 ETF (with effect from 28th February 2017) and Hang Seng ETF):

- (i) The transaction handling fees for the purchase and sale of investments and handling of CAAP Issuers' collaterals across different markets.

Markets	Transaction handling fee US\$
Australia	10
Austria	30
Belgium	20
China A-shares	22
China B-shares	45
Euroclear	10
France	15
Finland	20
Germany	10
Greece	20
Hong Kong	10
India	25
Indonesia	25
Ireland	20
Italy	15
Japan	20
Luxembourg	10
Malaysia	20
Netherlands	20
Philippines	35
Pakistan	50
Portugal	20
Shanghai - Hong Kong Stock Connect	10
Singapore	15
South Korea	15
Spain	30
Switzerland	15
Taiwan	30
Thailand	20
The United Kingdom	10
The United States of America	10

- (ii) The administration fee for the purchase, sale and rebalancing of investments is US\$15 per transaction.

- (iii) Safe custody and bank charges

MSCI China A ETF

For the year ended 31st December 2017, the MSCI China A ETF did not pay safe custody and bank charges to a Connected Person of the trustee (2016: RMB108).

All other fees payable to the Trustee and its Connected Persons are borne by the Manager.

- (c) CAAP Maintenance Charge

A50 China ETF and CSI 300 ETF

The CAAP Issuers are entitled to a CAAP maintenance charge. The CAAP maintenance charge equals 0.3% per annum of the daily mark to market value of the CAAPs held by the above Sub-Funds, payable at the end of each quarter based on the period's number of actual days.

From 1st April 2013, the CAAP maintenance charge was waived by the CAAP Issuers. A list of the CAAP Issuers as at 31st December 2017 and 2016 is set out in note 11(b), where HSBC Bank plc, the group company of the Trustee, is one of the CAAP Issuers.

- (d) Transaction Costs on Financial Assets at Fair Value through Profit or Loss

A50 China ETF and CSI 300 ETF

The CAAP Issuers also charge a 0.3% commission (excluding stamp duty of 0.1%) on each purchase and sale of each CAAP acquired for the account of the A50 China ETF and CSI 300 ETF. 0.1% stamp duty is payable on the sale of A-Shares and is added to the CAAP commission on sale.

The CAAP commission may be agreed from time to time between the Manager and the CAAP Issuers. HSBC Bank plc, the group company of the Trustee, is one of the CAAP Issuers. The transaction costs charged by HSBC Bank plc were HK\$9,077,682 (2016: HK\$9,399,993) and HK\$78,940 (2016: HK\$34,547) for A50 China ETF and CSI 300 ETF respectively during the year ended 31st December 2017.

SENSEX India ETF

The IAP Issuer also charges a 0.295% commission (including Indian stamp duty of 0.1%) on each purchase and sale of each IAP acquired for the account of the Mauritius Subsidiary. For the years and as of 31st December 2017 and 2016, the Mauritius Subsidiary did not hold any IAPs and therefore, did not incur any IAP transaction costs.

- (e) Bank Balances

Bank balances are maintained with a group company of the Trustee, i.e. The Hongkong and Shanghai Banking Corporation Limited. Bank balances held with the group company of the Trustee as at 31st December 2017 and 2016 were as follows:

Sub-Funds	2017 HK\$	2016 HK\$
MSCI China ETF	3,042,526	5,114,433
A50 China ETF	65,506,728	113,929,279
SENSEX India ETF	6,637,987	2,113,901
MSCI AC Asia ex Japan ETF	21,078,825	10,430,214
MSCI Emerging Asia ETF	221,538	667,971
CSI 300 ETF	40,928	1,468,253
Hang Seng ETF	468,849	N/A

Notes to the Financial Statements (continued)

Sub-Fund	2017 RMB	2016 RMB
MSCI China A ETF	159,936	173,724

Sub-Funds	2017 US\$	2016 US\$
KOSPI 200 ETF	10,481	20,887
MSCI Taiwan ETF	29,702	78,395
NASDAQ 100 ETF	26,570	29,686

Sub-Funds	2017 EUR	2016 EUR
DAX ETF	2,437	16,906
EURO STOXX 50 ETF	18,344	27,172

Sub-Fund	2017 GBP	2016 GBP
FTSE 100 ETF	12,724	14,809

Bank balances are maintained with a group company of the Trustee, i.e. HSBC Bank (China) Company Limited. Bank balances held with the group company of the Trustee as at 31st December 2017 and 2016 were as follows:

Sub-Fund	2017 RMB	2016 RMB
MSCI China A ETF	242,593	75,196

Sub-Funds	2017 HK\$	2016 HK\$
A50 China ETF	111,496,503	10,118,868
CSI 300 ETF	175,360	457,340

During the years ended 31st December 2017 and 2016, the bank interest income of each Sub-Fund stated in the Statement of Comprehensive Income was earned from The Hongkong and Shanghai Banking Corporation Limited, a group company of the Trustee except for A50 China ETF.

A50 China ETF

During the year ended 31st December 2017, HK\$558,657 was earned from The Hongkong and Shanghai Banking Corporation Limited, a group company of the Trustee. During the year ended 31st December 2016, the bank interest income stated in the Statement of Comprehensive Income was earned from The Hongkong and Shanghai Banking Corporation Limited, a group company of the Trustee.

(f) Bank Overdraft

There was no bank overdraft held with the group company of the Trustee, i.e. The Hongkong and Shanghai Banking Corporation Limited, as at 31st December 2017 and 2016.

During the years ended 31st December 2017 and 2016, the interest expenses of each Sub-Fund stated in the Statement of Comprehensive Income were paid to The Hongkong and Shanghai Banking Corporation Limited.

(g) Bank Overdraft Facility

The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), which is the group company of the Trustee, has granted uncommitted banking overdraft facility lines to the Sub-Funds. The facility limit for each of the following Sub-Funds shall be the lesser of (i) the limit applicable to such Sub-Fund or (ii) an amount which is 10% of the net asset value of such Sub-Fund, except for SENSEX India ETF, which shall be the lesser of (i) the limit applicable or (ii) an amount subject to 5% of its net asset value under the custody of HSBC, the Trustee or any of its affiliates. For the other Sub-Funds of the Trust, HSBC may grant temporary overdraft from time to time with prior approval for ad hoc funding purpose. As at 31st December 2017 and 2016, the banking overdraft facility lines available to the following Sub-Funds were as follows:

Sub-Funds	2017 US\$	2016 US\$
A50 China ETF	50,000,000	50,000,000
SENSEX India ETF	5,000,000	5,000,000
MSCI AC Asia ex Japan ETF	5,000,000	5,000,000
MSCI Emerging Asia ETF	5,000,000	5,000,000
CSI 300 ETF	5,000,000	5,000,000

(h) Financial Assets at Fair Value through Profit or Loss

MSCI AC Asia ex Japan ETF

For the Sub-Fund's investments in the SG MSCI India ETF and the US MSCI India ETF, exchange traded funds managed by BSL and BFA, which are the affiliates of the Manager, please refer to note 11(a)(i)(v) for details.

As at 31st December 2017, the Sub-Fund had an investment of HK\$29,048,008 (31st December 2016: HK\$18,056,403) in Hang Seng Bank Ltd, which is a fellow subsidiary of the Trustee.

During the year ended 31st December 2017, the Sub-Fund received dividend income of HK\$972,370 (2016: HK\$190,989) from its investments in Hang Seng Bank Ltd, which is a fellow subsidiary of the Trustee.

Notes to the Financial Statements (continued)

MSCI Emerging Asia ETF

For the Sub-Fund's investments in the SENSEX India ETF, please refer to note 11(a)(i)(vi) for details.

FTSE 100 ETF

As at 31st December 2017, the Sub-Fund had an investment of GBP214,026 (2016: GBP289,371) in HSBC Holdings Plc, which is the ultimate holding company of the Trustee.

During the year ended 31st December 2017, the Sub-Fund received dividend income of GBP17,591 (2016: GBP12,137) from its investments in HSBC Holdings Plc, which is the ultimate holding company of the Trustee.

Hang Seng ETF

As at 31st December 2017, the Sub-Fund had an investment of HK\$35,341,738 in HSBC Holdings Plc, which is the ultimate holding company of the Trustee, and HK\$5,393,394 in Hang Seng Bank Ltd, which is a fellow subsidiary of the Trustee.

During the period ended 31st December 2017, the Sub-Fund received dividend income of HK\$3,167,537 from its investments in HSBC Holdings Plc, which is the ultimate holding company of the Trustee, and HK\$282,030 from its investments in Hang Seng Bank Ltd, which is a fellow subsidiary of the Trustee.

(i) CAAPs, Collaterals and Securities Lending Expenses in respect of the Securities Lending Arrangements

A50 China ETF

As at 31st December 2017, the Sub-Fund did not hold any investments in CAAPs issued by HSBC Bank plc, (2016: HK\$2,038,044,470), which is the group company of the Trustee. HSBC Bank plc had provided share and fixed income collateral accounting to HK\$Nil (2016: HK\$2,172,187,177) to the Sub-Fund in respect of the CAAPs issued. The Sub-Fund had lent CAAPs to HSBC Bank plc in return for share and fixed income collateral. During the year ended 31st December 2017, the Sub-Fund paid HK\$7,896,382 (2016: HK\$33,639,198) securities lending expenses in respect of the securities lending arrangements to HSBC Bank plc. Please refer to note 11(b)(ii) for details.

CSI 300 ETF

As at 31st December 2017, the Sub-Fund did not hold any investments in CAAPs issued by HSBC Bank plc (2016: HK\$19,784,834), which is the group company of the Trustee. HSBC Bank plc had provided share and fixed income collateral accounting to HK\$Nil (2016: HK\$23,159,456) to the Sub-Fund in respect of the CAAPs issued. The Sub-Fund had lent CAAPs to HSBC Bank plc in return for share and fixed income collateral. During the year ended 31st December 2017, the Sub-Fund paid HK\$15,322 (2016: HK\$198,289) securities lending expenses in respect of the securities lending arrangements to HSBC Bank plc. Please refer to note 11(b)(ii) for details.

(j) Unitholders

As at 31st December, the following table discloses the units subscribed and redeemed by one of the Participating Dealers of the Sub-Funds, The Hongkong and Shanghai Banking Corporation Limited, which is a group company of the Trustee:

Sub-Funds	2017 Subscriptions/ (Redemptions) units	2016 Subscriptions/ (Redemptions) units
MSCI China A ETF	-	9,000,000/ (3,000,000)
A50 China ETF	(110,000,000)	(222,000,000)
SENSEX India ETF	-	800,000
KOSPI 200 ETF	-	2,400,000
MSCI Taiwan ETF	-	2,400,000
DAX ETF	-	3,800,000
EURO STOXX 50 ETF	-	3,800,000
FTSE 100 ETF	-	3,800,000
NASDAQ 100 ETF	-	2,400,000
Hang Seng ETF (18th November 2016 (date of inception) to 31st December 2017)	3,900,000	N/A

8 Major Non-Cash Transactions

(a) Subscriptions

Until 14th November 2008, units could only be subscribed in kind and not for cash. Since 14th November 2008, units can be subscribed either (a) in-kind for an "Application Basket" plus a "Cash Component" (where the "Application Basket" means a portfolio of securities determined by the Manager for the relevant Sub-Fund at the start of business on the relevant dealing day for the purpose of the creation and redemption of units in an Application Unit size, notified on the relevant date by the Manager to Participating Dealers for the relevant Sub-Fund, the "Cash Component" means the difference between the aggregate Net Asset Value of the units comprising an Application Unit and the "Application Basket Value", and the "Application Basket Value" means the aggregate value of the securities constituting the Application Basket as at the valuation point on the relevant dealing day) or (b) for a cash payment equivalent to the relevant Application Basket Value plus an amount equivalent to any Cash Component, which the Manager shall use to purchase the securities comprised in the Application Basket to replicate the underlying index applicable to that Sub-Fund, provided that the Manager shall be entitled in its discretion to charge (for the account of the relevant Sub-Fund) to the applicant of any units for which cash is paid in lieu of delivering any securities such additional sum as represents the appropriate provision for duties and charges.

Notes to the Financial Statements (continued)

During the years/periods ended 31st December 2017 and 2016, the Sub-Funds issued units through cash subscriptions and/or in exchange for Application Baskets consisting of investments plus the relevant cash component as stated in the Statement of Changes in Net Assets Attributable to Unitholders.

(b) Redemptions

Until 14th November 2008, units could only be redeemed in kind and not for cash. Since 14th November 2008, units can be redeemed either (a) in-kind for an Application Basket plus a cash component or (b) for a cash amount equivalent to the Application Basket Value plus a cash component.

During the years/periods ended 31st December 2017 and 2016, the Sub-Funds redeemed units through cash redemptions and/or in exchange for Application Baskets consisting of investments plus the relevant cash component as stated in the Statement of Changes in Net Assets Attributable to Unitholders.

9 Soft Commission Arrangements

The Manager confirms that there have been no soft commission arrangements existing during the year in relation to directing transactions of the Sub-Funds through a broker or dealer (2016: Nil).

10 Investment Limitation and Prohibitions under the SFC Code

Pursuant to the SFC's Guidelines for Regulating Index Tracking Exchange Traded Funds (the "ETF Guidelines"), the Manager is permitted to overweight the holdings of the Sub-Funds relative to their respective weightings in the underlying index, on the condition that the maximum extra weighting in any constituent securities will not exceed the maximum limit reasonably determined by the Sub-Funds and after consultation with the SFC. The maximum limit for each of the Sub-Funds has been disclosed in their respective prospectus.

The Manager and Trustee have confirmed that all Sub-Funds have complied with this limit during the years/periods ended 31st December 2017 and 2016.

The SFC Code allows the Sub-Funds to invest in constituent securities issued by a single issuer for more than 10% of the Sub-Funds' 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 Index and the Sub-Funds' holding of any such constituent securities may not exceed their respective weightings in the Index (except as a result of changes in the composition of the Index and the excess is transitional and temporary in nature).

The following Sub-Funds held constituent securities that individually accounted for more than 10% of the Sub-Funds' net asset value and their respective weightings of the underlying index as at 31st December 2017 and 2016:

MSCI China ETF

	Respective weighting in the Index (%)		% of net asset value	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Alibaba Group Holding - SP ADR	12.34	9.43	12.32	9.38
Tencent Holdings Ltd	18.37	13.29	18.36	13.23
	30.71	22.72	30.68	22.61

A50 China ETF

	Respective weighting in the Index (%)		% of net asset value	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Ping An Insurance Group Co - A	12.08	9.11	12.03	9.09

SENSEX India ETF

	Respective weighting in the Index (%)		% of net asset value	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
HDFC Bank Limited	11.42	9.96	11.39	9.95

KOSPI 200 ETF

	Respective weighting in the Index (%)		% of net asset value	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Samsung Electronics Co Ltd	27.29	26.25	27.06	25.94

MSCI Taiwan ETF

	Respective weighting in the Index (%)		% of net asset value	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Taiwan Semiconductor Manufac	31.04	28.86	31.01	28.77

Notes to the Financial Statements (continued)

NASDAQ 100 ETF

	Respective weighting in the Index (%)		% of net asset value	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Apple Inc	11.87	10.95	11.91	10.88

Hang Seng ETF

	Respective weighting in the Index (%)		% of net asset value	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
HSBC Holdings Plc	10.29	N/A	10.28	N/A

Except as disclosed above, there were no other securities that individually accounted for more than 10% of the net asset value of the respective Sub-Funds as at 31st December 2017 and 2016.

The following table presents the movement in the Sub-Funds' NAV per unit and their underlying index during the years/ periods ended 31st December 2017 and 2016.

Sub-Funds	Underlying index	Movement in the NAV per unit (%)		Movement in the underlying index (%)	
		2017	2016	2017	2016
MSCI China ETF	MSCI China Index	54.10	0.34	55.34	0.94
MSCI China A ETF	MSCI China A International Index	19.07	6.83 ²	17.72	6.12 ²
A50 China ETF	FTSE China A50 Index	41.95	(8.97)	44.89	(10.33)
SENSEX India ETF	BSE SENSEX Index	38.25	(0.01)	38.91	0.89
MSCI AC Asia ex Japan ETF	MSCI All Country Asia ex Japan Index	42.47	5.17	42.89	5.48
MSCI Emerging Asia ETF	MSCI EM Asia Index	43.74	5.61	44.02	6.18
CSI 300 ETF	CSI 300 Index	30.46	(15.77)	32.69	(15.21)
KOSPI 200 ETF	KOSPI 200 Net Total Return USD Index	42.47	1.73 ³	44.53	0.89 ³
MSCI Taiwan ETF	MSCI Taiwan Index	26.98	9.31 ³	27.53	9.57 ³
DAX ETF	DAX Index	11.55	11.82 ⁴	12.51	11.93 ⁴
EURO STOXX 50 ETF	EURO STOXX 50 Index	8.96	8.79 ⁴	9.15	8.93 ⁴
FTSE 100 ETF	FTSE 100 Index	11.56	14.46 ⁴	11.91	14.63 ⁴
NASDAQ 100 ETF	NASDAQ 100 Index	32.05	10.73 ³	32.53	10.91 ³
Hang Seng ETF	HSI Net Total Return Index	33.97 ⁵	N/A	34.27 ⁵	N/A

² This is the movement in Sub-Fund's NAV per unit and its underlying index since inception. The Sub-Fund was launched on 25th January 2016.

³ This is the movement in Sub-Funds' NAV per unit and their underlying index since inception. The Sub-Funds were launched on 22nd June 2016.

⁴ This is the movement in Sub-Funds' NAV per unit and their underlying index since inception. The Sub-Funds were launched on 23rd June 2016.

⁵ This is the movement in Sub-Fund's NAV per unit and its underlying index since inception. The Sub-Fund was launched on 18th November 2016.

11 Financial Risk Management

The objective of the Sub-Funds is to provide investment results that, before fees and expenses, closely correspond to the performance of their respective indices. The Sub-Funds' activities may expose them to a variety of risks including but not limited to market risk (including market price risk, interest rate risk and currency risk), credit and counterparty risk and liquidity risk which are associated with the markets in which the Sub-Funds invest.

The following is a summary of the main risks and risk management policies.

(a) Market Risk

(I) Market Price Risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Sub-Funds are designated to track the performance of their respective indices, therefore the exposures to market risk in the Sub-Funds will be substantially the same as the tracked indices. The Manager manages the Sub-Funds' exposures to market risk by ensuring that the key characteristics of the portfolio, such as security weight and industry weight, are closely aligned with the characteristics of the tracked indices.

As at 31st December, the Sub-Funds' financial assets and financial liabilities at fair value through profit or loss were concentrated in the following industries:

Notes to the Financial Statements (continued)

(i) MSCI China ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value HK\$	% of net asset value	Fair value HK\$	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	224,127,949	9.31	129,665,195	9.18
Consumer Staples	51,166,166	2.12	32,945,056	2.34
Energy	112,089,417	4.66	92,199,029	6.55
Financials	549,229,094	22.83	378,723,437	26.88
Health Care	58,304,865	2.42	29,063,294	2.07
Industrials	101,902,684	4.23	78,498,353	5.55
Information Technology	989,852,953	41.12	445,635,039	31.64
Materials	37,126,291	1.54	18,127,752	1.30
Real Estate	113,002,101	4.71	53,136,337	3.77
Telecommunication Services	117,058,702	4.86	107,676,944	7.64
Utilities	50,872,452	2.11	38,525,495	2.75
Futures				
H-Shares Index Future	-	-	72,150	0.00*
	2,404,732,674	99.91	1,404,268,081	99.67

As at 31st December 2017 and 2016, the MSCI China ETF held all constituents in the MSCI China Index. The MSCI China ETF is therefore exposed to substantially the same market price risk as the MSCI China Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016:

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 HK\$ million	2016 HK\$ million
MSCI China Index	±3%	±3%	±72	±42

(ii) MSCI China A ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value RMB	% of net asset value	Fair value RMB	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	7,186,023	10.67	7,234,689	10.96
Consumer Staples	6,973,332	10.34	4,174,651	6.33
Energy	1,503,635	2.22	1,824,406	2.78
Financials	17,934,771	26.58	18,120,873	27.42
Health Care	4,233,747	6.28	4,534,821	6.87
Industrials	10,537,713	15.61	11,998,074	18.18
Information Technology	6,187,482	9.19	5,353,863	8.09
Materials	6,721,916	9.97	5,551,096	8.37
Real Estate	3,727,770	5.53	3,944,830	5.95
Telecommunication Services	71,526	0.11	611,116	0.92
Utilities	1,980,304	2.94	2,454,596	3.72
	67,058,219	99.44	65,803,015	99.59

* Amount is less than 0.01%

As at 31st December 2017 and 2016, the MSCI China A ETF held all constituents in the MSCI China A International Index. The MSCI China A ETF is therefore exposed to substantially the same market price risk as the MSCI China A International Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016.

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 RMB million	2016 RMB million
MSCI China A International Index	±3%	±3%	±2	±2

(iii) A50 China ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value HK\$	% of net asset value	Fair value HK\$	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	1,877,783,924	6.07	861,196,748	2.99
Consumer Staples	3,576,459,991	11.56	904,437,089	3.14
Energy	719,551,141	2.32	436,598,117	1.52
Financials	15,846,783,816	51.28	9,372,883,836	32.52
Health Care	517,505,287	1.67	67,115,394	0.23
Industrials	1,710,987,348	5.53	1,644,394,474	5.71
Information Technology	1,729,087,332	5.59	187,435,704	0.65
Materials	259,788,800	0.84	-	-
Real Estate	1,869,445,519	6.05	407,832,287	1.42
Telecommunication Services	277,830,138	0.90	-	-
Utilities	356,078,476	1.15	516,115,734	1.79
	28,741,301,772	92.96	14,398,009,383	49.97
CAAPs - By Sector				
Consumer Discretionary	152,556,397	0.50	661,324,049	2.26
Consumer Staples	215,778,726	0.70	998,457,743	3.48
Energy	60,867,297	0.20	493,791,101	1.74
Financials	1,333,895,613	4.31	9,703,248,262	33.69
Health Care	-	-	76,441,364	0.26
Industrials	144,967,126	0.47	1,688,702,833	5.87
Information Technology	41,508,269	0.13	179,430,937	0.62
Real Estate	74,080,463	0.24	424,355,478	1.46
Utilities	-	-	105,418,771	0.36
	2,023,653,891	6.55	14,331,170,538	49.74
	30,764,955,663	99.51	28,729,179,921	99.71

Notes to the Financial Statements (continued)

As at 31st December 2017 and 2016, the A50 China ETF had exposure to 50⁶ constituents versus the 50 constituents in the FTSE China A50 Index. The A50 China ETF is therefore exposed to substantially the same market price risk as the FTSE China A50 Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016:

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 HK\$ million	2016 HK\$ million
FTSE China A50 Index	±3%	±3%	±923	±862

(iv) SENSEX India ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value ⁷ HK\$	% of net asset value	Fair value ⁷ HK\$	% of net asset value
Financial assets				
Listed equities - By Industry				
Capital Goods	60,473,059	5.50	43,121,275	5.39
Finance	435,108,959	39.53	243,167,460	30.41
FMCG	105,245,179	9.56	85,863,052	10.74
Healthcare	29,695,412	2.70	55,558,956	6.95
Information Technology	123,841,969	11.25	116,771,571	14.60
Metal, Metal Products & Mining	44,315,594	4.03	34,132,114	4.27
Oil & Gas	115,207,696	10.47	81,954,499	10.25
Power	32,061,576	2.91	26,466,982	3.31
Telecom	19,368,942	1.76	13,153,524	1.65
Transport Equipments	126,804,184	11.52	95,300,223	11.92
	1,092,122,570	99.23	795,489,656	99.49

The SENSEX India ETF invested all, or substantially all, of its assets in Indian equity securities through the Mauritius Subsidiary, in substantially the same weightings as constituted in the BSE SENSEX Index. The SENSEX India ETF is therefore exposed to substantially the same market price risk as the BSE SENSEX Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016:

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 HK\$ million	2016 HK\$ million
BSE SENSEX Index	±3%	±3%	±33	±24

(v) MSCI AC Asia ex Japan ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value HK\$	% of net asset value	Fair value HK\$	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	592,138,129	8.00	346,007,428	8.22
Consumer Staples	268,365,822	3.59	168,514,131	4.02
Energy	216,244,495	2.90	141,754,855	3.36
Financials	1,560,255,786	21.01	922,020,315	21.94
Health Care	144,860,811	1.95	61,208,524	1.43
Industrials	457,639,380	6.20	309,540,873	7.34
Information Technology	2,238,508,932	30.17	1,081,640,635	25.66
Materials	272,015,287	3.68	159,350,592	3.78
Real Estate	434,765,330	5.84	246,676,528	5.85
Telecommunication Services	284,441,108	3.84	217,581,540	5.17
Utilities	191,613,920	2.58	138,180,522	3.27
Exchange traded funds				
SG MSCI India ETF ⁸	266,820,160	3.60	409,017,449	9.71
US MSCI India ETF ⁸	472,131,150	6.36	-	-
Unlisted equities				
Financials	1	0.00	1	0.00
	7,399,800,311	99.72	4,201,493,393	99.75
Listed equities - By Geographical Area				
China	2,889,495,488	38.94	1,522,428,896	36.14
Hong Kong	495,164,623	6.67	315,863,571	7.50
India	1,276	0.00	-	-
Indonesia	198,240,078	2.67	136,607,759	3.24
Malaysia	202,650,077	2.73	126,587,142	3.01
Pakistan	6,881,739	0.09	-	-
Philippines	98,930,441	1.33	63,265,262	1.50
Singapore	300,479,590	4.05	178,498,634	4.24
South Korea	1,313,546,927	17.70	721,089,232	17.12
Taiwan	962,204,883	12.97	608,967,818	14.46
Thailand	193,253,878	2.61	119,167,629	2.83
Exchange traded funds				
India	738,951,310	9.96	409,017,449	9.71
Unlisted equities - By Geographical Area				
Malaysia	1	0.00	1	0.00
	7,399,800,311	99.72	4,201,493,393	99.75

⁶ The A50 China ETF held all the constituents (2016: all constituents) comprising the FTSE China A50 Index, in which 9 constituents (2016: 1 constituent) were held directly in listed equities, and 41 constituents (2016: 49 constituents) were held both directly in listed equities and indirectly through CAAPs.

⁷ Represents the figures of the Mauritius Subsidiary.

Notes to the Financial Statements (continued)

As at 31st December 2017, the MSCI AC Asia ex Japan ETF held all⁸ constituents (2016: 625⁸ out of 626 constituents) in the MSCI All Country Asia ex Japan Index. The MSCI AC Asia ex Japan ETF is therefore exposed to substantially the same market price risk as the MSCI All Country Asia ex Japan Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016:

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 HK\$ million	2016 HK\$ million
MSCI All Country Asia ex Japan Index	±3%	±3%	±222	±126

(vi) MSCI Emerging Asia ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value HK\$	% of net asset value	Fair value HK\$	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	14,013,439	7.74	9,859,136	8.27
Consumer Staples	7,133,859	3.96	5,047,493	4.24
Energy	6,144,900	3.42	4,633,810	3.89
Financials	32,521,663	18.01	22,597,725	18.95
Health Care	3,594,548	2.00	2,169,798	1.82
Industrials	8,436,109	4.69	6,710,638	5.59
Information Technology	64,621,045	35.85	36,762,396	30.82
Materials	8,163,239	4.53	5,710,469	4.80
Real Estate	4,077,213	2.27	2,227,172	1.87
Telecommunication Services	7,129,049	3.94	6,296,952	5.29
Utilities	3,116,668	1.73	2,552,477	2.15
Exchange traded funds				
SENSEX India ETF ⁹	20,978,315	11.63	14,065,163	11.79
	179,930,047	99.77	118,633,229	99.48
Listed equities - By Geographical Area				
China	73,323,157	40.66	45,568,819	38.21
Indonesia	5,778,018	3.20	4,495,831	3.77
Malaysia	5,417,768	3.00	3,790,625	3.18
Philippines	2,741,651	1.52	2,114,725	1.78
South Korea	38,096,843	21.13	24,745,834	20.75
Taiwan	27,973,934	15.51	19,996,792	16.77
Thailand	5,620,361	3.12	3,855,440	3.23
Exchange traded funds				
India	20,978,315	11.63	14,065,163	11.79
	179,930,047	99.77	118,633,229	99.48

As at 31st December 2017, the MSCI Emerging Asia ETF held 417⁹ out of 572 constituents (2016: 418⁹ out of 554 constituents) comprising the MSCI EM Asia Index. The MSCI Emerging Asia ETF is exposed to substantially the same market price risk as the MSCI EM Asia Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016:

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 HK\$ million	2016 HK\$ million
MSCI EM Asia Index	±3%	±3%	±5	±4

(vii) CSI 300 ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value HK\$	% of net asset value	Fair value HK\$	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	20,170,204	11.18	6,356,346	3.29
Consumer Staples	14,529,326	8.09	8,926,123	4.61
Energy	4,255,810	2.35	431,499	0.22
Financials	60,745,161	33.78	2,993,476	1.55
Health Care	10,033,814	5.56	5,111,866	2.63
Industrials	24,595,764	13.70	14,587,069	7.54
Information Technology	17,256,097	9.59	5,712,330	2.96
Materials	13,087,205	7.29	1,485,285	0.75
Real Estate	9,204,452	5.10	1,298,506	0.67
Telecommunications Services	1,140,288	0.63	1,815,231	0.93
Utilities	4,665,232	2.60	581,935	0.30
	179,683,353	99.87	49,299,666	25.45
CAAPs - By Sector				
Consumer Discretionary	-	-	13,884,992	7.19
Consumer Staples	-	-	2,771,599	1.41
Energy	-	-	4,392,094	2.26
Financials	-	-	65,598,212	33.87
Health Care	-	-	4,057,261	2.10
Industrials	-	-	16,262,175	8.38
Information Technology	-	-	10,923,290	5.65
Materials	-	-	10,511,456	5.44
Real Estate	-	-	9,722,246	5.02
Utilities	-	-	5,038,368	2.59
	-	-	143,161,693	73.91
	179,683,353	99.87	192,461,359	99.36

⁸ As at 31st December 2017, the MSCI AC Asia ex Japan ETF held all constituents (2016: 625 out of 626 constituents) comprising the MSCI All Country Asia ex Japan Index, in which 569 constituents (2016: 550 constituents) were directly held and 78 constituents (2016: 75 constituents) and were indirectly held through SG MSCI India ETF and US MSCI India ETF.

⁹ As at 31st December 2017, the MSCI Emerging Asia ETF directly held 390 constituents (2016: 390 constituents) and indirectly held 27 constituents (2016: 28 constituents) through SENSEX India ETF out of 572 constituents (2016: 554 constituents) comprising the MSCI EM Asia Index.

Notes to the Financial Statements (continued)

As at 31st December 2017 and 2016, the CSI 300 ETF had exposure to 281¹⁰ constituents versus the 300 constituents (2016: 298 constituents versus 300 constituents) in the CSI 300 Index. The CSI 300 ETF is exposed to substantially the same market price risk as the CSI 300 Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016:

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 HK\$ million	2016 HK\$ million
CSI 300 Index	±3%	±3%	±5	±6

(viii) KOSPI 200 ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	1,538,790	11.19	1,720,069	12.75
Consumer Staples	943,690	6.89	1,031,729	7.63
Energy	325,530	2.37	311,809	2.31
Financials	1,719,629	12.54	1,730,706	12.86
Health Care	348,763	2.54	246,656	1.82
Industrials	1,322,693	9.63	1,469,854	10.92
Information Technology	5,607,315	40.88	4,863,463	36.07
Materials	1,222,008	8.92	1,227,377	9.12
Telecommunication Services	372,190	2.71	415,094	3.07
Utilities	210,660	1.54	293,259	2.17
	13,611,268	99.21	13,310,016	98.72

As at 31st December 2017 and 2016, the KOSPI 200 ETF held 197 out of 200 constituents (2016: 198 out of 200 constituents) in the KOSPI 200 Net Total Return USD Index. The KOSPI 200 ETF is therefore exposed to substantially the same market price risk as the KOSPI 200 Net Total Return USD Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016.

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 US\$ million	2016 US\$ million
KOSPI 200 Net Total Return USD Index	±3%	±3%	±0.4	±0.4

(ix) MSCI Taiwan ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	898,264	2.88	781,608	3.94
Consumer Staples	902,100	2.88	534,038	2.69
Energy	265,403	0.85	160,596	0.81
Financials	4,963,074	15.81	3,327,527	16.77
Health Care	51,064	0.16	73,329	0.37
Industrials	703,813	2.25	298,799	1.50
Information Technology	19,460,041	62.11	11,693,512	58.93
Materials	2,724,840	8.71	1,933,914	9.76
Real Estate	114,088	0.36	85,071	0.43
Telecommunication Services	1,228,190	3.91	879,511	4.44
	31,310,877	99.92	19,767,905	99.64

As at 31st December 2017 and 2016, the MSCI Taiwan ETF held all constituents in the MSCI Taiwan Index. The MSCI Taiwan ETF is therefore exposed to substantially the same market price risk as the MSCI Taiwan Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016.

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 US\$ million	2016 US\$ million
MSCI Taiwan Index	±3%	±3%	±0.9	±0.6

¹⁰ As of 31st December 2017, the CSI 300 ETF held 281 constituents (2016: 298 constituents) comprising the CSI 300 Index, in which 281 constituents (2016: 85 constituents) was held directly in listed equities, no constituents (2016: 159 constituents) were held indirectly through CAAPs and no constituents (2016: 54 constituents) were held both directly in listed equities and indirectly through CAAPs.

Notes to the Financial Statements (continued)

(x) DAX ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value EUR	% of net asset value	Fair value EUR	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	515,336	18.37	1,164,361	19.18
Consumer Staples	78,042	2.78	179,509	2.96
Financials	463,333	16.53	933,031	15.36
Health Care	380,805	13.59	918,690	15.13
Industrials	393,902	14.06	823,229	13.55
Information Technology	333,695	11.91	639,974	10.54
Materials	384,903	13.74	861,806	14.19
Real Estate	50,247	1.79	85,143	1.40
Telecommunication Services	128,643	4.59	335,801	5.53
Utilities	76,385	2.72	121,720	2.01
	2,805,291	100.08	6,063,264	99.85

As at 31st December 2017 and 2016, the DAX ETF held all constituents in the DAX Index. The DAX ETF is therefore exposed to substantially the same market price risk as the DAX Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016.

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 EUR million	2016 EUR million
DAX Index	±3%	±3%	±0.1	±0.2

(xi) EURO STOXX 50 ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value EUR	% of net asset value	Fair value EUR	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	391,422	11.74	582,671	11.42
Consumer Staples	354,423	10.64	546,519	10.71
Energy	209,430	6.29	373,057	7.31
Financials	747,630	22.41	1,100,685	21.58
Health Care	346,772	10.39	515,683	10.11
Industrials	455,804	13.67	720,367	14.12
Information Technology	239,475	7.18	338,672	6.64
Materials	214,280	6.43	344,342	6.76
Real Estate	29,820	0.89	51,019	1.00
Telecommunication Services	159,078	4.76	272,561	5.34
Utilities	171,367	5.14	232,953	4.57
	3,319,501	99.54	5,078,529	99.56
Listed equities - By Geographical Area				
Belgium	96,855	2.91	166,511	3.26
Finland	31,105	0.93	61,071	1.20
France	1,212,632	36.36	1,854,167	36.35
Germany	1,110,975	33.31	1,708,787	33.50
Ireland	34,269	1.03	62,746	1.23
Italy	159,331	4.78	244,160	4.79
Netherlands	336,351	10.09	471,546	9.24
Spain	337,983	10.13	509,541	9.99
	3,319,501	99.54	5,078,529	99.56

As at 31st December 2017 and 2016, the EURO STOXX 50 ETF held all constituents in the EURO STOXX 50 Index. The EURO STOXX 50 ETF is therefore exposed to substantially the same market price risk as the EURO STOXX 50 Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016.

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 EUR million	2016 EUR million
EURO STOXX 50 Index	±3%	±3%	±0.1	±0.2

Notes to the Financial Statements (continued)

(xii) FTSE 100 ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value GBP	% of net asset value	Fair value GBP	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	232,927	8.38	362,038	9.07
Consumer Staples	476,842	17.14	651,940	16.35
Energy	428,550	15.41	620,041	15.54
Financials	600,924	21.60	821,968	20.62
Health Care	250,436	9.01	422,305	10.58
Industrials	196,355	7.06	281,116	7.05
Information Technology	52,452	1.88	34,873	0.87
Materials	285,019	10.25	370,566	9.29
Real Estate	33,176	1.19	46,343	1.16
Telecommunication Services	119,018	4.28	185,043	4.64
Utilities	86,158	3.09	167,108	4.19
Unlisted equities - By Sector				
Industrials	164	0.01	313	0.01
	2,762,021	99.30	3,963,654	99.37
Listed equities - By Geographical Area				
Australia	65,516	2.35	84,490	2.12
Chile	4,673	0.17	5,022	0.13
Germany	9,471	0.34	11,444	0.29
Ireland	80,095	2.88	122,629	3.07
Jordan	-	-	5,452	0.14
Mali	10,226	0.37	14,049	0.35
Mexico	3,215	0.11	4,396	0.11
Netherlands	287,928	10.35	410,600	10.29
South Africa	24,700	0.89	40,000	1.00
Switzerland	88,672	3.19	106,471	2.67
United Arab Emirates	3,289	0.12	-	-
United Kingdom	2,184,072	78.52	3,158,788	79.19
Unlisted equities - By Geographical Area				
United Kingdom	164	0.01	313	0.01
	2,762,021	99.30	3,963,654	99.37

As at 31st December 2017 and 2016, the FTSE 100 ETF held all constituents in the FTSE 100 Index. The FTSE 100 ETF is therefore exposed to substantially the same market price risk as the FTSE 100 Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016.

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 GBP million	2016 GBP million
FTSE 100 Index	±3%	±3%	±0.1	±0.1

(xiii) NASDAQ 100 ETF

	As at 31st December 2017		As at 31st December 2016	
	Fair value US\$	% of net asset value	Fair value US\$	% of net asset value
Financial assets				
Listed equities - By Sector				
Consumer Discretionary	1,900,164	20.79	1,676,090	21.37
Consumer Staples	433,074	4.75	501,376	6.39
Health Care	931,758	10.20	901,380	11.50
Industrials	203,800	2.23	167,476	2.14
Information Technology	5,566,607	60.87	4,481,088	57.10
Telecommunication Services	81,235	0.89	95,370	1.21
	9,116,638	99.73	7,822,780	99.71
Listed equities - By Geographical Area				
Argentina	17,306	0.19	-	-
China	183,101	2.00	138,658	1.77
Ireland	15,062	0.16	15,573	0.20
Israel	21,760	0.24	20,101	0.26
Netherlands	15,470	0.17	46,653	0.59
Singapore	127,423	1.39	96,163	1.23
United Kingdom	71,757	0.79	77,017	0.98
United States	8,664,759	94.79	7,428,615	94.68
	9,116,638	99.73	7,822,780	99.71

As at 31st December 2017, the NASDAQ 100 ETF held all constituents (2016: 106 out of 107 constituents) in the NASDAQ 100 Index. The NASDAQ 100 ETF is therefore exposed to substantially the same market price risk as the NASDAQ 100 Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017 and 2016.

Underlying index	Possible reasonable change		Impact on the post-tax profit	
	2017	2016	2017 US\$ million	2016 US\$ million
NASDAQ 100 Index	±3%	±3%	±0.3	±0.2

Notes to the Financial Statements (continued)

(xiv) Hang Seng ETF

	As at 31st December 2017	
	Fair value HK\$	% of net asset value
Financial assets		
Listed equities - By Sector		
Consumer Discretionary	14,264,931	4.14
Consumer Staples	9,172,462	2.66
Energy	19,255,304	5.61
Financials	167,272,847	48.66
Industrials	15,951,358	4.64
Information Technology	40,163,237	11.68
Real Estate	40,756,495	11.87
Telecommunication Services	20,433,900	5.94
Utilities	16,040,070	4.67
	343,310,604	99.87
Futures		
Mini Hang Seng Futures	3,460	0.00
	343,314,064	99.87

As at 31st December 2017, the Hang Seng ETF held all constituents in the HSI Net Total Return Index. The Hang Seng ETF is therefore exposed to substantially the same market price risk as the HSI Net Total Return Index.

The following table presents the sensitivity analysis in the event of a possible change in the underlying index, with all other variables held constant as at 31st December 2017.

Underlying index	Possible reasonable change	Impact on the post-tax profit
	2017	2017 HK\$ million
HSI Net Total Return Index	±3%	±10

(II) Interest Rate Risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

As at 31st December 2017 and 2016, interest rate risk for all Sub-Funds arises only from bank balances which are reset from time to time. As these interest bearing assets are short-term in nature, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material. Therefore, no sensitivity analysis has been disclosed for these bank balances.

(III) Currency Risk

MSCI China ETF, A50 China ETF, SENSEX India ETF, MSCI AC Asia ex Japan ETF, MSCI Emerging Asia ETF, CSI 300 ETF and Hang Seng ETF

The Sub-Funds hold assets and liabilities denominated in currencies other than their functional currency, Hong Kong dollar, and are therefore exposed to currency risk with respect to these currencies. The Manager considers that there is minimal currency risk to the US dollar which is a linked currency with the Hong Kong dollar.

MSCI China A ETF

The Sub-Fund holds assets and liabilities denominated in currencies other than its functional currency, RMB, and is therefore exposed to currency risk with respect to these currencies.

KOSPI 200 ETF, MSCI Taiwan ETF and NASDAQ 100 ETF

The Sub-Funds hold assets and liabilities denominated in currencies other than their functional currency, US dollar, and are therefore exposed to currency risk with respect to these currencies. The Manager considers that there is minimal currency risk to the Hong Kong dollar which is a linked currency with the US dollar.

DAX ETF and EURO STOXX 50 ETF

The Sub-Funds hold assets and liabilities denominated in currencies other than their functional currency, EUR, and are therefore exposed to currency risk with respect to these currencies.

FTSE 100 ETF

The Sub-Fund holds assets and liabilities denominated in currencies other than its functional currency, GBP, and is therefore exposed to currency risk with respect to these currencies.

The table below summarizes the currency exposure of the Sub-Funds.

Currency	Code
British Pound	GBP
Euro	EUR
Hong Kong dollar	HK\$
Indian Rupee	INR
Indonesian Rupiah	IDR
Korean Won	KRW
Malaysian Ringgit	MYR
New Taiwan dollar	TWD
Pakistan Rupee	PKR
Philippine Peso	PHP
Renminbi	RMB
Singapore dollar	SGD
Thai Baht	THB
US dollar	US\$

Notes to the Financial Statements (continued)

(i) MSCI China ETF

No currency risk is disclosed since the assets and liabilities of the Sub-Fund are denominated in HK\$ and US\$ only (2016: Nil).

(ii) MSCI China A ETF

The Sub-Fund is exposed to currency risk related to the RMB against the HK\$ and US\$.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the HK\$ and US\$ by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Currency	As at 31st December 2017 RMB equivalent			
	Monetary	Impact	Non-monetary	Impact
HK\$	(4,168)	(83)	-	-
US\$	(3,322)	(66)	-	-

Currency	As at 31st December 2016 RMB equivalent			
	Monetary	Impact	Non-monetary	Impact
HK\$	(8,992)	(180)	-	-
US\$	(13,619)	(272)	-	-

(iii) A50 China ETF

The Sub-Fund is exposed to currency risk related to the HK\$ against the RMB.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the RMB by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Currency	As at 31st December 2017 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
RMB	121,773,389	2,435,468	30,764,955,663	615,299,113

Currency	As at 31st December 2016 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
RMB	20,439,904	408,798	28,729,179,921	574,583,598

(iv) SENSEX India ETF¹¹

The Sub-Fund is exposed to currency risk related to the HK\$ against the INR.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the INR by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Currency	As at 31st December 2017 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
INR	-	-	1,092,122,570	21,842,451

Currency	As at 31st December 2016 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
INR	-	-	795,489,656	15,909,793

(v) MSCI AC Asia ex Japan ETF

The Sub-Fund is exposed to currency risk related to the HK\$ against the IDR, INR, KRW, MYR, PHP, PKR, SGD, THB and TWD.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the IDR, INR, KRW MYR, PHP, PKR, SGD, THB and TWD by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

¹¹ Represents the figures of the Mauritius Subsidiary.

Notes to the Financial Statements (continued)

Currency	As at 31st December 2017 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
IDR	(1,925,397)	(38,508)	193,587,942	3,871,759
INR	-	-	1,276	26
KRW	5,410,597	108,212	1,313,546,927	26,270,939
MYR	(1,616,191)	(32,324)	202,650,078	4,053,002
PHP	41,844	837	96,561,113	1,931,222
PKR	70,694	1,414	6,881,739	137,635
SGD	945,627	18,913	311,389,742	6,227,795
THB	156,212	3,124	193,253,878	3,865,078
TWD	22	0	962,204,883	19,244,098

Currency	As at 31st December 2016 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
IDR	-	-	133,157,122	2,663,142
INR	-	-	-	-
KRW	-	-	721,089,232	14,421,785
MYR	353,885	7,078	126,587,143	2,531,743
PHP	21,435	429	61,338,381	1,226,768
PKR	-	-	-	-
SGD	483,316	9,666	186,684,356	3,733,687
THB	83,563	1,671	119,167,630	2,383,353
TWD	-	-	608,967,818	12,179,356

(vi) MSCI Emerging Asia ETF

The Sub-Fund is exposed to currency risk related to the HK\$ against the IDR, KRW, MYR, PHP, THB and TWD.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the IDR, KRW, MYR, PHP, THB and TWD by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Currency	As at 31st December 2017 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
IDR	-	-	5,778,018	115,560
KRW	249,361	4,987	38,096,843	761,937
MYR	22,164	443	5,417,768	108,355
PHP	1,669	33	2,741,651	54,833
THB	6,903	138	5,620,361	112,407
TWD	-	-	27,973,934	559,479

Currency	As at 31st December 2016 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
IDR	-	-	4,495,831	89,917
KRW	-	-	24,745,834	494,917
MYR	13,107	262	3,790,625	75,812
PHP	941	19	2,114,726	42,294
THB	6,093	122	3,855,440	77,109
TWD	-	-	19,996,792	399,936

(vii) CSI 300 ETF

The Sub-Fund is exposed to currency risk related to the HK\$ against the RMB.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the RMB by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Currency	As at 31st December 2017 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
RMB	216,383	4,328	179,683,353	3,593,667

Currency	As at 31st December 2016 HK\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
RMB	1,927,853	38,557	192,461,359	3,849,227

(viii) KOSPI 200 ETF

The Sub-Fund is exposed to currency risk related to the US\$ against the KRW.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the KRW by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Notes to the Financial Statements (continued)

Currency	As at 31st December 2017 US\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
KRW	103,010	2,060	13,611,268	272,225

Currency	As at 31st December 2016 US\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
KRW	157,541	3,151	13,310,016	266,200

(ix) MSCI Taiwan ETF

The Sub-Fund is exposed to currency risk related to the US\$ against the TWD.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the TWD by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Currency	As at 31st December 2017 US\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
TWD	-	-	31,310,877	626,218

Currency	As at 31st December 2016 US\$ equivalent			
	Monetary	Impact	Non-monetary	Impact
TWD	-	-	19,767,905	395,358

(x) DAX ETF

The Sub-Fund is exposed to currency risk related to the EUR against the HK\$ and US\$.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the HK\$ and US\$ by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Currency	As at 31st December 2017 EUR equivalent			
	Monetary	Impact	Non-monetary	Impact
HK\$	(533)	(11)	-	-
US\$	(778)	(16)	-	-

Currency	As at 31st December 2016 EUR equivalent			
	Monetary	Impact	Non-monetary	Impact
HK\$	(1,223)	(24)	-	-
US\$	(484)	(10)	-	-

(xi) EURO STOXX 50 ETF

The Sub-Fund is exposed to currency risk related to the EUR against the HK\$ and US\$.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the HK\$ and US\$ by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Currency	As at 31st December 2017 EUR equivalent			
	Monetary	Impact	Non-monetary	Impact
HK\$	(533)	(11)	-	-
US\$	(563)	(11)	-	-

Currency	As at 31st December 2016 EUR equivalent			
	Monetary	Impact	Non-monetary	Impact
HK\$	(1,223)	(25)	-	-
US\$	(659)	(13)	-	-

(xii) FTSE 100 ETF

The Sub-Fund is exposed to currency risk related to the GBP against the EUR, HK\$ and US\$.

The table below summarizes the Sub-Fund's net exposure in monetary and non-monetary assets with the respective impact on net assets attributable to unitholders based on the assumptions that the relevant foreign exchange rates increased/decreased against the EUR, HK\$ and US\$ by 2% (2016: 2%) with all other variables held constant. This represents the Management's best estimate of a reasonable possible shift in the foreign exchanges rates.

Notes to the Financial Statements (continued)

Currency	As at 31st December 2017 GBP equivalent			
	Monetary	Impact	Non-monetary	Impact
EUR	2,563	51	-	-
HK\$	(473)	(9)	-	-
US\$	2,724	54	-	-

Currency	As at 31st December 2016 GBP equivalent			
	Monetary	Impact	Non-monetary	Impact
EUR	4,253	85	-	-
HK\$	(1,044)	(21)	-	-
US\$	(271)	(5)	-	-

(xiii) NASDAQ 100 ETF

No currency risk is disclosed since the assets and liabilities of the Sub-Fund was denominated in HK\$ and US\$ only (2016: Nil).

(xiv) Hang Seng ETF

No currency risk is disclosed since the assets and liabilities of the Sub-Fund was denominated in HK\$ and US\$ only.

(b) Credit and Counterparty Risk

Credit and counterparty risk is the risk that an issuer of a security or counterparty to a transaction will fail to fulfil an obligation or commitment that it has entered into with the Sub-Funds.

Financial assets which potentially cause the Sub-Funds to be subject to concentrations of credit and counterparty risk consist principally of investments issued by CAAP Issuers or IAP Issuers, and bank balances.

With effect from 31st October 2011, the Manager is required to obtain collateral that represents at least 100% of each of the Sub-Funds' gross total counterparty risk exposure to each individual CAAP Issuer so that there shall be no uncollateralized counterparty risk. Further, where collateral is taken in the nature of equity securities, the market value of the equity collateral should represent at least 120% of the related gross counterparty exposure. Where non-equity collateral is taken, a prudent haircut policy shall be adopted. Where a Sub-Fund with an exposure to CAAP Issuers is not fully collateralized due to circumstances beyond the control of the Manager, the Manager will procure such additional collateral to be delivered to the respective Sub-Fund as soon as practicable to comply with the above collateral requirements.

¹² Applicable to A50 China ETF

¹³ Applicable to CSI 300 ETF

The SENSEX India ETF may invest up to 15% of its net asset value in IAPs; with a maximum exposure to any single issuer of 10% of its net asset value. For the years ended 31st December 2017 and 2016, the SENSEX India ETF did not hold any IAPs.

The Manager takes steps to minimize counterparty risk in the Sub-Funds by carrying out the majority of their investment transactions and contractual commitment activities with well established broker-dealers, banks and regulated exchanges with high credit ratings.

All transactions in listed investments are settled or paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal since delivery of investments sold is made only when the Sub-Funds' custodians have received payment. For a purchase, payment is made once the investments have been received by the broker. If either party fails to meet their obligation, the trade will fail.

As at 31st December, the relevant CAAP Issuers and their credit ratings of senior long-term debt by Standard & Poor's Rating Services are as follows:

2017		2016	
CAAP Issuers	Credit Rating	CAAP Issuers	Credit Rating
JP Morgan Structured Products B.V., guaranteed by JP Morgan Chase Bank, N.A. ¹²	A+	Citigroup Global Markets Holdings Inc. ¹²	BBB+
		Credit Suisse AG, Nassau Branch ^{12,13}	A
		HSBC Bank plc ^{12,13}	AA-
		JP Morgan Structured Products B.V., guaranteed by JP Morgan Chase Bank, N.A. ¹²	A+
		Macquarie Bank Ltd ¹²	A
		UBS AG London Branch ^{12,13}	A+

The CAAP Issuers include Connected Persons of the Trustee.

- (i) MSCI China ETF, MSCI China A ETF, SENSEX India ETF, MSCI AC Asia ex Japan ETF, MSCI Emerging Asia ETF, KOSPI 200 ETF, MSCI Taiwan ETF, DAX ETF, EURO STOXX 50 ETF, FTSE 100 ETF, NASDAQ 100 ETF and Hang Seng ETF

The following table sets out the net exposure of the Sub-Funds to counterparties as at 31st December 2017 and 2016 respectively together with their credit ratings of senior long-term debt by Standard & Poor's Rating Services:

Notes to the Financial Statements (continued)

	MSCI China ETF		MSCI Taiwan ETF	
	2017 Net exposure to counterparties HK\$	2016 Net exposure to counterparties HK\$	2017 Net exposure to counterparties US\$	2016 Net exposure to counterparties US\$
Amounts due from brokers				
- JPMorgan Chase & Co Rating	N/A N/A	4,763,145 A-	N/A N/A	N/A N/A
- Merrill Lynch Pierce Fenner & Smith Inc Rating	N/A N/A	55,857 A+	N/A N/A	N/A N/A
Margin deposits				
- Credit Suisse International Rating	(38) A	175,847 A	1 A	N/A N/A

	DAX ETF		EURO STOXX 50 ETF	
	2017 Net exposure to counterparties EUR	2016 Net exposure to counterparties EUR	2017 Net exposure to counterparties EUR	2016 Net exposure to counterparties EUR
Amounts due from brokers				
- UBS Securities LLC Rating	1,173,753 A+	N/A N/A	668,165 A+	N/A N/A

	FTSE 100 ETF		NASDAQ 100 ETF	
	2017 Net exposure to counterparties GBP	2016 Net exposure to counterparties GBP	2017 Net exposure to counterparties US\$	2016 Net exposure to counterparties US\$
Amounts due from brokers				
- UBS Securities LLC Rating	736,856 A+	N/A N/A	N/A N/A	N/A N/A
- Wells Fargo Securities LLC Rating	N/A N/A	N/A N/A	4,173 AA-	N/A N/A

	Hang Seng ETF
	2017 Net exposure to counterparties HK\$
Margin deposits	
- Credit Suisse International Rating	19,850 A

(ii) A50 China ETF and CSI 300 ETF

The Sub-Funds are subject to credit and counterparty risk associated with each CAAP Issuer and may suffer losses potentially equal to the full value of the CAAPs issued by a CAAP Issuer if such CAAP Issuer fails to perform its obligations under the CAAPs. The CAAPs constitute direct, general and unsecured contractual obligations of the CAAP Issuer.

The Manager mitigates the counterparty risk associated with the Sub-Funds by transacting through a number of CAAP Issuers. In addition, since 31st October 2011, the Manager has entered into securities lending arrangements with the CAAP Issuers or their affiliates, i.e., Barclays Bank PLC, Citigroup Global Markets Limited ("Citigroup"), CLSA Limited, Credit Suisse Securities (Europe) Limited ("Credit Suisse"), Goldman Sachs International, HSBC Bank plc, ING Bank N.V., J.P. Morgan Securities plc, Macquarie Bank Ltd, Merrill Lynch International, Morgan Stanley & Co. International Plc, Nomura International plc, Standard Chartered Bank, The Royal Bank of Scotland PLC and UBS AG London Branch, in order to fully collateralize the Sub-Funds' counterparty exposure to each CAAP Issuer.

Under the securities lending arrangements, the CAAP Issuers have agreed to provide share, fixed income or cash collateral to the Sub-Funds in respect of the CAAPs issued. The Sub-Funds will lend CAAPs to the CAAP Issuers in return for shares, fixed income or cash collateral. The purpose of the securities lending arrangement is to fully collateralize the counterparty exposures to each CAAP Issuer of the Sub-Funds.

The collateral and CAAPs are marked to market every day by the borrower or an affiliate of the borrower using the last traded price. The Manager may demand additional collateral to eliminate any deficiency. Likewise the borrower may demand the return of collateral to eliminate any excess.

The table below summarizes the fair value of the collateral held by the Sub-Funds as at 31st December:

	A50 China ETF		CSI 300 ETF	
	2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Collateral Value	2,290,189,534	15,856,706,626	-	163,731,067

The Sub-Funds pay a fee in respect of the collateral arrangements. The expenses incurred pursuant to the securities lending arrangements for the years ended 31st December 2017 and 2016 are disclosed in the Statement of Comprehensive Income.

Under the securities lending arrangements, both the lender and the borrower are obliged to pay and deliver any sum of money or property that the original owner would have been entitled including dividends and interest.

Notes to the Financial Statements (continued)

Collateral may involve risks including settlement, operational and realization risks. For example, collateral is subject to fluctuations in market value and the prices of subject securities may go down as well as up. The value of the collateral securities may be lower upon realization of the securities. In the case of collateral securities which are listed securities, the listing of such securities may be suspended or revoked or the trading of such securities on the stock exchanges may be suspended, and during the period of suspension or upon revocation, it may not be possible to realize the relevant collateral securities. While the Manager will endeavour to use a tax efficient arrangement in respect of any collateral, there is no guarantee that such arrangement will not be challenged by the tax authorities. If such arrangements are successfully challenged, the Sub-Funds may be required to pay the requisite tax (such as stamp duties) and other penalties.

Accordingly, the value of the collateral realized may not be sufficient to cover the value of the CAAPs secured by such collateral. For A50 China ETF, there were no collateral shortfalls as at 31st December 2017 (2016: all the collateral shortfalls as at 31st December 2016 have been fully covered by additional collaterals called by the Manager on 3rd January 2017). For CSI 300 ETF, there were no collateral shortfalls as at 31st December 2017 and 2016.

As at 31st December 2017 and 2016, the Sub-Funds were subjected to master netting arrangements with its sole derivative counterparty. All of the derivative assets of the Sub-Funds are held with these counterparties.

The following tables present the Sub-Funds' financial assets subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument.

	Gross amounts of recognized financial assets HK\$	Gross amounts of recognized financial liabilities set-off in the Statement of Financial Position HK\$	Net amounts of financial assets presented in the Statement of Financial Position HK\$
A50 China ETF			
31st December 2017 Financial assets at fair value through profit or loss	30,764,955,663	-	30,764,955,663
31st December 2016 Financial assets at fair value through profit or loss	28,729,179,921	-	28,729,179,921
CSI 300 ETF			
31st December 2017 Financial assets at fair value through profit or loss	-	-	-
31st December 2016 Financial assets at fair value through profit or loss	192,461,359	-	192,461,359

¹⁴ Represents direct investment in A-Shares as at 31st December 2017.

¹⁵ Represents direct investment in A-Shares as at 31st December 2016.

	Related amounts not set-off in the Statement of Financial Position		Net amount HK\$
	Financial instruments HK\$	Collateral HK\$	
A50 China ETF			
31st December 2017 Financial assets at fair value through profit or loss	28,741,301,772 ¹⁴	2,023,653,891	-
31st December 2016 Financial assets at fair value through profit or loss	14,398,009,383 ¹⁵	14,331,170,538	-
CSI 300 ETF			
31st December 2017 Financial assets at fair value through profit or loss	-	-	-
31st December 2016 Financial assets at fair value through profit or loss	49,299,666 ¹⁵	143,161,693	-

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown in the Statement of Financial Position.

The Manager considers that none of these assets are impaired nor past due as at 31st December 2017 (2016: Nil).

The Sub-Funds are also exposed to credit and counterparty risk on assets held by custodian.

MSCI China ETF, SENSEX India ETF, MSCI AC Asia ex Japan ETF, MSCI Emerging Asia ETF, KOSPI 200 ETF, MSCI Taiwan ETF, DAX ETF, EURO STOXX 50 ETF, FTSE 100 ETF, NASDAQ 100 ETF and Hang Seng ETF

		2017	2016
Bank Balances			
- The Hongkong and Shanghai Banking Corporation Limited	Senior Long Term Debt by Standard & Poor's	AA-	AA-
- HSBC Institutional Trust Services (Asia) Limited	Senior Long Term Debt by Standard & Poor's	AA-	AA-

Notes to the Financial Statements (continued)

MSCI China A ETF

		2017 RMB	2016 RMB
Bank Balances			
- The Hongkong and Shanghai Banking Corporation Limited		159,936	173,724
- rating	Senior Long Term Debt by Standard & Poor's	AA-	AA-
- HSBC Bank (China) Company Limited		242,593	75,196
- rating	Senior Long Term Debt by Standard & Poor's	A+	A+
Direct A-Share investments held with:			
- HSBC Bank (China) Company Limited		23,846,471	23,497,358
- rating	Senior Long Term Debt by Standard & Poor's	A+	A+
- The Hongkong and Shanghai Banking Corporation limited		43,211,748	42,305,657
- rating	Senior Long Term Debt by Standard & Poor's	AA-	AA-

CSI 300 ETF

		2017 HK\$	2016 HK\$
Bank Balances			
- The Hongkong and Shanghai Banking Corporation Limited		40,928	1,468,253
- rating	Senior Long Term Debt by Standard & Poor's	AA-	AA-
- HSBC Bank (China) Company Limited		175,360	457,340
- rating	Senior Long Term Debt by Standard & Poor's	A+	A+
Direct A-Share investments held with:			
- HSBC Bank (China) Company Limited		179,640,563	49,276,119
- rating	Senior Long Term Debt by Standard & Poor's	A+	A+
- The Hongkong and Shanghai Banking Corporation Limited		42,790	23,547
- rating	Senior Long Term Debt by Standard & Poor's	AA-	AA-

A50 China ETF

		2017 HK\$	2016 HK\$
Bank Balances			
- The Hongkong and Shanghai Banking Corporation Limited		65,506,728	113,929,279
- rating	Senior Long Term Debt by Standard & Poor's	AA-	AA-
- HSBC Bank (China) Company Limited		111,496,503	10,118,868
- rating	Senior Long Term Debt by Standard & Poor's	A+	A+
- Citibank, N.A.		10,303,398	10,322,686
- rating	Senior Long Term Debt by Standard & Poor's	A+	A+
Investments (except from CAAPs that were lent to the CAAP Issuers under the securities lending arrangement)			
Direct A-Share investments held with Citibank (China) Co., Limited		-	6,457,928,168
- Citibank, N.A - the parent company of Citibank (China) Co., Limited			
- rating	Senior Long Term Debt by Standard & Poor's	A+	A+
Direct A-Share investments held with:			
- HSBC Bank (China) Company Limited		28,463,762,581	7,918,290,077
- rating	Senior Long Term Debt by Standard & Poor's	A+	A+
- The Hongkong and Shanghai Banking Corporation Limited		277,539,191	21,791,138
- rating	Senior Long Term Debt by Standard & Poor's	AA-	AA-

As at 31st December 2017 and 2016, the collaterals received by the Sub-Funds under the securities lending arrangements were placed with third party banks and custodians with credit ratings of senior long-term debt by Standard & Poor's Rating Services ranging from AA- to A. (2016: AA- to A)

(c) Liquidity Risk

Liquidity risk is the risk that the Sub-Funds may not be able to generate sufficient cash resources to settle their obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

As at 31st December 2017 and 2016, all of the Sub-Funds' financial liabilities are due within twelve months and therefore equal their carrying balances, as the impact of discounting is not significant. As at 31st December 2017 and 2016, each Sub-Fund held financial assets at fair value through profit or loss and other liquid assets as stated in the Statement of Financial Position that are expected to readily generate cash inflows, normally within one month, for managing liquidity risk

Each of the MSCI China ETF, MSCI China A ETF, MSCI AC Asia ex Japan ETF, MSCI Emerging Asia ETF, CSI 300 ETF, KOSPI 200 ETF, MSCI Taiwan ETF, DAX ETF, EURO STOXX 50 ETF, FTSE 100 ETF, NASDAQ 100 ETF and Hang Seng ETF invest the majority of their assets in investments that are traded in active markets and can be readily disposed of.

The A50 China ETF holds CAAPs which do not have an active market. However, transactions with participating dealers are generally in-kind and where a participating dealer subscribes or redeems in cash, such transactions would be effected with a CAAP Issuer nominated by the participating dealer.

Notes to the Financial Statements (continued)

The SENSEX India ETF invests the majority of its assets, through the Mauritius Subsidiary, in investments that are traded in an active market and can be readily disposed of, but may hold up to 15% of its net asset value in IAPs which do not have an active market. However, where a participating dealer subscribes or redeems in cash, such transactions would be effected with an IAP Issuer nominated by the participating dealer. For the years and as of 31st December 2017 and 2016, the SENSEX India ETF did not hold any IAPs.

(d) Fair Value Estimation

The fair value of investments traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. Investments that are listed or traded on an exchange are fair valued based on the last traded market prices.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

As at 31st December 2017, 100% (2016: 100%) of the financial assets at fair value through profit or loss relate to the SENSEX India ETF's investment in the Mauritius Subsidiary that has been fair valued in accordance with the policies set out in note 2(d). The shares of the Mauritius Subsidiary are not publicly traded; redemptions can only be made by the SENSEX India ETF on the redemption dates as specified in the offering document. As a result, the carrying value of the Mauritius Subsidiary may not be indicative of the value ultimately realized on redemption.

The fair value of the investment in Mauritius Subsidiary is primarily based on the latest net asset value of the Mauritius Subsidiary's participating shares as reported by its administrator. The SENSEX India ETF may make adjustments to the value based on considerations such as; liquidity of the SENSEX India ETF's holding in the Mauritius Subsidiary or its underlying investments.

IFRS 13 requires the Sub-Funds to classify their fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Inputs for the asset or liability that are unobservable inputs (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgment by the Manager. The Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following tables analyze within the fair value hierarchy the Sub-Funds' financial assets at fair value through profit or loss (by class) measured at fair value at 31st December:

MSCI China ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	2,404,732,633	-	41	2,404,732,674
Total assets	2,404,732,633	-	41	2,404,732,674

31st December 2016

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	1,404,195,897	-	34	1,404,195,931
- Futures	72,150	-	-	72,150
Total assets	1,404,268,047	-	34	1,404,268,081

Notes to the Financial Statements (continued)

MSCI China A ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	RMB	RMB	RMB	RMB
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	64,430,441	853,712	1,774,066	67,058,219
Total assets	64,430,441	853,712	1,774,066	67,058,219

31st December 2016

	Level 1	Level 2	Level 3	Total
	RMB	RMB	RMB	RMB
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	62,840,779	1,696,619	1,265,617	65,803,015
Total assets	62,840,779	1,696,619	1,265,617	65,803,015

A50 China ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	28,741,301,772	-	-	28,741,301,772
- CAAPs	-	2,023,653,891	-	2,023,653,891
Total assets	28,741,301,772	2,023,653,891	-	30,764,955,663

31st December 2016

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	14,265,909,246	132,100,137	-	14,398,009,383
- CAAPs	-	14,331,170,538	-	14,331,170,538
Total assets	14,265,909,246	14,463,270,675	-	28,729,179,921

SENSEX India ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Investment fund	-	1,094,333,177	-	1,094,333,177
Total assets	-	1,094,333,177	-	1,094,333,177

31st December 2016

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Investment fund	-	797,797,824	-	797,797,824
Total assets	-	797,797,824	-	797,797,824

MSCI AC Asia ex Japan ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	6,660,848,995	-	5	6,660,849,000
- Unlisted equities	-	-	1	1
- Exchange traded fund	738,951,310	-	-	738,951,310
Total assets	7,399,800,305	-	6	7,399,800,311

31st December 2016

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	3,791,036,960	1,438,983	-	3,792,475,943
- Unlisted equities	-	-	1	1
- Exchange traded fund	409,017,449	-	-	409,017,449
Total assets	4,200,054,409	1,438,983	1	4,201,493,393

Notes to the Financial Statements (continued)

MSCI Emerging Asia ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	158,951,731	-	1	158,951,732
- Exchange traded fund	20,978,315	-	-	20,978,315
Total assets	179,930,046	-	1	179,930,047

31st December 2016

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	104,478,055	90,010	1	104,568,066
- Exchange traded fund	14,065,163	-	-	14,065,163
Total assets	118,543,218	90,010	1	118,633,229

CSI 300 ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	174,674,621	1,332,573	3,676,159	179,683,353
Total assets	174,674,621	1,332,573	3,676,159	179,683,353

31st December 2016

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	48,142,891	1,156,775	-	49,299,666
- CAAPs	-	142,948,007	213,686	143,161,693
Total assets	48,142,891	144,104,782	213,686	192,461,359

KOSPI 200 ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	13,581,218	30,050	-	13,611,268
Total assets	13,581,218	30,050	-	13,611,268

31st December 2016

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	13,258,094	42,241	9,681	13,310,016
Total assets	13,258,094	42,241	9,681	13,310,016

MSCI Taiwan ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	31,310,877	-	-	31,310,877
Total assets	31,310,877	-	-	31,310,877

31st December 2016

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	19,767,905	-	-	19,767,905
Total assets	19,767,905	-	-	19,767,905

Notes to the Financial Statements (continued)

DAX ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	2,805,291	-	-	2,805,291
Total assets	2,805,291	-	-	2,805,291

31st December 2016

	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	6,063,264	-	-	6,063,264
Total assets	6,063,264	-	-	6,063,264

EURO STOXX 50 ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	3,319,501	-	-	3,319,501
Total assets	3,319,501	-	-	3,319,501

31st December 2016

	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	5,078,529	-	-	5,078,529
Total assets	5,078,529	-	-	5,078,529

FTSE 100 ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	GBP	GBP	GBP	GBP
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	2,761,857	-	-	2,761,857
- Unlisted equities	-	-	164	164
Total assets	2,761,857	-	164	2,762,021

31st December 2016

	Level 1	Level 2	Level 3	Total
	GBP	GBP	GBP	GBP
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	3,963,341	-	-	3,963,341
- Unlisted equities	-	-	313	313
Total assets	3,963,341	-	313	3,963,654

NASDAQ 100 ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	9,116,638	-	-	9,116,638
Total assets	9,116,638	-	-	9,116,638

31st December 2016

	Level 1	Level 2	Level 3	Total
	US\$	US\$	US\$	US\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	7,822,780	-	-	7,822,780
Total assets	7,822,780	-	-	7,822,780

Notes to the Financial Statements (continued)

Hang Seng ETF

31st December 2017

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
Assets				
Financial assets at fair value through profit or loss				
- Equity securities	343,310,604	-	-	343,310,604
- Future	3,460	-	-	3,460
Total assets	343,314,064	-	-	343,314,064

Investments whose values are based on quoted market prices in active markets are classified within level 1. The Sub-Funds do not adjust the quoted price for these instruments.

Investments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. The Sub-Funds' level 2 investments are mainly CAAPs and suspended equity securities.

As at 31st December 2017 and 2016, the SENSEX India ETF classified its investment in the Mauritius Subsidiary as level 2 within the fair value hierarchy, as the Manager believes the SENSEX India ETF could have redeemed its investment at the net asset value per share, as at the statement of financial position date. The investment was valued at fair value using the net asset value as reported by the Mauritius Subsidiary's administrator.

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. As at 31st December 2017, the level 3 investments consisted of equity securities held by the MSCI China ETF, MSCI China A ETF, MSCI AC Asia ex Japan ETF, MSCI Emerging Asia ETF, CSI 300 ETF and FTSE 100 ETF priced using an external pricing source, that are suspended from trading and unlisted equities.

Level 3 valuations are reviewed monthly by the Manager's valuation committee who evaluates the appropriateness of the valuation of the investments.

The following present the sensitivity analysis for the level 3 investments held by the Sub-Funds as at 31st December 2017 and 2016.

MSCI China ETF

A sensitivity analysis for level 3 investments held by the MSCI China ETF as at 31st December 2017 and 2016 were not presented, as it was deemed that the impact of reasonable changes in inputs were not significant.

MSCI China A ETF

As at 31st December 2017, the level 3 investments included certain illiquid equity securities held by MSCI China A ETF. A sensitivity analysis for level 3 investments held by the MSCI China A ETF as at 31st December 2016 were not presented, as it was deemed that the impact of reasonable changes in inputs were not significant.

As at 31st December 2017	Fair value	Valuation technique	Unobservable inputs	Weighted average input	Reasonable possible shift +/- (absolute value)	Change in valuation
	RMB					RMB
Equity Securities						
- Consumer Discretionary	251,590	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Consumer Staples	27,252	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Health Care	261,615	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Industrials	152,083	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Information Technology	225,186	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Materials	636,240	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Real Estate	220,100	Value by third party dealers or vendors	N/A	N/A	N/A	N/A

MSCI AC Asia ex Japan ETF

A sensitivity analysis for level 3 investments held by the MSCI AC Asia ex Japan ETF as at 31st December 2017 and 2016 were not presented, as it was deemed that the impact of reasonable changes in inputs were not significant.

MSCI Emerging Asia ETF

A sensitivity analysis for level 3 investments held by the MSCI Emerging Asia ETF as at 31st December 2017 and 2016 were not presented, as it was deemed that the impact of reasonable changes in inputs was not significant.

Notes to the Financial Statements (continued)

CSI 300 ETF

As at 31st December 2017, the level 3 investments included certain illiquid equity securities held by CSI 300 ETF. A sensitivity analysis for level 3 investments held by the CSI 300 ETF as at 31st December 2016 were not presented, as it was deemed that the impact of reasonable changes in inputs was not significant.

As at 31st December 2017	Fair value	Valuation technique	Unobservable inputs	Weighted average input	Reasonable possible shift +/- (absolute value)	Change in valuation
	HK\$					HK\$
Equity Securities						
- Consumer Discretionary	426,601	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Health Care	489,950	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Industrials	402,637	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Information Technology	1,056,427	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Materials	961,883	Value by third party dealers or vendors	N/A	N/A	N/A	N/A
- Real Estate	338,661	Value by third party dealers or vendors	N/A	N/A	N/A	N/A

KOSPI 200 ETF

A sensitivity analysis for level 3 investments held by the KOSPI 200 ETF as at 31st December 2016 was not presented, as it was deemed that the impact of reasonable changes in inputs were not significant.

FTSE 100 ETF

A sensitivity analysis for level 3 investments held by the FTSE 100 ETF as at 31st December 2017 and 2016 was not presented, as it was deemed that the impact of reasonable changes in inputs were not significant.

During the years ended 31st December 2017 and 2016, there were no transfers between levels of investments held by the Sub-Funds, except for the below.

The following table presents the transfers between levels of investments held for the year ended 31st December 2017:

MSCI China ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Consumer Staples	(7)	-	7
	(7)	-	7

The equity securities transferred from level 1 to level 3 related to securities were suspended over two months from trading as at 31st December 2017 but were actively traded on 31st December 2016.

MSCI China A ETF

	Level 1	Level 2	Level 3
	RMB	RMB	RMB
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Energy	(93,744)	93,744	-
Health Care	(88,564)	88,564	-
Industrials	(108,639)	108,639	-
Information Technology	(48,789)	48,789	-
Materials	(461,082)	461,082	-
Utilities	(52,894)	52,894	-
	(853,712)	853,712	-
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Consumer Discretionary	(251,590)	-	251,590
Consumer Staples	(27,252)	-	27,252
Health Care	(261,615)	-	261,615
Industrials	(152,083)	-	152,083
Materials	(419,240)	-	419,240
Real Estate	(89,956)	-	89,956
	(1,201,736)	-	1,201,736

Notes to the Financial Statements (continued)

	Level 1	Level 2	Level 3
	RMB	RMB	RMB
Transfers from levels 2 to 1:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Consumer Discretionary	65,412	(65,412)	-
	65,412	(65,412)	-
Transfers from levels 2 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Information Technology	-	(181,866)	181,866
Real Estate	-	(130,144)	130,144
	-	(312,010)	312,010
Transfers from levels 3 to 1:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Consumer Discretionary	49,602	-	(49,602)
Financials	34,000	-	(34,000)
	83,602	-	(83,602)

The equity securities transferred from level 1 to level 2 related to securities which were suspended from trading for two months or less as at 31st December 2017 but were actively traded on 31st December 2016. The equity securities transferred from level 1 to level 3 related to securities which were suspended over two months from trading as at 31st December 2017 but were actively traded on 31st December 2016. The equity securities transferred from level 2 to level 1 related to securities which were actively traded on 31st December 2017 but were suspended from trading for two months or less as at 31st December 2016. The equity securities transferred from level 2 to level 3 related to securities which were suspended over two months from trading as at 31st December 2017 but were suspended from trading for two months or less as at 31st December 2016. The equity securities transferred from level 3 to level 1 related to securities with active trading as at 31st December 2017 but were suspended over two months from trading on 31st December 2016.

MSCI AC Asia ex Japan ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Consumer Staples	(5)	-	5
	(5)	-	5

The equity securities transferred from level 1 to level 3 related to securities which were suspended over two months from trading as at 31st December 2017 but were actively traded on 31st December 2016.

MSCI Emerging Asia ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Consumer Staples*	(0)	-	0
	(0)	-	0

The equity securities transferred from level 1 to level 3 related to securities which were suspended over two months from trading as at 31st December 2017 but were actively traded on 31st December 2016.

* Amount is less than HK\$1

Notes to the Financial Statements (continued)

CSI 300 ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Energy	(267,364)	267,364	-
Materials	(1,065,209)	1,065,209	-
	(1,332,573)	1,332,573	-
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Consumer Discretionary	(426,601)	-	426,601
Health Care	(489,950)	-	489,950
Industrials	(402,637)	-	402,637
Information Technology	(473,980)	-	473,980
Materials	(961,883)	-	961,883
Real Estate	(338,661)	-	338,661
	(3,093,712)	-	3,093,712
Transfers from levels 2 to 1:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Financials	231,598	(231,598)	-
	231,598	(231,598)	-
Transfers from levels 2 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Information Technology	-	(582,447)	582,447
	-	(582,447)	582,447

The equity securities transferred from level 1 to level 2 related to securities which were suspended from trading for two months or less as at 31st December 2017 but were actively traded on 31st December 2016. The equity securities transferred from level 1 to level 3 related to securities which were suspended over two months from trading as at 31st December 2017 but were actively traded on 31st December 2016. The equity securities transferred from level 2 to level 1 related to securities which were actively traded on 31st December 2017 but were suspended from trading for two months or less as at 31st December 2016. The equity securities transferred from level 2 to level 3 related to securities which were suspended over two months from trading as at 31st December 2017 but were suspended from trading for two months or less as at 31st December 2016.

KOSPI 200 ETF

	Level 1	Level 2	Level 3
	US\$	US\$	US\$
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Consumer Discretionary	(7,398)	7,398	-
Materials	(22,652)	22,652	-
	(30,050)	30,050	-

The equity securities transferred from level 1 to level 2 were related to securities which were suspended from trading for two months or less as at 31st December 2017.

FTSE 100 ETF

	Level 1	Level 2	Level 3
	GBP	GBP	GBP
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Industrials	(164)	-	164
	(164)	-	164

The equity securities transferred from level 1 to level 3 related to securities which were unlisted as at 31st December 2017.

The following table presents the transfers between levels of investments held for the year ended 31st December 2016:

MSCI China ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 3 to 1:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Real Estate Development	3,319,546	-	(3,319,546)
	3,319,546	-	(3,319,546)

The equity securities transferred from level 3 to level 1 related to securities with active trading as at 31st December 2016 but were suspended from trading on 31st December 2015.

Notes to the Financial Statements (continued)

MSCI China A ETF

	Level 1	Level 2	Level 3
	RMB	RMB	RMB
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Consumer Discretionary	(164,200)	-	164,200
Financials	(69,564)	-	69,564
Industrials	(422,275)	-	422,275
Information Technology	(448,378)	-	448,378
Materials	(161,200)	-	161,200
	(1,265,617)	-	1,265,617
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Consumer Discretionary	(230,409)	230,409	-
Financials	(494,348)	494,348	-
Health Care	(43,340)	43,340	-
Industrials	(198,592)	198,592	-
Information Technology	(271,245)	271,245	-
Materials	(132,111)	132,111	-
Real Estate	(326,574)	326,574	-
	(1,696,619)	1,696,619	-

The equity securities transferred from level 1 to level 3 related to securities which were suspended over two months from trading as at 31st December 2016. The equity securities transferred from level 1 to level 2 related to securities which were suspended from trading for two months or less as at 31st December 2016.

A50 China ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Financials	(132,100,137)	132,100,137	-
	(132,100,137)	132,100,137	-

The equity securities transferred from level 1 to level 2 related to securities which were suspended from trading as at 31st December 2016 but were actively traded on 31st December 2015.

MSCI AC Asia ex Japan ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Financials	(1)	-	1
	(1)	-	1
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity securities			
Financials	(1,438,983)	1,438,983	-
	(1,438,983)	1,438,983	-

The equity securities transferred from level 1 to level 3 related to securities which were suspended over two months from trading as at 31st December 2016 but were actively traded on 31st December 2015. The equity securities transferred from level 1 to level 2 related to securities which were suspended from trading for two months or less as at 31st December 2016 but were actively traded on 31st December 2015.

MSCI Emerging Asia ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Financials	(90,010)	90,010	-
	(90,010)	90,010	-
Transfers from levels 3 to 1:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Real Estate	132,750	-	(132,750)
	132,750	-	(132,750)

The equity securities transferred from level 1 to level 2 related to securities which were suspended from trading for two months or less as at 31st December 2016 but were actively traded on 31st December 2015. The equity securities transferred from level 3 to level 1 related to securities which were actively traded as 31st December 2016 but were suspended over two months from trading on 31st December 2015.

Notes to the Financial Statements (continued)

CSI 300 ETF

	Level 1	Level 2	Level 3
	HK\$	HK\$	HK\$
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Financials	(325,743)	325,743	-
Industrials	(149,592)	149,592	-
Information Technology	(681,440)	681,440	-
	(1,156,775)	1,156,775	-
Transfers from levels 2 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- CAAPs			
Industrials	-	(104,958)	104,958
Information Technology	-	(108,728)	108,728
	-	(213,686)	213,686
Transfers from levels 3 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- CAAPs			
Consumer Staples	-	344,398	(344,398)
Financials	-	720,759	(720,759)
Information Technology	-	1,392,405	(1,392,405)
Real Estate	-	3,637,930	(3,637,930)
Utilities	-	235,473	(235,473)
	-	6,330,965	(6,330,965)

The equity securities transferred from level 1 to level 2 related to securities which were suspended from trading for two months or less as at 31st December 2016 but were actively traded on 31st December 2015. The CAAPs transferred from level 2 to level 3 related to underlying securities which were suspended over two months from trading as at 31st December 2016 but were actively traded on 31st December 2015. The CAAPs transferred from level 3 to level 2 related to underlying securities which were actively traded as at 31st December 2016 but suspended over two months from trading on 31st December 2015.

KOSPI 200 ETF

	Level 1	Level 2	Level 3
	US\$	US\$	US\$
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Industrials	(9,681)	-	9,681
	(9,681)	-	9,681
Transfers from levels 1 to 2:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Health Care	(14,083)	14,083	-
Financials	(28,158)	28,158	-
	(42,241)	42,241	-

The equity securities transferred from level 1 to level 3 related to securities which were suspended over two months from trading as at 31st December 2016. The equity securities transferred from level 1 to level 2 related to securities which were suspended from trading for two months or less as at 31st December 2016.

FTSE 100 ETF

	Level 1	Level 2	Level 3
	GBP	GBP	GBP
Transfers from levels 1 to 3:			
Assets			
Financial assets at fair value through profit or loss			
- Equity Securities			
Industrials	(313)	-	313
	(313)	-	313

The equity securities transferred from level 1 to level 3 related to securities which were unlisted as at 31st December 2016.

Notes to the Financial Statements (continued)

The following table represents the movement in level 3 equity securities held by MSCI China ETF for the year ended 31st December.

	2017 HK\$	2016 HK\$
Equity securities		
Opening balance	34	10,223,315
Transfers from level 1 to level 3	7	-
Transfers from level 3 to level 1	-	(3,319,546)
Sales	-	(4,931,752)
Losses recognized in Statement of Comprehensive Income	-	(1,971,983)
Closing balance	41	34
Total losses for the year included in Statement of Comprehensive Income for assets held at the end of the reporting year	(2,167,569)	-

The following table represents the movement in level 3 equity securities held by MSCI China A ETF for the year/period ended 31st December.

	2017 RMB	2016 RMB
Equity securities		
Opening balance	1,265,617	-
Transfers from level 1 into level 3	1,201,736	1,265,617
Transfers from level 2 into level 3	312,010	-
Transfers from level 3 into level 1	(83,602)	-
Sales	(857,508)	-
Losses recognized in Statement of Comprehensive Income	(64,187)	-
Closing balance	1,774,066	1,265,617
Total gains for the year/period included in Statement of Comprehensive Income for assets held at the end of the reporting year/period	218,595	8,515

The following table represents the movement in level 3 derivative instruments held by A50 China ETF for the year ended 31st December.

	2017 HK\$	2016 HK\$
CAAPs and equity securities		
Opening balance	-	2,284,392,062
Sales	-	(1,633,885,691)
Losses recognized in Statement of Comprehensive Income	-	(650,506,371)
Closing balance	-	-
Total gains/(losses) for the year included in Statement of Comprehensive Income for assets held at the end of the reporting year	-	-

The following table represents the movement in level 3 equity securities held by MSCI AC Asia ex Japan ETF for the year ended 31st December.

	2017 HK\$	2016 HK\$
Equity securities		
Opening balance	1	125,950
Transfers from level 1 into level 3	5	1
Sales	-	(125,959)
Gains recognized in Statement of Comprehensive Income	-	9
Closing balance	6	1
Total losses for the year included in Statement of Comprehensive Income for assets held at the end of the reporting year	(1,564,662)	-

The following table represents the movement in level 3 equity securities held by MSCI Emerging Asia ETF for the year ended 31st December.

	2017 HK\$	2016 HK\$
Equity securities		
Opening balance	1	183,201
Transfers from level 1 into level 3*	0	-
Transfers from level 3 into level 1	-	(132,750)
Sales	-	(12,264)
Losses recognized in Statement of Comprehensive Income	-	(38,186)
Closing balance	1	1
Total losses for the year included in Statement of Comprehensive Income for assets held at the end of the reporting year	(33,862)	-

* Amount is less than HK\$1

Notes to the Financial Statements (continued)

The following table represents the movement in level 3 derivative instruments held by CSI 300 ETF for the year ended 31st December.

	2017 HK\$	2016 HK\$
CAAPs		
Opening balance	213,686	16,829,322
Transfers from level 1 to level 3	3,093,712	213,686
Transfers from level 2 to level 3	582,447	(6,330,965)
Sales	(208,749)	(6,781,066)
Losses recognized in Statement of Comprehensive Income	(4,937)	(3,717,291)
Closing balance	3,676,159	213,686
Total gain/(losses) for the year included in Statement of Comprehensive Income for assets held at the end of the reporting year	572,022	(103,218)

The following table represents the movement in level 3 equity securities held by KOSPI 200 ETF for the year/period ended 31st December.

	2017 US\$	2016 US\$
Equity securities		
Opening balance	9,681	-
Transfers from level 1 into level 3	-	9,681
Sales	(4,570)	-
Losses recognized in Statement of Comprehensive income	(5,111)	-
Closing balance	-	9,681
Total losses for the year/period included in Statement of Comprehensive Income for assets held at the end of the reporting year/period	-	(909)

The following table represents the movement in level 3 equity securities held by FTSE 100 ETF for the year/period ended 31st December.

	2017 GBP	2016 GBP
Equity securities		
Opening balance	313	-
Transfers from level 1 into level 3	164	313
Sales	(313)	-
Closing balance	164	313
Total gains for the year/period included in Statement of Comprehensive Income for assets held at the end of the reporting year/period	164	313

The assets and liabilities included in the Statement of Financial Position, except for financial assets and financial liabilities at fair value through profit or loss, are carried at amortized cost. Their carrying values are an appropriate approximation of fair value.

(e) Capital Risk Management

The Sub-Funds' capital is represented by the redeemable units outstanding. The Sub-Funds' objective is to provide investment results that correspond generally to the performance of the respective indices. The Manager may:

- Redeem and issue new units in accordance with the constitutive documents of the Sub-Funds;
- Exercise discretion when determining the amount of distributions of the Sub-Funds to the unitholders; and
- Suspend the creation and redemption of units under certain circumstance stipulated in the prospectuses of the Sub-Funds.

(f) Interest in other entities

The Sub-Funds' investments in other funds are subject to the terms and conditions of the other fund's prospectuses and are susceptible to market price risk arising from uncertainties about future values of those other funds. The Manager makes investment decisions after extensive due diligence of the other funds and their strategy.

As at 31st December 2017 and 2016, no Sub-Funds held investments in other funds, except for SENSEX India ETF, MSCI AC Asia ex Japan ETF and MSCI Emerging Asia ETF.

SENSEX India ETF

As at 31st December 2017 and 2016, SENSEX India ETF invested in the Mauritius Subsidiary. The right of the SENSEX India ETF to request redemption of its investments in the Mauritius Subsidiary is on a daily basis.

SENSEX India ETF's exposure to investments in Mauritius Subsidiary at fair value is disclosed in the following table. These investments are included in financial assets at fair value through profit or loss in the Statement of Financial Position.

Notes to the Financial Statements (continued)

As at 31st December 2017

Strategy	Net asset value of Mauritius Subsidiary	Investment fair value	% of net asset value
	HK\$ million	HK\$	
Equity index tracking	1,094	1,094,333,177	99.43

As at 31st December 2016

Strategy	Net asset value of Mauritius Subsidiary	Investment fair value	% of net asset value
	HK\$ million	HK\$	
Equity index tracking	798	797,797,824	99.77

SENSEX India ETF's maximum exposure to loss from its interests in the Mauritius Subsidiary is equal to the total fair value of its investments in the Mauritius Subsidiary.

Once the SENSEX India ETF has disposed of its shares in the Mauritius Subsidiary, the SENSEX India ETF ceases to be exposed to any risk from the Mauritius Subsidiary.

The SENSEX India ETF's investment strategy entails trading in Mauritius Subsidiary on a regular basis. Total purchases in the Mauritius Subsidiary during the year ended 31st December 2017 were HK\$108,230,782 (2016: HK\$14,217,607).

As at 31st December 2017 and 2016, there were no capital commitment obligations and no amounts due to the Mauritius Subsidiary for unsettled purchases.

During the year ended 31st December 2017, total net gain incurred on investments in the Mauritius Subsidiary were HK\$312,238,541 (2016: net gain of HK\$4,624,765).

MSCI AC Asia ex Japan ETF

As at 31st December 2017 and 2016, MSCI AC Asia ex Japan ETF invested in the SG MSCI India ETF and the US MSCI India ETF, to gain access to the India securities comprised in the Underlying Index. The rights of the MSCI AC Asia ex Japan ETF to request redemption of its investments in the SG MSCI India ETF and the US MSCI India ETF are on a daily basis.

MSCI AC Asia ex Japan ETF's exposure to investments in the SG MSCI India ETF and the US MSCI India ETF at fair value is disclosed in the following table. These investments are included in financial assets at fair value through profit or loss in the Statement of Financial Position.

As at 31st December 2017

Strategy	Net asset value	Investment fair value	% of net asset value
	HK\$ million	HK\$	
Equity index tracking			
- SG MSCI India ETF	2,841	266,820,160	3.60
- US MSCI India ETF	43,145	472,131,150	6.36
		738,951,310	9.96

As at 31st December 2016

Strategy	Net asset value	Investment fair value	% of net asset value
	HK\$ million	HK\$	
Equity index tracking			
- SG MSCI India ETF	2,829	409,017,449	9.71%

MSCI AC Asia ex Japan ETF's maximum exposure to loss from its interests in the SG MSCI India ETF and the US MSCI India ETF are equal to the total fair value of its investments in the SG MSCI India ETF and the US MSCI India ETF.

Once the MSCI AC Asia ex Japan ETF has disposed of its shares in the SG MSCI India ETF and the US MSCI India ETF, the MSCI AC Asia ex Japan ETF ceases to be exposed to any risk from the SG MSCI India ETF and the US MSCI India ETF.

The MSCI AC Asia ex Japan ETF's investment strategy entails trading in the SG MSCI India ETF and the US MSCI India ETF on a regular basis. Total purchases in the US MSCI India ETF during the year ended 31st December 2017 were HK\$669,142,044 (2016: HK\$Nil). Total purchases in the SG MSCI India ETF during the year ended 31st December 2017 was HK\$Nil (2016: HK\$423,794,084).

As at 31st December 2017 and 2016, there were no capital commitment obligations and no amounts due to the SG MSCI India ETF and the US MSCI India ETF for unsettled purchases.

During the year ended 31st December 2017, total net gain incurred on investments in the SG MSCI India ETF and the US MSCI India ETF were HK\$182,761,540 (2016: net loss of HK\$19,850,277).

MSCI Emerging Asia ETF

As at 31st December 2017 and 2016, MSCI Emerging Asia ETF invested in the SENSEX India ETF. The right of the MSCI Emerging Asia ETF to request redemption of its investments in the SENSEX India ETF is on a daily basis.

Notes to the Financial Statements (continued)

MSCI Emerging Asia ETF's exposure to investments in the SENSEX India ETF at fair value is disclosed in the following table. These investments are included in financial assets at fair value through profit or loss in the Statement of Financial Position.

As at 31st December 2017

Strategy	Net asset value of SENSEX India ETF	Investment fair value	% of net asset value
	HK\$ million	HK\$	
Equity index tracking	1,100	20,978,315	11.63

As at 31st December 2016

Strategy	Net asset value of SENSEX India ETF	Investment fair value	% of net asset value
	HK\$ million	HK\$	
Equity index tracking	800	14,065,163	11.79

MSCI Emerging Asia ETF's maximum exposure to loss from its interests in the SENSEX India ETF is equal to the total fair value of its investments in the SENSEX India ETF.

Once the MSCI Emerging Asia ETF has disposed of its shares in the SENSEX India ETF, the MSCI Emerging Asia ETF ceases to be exposed to any risk from the SENSEX India ETF.

The MSCI Emerging Asia ETF's investment strategy entails trading in the SENSEX India ETF on a regular basis. Total purchases in the SENSEX India ETF during the year ended 31st December 2017 were HK\$2,275,308 (2016: HK\$813,480).

As at 31st December 2017 and 2016, there were no capital commitment obligations and no amounts due to the SENSEX India ETF for unsettled purchases.

During the year ended 31st December 2017, total net gain incurred on investments in the SENSEX India ETF were HK\$5,589,844 (2016: net loss of HK\$39,824).

12 Distribution

	MSCI China ETF		MSCI China A ETF	
	2017 HK\$	2016 HK\$	2017 RMB	2016 RMB
Final distribution				
- HK\$0.460 on 77,400,000 units paid on 28th December 2016	-	(35,604,000)	-	-
- HK\$0.430 on 81,000,000 units paid on 29th December 2017	(34,830,000)	-	-	-
- RMB0.120 on 10,500,000 units paid on 28th December 2016	-	-	-	(1,260,000)

	A50 China ETF		MSCI AC Asia ex Japan ETF	
	2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Final distribution				
- HK\$0.300 on 2,654,000,000 units paid on 28th December 2016	-	(796,200,000)	-	-
- HK\$0.320 on 2,050,000,000 units paid on 29th December 2017	(656,000,000)	-	-	-
- HK\$0.270 on 105,200,000 units paid on 28th December 2016	-	-	-	(28,404,000)
- HK\$0.940 on 131,040,000 units paid on 29th December 2017	-	-	(123,177,600)	-

	MSCI Emerging Asia ETF		CSI 300 ETF	
	2017 HK\$	2016 HK\$	2017 HK\$	2016 HK\$
Final distribution				
- HK\$0.700 on 3,000,000 units paid on 28th December 2016	-	(2,100,000)	-	-
- HK\$0.760 on 3,200,000 units paid on 29th December 2017	(2,432,000)	-	-	-
- HK\$0.440 on 8,000,000 units paid on 28th December 2016	-	-	-	(3,520,000)
- HK\$0.290 on 5,750,000 units paid on 29th December 2017	-	-	(1,667,500)	-

	MSCI Taiwan ETF		Hang Seng ETF
	2017 US\$	2016 US\$	2017 HK\$
Final distribution			
- US\$0.020 on 17,600,000 units paid on 28th December 2016	-	(352,000)	-
- US\$0.020 on 17,600,000 units paid on 29th September 2017	(352,000)	-	-
- HK\$0.710 on 3,150,000 units paid on 30th June 2017	-	-	(2,236,500)
- HK\$2.950 on 3,200,000 units paid on 29th December 2017	-	-	(9,440,000)

There is no distribution during the years ended 31st December 2017 and 2016 for the SENSEX India ETF.

There is no distribution during the year/period ended 31st December 2017 and 2016 for the KOSPI 200 ETF, DAX ETF, EURO STOXX 50 ETF, FTSE 100 ETF and NASDAQ 100 ETF.

13 Segment Information

The Manager makes the strategic resource allocations on behalf of the Sub-Funds and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

Notes to the Financial Statements (continued)

The Manager considers that each Sub-Fund has a single operating segment which is investing in securities. The objectives of the Sub-Funds are to track the performance of their respective index and invest in substantially all the index constituents with security weight and industry weight that are closely aligned with the characteristics of the tracked indices.

The internal financial information used by the Manager for the Sub-Funds' assets, liabilities and performance is the same as that disclosed in the Statement of Financial Position and Statement of Comprehensive Income.

The Sub-Funds are domiciled in Hong Kong. All of the Sub-Funds' income is derived from investments in securities which constitute the relevant tracked indices. The Sub-Funds' investments have been categorized by relevant geography but no geographical information for performance is provided as the Manager considers that the cost to develop it would be excessive and the information is generally not used by the Manager in managing the Sub-Funds.

The Sub-Funds have no assets classified as non-current assets. The Sub-Funds have portfolios that closely correspond to the security weight and industry weight of the relevant tracked indices. Refer to note 10 for investment holdings that account for more than 10% of each Sub-Fund's net asset value.

14 Subsequent Event

On 2nd February 2018, the Manager made an announcement and notice of the proposed cessation of trading, termination, voluntary deauthorization and delisting of the MSCI China A ETF. MSCI China A ETF will cease trading on the SEHK as from 5th March 2018. Please see the Manager's announcement dated 2nd February 2018 (and any subsequent relevant announcements) regarding the expected termination date.

A50 China ETF and CSI 300 ETF have changed their base currency from Hong Kong dollar ("HKD") to Renminbi ("RMB"), effective 1st January 2018. This change has been made to align the base currency of the Sub-Funds with the currency of the Sub-Funds' underlying index for performance measurement and for creation and redemption of units. Accordingly, the Sub-Funds have changed their functional and presentation currency from HKD to RMB, effective 1st January 2018.

SENSEX India ETF and MSCI AC Asia ex Japan ETF have changed their base currency from Hong Kong dollar ("HKD") to United States dollar ("USD"), effective 1st January 2018. This change has been made to align the base currency of the Sub-Funds with the currency of the Sub-Funds' underlying index for performance measurement and for creation and redemption of units. Accordingly, the Sub-Funds have changed their functional and presentation currency from HKD to USD, effective 1st January 2018.

15 Approval of Financial Statements

The financial statements were approved by the Trustee and the Manager on 26th April 2018.

iShares MSCI China Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets		
Investments (99.91%)			China (99.91%) Continued				
Listed equities (99.91%)							
China (99.91%)							
199,636	3Sbio Inc	3,062,416	0.13	1,147,946	China Unicom Hong Kong Ltd	12,122,310	0.50
17,761	58.Com Inc - ADR	9,936,998	0.41	228,503	China Vanke Co Ltd - H	7,129,294	0.30
138,001	AAC Technologies Holdings In	19,237,339	0.80	528,281	Chongqing Rural Commercial - H	2,916,111	0.12
302,952	Agile Group Holdings Ltd	3,593,011	0.15	1,123,228	Citic Ltd	12,670,012	0.53
5,043,707	Agricultural Bank of China - H	18,359,094	0.76	446,039	Citic Securities Co Ltd - H	7,190,149	0.30
365,757	Air China Ltd - H	3,467,376	0.14	3,398,788	CNOOC Ltd	38,134,401	1.58
220,049	Alibaba Group Holding - SP ADR	296,612,198	12.32	326,721	Cosco Shipping Ports Ltd	2,656,242	0.11
662,793	Alibaba Health Information T	2,618,032	0.11	1,039,328	Country Garden Holdings Co	15,485,987	0.64
2,303,968	Alibaba Pictures Group Ltd	2,419,166	0.10	813,870	CRRC Corp Ltd - H	6,803,953	0.28
791,611	Aluminum Corp of China Ltd - H	4,425,106	0.18	862,289	CSPC Pharmaceutical Group Lt	13,606,920	0.57
229,976	Anhui Conch Cement Co Ltd - H	8,451,618	0.35	74,793	Ctrip.Com International - ADR	25,784,358	1.07
200,481	Anta Sports Products Ltd	7,107,051	0.30	509,000	Dongfeng Motor Grp Co Ltd - H	4,815,140	0.20
10,097	Autohome Inc - ADR	5,104,486	0.21	138,515	ENN Energy Holdings Ltd	7,722,211	0.32
425,167	Avichina Industry & Tech - H	1,768,695	0.07	405,170	Far East Horizon Ltd	2,702,484	0.11
52,361	Baidu Inc - Spon ADR	95,867,223	3.98	481,113	Fosun International Ltd	8,332,877	0.35
15,167,613	Bank of China Ltd - H	58,243,634	2.42	1,357,944	Fullshare Holdings Ltd	4,888,598	0.20
1,646,788	Bank of Communications Co - H	9,551,370	0.40	93,998	Fuyao Glass Industry Group - H	3,097,234	0.13
302,359	Beijing Capital Intl Airpo - H	3,561,789	0.15	2,610,368	GCL-Poly Energy Holdings Ltd	3,654,515	0.15
89,196	Beijing Enterprises Hldgs	4,138,694	0.17	943,761	Geely Automobile Holdings Lt	25,575,923	1.06
942,180	Beijing Enterprises Water Gr	5,700,189	0.24	273,252	GF Securities Co Ltd - H	4,295,521	0.18
565,034	Brilliance China Automotive	11,809,211	0.49	2,245,985	Gome Retail Holdings Ltd (formerly known as Gome Electrical Appliances)	2,111,226	0.09
117,408	BYD Co Ltd - H	7,995,485	0.33	622,084	Great Wall Motor Company - H	5,567,652	0.23
131,352	BYD Electronic Intl Co Ltd	2,235,611	0.09	538,701	Guangdong Investment Ltd	5,634,812	0.23
2,142,865	CGN Power Co Ltd - H	4,542,874	0.19	381,332	Guangzhou Automobile Group - H	7,062,269	0.29
1,754,843	China Cinda Asset Manageme - H	5,018,851	0.21	185,439	Guangzhou R&F Properties - H	3,267,435	0.14
1,716,042	China Citic Bank Corp Ltd - H	8,408,606	0.35	252,226	Haier Electronics Group Co	5,397,636	0.22
851,257	China Communications Const - H	7,559,162	0.31	128,325	Haitian International Hldgs	3,015,638	0.13
479,012	China Communications Servi - H	2,510,023	0.10	639,681	Haitong Securities Co Ltd - H	7,253,983	0.30
319,014	China Conch Venture Holdings	5,774,153	0.24	3,353,670	Hanergy Thin Film Power Grou	34	0.00
16,066,000	China Construction Bank - H	115,675,200	4.81	134,449	Hengan Intl Group Co Ltd	11,663,451	0.49
591,914	China Everbright Bank Co L - H	2,160,486	0.09	848,608	Huaneng Power Intl Inc - H	4,158,179	0.17
430,304	China Everbright Intl Ltd	4,802,193	0.20	799,266	Huaneng Renewables Corp - H	2,118,055	0.09
193,032	China Everbright Ltd	3,374,199	0.14	293,240	Huatai Securities Co Ltd - H	4,562,814	0.19
638,384	China Evergrande Group	17,204,449	0.72	14,086,020	Ind & Comm Bk of China - H	88,601,066	3.68
592,164	China Galaxy Securities Co - H	3,410,865	0.14	125,293	JD.Com Inc - ADR	40,568,942	1.69
312,349	China Gas Holdings Ltd	6,746,738	0.28	245,927	Jiangsu Express Co Ltd - H	2,926,531	0.12
1,943,652	China Huarong Asset Manage - H	7,172,076	0.30	250,429	Jiangxi Copper Co Ltd - H	3,105,320	0.13
720,125	China Huishan Dairy Holdings	7	0.00	123,936	Kingboard Chemical Holdings	5,236,296	0.22
599,028	China Jinmao Holdings Group	2,060,656	0.09	156,546	Kingsoft Corp Ltd	4,070,196	0.17
1,405,561	China Life Insurance Co - H	34,506,523	1.43	647,532	Kunlun Energy Co Ltd	5,270,910	0.22
637,155	China Longyuan Power Group - H	3,542,582	0.15	307,184	Lee & Man Paper Manufacturin	2,838,380	0.12
255,086	China Medical System Holding	4,647,667	0.19	1,272,645	Lenovo Group Ltd	5,612,364	0.23
511,511	China Mengniu Dairy Co	11,892,631	0.49	277,479	Longfor Properties	5,433,039	0.23
743,105	China Merchants Bank - H	23,110,566	0.96	248,396	Meitu Inc	2,702,548	0.11
230,529	China Merchants Port Holding	4,714,318	0.20	21,129	Momo Inc - Spon ADR	4,043,404	0.17
1,020,021	China Minsheng Banking - H	7,986,764	0.33	15,092	Netease Inc - ADR	40,710,907	1.69
1,172,554	China Mobile Ltd	92,924,905	3.86	142,044	New China Life Insurance C - H	7,585,150	0.32
724,536	China Molybdenum Co Ltd - H	3,637,171	0.15	25,488	New Oriental Educatio - SP ADR	18,729,250	0.78
576,888	China National Building Ma - H	4,032,447	0.17	169,480	Nexteer Automotive Group Ltd	3,155,718	0.13
363,765	China Oilfield Services - H	2,768,252	0.12	327,639	Nine Dragons Paper Holdings	4,102,040	0.17
720,250	China Overseas Land & Invest	18,114,288	0.75	1,400,845	People's Insurance Co Grou - H	5,393,253	0.22
504,193	China Pacific Insurance Gr - H	18,932,447	0.79	3,965,624	Petrochina Co Ltd - H	21,612,651	0.90
4,870,211	China Petroleum & Chemical - H	27,906,309	1.16	864,951	PICC Property & Casualty - H	12,991,564	0.54
395,841	China Railway Construction - H	3,586,319	0.15	995,562	Ping An Insurance Group Co - H	80,988,969	3.37
801,829	China Railway Group Ltd - H	4,634,572	0.19	539,049	Semiconductor Manufacturing	7,287,943	0.30
299,765	China Resources Beer Holdin	8,408,408	0.35	348,576	Shandong Weigao Gp Medical - H	1,983,397	0.08
179,164	China Resources Gas Group Lt	5,079,299	0.21	566,154	Shanghai Electric Grp Co L - H	1,823,016	0.08
530,480	China Resources Land Ltd	12,201,040	0.51	83,536	Shanghai Fosun Pharmaceuti - H	4,189,330	0.17
365,972	China Resources Pharmaceutic	3,703,637	0.15	101,376	Shanghai Industrial Hldg Ltd	2,270,822	0.09
386,505	China Resources Power Holdin	5,627,513	0.23	179,564	Shanghai Lujiazui Fin&Trad - B	2,029,758	0.08
641,377	China Shenhua Energy Co - H	12,987,884	0.54	138,334	Shanghai Pharmaceuticals - H	2,925,764	0.12
364,186	China Southern Airlines Co - H	2,938,981	0.12	138,918	Shenzhen International Group	10,335,499	0.43
364,764	China State Construction Int	3,990,518	0.17	221,459	Shimao Property Holdings Ltd	3,764,803	0.16
301,616	China Taiping Insurance Hold	8,837,349	0.37	731,888	Sihuan Pharmaceutical Hldgs	2,056,605	0.09
2,554,157	China Telecom Corp Ltd - H	9,501,464	0.40	11,092	Sina Corp	8,697,829	0.36
				835,217	Sino Biopharmaceutical	11,576,108	0.48

iShares MSCI China Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets
China (99.91%) Continued		
634,198 Sino-Ocean Group Holding Ltd	3,418,327	0.14
700,802 Sinopec Shanghai Petrochem - H	3,118,569	0.13
234,763 Sinopharm Group Co - H	7,934,989	0.33
437,831 Soho China Ltd	2,000,888	0.08
478,496 Sun Art Retail Group Ltd	3,952,377	0.16
383,633 Sunac China Holdings Ltd	12,410,528	0.52
138,566 Sunny Optical Tech	13,842,743	0.58
54,690 Tal Education Group - ADR	12,701,861	0.53
1,088,107 Tencent Holdings Ltd	441,771,442	18.36
393,986 Tingyi (Cayman Isl) Hldg Co	5,988,587	0.25
187,285 Travelsky Technology Ltd - H	4,391,833	0.18
72,771 Tsingtao Brewery Co Ltd - H	2,932,671	0.12
76,985 Vipshop Holdings Ltd - ADR	7,053,270	0.29
966,112 Want Want China Holdings Ltd	6,328,034	0.26
9,098 Weibo Corp-Spon ADR	7,358,261	0.31
372,631 Weichai Power Co Ltd - H	3,189,721	0.13
372,977 Yanzhou Coal Mining Co - H	3,409,010	0.14
73,010 Yum China Holdings Inc	22,841,058	0.95
8,423 YY Inc - ADR	7,444,449	0.31
286,904 Zhejiang Expressway Co - H	2,464,505	0.10
94,643 Zhuzhou CRRC Times Electri - H	4,812,597	0.20
1,157,844 Zijin Mining Group Co Ltd - H	3,415,640	0.14
137,456 ZTE Corp - H	4,034,334	0.17
Total investments	<u>2,404,732,674</u>	<u>99.91</u>
Other net assets	<u>2,135,064</u>	<u>0.09</u>
Net assets attributable to unitholders at 31st December 2017	<u>2,406,867,738</u>	<u>100.00</u>
Total investments, at cost	<u>1,842,320,174</u>	

iShares MSCI China Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets		
Listed equities - By Sector		
Consumer Discretionary	9.31	9.18
Consumer Staples	2.12	2.34
Energy	4.66	6.55
Financials	22.83	26.88
Health Care	2.42	2.07
Industrials	4.23	5.55
Information Technology	41.12	31.64
Materials	1.54	1.30
Real Estate	4.71	3.77
Telecommunication Services	4.86	7.64
Utilities	2.11	2.75
Futures		
H-Shares Index Future	-	0.00*
	99.91	99.67

* Amount is less than 0.01%

iShares MSCI China Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit HK\$	Dealing Net asset value of the Sub-Fund HK\$
At end of financial period dated		
31st December 2015	18.88	2,412,353,952
31st December 2016	18.49	1,408,897,972
31st December 2017	28.05	2,406,867,738

Highest and lowest net asset value per unit

	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
Financial period ended		
31st December 2008	28.38	9.25
31st December 2009	22.61	11.58
31st December 2010	24.50	18.57
31st December 2011	23.35	15.00
31st December 2012	20.66	16.92
31st December 2013	21.89	17.00
31st December 2014	22.56	18.10
31st December 2015	27.37	18.21
31st December 2016	21.02	15.28
31st December 2017	29.42	18.58

iShares MSCI China A International Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value RMB	% of Net Assets	Holdings	Fair value RMB	% of Net Assets
Investments (99.44%)			China (99.44%) Continued		
Listed equities (99.44%)					
China (99.44%)					
4,000 Addisino Co Ltd - A	43,320	0.06	2,860 Changyuan Group Ltd - A	45,159	0.07
3,502 AECC Aero-Engine Control - A (formerly known as Avic Aero- Engine Controls - A)	53,546	0.08	9,000 Chengdu Xingrong Environme - A	48,870	0.07
6,300 AECC Aviation Power Co - A (formerly known as Avic Aviation Engine Corp - A)	169,533	0.25	6,000 China Aerospace Times Elec - A	47,040	0.07
160,100 Agricultural Bank of China - A	613,183	0.91	3,500 China Avionics Systems Co - A	47,915	0.07
11,600 Air China Ltd - A	142,912	0.21	6,340 China Baoan Group - A	45,838	0.07
5,600 Aisino Corp - A	120,624	0.18	3,288 China Camc Engineering Co - A	60,598	0.09
3,900 Alpha Group - A	55,731	0.08	17,000 China Citic Bank Corp Ltd - A	105,400	0.16
36,000 Aluminum Corp of China Ltd - A	266,400	0.39	8,000 China Communications Ser - A	102,400	0.15
12,176 Angang Steel Co Ltd - A	77,318	0.11	26,000 China Construction Bank - A	199,680	0.30
2,300 Angel Yeast Co Ltd - A	75,256	0.11	4,200 China CSSC Holdings Ltd - A	103,614	0.15
11,200 Anhui Conch Cement Co Ltd - A	328,496	0.49	22,400 China Eastern Airlines Co - A	183,904	0.27
1,000 Anhui Gujing Distillery Co - A	65,670	0.10	110,700 China Everbright Bank Co - A	448,335	0.66
4,800 Anhui Jianghuai Auto Group - A	45,408	0.07	5,300 China Film Co Ltd - A	81,620	0.12
1,600 Anhui Kouzi Distillery Co - A	73,680	0.11	6,888 China Fortune Land Develop - A	216,214	0.32
10,700 Anhui Wanjiang Logistics - A	43,335	0.06	12,200 China Gezhouba Group Co Lt - A	100,040	0.15
5,600 Anhui Xinhua Media Co Ltd - A	59,248	0.09	16,830 China Grand Automotive Ser - A	134,977	0.20
3,600 Anhui Zhongding Sealing Pa - A	65,412	0.10	9,200 China Greatwall Technology - A	67,068	0.10
11,860 Anxin Trust Co Ltd - A	155,129	0.23	12,000 China Hainan Rubber Indust - A	66,600	0.10
2,720 Aurora Optoelectronics Co - A	55,896	0.08	6,900 China High-Speed Railway - A	60,375	0.09
7,300 Avic Aircraft Co Ltd - A	123,297	0.18	5,600 China International Travel - A	242,984	0.36
3,900 Avic Aviation High-Technol - A	37,752	0.06	3,600 China Intl Marine Contain - A	82,260	0.12
24,000 Avic Capital Co Ltd - A	132,480	0.20	8,320 China Jushi Co Ltd - A	135,533	0.20
6,775 Avic Electromechanical Sy - A	73,102	0.11	7,825 China Life Insurance Co - A	238,271	0.35
1,800 Avic Helicopter Co Ltd - A	83,754	0.12	4,700 China Media Group - A (formerly known as Huawei Media Investment - A)	47,047	0.07
2,330 Avic Jonhon Optron Tech - A	91,755	0.14	2,900 China Meheco Co Ltd - A	72,181	0.11
48,256 Bank of Beijing Co Ltd - A	345,030	0.51	57,783 China Merchants Bank - A	1,676,863	2.49
135,300 Bank of China Ltd - A	537,141	0.80	16,029 China Merchants Securities - A	275,058	0.41
107,900 Bank of Communications Co - A	670,059	0.99	18,300 China Merchants Shekou Ind - A	357,948	0.53
6,400 Bank of Guiyang Co Ltd - A	85,504	0.13	81,800 China Minsheng Banking - A	686,302	1.02
32,300 Bank of Jiangsu Co Ltd - A	237,405	0.35	19,300 China Molybdenum Co Ltd - A	132,784	0.20
22,688 Bank of Nanjing Co Ltd - A	175,605	0.26	800 China National Accord Medi - A	48,200	0.07
12,880 Bank of Ningbo Co Ltd - A	229,393	0.34	12,300 China National Chemical - A	83,025	0.12
6,310 Bank of Shanghai Co Ltd - A	89,476	0.13	2,100 China National Medicines - A	58,380	0.09
49,911 Baoshan Iron & Steel Co - A	431,231	0.64	35,900 China National Nuclear Pow - A	263,865	0.39
19,900 BBMG Corporation - A	108,057	0.16	4,500 China Nonferrous Metal Ind - A	28,935	0.04
14,400 Beijing Capital Co Ltd - A	74,016	0.11	9,400 China Northern Rare Earth - A	137,146	0.20
7,691 Beijing Capital Developmen - A	71,449	0.11	4,100 China Nuclear Engineering - A	42,107	0.06
12,600 Beijing Dabeinong Technolo - A	76,356	0.11	17,400 China Pacific Insurance Gr - A	720,708	1.07
3,300 Beijing Gehua Catv Network - A	42,867	0.06	71,100 China Petroleum & Chemical - A	435,843	0.65
4,400 Beijing New Building Mater - A	99,000	0.15	32,200 China Railway Construction - A	358,708	0.53
7,650 Beijing Orient Landscape - A	154,300	0.23	51,222 China Railway Group Ltd - A	429,753	0.64
2,400 Beijing Oriental Yuhong - A	95,904	0.14	4,800 China Railway Hi-Tech Indu - A (formerly known as China Railway Erju Co Ltd - A)	58,272	0.09
2,580 Beijing Shiji Information - A	68,783	0.10	3,000 China Resources Sanjiu Med - A	81,600	0.12
8,200 Beijing Shougang Co Ltd - A	49,036	0.07	4,900 China Shipbuilding Industry Group Power Co Ltd - A	121,569	0.18
1,600 Beijing SI Pharmaceutical - A	49,552	0.07	5,322 China South Publishing - A	73,923	0.11
3,400 Beijing SPC Environment - A	77,282	0.11	18,800 China Southern Airlines Co - A	224,096	0.33
1,230 Beijing Tiantan Biological - A	35,412	0.05	3,600 China Spacesat Co Ltd - A	90,900	0.13
3,500 Beijing Tongrentang Co - A	112,840	0.17	84,000 China State Construction - A	757,680	1.12
4,600 Beijing Urban Construction - A	60,444	0.09	27,200 China Vanke Co Ltd - A	844,832	1.25
10,200 Beijing Xinwei Technology - A	181,866	0.27	10,700 China XD Electric Co Ltd - A	46,759	0.07
9,000 Beijing Yanjing Brewery Co - A	60,660	0.09	40,600 China Yangtze Power Co Ltd - A	632,954	0.94
20,400 Beiqi Foton Motor Co Ltd - A	57,324	0.08	4,200 Chinese Universe Publishin - A	71,106	0.11
94,800 BOE Technology Group Co Lt - A	548,892	0.81	9,913 Chongqing Changan Automob - A	124,904	0.19
3,600 Bright Dairy & Food Co Ltd - A	54,540	0.08	10,300 Citic Guoan Information - A	98,777	0.15
5,100 BYD Co Ltd - A	331,755	0.49	26,500 Citic Securities Co - A	479,650	0.71
6,800 CEFC Anhui International - A	48,076	0.07	5,100 CMST Development Co Ltd - A	56,100	0.08
7,300 Central China Securities C - A	45,041	0.07	4,700 Cofco Property Group Co - A	41,877	0.06
5,000 Changchun High & New Tech - A	91,500	0.14	5,700 Cofco Tunhe Sugar Co Ltd - A (formerly known as Cofco Tunhe Co Ltd - A)	45,315	0.07
15,000 Changjiang Securities Co L - A	118,050	0.17	21,800 Cosco Shipping Developme - A	74,338	0.11
			8,400 Cosco Shipping Energy Tran - A	51,408	0.08

iShares MSCI China A International Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value RMB	% of Net Assets	Holdings	Fair value RMB	% of Net Assets		
China (99.44%) Continued			China (99.44%) Continued				
21,300	Cosco Shipping Holdings Co - A	144,201	0.21	2,720	Hangzhou Robam Appliances - A	130,832	0.19
68,115	CRRC Corp Ltd - A	824,873	1.22	3,000	Han's Laser Technology In - A	148,200	0.22
1,900	CSSC Offshore And Marine E - A	48,469	0.07	7,200	Harbin Gloria Pharmaceutical - A	49,608	0.07
2,400	Cultural Investment Holdin - A	59,184	0.09	7,400	Harbin Pharmaceutical Grp - A	47,508	0.07
2,090	Da An Gene Co Ltd Sun Yat - A	38,832	0.06	5,400	Heilongjiang Agriculture - A	58,212	0.09
23,530	Dalian Port Pda Co Ltd - A	65,649	0.10	3,600	Henan Pinggao Electric Co - A	35,964	0.05
1,480	Dalian Zeus Entertainment - A	25,308	0.04	7,100	Henan Shuanghui Investment - A	188,150	0.28
41,316	Daqin Railway Co Ltd - A	374,736	0.56	4,500	Hengkang Medical Group Co - A	52,695	0.08
13,600	Datang Intl Power Gen Co - A	56,440	0.08	3,500	Hengtong Optic-Electric Co - A	141,470	0.21
1,900	Dawning Information Indust - A	76,456	0.11	3,800	Hengyi Petrochemical Co - A	81,966	0.12
9,300	DHC Software Co Ltd - A	76,260	0.11	26,400	Hesteel Co Ltd - A	102,960	0.15
1,200	Digital China Group Co Ltd - A	27,252	0.04	3,300	Hisense Electric Co Ltd - A	49,566	0.07
1,500	Do-Fluoride Chemicals Co - A	30,630	0.05	8,500	Holitech Technology Co Ltd - A	85,000	0.13
1,800	Dong-E-E-Jiaoco Ltd - A	108,486	0.16	7,384	Hongda Xingye Co Ltd - A	50,506	0.07
6,400	Dongxing Securities Co Lt - A	92,160	0.14	1,500	Hongfa Technology Co Ltd - A	62,055	0.09
13,500	Dongxu Optoelectronic Tech - A	126,630	0.19	8,200	Huaan Securities Co Ltd - A	59,614	0.09
4,200	Dr Peng Telcom & Media Gr - A	71,526	0.11	21,100	Huadian Power Intl Corp - A	78,281	0.12
6,000	Eternal Asia Supply Chain - A	42,300	0.06	2,700	Huadong Medicine Co Ltd - A	145,476	0.22
10,400	Everbright Securitie Co - A	139,672	0.21	2,676	Hualan Biological Engineer - A	71,931	0.11
4,700	Fangda Carbon New Material - A	135,736	0.20	13,400	Huaneng Power Intl Inc - A	82,678	0.12
4,800	Faw Car Company Limited - A	51,648	0.08	6,600	Huapont Life Sciences Co L - A	44,418	0.07
2,700	Fiberhome Telecom Tech Co - A	77,841	0.12	15,200	Huatai Securities Co Ltd - A	262,352	0.39
9,000	Financial Street Holdings - A	99,990	0.15	34,970	Huaxia Bank Co Ltd - A	314,730	0.47
9,800	First Capital Securities C - A	96,040	0.14	8,200	Huayu Automotive Systems - A	243,458	0.36
22,800	Focus Media Information Te - A	321,024	0.48	9,700	Hubei Biocause Pharmaceuti - A	77,600	0.11
6,200	Foshan Haitian Flavouring - A	333,560	0.49	10,700	Hubei Energy Group Co Ltd - A	49,541	0.07
21,500	Founder Securities Co Ltd - A	148,135	0.22	1,900	Hubei Jumpcan Pharmaceut - A	72,485	0.11
3,000	Fujian Newland Computer Co - A	53,790	0.08	2,000	Hubei Kaile Science & Tech - A	58,220	0.09
3,400	Fujian Sunner Development - A	48,960	0.07	3,200	Humanwell Healthcare Group - A	57,088	0.08
6,300	Future Land Holdings Co - A	184,590	0.27	13,540	Hunan Dakang Intl Food &Ag - A	38,454	0.06
4,693	Fuyao Glass Industry Group - A	136,097	0.20	4,200	Hunan TV & Broadcast Int - A	38,052	0.06
4,200	Gansu Gangtai Hd Group Co - A	49,602	0.07	1,800	Hundsun Technologies Inc - A	83,520	0.12
21,400	GCL System Integration Tec - A	91,378	0.14	5,000	Hytera Communications Corp - A	92,550	0.14
10,660	Gem Co Ltd - A	76,645	0.11	3,900	Iflytek Co Ltd - A	230,646	0.34
10,800	Gemdale Corp - A	136,404	0.20	148,100	Ind & Comm Bk of China - A	918,220	1.36
16,500	GF Securities Co Ltd - A	275,220	0.41	58,100	Industrial Bank Co Ltd - A	987,119	1.46
3,400	Giant Network Group Co Ltd - A	125,120	0.19	18,940	Industrial Securities Co - A	137,883	0.20
3,300	Global Top E-Commerce Co - A	63,162	0.09	103,520	Inner Mongolia Baotou Ste - A	254,659	0.38
2,600	Glodon Co Ltd - A	50,960	0.08	4,600	Inner Mongolia First Machi - A	55,430	0.08
8,200	Goertek Inc - A	142,270	0.21	17,700	Inner Mongolia Junzheng En - A	83,367	0.12
8,500	Gree Electric Appliances I - A	371,450	0.55	18,000	Inner Mongolia Mengdian Hu - A	53,460	0.08
6,975	GRG Banking Equipment Co - A	51,894	0.08	16,854	Inner Mongolia Yili Indus - A	542,530	0.80
2,200	Guangdong Golden Dragon De - A	37,356	0.06	3,850	Inspur Electronic Informat - A	76,538	0.11
4,500	Guangdong Haid Group Co - A	105,300	0.16	3,000	Jiangsu Bicon Pharmaceutical - A	80,010	0.12
16,400	Guanghui Energy Co Ltd - A	82,984	0.12	3,800	Jiangsu Changjiang Electro - A	81,054	0.12
17,400	Guangshen Railway Co Ltd - A	96,918	0.14	7,678	Jiangsu Hengrui Medicine C - A	529,628	0.79
10,800	Guangxi Wuzhou Zhongheng G - A	47,412	0.07	3,500	Jiangsu King's Luck Brewer - A	54,285	0.08
5,100	Guangzhou Automobile Group - A	125,766	0.19	6,600	Jiangsu Phoenix Publish - A	53,526	0.08
5,800	Guangzhou Baiyun Internati - A	85,260	0.13	8,400	Jiangsu Protruly Vision Te - A	82,908	0.12
3,600	Guangzhou Baiyunshan Phar - A	105,516	0.16	10,000	Jiangsu Shagang Co Ltd - A	217,000	0.32
6,400	Guangzhou Haige Communicat - A	61,376	0.09	4,100	Jiangsu Yanghe Brewery - A	471,500	0.70
6,900	Guangzhou Yuetai Group Co - A	43,746	0.06	2,650	Jiangsu Yuyue Medical Equ - A	51,940	0.08
4,200	Guizhou Bailing Group Phar - A	64,680	0.10	8,700	Jiangsu Zhongnan Construct - A	55,767	0.08
11,600	Guosen Securities Co Ltd - A	125,860	0.19	7,650	Jiangsu Zhongtian Technolo - A	106,641	0.16
20,100	Guotai Junan Securities Co - A	372,252	0.55	5,551	Jiangxi Copper Co Ltd - A	111,964	0.17
2,860	Guoxuan High-Tech Co Ltd - A	63,664	0.09	1,900	Jiangxi Ganfeng Lithium Co - A	136,325	0.20
7,600	Guoyuan Securities Co Ltd - A	83,600	0.12	3,600	Jiangxi Special Electric - A	40,752	0.06
40,400	Hainan Airlines Holding Co - A (formerly known as Hainan Airlines Co - A)	128,876	0.19	10,600	Jihua Group Corp Ltd - A	71,338	0.11
3,600	Hainan Haiyao Co Ltd - A	46,404	0.07	2,750	Jilin Aodong Pharmaceutica - A	61,875	0.09
21,300	Haitong Securities Co Ltd - A	274,131	0.41	8,400	Jinduicheng Molybdenum Co - A	60,732	0.09
3,200	Hang Zhou Great Star Indus - A	44,256	0.07	15,000	Jinke Properties Group Co - A	74,250	0.11
8,700	Hangzhou Binjiang Real Est - A	69,165	0.10	2,240	Jinyu Bio-Technology Co Lt - A	71,098	0.11
25,785	Hangzhou Hikvision Digital - A	1,005,615	1.49	10,800	Jizhong Energy Resources - A	62,856	0.09
5,450	Hangzhou Lianluo Interact - A (formerly known as Hangzhou Liaison Interact - A)	41,747	0.06	4,800	Joincare Pharmaceutical Gr - A	53,712	0.08
				4,900	Jointo Energy Investment C - A	37,779	0.06
				4,700	Jointown Pharmaceutical - A	89,065	0.13

iShares MSCI China A International Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value RMB	% of Net Assets	Holdings	Fair value RMB	% of Net Assets
China (99.44%) Continued			China (99.44%) Continued		
4,200 Juneyao Airlines Co Ltd - A	64,218	0.10	4,900 Shandong Gold Mining Co Lt - A	152,782	0.23
10,600 Kaidi Ecological - A	52,894	0.08	22,590 Shandong Iron And Steel Co - A	48,343	0.07
9,684 Kangde Xin Composite Mater - A	214,985	0.32	1,500 Shandong Linglong Tyre Co - A	26,190	0.04
13,680 Kangmei Pharmaceutical Co - A	305,885	0.45	22,650 Shandong Nanshan Aluminum - A	83,352	0.12
9,600 Kingenta Ecological Engine - A	87,840	0.13	7,100 Shandong Sun Paper Industr - A	65,888	0.10
7,800 Kingfa Sci.& Tech Co Ltd - A	51,246	0.08	19,000 Shandong Xinchao Energy Co - A	70,300	0.10
3,000 Kingnet Network Co Ltd - A	66,630	0.10	8,120 Shanghai 2345 Network Hold - A	47,421	0.07
3,524 Kweichow Moutai Co Ltd - A	2,457,955	3.64	3,200 Shanghai AJ Group Co Ltd - A	35,456	0.05
15,913 Leo Group Co Ltd - A	41,374	0.06	4,739 Shanghai Bailian Group Co - A	63,929	0.09
3,700 Liaoning Cheng Da Co Ltd - A	65,120	0.10	22,432 Shanghai Construction Grou - A	83,447	0.12
1,000 Livzon Pharmaceutical Grou - A	66,450	0.10	1,900 Shanghai Environment Group - A	47,386	0.07
5,600 Lomon Billions Group Co - A	89,712	0.13	5,091 Shanghai Fosun Pharmaceuti - A	226,549	0.34
5,400 Longi Green Energy Technol - A (formerly known as Xian Longi Silicon Materia - A)	196,776	0.29	2,794 Shanghai International Air - A	125,758	0.19
8,300 Luxshare Precision Industr - A	194,552	0.29	24,200 Shanghai International Por - A	160,930	0.24
3,900 Luzhou Laojiao Co Ltd - A	257,400	0.38	1,800 Shanghai Jahwa United Co - A	66,402	0.10
18,600 Maanshan Iron & Steel - A	76,818	0.11	1,500 Shanghai Jinjiang Internat - A	48,435	0.07
6,000 Meihua Holdings Group Co - A	30,960	0.05	2,700 Shanghai Jinqiao Export P - A	45,765	0.07
6,800 Meinian Onehealth Healthca - A	148,716	0.22	3,760 Shanghai Lujiazui Fin&Trad - A	71,553	0.11
38,200 Metallurgical Corp of Chin - A	184,888	0.27	2,400 Shanghai Mechanical And El - A	58,800	0.09
18,250 Midea Group Co Ltd - A	1,011,597	1.50	7,561 Shanghai Oriental Pearl Gr - A (formerly known as Shanghai Oriental Pearl Me - A)	125,966	0.19
2,700 Muyuan Foodstuff Co Ltd - A	142,722	0.21	4,900 Shanghai Pharmaceuticals - A	118,531	0.18
4,300 Nanji E-Commerce Co Ltd - A	52,417	0.08	78,623 Shanghai Pudong Devel Bank - A	989,864	1.47
12,300 Nanjing Iron & Steel Co - A	59,532	0.09	9,600 Shanghai Tunnel Engineerin - A	80,256	0.12
2,800 Navinfo Co Ltd - A	73,892	0.11	2,400 Shanghai Waigaoqiao Ftz - A	44,400	0.07
3,600 Neusoft Corp - A	52,776	0.08	4,500 Shanghai Zhangjiang High - A	64,350	0.10
4,700 New China Life Insurance C - A	329,940	0.49	9,000 Shanxi Lu'An Environmental - A	102,420	0.15
10,500 New Hope Liuhe Co Ltd - A	78,225	0.12	7,500 Shanxi Securities Co Ltd - A	69,150	0.10
2,700 Ningbo Joyson Electronic - A	88,749	0.13	13,500 Shanxi Taigang Stainless - A	66,960	0.10
3,100 Ningbo Shanshan Co Ltd - A	60,078	0.09	2,300 Shanxi Xinghuacun Fen Wine - A	131,077	0.19
21,100 Ningbo Zhoushan Port Co Lt - A	112,041	0.17	9,600 Shanxi Xishan Coal & Elec - A	97,344	0.14
2,932 North Industries Group Red - A (formerly known as Hunan Jiangnan Red Arrow - A)	28,880	0.04	12,700 Shanying Intl Hldg Co Ltd - A	55,118	0.08
4,800 North Navigation Control T - A	59,184	0.09	11,100 Shenergy Company Limited - A	65,046	0.10
2,900 Northcom Group Co Ltd - A	65,395	0.10	3,800 Shenghe Resources Holdings - A	72,200	0.11
7,200 Northeast Securities Co Lt - A	63,144	0.09	55,800 Shenwan Hongyuan Group Co - A	299,646	0.44
10,600 Oceanwide Holdings Co Ltd - A	79,076	0.12	2,000 Shennu Energy Saving Co Lt - A	65,000	0.10
11,300 Offshore Oil Engineering - A	69,495	0.10	6,300 Shenzhen Agricultural Prod - A	48,258	0.07
7,450 O-Film Tech Co Ltd - A (formerly known as Shenzhen O-Film Tech Co - A)	153,395	0.23	10,400 Shenzhen Energy Group Co L - A	63,024	0.09
7,200 ORG Packaging Co Ltd - A	45,000	0.07	5,492 Shenzhen Feima Internation - A	67,991	0.10
14,100 Orient Securities Co Ltd - A	195,426	0.29	3,240 Shenzhen Hepalink Pharmace - A	49,507	0.07
4,800 Oriental Energy Co Ltd - A	58,608	0.09	2,400 Shenzhen Kingdom Sci-Tech - A	36,336	0.05
18,700 Pacific Securities Co/The - A	67,694	0.10	22,300 Shenzhen Overseas Chinese - A	189,327	0.28
20,400 Pang Da Automobile Trade - A	51,000	0.08	3,000 Shenzhen Salubris Pharm - A	135,570	0.20
3,600 People.Cn Co Ltd - A	38,988	0.06	6,240 Shenzhen World Union Prope - A	69,576	0.10
28,900 Petrochina Co Ltd - A	233,801	0.35	6,000 Shenzhen Yan Tian Port Hld - A	46,020	0.07
48,020 Ping An Bank Co Ltd - A	638,666	0.95	6,600 Shenzhen Zhongjin Lingnan - A	73,722	0.11
30,300 Ping An Insurance Group Co - A	2,120,394	3.14	3,600 Shijiazhuang Yiling Pharma - A	56,016	0.08
31,300 Poly Real Estate Group Co - A	442,895	0.66	14,400 Sichuan Changhong Electric - A	50,112	0.07
26,900 Power Construction Corp of - A	194,218	0.29	11,500 Sichuan Chuantou Energy Co - A	117,070	0.17
16,100 Qingdao Haier Co Ltd - A	303,324	0.45	16,220 Sichuan Hebang Biotechnol- A	32,440	0.05
7,200 Qinghai Salt Lake Industry - A	100,152	0.15	4,200 Sichuan Kelun Pharmaceutical - A	104,580	0.15
2,720 Realcan Pharmaceutical Co - A	36,584	0.05	6,600 Sinochem Intl Corp - A	55,836	0.08
10,100 Risesun Real Estate Devel - A	96,253	0.14	7,900 Sinolink Securities Co Ltd - A	75,366	0.11
7,100 Rongsheng Petro Chemical - A	101,885	0.15	14,800 Sinopec Shanghai Petroche - A	93,684	0.14
21,804 Saic Motor Corp Ltd - A	698,600	1.04	3,000 Sinotrans Air Transport - A	51,840	0.08
10,740 Sanan Optoelectronics Co L - A	272,689	0.40	8,400 Soochow Securities Co Ltd - A	81,648	0.12
21,100 Sany Heavy Industry Co Ltd - A	191,377	0.28	14,500 Southwest Securities Co Lt - A	67,135	0.10
7,400 Sdic Capital Co Ltd - A (formerly known as Sdic Essence Holdings Co L - A)	97,532	0.14	1,300 Spring Airlines Co Ltd - A	48,451	0.07
17,500 Sdic Power Holdings Co Ltd - A	128,450	0.19	26,100 Suning Commerce Group Co - A	320,769	0.48
10,750 Sealand Securities Co Ltd - A	52,675	0.08	8,800 Suning Universal Co Ltd - A	38,104	0.06
14,000 Shaanxi Coal Industry Co L - A	114,240	0.17	2,100 Suofeiya Home Collection C - A	77,280	0.11
8,000 Shaanxi Intl Trust Co Ltd - A	34,000	0.05	3,000 Suzhou Dongshan Precision - A	85,380	0.13
			6,450 Suzhou Gold Mantis Constr - A	98,814	0.15
			3,300 Tahoe Group Co Ltd - A (formerly known as Thaihot Group Co Ltd - A)	66,066	0.10

iShares MSCI China A International Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value RMB	% of Net Assets	Holdings	Fair value RMB	% of Net Assets
China (99.44%) Continued			China (99.44%) Continued		
2,400 Taihai Manoir Nuclear Equi - A	63,480	0.09	3,600 Zhejiang Daily Digital Cultu (formerly known as Zhe Jiang Daily Media Grp - A)	54,720	0.08
3,700 Tangshan Jidong Cement Inv - A	51,023	0.08	3,200 Zhejiang Huahai Pharmaceut - A	96,384	0.14
12,780 Tangshan Port Group Co Ltd - A	60,194	0.09	1,400 Zhejiang Huayou Cobalt Co - A	112,322	0.17
5,800 Tangshan Sanyou Chemical I - A	55,622	0.08	5,308 Zhejiang Juhua Co - A	56,424	0.08
2,500 Tasly Pharmaceutical Group - A	88,950	0.13	8,700 Zhejiang Longsheng Group C - A	101,877	0.15
2,700 Tatwah Smartech Co Ltd - A	48,789	0.07	4,400 Zhejiang Nhu Co Ltd - A	167,464	0.25
9,862 TBEA Co Ltd - A	97,732	0.14	5,900 Zhejiang Sanhua Intelligen - A	108,206	0.16
10,800 Tian Di Science & Technolo - A	50,220	0.07	1,500 Zhejiang Supor Cookware Co - A	60,570	0.09
7,900 Tianguang Zhongmao Co Ltd - A	71,179	0.11	5,720 Zhejiang Wanfeng Auto - A	102,388	0.15
5,400 Tianjin Port Co Ltd - A	56,646	0.08	3,700 Zhejiang Wanliyang Co Ltd - A	38,850	0.06
4,800 Tianjin Tianhai Investment - A	29,328	0.04	26,000 Zhejiang Zheneng Electric - A	138,580	0.21
2,990 Tianqi Lithium Corp - A (formerly known as Tianqi Lithium Industr Ind - A)	159,098	0.24	5,163 Zhengzhou Yutong Bus Co - A	124,273	0.18
2,200 Tongding Interconnection I - A	27,720	0.04	21,560 Zhonghong Holding Co Ltd - A	48,079	0.07
4,172 Tonghua Dongbao Pharmaceut - A	95,497	0.14	8,710 Zhongjin Gold Corp - A	86,142	0.13
3,100 Tonghua Golden-Horse Pharm - A	42,160	0.06	5,400 Zhongshan Broad Ocean Moto - A	37,638	0.06
29,400 Tongling Nonferrous Metals - A	85,848	0.13	16,600 Zhongtian Financial Group - A (formerly known as Zhongtian Urban Developmen - A)	130,144	0.19
10,900 Tongwei Co Ltd - A	131,999	0.20	42,500 Zijin Mining Group Co Ltd - A	195,075	0.29
1,200 Tsinghua Unisplendour Co - A	86,436	0.13	19,200 Zoomlion Heavy Industry S - A	85,824	0.13
1,700 Tsingtao Brewery Co Ltd - A	66,861	0.10	9,576 ZTE Corp - A	348,183	0.52
2,400 Tus-Sound Environmen-Res - A	79,248	0.12			
1,900 Unigroup Guoxin Co Ltd - A	91,181	0.14	Total investments	67,058,219	99.44
2,400 Venustech Group Inc - A	56,040	0.08	Other net assets	376,242	0.56
3,400 Wanda Film Holding Co Ltd - A (formerly known as Wanda Cinema Line Co Ltd - A)	192,406	0.29	Net assets attributable to unitholders at 31st December 2017	67,434,461	100.00
7,440 Wanhua Chemical Group Co - A	282,274	0.42	Total investments, at cost	53,583,624	
6,980 Wanxiang Qianchao Co Ltd - A	70,847	0.10			
15,300 Weichai Power Co Ltd - A	127,602	0.19			
2,600 Weifu High-Technology Grp - A	62,400	0.09			
7,200 Western Mining Co - A	59,040	0.09			
9,488 Western Securities Co Ltd - A	116,892	0.17			
1,940 Westone Information Indust - A	44,659	0.07			
27,900 Wintime Energy Co Ltd - A	93,744	0.14			
10,435 Wuchan Zhongda Group Co L - A	71,167	0.11			
4,200 Wuhu Shunrong Sanqi Intera - A	86,268	0.13			
10,400 Wuliangye Yibin Co Ltd - A	830,752	1.23			
1,200 Wuxi Little Swan Co - A	81,420	0.12			
18,300 XCMG Construction Machin - A	84,729	0.13			
6,950 Xiamen C & D Inc - A	77,284	0.11			
3,000 Xiamen Tungsten Co Ltd - A	77,220	0.11			
21,600 Xinhua Zhongbao Co Ltd - A	112,752	0.17			
7,540 Xinjiang Goldwind Sci&Tech - A	142,129	0.21			
6,300 Xinjiang Zhongtai Chemical - A	83,853	0.12			
9,000 Xinxing Ductile Iron Pipes - A	46,980	0.07			
2,100 Xishui Strong Year Co Ltd - A	49,392	0.07			
3,000 XJ Electric Co Ltd - A	39,570	0.06			
12,200 Yango Group Co Ltd - A	96,014	0.14			
7,200 Yangquan Coal Industry Grp - A	53,136	0.08			
2,200 Yantai Jereh Oilfield - A	28,864	0.04			
3,700 Yifan Pharmaceutical Co Lt - A	82,325	0.12			
4,800 Yihua Lifestyle Technology - A	43,872	0.06			
13,000 Yingkou Port Liability Co - A	44,070	0.07			
25,200 Yonghui Superstores Co Ltd - A	254,520	0.38			
3,900 Yonyou Network Technology - A	82,485	0.12			
10,060 Youngor Group Co - A	92,250	0.14			
1,800 Youzu Interactive Co Ltd - A	40,140	0.06			
3,600 Yuan Longping High-Tech Ag - A	92,592	0.14			
7,100 Yunnan Aluminium Co Ltd - A	72,633	0.11			
12,900 Yunnan Chihong Zinc & Germ - A	91,590	0.14			
2,700 Yunnan Tin Co Ltd - A	35,640	0.05			
1,800 Zhangzhou Pientzhuang Pha - A	113,760	0.17			
1,900 Zhejiang Century Huatong - A	64,562	0.10			
12,800 Zhejiang China Commodities - A	73,984	0.11			
3,837 Zhejiang Chint Electrics - A	100,337	0.15			
7,500 Zhejiang Dahua Technology - A	173,175	0.26			

iShares MSCI China A International Index ETF (continued)

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	10.67	10.96
Consumer Staples	10.34	6.33
Energy	2.22	2.78
Financials	26.58	27.42
Health Care	6.28	6.87
Industrials	15.61	18.18
Information Technology	9.19	8.09
Materials	9.97	8.37
Real Estate	5.53	5.95
Telecommunication Services	0.11	0.92
Utilities	2.94	3.72
Total investments	99.44	99.59
Other net assets	0.56	0.41
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares MSCI China A International Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit RMB	Dealing Net asset value of the Sub-Fund RMB
At end of financial period dated		
31st December 2016	6.29	66,073,234
31st December 2017	7.49	67,434,460

Highest and lowest net asset value per unit

	Highest net asset value per unit RMB	Lowest net asset value per unit RMB
Financial period ended		
31st December 2016 (since inception)	6.86	5.44
31st December 2017	7.81	6.29

iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF))

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets			
Investments (99.51%)			China (99.51%) (Continued)					
China (99.51%)			Listed CAAPs issued by J.P. Morgan Structured Products B.V., guaranteed by JP Morgan Chase Bank, N.A., providing exposure from the following					
Listed equities								
155,889,211	Agricultural Bank of China - A	714,425,540	2.31	14,245,028	Agricultural Bank of China - A	65,283,646	0.21	
57,951,614	Bank of Beijing Co Ltd - A	495,808,213	1.60	4,491,044	Bank of Beijing Co Ltd - A	38,423,386	0.12	
94,165,011	Bank of China Ltd - A	447,324,008	1.45	7,466,733	Bank of China Ltd - A	35,470,142	0.12	
90,148,136	Bank of Communications Co - A	669,869,941	2.17	6,351,442	Bank of Communications Co - A	47,196,088	0.15	
4,154,782	Bank of Shanghai Co Ltd - A	70,496,347	0.23	310,977	BYD Co Ltd - A	24,205,703	0.08	
25,128,383	Baoshan Iron & Steel Co - A	259,788,800	0.84	1,494,983	China Citic Bank Corp Ltd - A	11,090,987	0.04	
99,826,674	Boe Technology Group Co Lt - A	691,619,619	2.24	783,542	China Communications Const - A	12,000,917	0.04	
3,384,144	BYD Co Ltd - A	263,413,649	0.85	3,851,448	China Construction Bank - A	35,393,807	0.12	
12,514,588	China Citic Bank Corp Ltd - A	92,843,261	0.30	5,321,211	China Everbright Bank Co - A	25,787,415	0.08	
6,450,724	China Communications Const - A	98,800,825	0.32	822,666	China Life Insurance Co - A	29,974,570	0.10	
39,438,953	China Construction Bank - A	362,433,836	1.17	4,395,801	China Merchants Bank - A	152,643,248	0.49	
61,860,223	China Everbright Bank Co - A	299,784,133	0.97	694,804	China Merchants Shekou Ind - A	16,261,972	0.05	
6,489,571	China Life Insurance Co - A	236,453,324	0.77	9,351,255	China Minsheng Banking - A	93,880,171	0.30	
52,300,115	China Merchants Bank - A	1,816,110,172	5.88	771,270	China Pacific Insurance Gr - A	38,225,983	0.12	
9,018,085	China Merchants Shekou Ind - A	211,069,419	0.68	3,954,256	China Petroleum & Chemical - A	29,004,638	0.09	
101,760,071	China Minsheng Banking - A	1,021,601,451	3.31	1,261,228	China Railway Construction - A	16,812,061	0.05	
11,350,975	China Pacific Insurance Gr - A	562,581,440	1.82	1,798,369	China Railway Group Ltd - A	18,054,388	0.06	
41,470,307	China Petroleum & Chemical - A	304,186,449	0.98	762,782	China Shenhua Energy Co - A	21,147,965	0.07	
17,217,664	China Railway Construction - A	229,509,971	0.74	4,740,558	China State Construction - A	51,165,602	0.17	
22,313,434	China Railway Group Ltd - A	224,011,602	0.73	3,079,375	Citic Securities Co - A	66,693,472	0.22	
8,734,297	China Shenhua Energy Co - A	242,156,498	0.78	2,750,517	CRRC Corp Ltd - A	39,856,642	0.13	
53,107,454	China State Construction - A	573,197,329	1.85	725,277	GF Securities Co Ltd - A	14,475,786	0.05	
36,680,353	China United Network - A	277,830,138	0.90	189,045	Guangzhou Automobile Group - A	5,578,281	0.02	
31,168,445	China Vanke Co Ltd - A	1,158,400,473	3.75	1,286,331	Guotai Junan Securities Co - A	28,505,972	0.09	
19,087,870	China Yangtze Power Co Ltd - A	356,078,476	1.15	1,891,578	Haitong Securities Co Ltd - A	29,130,303	0.09	
34,398,023	Citic Securities Co - A	744,996,438	2.41	889,463	Hangzhou Hikvision Digital - A	41,508,269	0.13	
33,154,573	CRRC Corp Ltd - A	480,429,560	1.55	954,150	Huatai Securities Co Ltd - A	19,706,047	0.06	
27,015,762	Focus Media Information Te - A	455,157,827	1.47	8,683,022	Ind & Comm Bk of China - A	64,417,645	0.21	
11,311,531	GF Securities Co Ltd - A	225,766,539	0.73	4,449,116	Industrial Bank Co Ltd - A	90,450,128	0.29	
2,639,636	Guangzhou Automobile Group - A	77,889,561	0.25	126,622	Jiangsu Yanghe Brewery - A	17,424,051	0.06	
14,646,897	Guotai Junan Securities Co - A	324,585,226	1.05	160,800	Kweichow Moutai Co Ltd - A	134,204,214	0.43	
26,965,401	Haitong Securities Co Ltd - A	415,267,142	1.34	1,302,592	Midea Group Co Ltd - A	86,396,349	0.28	
12,478,070	Hangzhou Hikvision Digital - A	582,309,886	1.88	175,007	New China Life Insurance C - A	14,700,587	0.05	
11,483,443	Huatai Securities Co Ltd - A	237,167,431	0.77	1,106,851	Petrochina Co Ltd - A	10,714,694	0.04	
95,327,552	Ind & Comm Bk of China - A	707,216,312	2.29	2,315,743	Ping An Bank Co Ltd - A	36,853,952	0.12	
62,346,870	Industrial Bank Co Ltd - A	1,267,506,436	4.10	3,456,242	Ping An Insurance Group Co - A	289,414,453	0.94	
24,027,357	Inner Mongolia Yili Indus - A	925,484,430	2.99	3,414,823	Poly Real Estate Group Co - A	57,818,491	0.19	
6,269,739	Jiangsu Hengrui Medicine C - A	517,505,287	1.67	948,814	Poly Real Estate Group Co - A	36,376,064	0.12	
1,998,330	Jiangsu Yanghe Brewery - A	274,983,850	0.89	889,441	Saich Motor Corp Ltd - A	36,376,064	0.12	
1,972,102	Kweichow Moutai Co Ltd - A	1,645,922,939	5.32	7,048,002	Shanghai International Por - A	7,077,516	0.02	
17,141,606	Midea Group Co Ltd - A	1,136,942,565	3.68	671,150	Shanghai Pudong Devel Bank - A	106,177,825	0.34	
2,984,137	Midea Group Co Ltd - A	250,667,488	0.81		Wuliangye Yibin Co Ltd - A	64,150,461	0.21	
17,892,778	New China Life Insurance C - A	173,208,194	0.56					
32,457,560	Petrochina Co Ltd - A	516,546,768	1.67					
40,951,056	Ping An Bank Co Ltd - A	3,429,108,149	11.09					
29,529,103	Ping An Insurance Group Co - A	499,975,627	1.62					
10,421,341	Poly Real Estate Group Co - A	399,538,149	1.29					
13,200,273	Saich Motor Corp Ltd - A	105,038,061	0.34					
62,278,590	Shanghai International Por - A	938,224,221	3.04					
7,638,069	Shanghai Pudong Devel Bank - A	730,068,772	2.36					
	Wuliangye Yibin Co Ltd - A							
	Total listed equity	28,741,301,772	92.96			2,023,653,891	6.55	
						Total CAAPs	6.55	
						Total investments	30,764,955,663	99.51
						Other net assets	151,881,141	0.49
						Net assets attributable to unitholders at 31st December 2017	30,916,836,804	100.00
						Total investments, at cost	22,426,280,951	

CAAP - China A-Share Access Product, being a security (such as a warrant, note or participating certificate) linked to an A-Share.

iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF))

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	6.07	2.99
Consumer Staples	11.56	3.14
Energy	2.32	1.52
Financials	51.28	32.52
Health Care	1.67	0.23
Industrials	5.53	5.71
Information Technology	5.59	0.65
Materials	0.84	-
Real Estate	6.05	1.42
Telecommunication Services	0.90	-
Utilities	1.15	1.79
	92.96	49.97
CAAPs		
Consumer Discretionary	0.50	2.26
Consumer Staples	0.70	3.48
Energy	0.20	1.74
Financials	4.31	33.69
Health Care	-	0.26
Industrials	0.47	5.87
Information Technology	0.13	0.62
Real Estate	0.24	1.46
Utilities	-	0.36
	6.55	49.74
Total investments	99.51	99.71
Other net assets	0.49	0.29
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF))

Holdings of Collateral (unaudited) As at 31st December 2017

Collateral provider	Credit rating of the collateral provider ¹	Nature of the collateral	Value of the collateral HK\$	% of net asset value covered by collateral
J.P. Morgan Securities plc, guaranteed by JP Morgan Chase Bank, N.A.	A+	Listed equities	1,167,743,296	3.78
		Fixed income securities	1,122,446,238	3.63
			2,290,189,534	7.41

Credit Rating of fixed income collateral

Collateral provider	Rating Agencies	Credit Rating	Value of the collateral HK\$	% of net asset value covered by collateral
J.P. Morgan Securities plc, guaranteed by JP Morgan Chase Bank, N.A.	Moody's ²	Aaa	947,933,306	3.07
		Aa2	174,512,932	0.56
			1,122,446,238	3.63

¹ Credit ratings of senior long-term debt by Standard & Poor's Rating Services

² Credit ratings of long-term debt by Moody's Rating Services

iShares FTSE A50 China Index ETF (formerly known as iShares FTSE A50 China Index ETF* (*This is a synthetic ETF))

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit HK\$	Dealing Net asset value of the Sub-Fund HK\$
At end of financial period dated		
31st December 2015	12.24	42,960,355,219
31st December 2016	10.86	28,814,166,352
31st December 2017	15.08	30,916,836,531

Highest and lowest net asset value per unit

	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
Financial period ended		
31st December 2008	26.54	7.64
31st December 2009	16.49	8.39
31st December 2010	14.69	10.46
31st December 2011	12.73	9.45
31st December 2012	10.85	8.79
31st December 2013	11.55	8.53
31st December 2014	14.00	7.84
31st December 2015	18.18	9.99
31st December 2016	11.99	9.70
31st December 2017	15.97	10.94

iShares Core S&P BSE SENSEX India Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets
Investments (99.43%)		
India (99.43%)		
Investment fund		
42,117,600 iShares BSE SENSEX Mauritius Company	<u>1,094,333,177</u>	<u>99.43</u>
Total investments	1,094,333,177	99.43
Other net assets	<u>6,252,763</u>	<u>0.57</u>
Net assets attributable to unitholders at 31st December 2017	<u>1,100,585,940</u>	<u>100.00</u>
Total investments, at cost	<u>668,280,071</u>	

iShares Core S&P BSE SENSEX India Index ETF

Investment Portfolio of iShares BSE SENSEX Mauritius Company (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets
Investments (99.80%)		
India (99.80%)		
Listed equities		
210,034 Adani Ports and Special Econ	10,409,218	0.95
120,324 Asian Paints Ltd	17,063,663	1.56
454,296 Axis Bank Ltd	31,291,989	2.86
36,299 Bajaj Auto Ltd	14,774,068	1.35
298,726 Bharti Airtel Ltd	19,368,942	1.77
347,916 Coal India Ltd	11,206,735	1.02
32,297 Dr. Reddy's Laboratories	9,550,373	0.87
546,280 HDFC Bank Limited	125,351,501	11.45
35,091 Hero Motocorp Ltd	16,272,704	1.49
190,638 Hindustan Unilever Ltd	31,943,041	2.92
425,241 Housing Development Finance	89,080,320	8.14
1,712,022 ICICI Bank Ltd	65,839,714	6.02
135,822 Indusind Bank Ltd	27,451,673	2.51
532,347 Infosys Ltd	67,761,762	6.19
2,274,819 ITC Ltd	73,302,138	6.70
314,997 Kotak Mahindra Bank Ltd	38,930,463	3.56
325,205 Larsen & Toubro Ltd	50,063,841	4.58
248,652 Mahindra & Mahindra Ltd	22,872,296	2.09
35,478 Maruti Suzuki India Ltd	42,284,497	3.86
814,254 NTPC Ltd	17,671,466	1.62
753,532 Oil & Natural Gas Corp Ltd	17,964,083	1.64
586,443 Power Grid Corp of India Ltd	14,390,110	1.31
862,043 Reliance Industries Ltd	97,243,613	8.89
990,658 State Bank of India	37,552,024	3.43
288,161 Sun Pharmaceutical Indus	20,145,039	1.84
132,839 Tata Consultancy Svcs Ltd	43,934,192	4.01
500,907 Tata Motors Ltd	26,453,601	2.42
138,317 Tata Motors Ltd - A-Dvr	4,147,018	0.38
178,862 Tata Steel Ltd	16,045,196	1.47
316,436 Wipro Ltd	12,146,015	1.11
508,250 Yes Bank Ltd	19,611,275	1.79
Total investments	1,092,122,570	99.80
Other net assets	2,214,634	0.20
Net assets attributable to unitholders at 31st December 2017	1,094,337,204	100.00

iShares Core S&P BSE SENSEX India Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Investment Fund		
iShares BSE SENSEX Mauritius Company	99.43	99.77
Total investments	99.43	99.77
Other net assets	0.57	0.23
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares Core S&P BSE SENSEX India Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit HK\$	Dealing Net asset value of the Sub-Fund HK\$
At end of financial period dated		
31st December 2015	17.77	828,098,456
31st December 2016	17.77	799,612,920
31st December 2017	24.57	1,100,585,940

Highest and lowest net asset value per unit

	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
Financial period ended		
31st December 2008	23.87	7.54
31st December 2009	16.54	6.98
31st December 2010	20.86	14.92
31st December 2011	20.29	12.69
31st December 2012	16.57	12.58
31st December 2013	16.58	11.80
31st December 2014	20.75	14.43
31st December 2015	21.59	16.80
31st December 2016	19.82	15.09
31st December 2017	24.57	17.67

iShares Core MSCI AC Asia ex Japan Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets		
Investments (99.72%)			China (38.94%) Continued				
Listed equities (89.76%)							
China (38.94%)							
208,150	3Sbio Inc	3,193,021	0.04	707,989	China Shenhua Energy Co - H	14,336,777	0.19
18,515	58.Com Inc - ADR	10,358,849	0.14	444,498	China Southern Airlines Co - H	3,587,099	0.05
149,425	AAC Technologies Holdings In	20,829,845	0.28	369,338	China State Construction Int	4,040,558	0.05
335,691	Agile Group Holdings Ltd	3,981,295	0.05	336,114	China Taiping Insurance Hold	9,848,140	0.13
5,324,910	Agricultural Bank of China - H	19,382,672	0.26	2,756,041	China Telecom Corp Ltd - H	10,252,473	0.14
2,427,359	AlA Group Ltd	161,783,477	2.18	1,212,848	China Unicom Hong Kong Ltd	12,807,675	0.17
394,106	Air China Ltd - H	3,736,125	0.05	240,420	China Vanke Co Ltd - H	7,501,104	0.10
231,705	Alibaba Group Holding - SP ADR	312,323,752	4.21	518,026	Chongqing Rural Commercial - H	2,859,504	0.04
548,989	Alibaba Health Information T	2,168,507	0.03	1,188,554	Citic Ltd	13,406,889	0.18
2,204,572	Alibaba Pictures Group Ltd	2,314,801	0.03	444,625	Citic Securities Co Ltd - H	7,167,355	0.10
881,757	Aluminum Corp of China Ltd - H	4,929,022	0.07	321,115	CLP Holdings Ltd	25,673,144	0.35
254,473	Anhui Conch Cement Co Ltd - H	9,351,883	0.13	3,545,498	CNOOC Ltd	39,780,488	0.54
220,256	Anta Sports Products Ltd	7,808,075	0.11	329,749	Cosco Shipping Ports Ltd	2,680,859	0.04
54,856	Asm Pacific Technology	5,973,818	0.08	1,085,997	Country Garden Holdings Co	16,181,355	0.22
10,805	Autohome Inc - ADR	5,462,411	0.07	845,783	CRRC Corp Ltd - H	7,070,746	0.10
440,974	Avichina Industry & Tech - H	1,834,452	0.02	943,702	CSPC Pharmaceutical Group Lt	14,891,618	0.20
55,128	Baidu Inc - Spon ADR	100,933,295	1.36	80,077	Ctrip.Com International - ADR	27,605,980	0.37
15,841,199	Bank of China Ltd - H	60,830,204	0.82	549,008	Dongfeng Motor Grp Co Ltd - H	5,193,616	0.07
1,840,991	Bank of Communications Co - H	10,677,748	0.14	151,949	ENN Energy Holdings Ltd	8,471,157	0.11
243,282	Bank of East Asia Ltd	8,235,096	0.11	385,356	Far East Horizon Ltd	2,570,325	0.03
329,733	Beijing Capital Intl Airpo - H	3,884,255	0.05	490,199	Fosun International Ltd	8,490,247	0.11
110,444	Beijing Enterprises Hldgs	5,124,602	0.07	1,410,817	Fullshare Holdings Ltd	5,078,941	0.07
842,099	Beijing Enterprises Water Gr	5,094,699	0.07	99,220	Fuyao Glass Industry Group - H	3,269,299	0.04
760,892	BOC Hong Kong Holdings Ltd	30,131,323	0.41	2,535,732	GCL-Poly Energy Holdings Ltd	3,550,025	0.05
617,411	Brilliance China Automotive	12,903,890	0.17	991,185	Geely Automobile Holdings Ltd	26,861,113	0.36
137,042	BYD Co Ltd - H	9,332,560	0.13	297,580	GF Securities Co Ltd - H	4,677,958	0.06
144,439	BYD Electronic Intl Co Ltd	2,458,352	0.03	1,207,672	Gome Retail Holdings Ltd (formerly known as Gome Electrical Appliances)	1,135,212	0.02
2,071,866	CGN Power Co Ltd - H	4,392,356	0.06	578,850	Great Wall Motor Company - H	5,180,707	0.07
1,789,965	China Cinda Asset Manageme - H	5,119,300	0.07	573,833	Guangdong Investment Ltd	6,002,293	0.08
1,874,382	China Citic Bank Corp Ltd - H	9,184,472	0.12	423,389	Guangzhou Automobile Group - H	7,841,164	0.11
833,013	China Communications Const - H	7,397,155	0.10	198,415	Guangzhou R&F Properties - H	3,496,072	0.05
548,989	China Communications Servi - H	2,876,702	0.04	274,577	Haier Electronics Group Co	5,875,948	0.08
279,183	China Conch Venture Holdings	5,053,212	0.07	110,689	Haitian International Hldgs	2,601,191	0.04
16,916,864	China Construction Bank - H	121,801,421	1.64	623,677	Haitong Securities Co Ltd - H	7,072,497	0.10
637,050	China Everbright Bank Co L - H	2,325,233	0.03	182,370	Hang Lung Group Ltd	5,243,137	0.07
432,255	China Everbright Intl Ltd	4,823,966	0.06	149,732	Hang Seng Bank Ltd	29,048,008	0.39
191,317	China Everbright Ltd	3,344,221	0.05	148,900	Hengan Intl Group Co Ltd	12,917,075	0.17
672,901	China Evergrande Group	18,134,682	0.24	1,728,399	Hong Kong & China Gas	26,479,073	0.36
594,154	China Galaxy Securities Co - H	3,422,327	0.05	770,877	Huaneng Power Intl Inc - H	3,777,297	0.05
344,541	China Gas Holdings Ltd	7,442,086	0.10	881,757	Huaneng Renewables Corp - H	2,336,656	0.03
2,093,864	China Huarong Asset Manage - H	7,726,358	0.10	283,974	Huatai Securities Co Ltd - H	4,418,635	0.06
519,823	China Huishan Dairy Holdings	5	0.00	14,829,989	Ind & Comm Bk of China - H	93,280,631	1.26
770,877	China Jinmao Holdings Group	2,651,817	0.04	129,395	JD.Com Inc - ADR	41,897,139	0.56
1,477,569	China Life Insurance Co - H	36,274,319	0.49	251,213	Jiangsu Express Co Ltd - H	2,989,435	0.04
715,621	China Longyuan Power Group - H	3,978,853	0.05	259,205	Jiangxi Copper Co Ltd - H	3,214,142	0.04
274,577	China Medical System Holding	5,002,793	0.07	137,051	Kingboard Chemical Holdings	5,790,405	0.08
565,118	China Mengniu Dairy Co	13,138,993	0.18	155,989	Kingsoft Corp Ltd	4,055,714	0.05
788,542	China Merchants Bank - H	24,523,656	0.33	625,781	Kunlun Energy Co Ltd	5,093,857	0.07
212,952	China Merchants Port Holding	4,354,868	0.06	337,788	Lee & Man Paper Manufacturin	3,121,161	0.04
1,127,952	China Minsheng Banking - H	8,831,864	0.12	1,541,658	Lenovo Group Ltd	6,798,712	0.09
1,234,899	China Mobile Ltd	97,865,746	1.32	254,004	Longfor Properties	4,973,398	0.07
799,948	China Molybdenum Co Ltd - H	4,015,739	0.05	273,685	Meitu Inc	2,977,693	0.04
659,933	China National Building Ma - H	4,612,932	0.06	46,647	Melco Resorts & Entert - ADR (formerly known as Melco Crown Entertainme - ADR)	10,589,540	0.14
373,997	China Oilfield Services - H	2,846,117	0.04	138,576	Minth Group Ltd	6,533,858	0.09
755,289	China Overseas Land & Invest	18,995,518	0.26	21,898	Momo Inc - Spon ADR	4,190,566	0.06
542,879	China Pacific Insurance Gr - H	20,385,106	0.27	301,050	MTR Corp	13,788,090	0.19
4,988,286	China Petroleum & Chemical - H	28,582,879	0.39	15,919	Netease Inc - ADR	42,941,753	0.58
409,692	China Railway Construction - H	3,711,810	0.05	162,114	New China Life Insurance C - H	8,656,888	0.12
813,927	China Railway Group Ltd - H	4,704,498	0.06	25,694	New Oriental Educatio - SP ADR	18,880,624	0.25
341,150	China Resources Beer Holdin	9,569,257	0.13	186,961	Nexteer Automotive Group Ltd	3,481,214	0.05
172,189	China Resources Gas Group Lt	4,881,558	0.07	331,540	Nine Dragons Paper Holdings	4,150,881	0.06
535,798	China Resources Land Ltd	12,323,354	0.17	1,543,119	People's Insurance Co Grou - H	5,941,008	0.08
403,668	China Resources Pharmaceutical	4,085,120	0.05	4,338,200	Petrochina Co Ltd - H	23,643,190	0.32
403,633	China Resources Power Holdin	5,876,896	0.08				

iShares Core MSCI AC Asia ex Japan Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets		
China (38.94%) Continued			Hong Kong (6.67%) Continued				
950,642	PICC Property & Casualty - H	14,278,643	0.19	937,445	PCCW Ltd	4,256,000	0.06
1,045,815	Ping An Insurance Group Co - H	85,077,050	1.15	284,722	Power Assets Holdings Ltd	18,777,416	0.25
499,603	Sands China Ltd	20,158,981	0.27	659,933	Sino Land Co	9,133,473	0.12
536,905	Semiconductor Manufacturing	7,258,956	0.10	441,110	SJM Holdings Ltd	3,087,770	0.04
438,210	Shandong Weigao Gp Medical - H	2,493,415	0.03	287,000	Sun Hung Kai Properties	37,424,800	0.51
659,933	Shanghai Electric Grp Co L - H	2,124,984	0.03	95,521	Swire Pacific Ltd - CIA	6,910,944	0.09
82,150	Shanghai Fosun Pharmaceuti - H	4,119,822	0.06	238,343	Swire Properties Ltd	6,006,244	0.08
109,477	Shanghai Industrial Hldg Ltd	2,452,285	0.03	280,213	Techtronic Industries Co Ltd	14,276,852	0.19
148,257	Shanghai Lujiazui Fin&Trad - B	1,675,870	0.02	1,685,341	WH Group Ltd	14,864,708	0.20
160,074	Shanghai Pharmaceuticals - H	3,385,565	0.05	247,335	Wharf Holdings Ltd	6,678,045	0.09
251,784	Shangri-La Asia Ltd	4,466,648	0.06	246,301	Wharf Real Estate Investment	12,807,652	0.17
155,525	Shenzhen International Group	11,571,060	0.16	165,100	Wheelock & Co Ltd	9,212,580	0.12
243,633	Shimao Property Holdings Ltd	4,141,761	0.06	320,863	Wynn Macau Ltd	7,941,359	0.11
772,488	Sihuan Pharmaceutical Hldgs	2,170,691	0.03	165,100	Yue Yuen Industrial Hldg	5,068,570	0.07
11,697	Sina Corp	9,172,242	0.12				
905,085	Sino Biopharmaceutical	12,544,478	0.17			495,164,623	6.67
613,935	Sino-Ocean Group Holding Ltd	3,309,110	0.04				
770,877	Sinopec Shanghai Petrochem - H	3,430,403	0.05				
246,024	Sinopharm Group Co - H	8,315,611	0.11			1,276	0.00
495,766	Soho China Ltd	2,265,651	0.03	10	Infosys Ltd		
491,144	Sun Art Retail Group Ltd	4,056,849	0.05			1,276	0.00
397,408	Sunac China Holdings Ltd	12,856,149	0.17				
147,563	Sunny Optical Tech	14,741,544	0.20				
54,557	Tal Education Group - ADR	12,670,971	0.17				
1,145,683	Tencent Holdings Ltd	465,147,298	6.27				
337,472	Tingyi (Cayman Isl) Hldg Co	5,129,574	0.07				
165,100	Travelsky Technology Ltd - H	3,871,595	0.05				
61,346	Tsingtao Brewery Co Ltd - H	2,472,244	0.03				
82,927	Vipshop Holdings Ltd - ADR	7,597,669	0.10				
965,739	Want Want China Holdings Ltd	6,325,590	0.09				
9,505	Weibo Corp - Spon ADR	7,687,434	0.10				
289,287	Weichai Power Co Ltd - H	2,476,297	0.03				
323,814	Wilmar International Ltd	5,852,945	0.08				
446,510	Yangzijiang Shipbuilding	3,839,449	0.05				
441,110	Yanzhou Coal Mining Co - H	4,031,745	0.05				
78,160	Yum China Holdings Inc	24,452,227	0.33				
8,711	YY Inc - ADR	7,698,990	0.10				
329,733	Zhejiang Expressway Co - H	2,832,406	0.04				
110,444	Zhuzhou CRRC Times Electri - H	5,616,077	0.08				
1,322,303	Zijin Mining Group Co Ltd - H	3,900,794	0.05				
145,141	ZTE Corp - H	4,259,888	0.06				
		<u>2,889,495,488</u>	<u>38.94</u>				
Hong Kong (6.67%)			Indonesia (2.67%)				
510,936	CK Asset Holdings Ltd	34,896,929	0.47	1,989,112	Adaro Energy TBK PT	2,131,715	0.03
535,813	CK Hutchison Holdings Ltd	52,563,255	0.71	367,596	Akr Corporindo TBK PT	1,344,935	0.02
131,213	CK Infrastructure Holdings L (formerly known as Cheung Kong Infrastructure)	8,810,953	0.12	4,164,601	Astra International TBK PT	19,916,290	0.27
482,640	Galaxy Entertainment Group L	30,261,528	0.41	2,013,972	Bank Central Asia TBK PT	25,412,915	0.34
368,068	Hang Lung Properties Ltd	7,030,099	0.10	0.03	Bank Danamon Indonesia TBK	3,112,971	0.04
245,569	Henderson Land Development	12,646,803	0.17	3,600,268	Bank Mandiri Persero TBK PT	16,595,172	0.22
479,590	HK Electric Investments - SS	3,429,069	0.05	1,559,777	Bank Negara Indonesia Perser	8,897,227	0.12
773,299	HKT Trust And HKT Ltd - SS	7,702,058	0.10	11,346,720	Bank Rakyat Indonesia Perser	23,797,354	0.32
232,317	Hong Kong Exchanges & Clear	55,709,617	0.75	906,556	Bank Tabungan Negara Persero	1,864,747	0.02
243,183	Hongkong Land Holdings Ltd	13,383,283	0.18	1,703,582	Bumi Serpong Damai PT	1,668,664	0.02
131,213	Hysan Development Co	5,438,779	0.07	1,714,877	Charoen Pokphand Indonesi PT	2,964,225	0.04
43,783	Jardine Matheson Hldgs Ltd	20,792,589	0.28	99,136	Gudang Garam TBK PT	4,786,658	0.06
45,304	Jardine Strategic Hldgs Ltd	14,017,453	0.19	1,902,154	Hm Sampoerna TBK PT	5,183,985	0.07
137,206	Kerry Properties Ltd	4,822,791	0.06	369,531	Indocement Tunggal Prakarsa	4,673,501	0.06
870,903	Kingston Financial Group Ltd	6,531,772	0.09	540,410	Indofood Cbp Sukses Makmur T	2,771,216	0.04
1,322,792	Li & Fung Ltd	5,674,778	0.08	863,117	Indofood Sukses Makmur TBK P	3,791,984	0.05
449,617	Link Reit	32,574,752	0.44	19,555	Jardine Cycle & Carriage Ltd	4,652,135	0.06
160,720	MGM China Holdings Ltd	3,801,028	0.05	509,623	Jasa Marga (Persero) TBK PT	1,879,256	0.02
1,198,091	New World Development	14,065,588	0.19	4,344,467	Kalbe Farma TBK PT	4,230,388	0.06
323,765	NWS Holdings Ltd	4,565,086	0.06	488,119	Matahari Department Store TB	2,812,436	0.04
				4,992,179	Pakuwon Jati TBK PT	1,970,324	0.03
				2,246,467	Perusahaan Gas Negara Perser	2,265,140	0.03
				610,689	Semen Indonesia Persero TBK	3,483,471	0.05
				1,356,248	Surya Citra Media PT TBK	1,937,973	0.03
				9,771,796	Telekomunikasi Indonesia Per	24,998,521	0.34
				446,580	Tower Bersama Infrastructure	1,653,215	0.02
				319,135	Unilever Indonesia TBK PT	10,278,818	0.14
				329,285	United Tractors TBK PT	6,716,332	0.09
				983,590	Waskita Karya Persero TBK PT	1,252,458	0.02
				701,296	XI Axiata TBK PT	1,196,052	0.02
						<u>198,240,078</u>	<u>2.67</u>
				Malaysia (2.73%)			
				259,295	Airasia BHD	1,677,887	0.02
				244,651	Alliance Bank Malaysia BHD	1,928,106	0.03
				296,309	AMMB Holdings BHD	2,524,104	0.03
				363,820	Astro Malaysia Holdings BHD	1,862,328	0.03
				683,923	Axiata Group Berhad	7,252,761	0.10
				27,769	British American Tobacco BHD	2,145,577	0.03
				936,835	Cimb Group Holdings BHD	11,834,902	0.16
				625,374	Dialog Group BHD	3,032,057	0.04
				558,743	Digi.Com BHD	5,504,351	0.07
				297,660	Felda Global Ventures	971,697	0.01
				380,379	Gamuda BHD	3,644,366	0.05

iShares Core MSCI AC Asia ex Japan Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets		
Malaysia (2.73%) Continued			Philippines (1.33%) Continued				
459,455	Genting BHD	8,164,970	0.11	339,070	Robinsons Land Co	1,130,970	0.02
583,779	Genting Malaysia BHD	6,348,640	0.09	44,681	Security Bank Corp	1,759,018	0.02
52,871	Genting Plantations BHD	1,072,335	0.01	47,736	SM Investments Corp	7,400,540	0.10
116,230	Hap Seng Consolidated	2,144,102	0.03	1,695,687	SM Prime Holdings Inc	9,957,703	0.13
135,694	Hartalega Holdings BHD	2,799,340	0.04	178,513	Universal Robina Corp	4,221,133	0.06
107,177	Hong Leong Bank Berhad	3,519,446	0.05				
54,106	Hong Leong Financial Group	1,868,688	0.03			98,930,441	1.33
407,885	IHH Healthcare BHD	4,616,992	0.06	Singapore (4.05%)			
445,660	IJM Corp BHD	2,625,592	0.04	503,597	Ascendas Real Estate Inv Trt	8,012,580	0.11
447,877	IOI Corp BHD	3,927,701	0.05	426,923	Capitaland Commercial Trust	4,819,780	0.06
451,814	IOI Properties Group BHD	1,614,564	0.02	535,983	Capitaland Ltd	11,067,411	0.15
87,846	Kuala Lumpur Kepong BHD	4,242,148	0.06	493,042	Capitaland Mall Trust	6,143,047	0.08
872,586	Malayan Banking BHD	16,518,025	0.22	83,055	City Developments Ltd	6,068,042	0.08
153,752	Malaysia Airports Hldgs BHD	2,610,559	0.04	440,062	Comfortdelgro Corp Ltd	5,096,821	0.07
386,694	Maxis BHD	4,489,167	0.06	366,596	DBS Group Holdings Ltd	53,288,617	0.72
259,308	MISC BHD	3,716,581	0.05	1,238,383	Genting Singapore Plc	9,489,572	0.13
12,512	Nestle (Malaysia) Berhad	2,494,194	0.03	534,027	Global Logistic Properties L	10,527,214	0.14
481,291	Petronas Chemicals Group BHD	7,158,504	0.10	1,637,424	Golden Agri-Resources Ltd	3,543,914	0.05
35,027	Petronas Dagangan BHD	1,641,412	0.02	1,058,627	Hutchison Port Holdings Tr-U	3,434,376	0.05
141,863	Petronas Gas BHD	4,789,987	0.06	304,096	Keppel Corp Ltd	13,074,298	0.18
65,563	PPB Group Berhad	2,183,333	0.03	641,260	Oversea-Chinese Banking Corp	46,475,684	0.63
280,040	Press Metal Aluminium Holdin	2,915,632	0.04	139,456	Sats Ltd	4,241,904	0.06
593,701	Public Bank Berhad	23,830,718	0.32	226,118	Sembcorp Industries Ltd	4,007,727	0.05
184,738	RHB Bank BHD	1,784,227	0.02	110,408	Singapore Airlines Ltd	6,891,048	0.09
766,211	Sapura Energy BHD (formerly known as Sapurakencana Petroleum BHD)	1,050,825	0.01	162,341	Singapore Exchange Ltd	7,065,152	0.10
499,270	Sime Darby Berhad	2,131,334	0.03	97,200	Singapore Press Holdings Ltd	1,506,720	0.02
499,270	Sime Darby Plantation BHD	5,786,428	0.08	326,135	Singapore Tech Engineering	6,219,212	0.08
499,270	Sime Darby Property BHD	1,716,640	0.02	1,665,692	Singapore Telecommunications	34,784,298	0.47
253,517	SP Setia BHD	1,958,804	0.03	106,635	Starhub Ltd	1,777,727	0.02
259,308	Telekom Malaysia BHD	3,155,588	0.04	550,992	Suntec Reit	6,929,535	0.09
696,463	Tenaga Nasional BHD	20,529,406	0.28	270,030	United Overseas Bank Ltd	41,778,999	0.56
137,531	UMW Holdings BHD	1,381,426	0.02	81,640	UOL Group Ltd	4,235,912	0.06
236,789	Westports Holdings BHD	1,692,338	0.02			300,479,590	4.05
1,017,709	YTL Corp BHD	2,693,196	0.04	South Korea (17.70%)			
441,086	YTL Power International BHD	1,099,099	0.01	6,615	Amorepacific Corp	14,708,452	0.20
		202,650,077	2.73	1,965	Amorepacific Corp - Pref	2,381,883	0.03
Pakistan (0.09%)				6,112	Amorepacific Group	6,292,921	0.08
118,672	Habib Bank Ltd	1,403,942	0.02	1,360	BGF Retail Co Ltd	2,085,490	0.03
39,760	Lucky Cement	1,451,976	0.02	53,484	BNK Financial Group Inc	3,678,956	0.05
79,372	MCB Bank Ltd	1,186,409	0.01	7,417	Celltrion Healthcare Co Ltd	5,881,768	0.08
131,553	Oil & Gas Development Co Ltd	1,509,733	0.02	16,088	Celltrion Inc	25,974,107	0.35
99,840	United Bank Ltd	1,329,679	0.02	14,405	Cheil Worldwide Inc	2,229,970	0.03
		6,881,739	0.09	1,634	CJ Cheiljedang Corp	4,366,998	0.06
Philippines (1.33%)				3,309	CJ Corp	4,385,541	0.06
390,275	Aboitiz Equity Ventures Inc	4,522,563	0.06	3,411	CJ E&M Corp	2,433,471	0.03
342,065	Aboitiz Power Corp	2,225,676	0.03	1,653	CJ Logistics (formerly known as CJ Korea Express Corp)	1,689,860	0.02
474,385	Alliance Global Group Inc	1,188,593	0.02	10,131	Coway Co Ltd	7,227,643	0.10
49,933	Ayala Corporation	7,936,626	0.11	4,481	Daelim Industrial Co Ltd	2,696,199	0.04
1,536,510	Ayala Land Inc	10,731,303	0.14	24,601	Daewoo Engineering & Constr	1,063,468	0.01
114,302	Bank of The Philippine Islan	1,934,914	0.03	9,717	DB Insurance Co Ltd (formerly known as Dongbu Insurance Co Ltd)	5,051,985	0.07
381,767	BDO Unibank Inc	9,804,477	0.13	39,385	DGB Financial Group Inc	3,034,123	0.04
926,263	DMCI Holdings Inc	2,088,714	0.03	8,166	Dongsuh Companies Inc	1,735,211	0.02
447,043	First Pacific Co	2,369,328	0.03	7,735	Doosan Bobcat Inc	2,022,056	0.03
7,957	Globe Telecom Inc	2,367,474	0.03	11,369	Doosan Heavy Industries	1,274,326	0.02
18,194	GT Capital Holdings Inc	3,681,060	0.05	4,281	E-Mart Inc	8,471,578	0.11
117,747	Intl Container Term Svcs Inc	1,945,291	0.03	8,630	GS Engineering & Construct	1,783,393	0.02
582,208	JG Summit Holdings Inc	6,573,485	0.09	10,355	GS Holdings	4,703,166	0.06
99,240	Jollibee Foods Corp	3,931,783	0.05	4,859	GS Retail Co Ltd	1,429,887	0.02
48,223	Manila Electric Company	2,481,441	0.03	58,257	Hana Financial Group	21,184,942	0.29
2,646,533	Megaworld Corp	2,138,500	0.03	15,318	Hankook Tire Co Ltd	6,107,234	0.08
3,087,692	Metro Pacific Investments Co	3,312,125	0.04	1,339	Hanmi Pharm Co Ltd	5,710,094	0.08
132,738	Metropolitan Bank & Trust	2,107,732	0.03	3,135	Hanmi Science Co Ltd	2,541,033	0.03
13,462	PLDT Inc	3,119,992	0.04	43,211	Hanon Systems	4,385,902	0.06

iShares Core MSCI AC Asia ex Japan Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets		
South Korea (17.70%) Continued			South Korea (17.70%) Continued				
1,967	Hanssem Co Ltd	2,585,394	0.03	52,460	Samsung Heavy Industries	2,807,903	0.04
17,919	Hanwha Chemical Corp	4,134,763	0.06	14,478	Samsung Life Insurance Co Lt	13,162,177	0.18
10,236	Hanwha Corporation	3,101,903	0.04	11,473	Samsung Sdi Co Ltd	17,132,476	0.23
50,759	Hanwha Life Insurance Co Ltd	2,561,185	0.03	7,033	Samsung Sds Co Ltd	10,271,182	0.14
7,897	Hanwha Techwin Co Ltd	2,049,989	0.03	15,031	Samsung Securities Co Ltd	4,017,157	0.05
6,344	Hotel Shilla Co Ltd	3,932,970	0.05	84,408	Shinhan Financial Group Ltd	30,448,113	0.41
4,539	Hyosung Corporation	4,623,642	0.06	1,653	Shinsegae Inc	3,621,128	0.05
3,413	Hyundai Dept Store Co	2,604,368	0.04	11,376	Sillajen Inc	7,766,959	0.10
10,128	Hyundai Development Co-Engin	2,851,004	0.04	6,454	SK Holdings Co Ltd	13,337,217	0.18
12,785	Hyundai Engineering & Const	3,388,888	0.05	116,273	SK Hynix Inc	64,951,642	0.88
3,705	Hyundai Glovis Co Ltd	3,679,399	0.05	13,441	SK Innovation Co Ltd	20,071,264	0.27
6,003	Hyundai Heavy Industries	4,405,389	0.06	26,359	SK Networks Co Ltd	1,279,972	0.02
12,737	Hyundai Marine & Fire Ins Co	4,371,342	0.06	3,723	SK Telecom	7,258,621	0.10
13,745	Hyundai Mobis Co Ltd	26,396,741	0.36	8,680	S-Oil Corp	7,415,756	0.10
30,425	Hyundai Motor Co	34,658,120	0.47	77,318	Woori Bank	8,892,236	0.12
7,137	Hyundai Motor Co Ltd - 2nd Prf	5,315,764	0.07	1,689	Yuhan Corp	2,700,994	0.04
4,741	Hyundai Motor Co Ltd - Prf	3,243,840	0.04				
1,998	Hyundai Robotics Co Ltd	5,558,662	0.08			1,313,546,927	17.70
16,453	Hyundai Steel Co	7,040,322	0.10				
3,517	Hyundai Wia Corp	1,669,304	0.02	Taiwan (12.97%)			
50,844	Industrial Bank of Korea	6,107,387	0.08	661,600	Acer Inc	4,197,188	0.06
6,996	ING Life Insurance Korea Ltd	2,727,978	0.04	1,311,866	Advanced Semiconductor Engr	13,147,094	0.18
6,305	Kakao Corp	6,307,474	0.08	60,301	Advantech Co Ltd	3,334,436	0.04
23,261	Kangwon Land Inc	5,910,952	0.08	26,552	Airtac International Group	3,731,614	0.05
78,270	KB Financial Group Inc	36,235,513	0.49	484,415	Asia Cement Corp	3,588,496	0.05
1,373	KCC Corp	3,819,841	0.05	463,120	Asia Pacific Telecom Co Ltd	1,214,143	0.02
5,169	Kepco Plant Service & Engine	1,532,436	0.02	141,938	Asustek Computer Inc	10,421,404	0.14
54,366	KIA Motors Corp	13,299,093	0.18	1,715,213	Au Optronics Corp	5,587,088	0.07
14,562	Korea Aerospace Industries	5,045,533	0.07	132,320	Catcher Technology Co Ltd	11,401,056	0.15
51,448	Korea Electric Power Corp	14,332,200	0.19	1,678,354	Cathay Financial Holding Co	23,587,564	0.32
6,512	Korea Gas Corporation	2,023,316	0.03	229,593	Chailease Holding Co Ltd	5,223,027	0.07
7,900	Korea Investment Holdings Co	3,980,393	0.05	1,066,398	Chang Hwa Commercial Bank	4,636,210	0.06
1,737	Korea Zinc Co Ltd	6,253,117	0.08	385,695	Cheng Shin Rubber Ind Co Ltd	5,319,234	0.07
10,112	Korean Air Lines Co Ltd	2,499,456	0.03	111,709	Chicony Electronics Co Ltd	2,200,874	0.03
1,648	KT Corp	364,026	0.01	606,728	China Airlines Ltd	1,856,802	0.02
22,921	KT&G Corp	19,331,492	0.26	2,481,110	China Development Financial	6,615,426	0.09
3,289	Kumho Petrochemical Co Ltd	2,389,664	0.03	494,511	China Life Insurance Co Ltd	3,890,617	0.05
9,382	LG Chem Ltd	27,745,993	0.37	2,561,952	China Steel Corp	16,656,814	0.22
1,757	LG Chem Ltd - Preference	3,194,633	0.04	778,500	Chunghwa Telecom Co Ltd	21,677,552	0.29
19,951	LG Corp	13,257,324	0.18	818,669	Compal Electronics	4,580,719	0.06
49,828	LG Display Co Ltd	10,879,137	0.15	3,375,047	CTBC Financial Holding Co Lt	18,175,210	0.24
21,430	LG Electronics Inc	16,587,382	0.22	391,685	Delta Electronics Inc	14,765,039	0.20
296	LG Household & Health - Pref	1,508,679	0.02	1,851,257	E.Sun Financial Holding Co	9,191,243	0.12
1,862	LG Household & Health Care	16,166,327	0.22	38,928	Eclat Textile Company Ltd	3,042,249	0.04
3,308	LG Innotek Co Ltd	3,478,386	0.05	477,018	Eva Airways Corp	1,986,140	0.03
3,206	Lotte Chemical Corp	8,615,117	0.12	443,880	Evergreen Marine Corp Ltd	1,906,466	0.03
5,607	Lotte Corp (formerly known as Lotte Confectionery Co Ltd)	2,665,394	0.04	512,635	Far Eastern New Century Corp	3,609,016	0.05
1,933	Lotte Shopping Co	2,808,890	0.04	319,535	Far Eastone Telecomm Co Ltd	6,169,522	0.08
758	Medy-Tox Inc	2,683,930	0.04	63,276	Feng Tay Enterprise Co Ltd	2,252,289	0.03
76,678	Mirae Asset Daewoo Co Ltd	5,145,601	0.07	1,672,657	First Financial Holding Co	8,590,123	0.12
5,582	Naver Corp	35,461,647	0.48	598,005	Formosa Chemicals & Fibre	16,180,345	0.22
3,515	Ncsoft Corp	11,485,983	0.15	270,359	Formosa Petrochemical Corp	8,202,922	0.11
3,464	Netmarble Games Corp	4,768,031	0.06	851,374	Formosa Plastics Corp	22,074,114	0.30
32,871	NH Investment & Securities C	3,336,396	0.04	165,400	Formosa Taffeta Co.	1,359,958	0.02
3,621	OCI Co Ltd	3,595,980	0.05	187,324	Foxconn Technology Co Ltd	4,192,555	0.06
4,375	Orion Corp/Republic of Korea	3,338,445	0.04	1,363,309	Fubon Financial Holding Co	18,157,164	0.24
105	Ottogi Corporation	617,980	0.01	34,924	General Interface Solution	1,825,672	0.02
43,588	Pan Ocean Co Ltd	1,677,364	0.02	54,895	Giant Manufacturing	2,357,742	0.03
15,063	POSCO	36,572,357	0.49	43,268	Globalwafers Co Ltd	4,518,036	0.06
9,891	Posco Daewoo Corp	1,310,891	0.02	143,585	Highwealth Construction Corp	1,595,494	0.02
3,417	S-1 Corporation	2,669,799	0.04	43,507	Hiwin Technologies Corp	3,680,110	0.05
3,389	Samsung Biologics Co Ltd	9,181,112	0.12	3,135,878	Hon Hai Precision Industry	78,422,711	1.06
15,318	Samsung C&T Corp	14,093,616	0.19	54,895	Hotai Motor Company Ltd	5,104,836	0.07
3,121	Samsung Card Co	902,482	0.01	137,778	HTC Corp	2,645,715	0.04
11,463	Samsung Electro-Mechanics Co	8,370,437	0.11	1,456,148	Hua Nan Financial Holdings C	6,407,167	0.09
3,474	Samsung Electronics - Pref	53,018,315	0.71	1,541,987	Innolux Corp	5,022,826	0.07
19,571	Samsung Electronics Co Ltd	364,134,863	4.91	551,095	Inventec Corp	3,438,237	0.05
6,296	Samsung Fire & Marine Ins	12,275,122	0.17	20,326	Largan Precision Co Ltd	21,464,646	0.29
				429,953	Lite-On Technology Corp	4,585,564	0.06

iShares Core MSCI AC Asia ex Japan Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets		
Taiwan (12.97%) Continued			Thailand (2.61%) Continued				
385,609	Macronix International	4,477,289	0.06	344,130	Kasikornbank PCL - Foreign	19,150,624	0.26
304,836	Mediatek Inc	23,542,866	0.32	59,500	KCE Electronics - NVDR	1,181,020	0.02
2,233,360	Mega Financial Holding Co Lt	14,109,758	0.19	810,460	Krung Thai Bank PCL (FR)	3,732,546	0.05
140,750	Micro-Star International Co	2,832,193	0.04	396,960	Minor International PCL - Foreign	4,165,788	0.06
975,942	Nan Ya Plastics Corp	19,971,340	0.27	283,337	PTT Exploration & Production PCL (FR)	6,796,350	0.09
141,938	Nanya Technology Corp	2,841,184	0.04	385,695	PTT Global Chemical PCL (FR)	7,863,852	0.11
31,415	Nien Made Enterprise Co Ltd	2,624,279	0.04	204,800	PTT PCL (FR)	21,614,990	0.29
110,505	Novatek Microelectronics Cor	3,294,758	0.04	103,794	Robinson PCL - NVDR (formerly known as Robinson Dept Store - NVDR)	1,817,471	0.02
385,695	Pegatron Corp	7,294,949	0.10	22,728	Siam Cement PCL - NVDR	2,638,633	0.04
29,611	Phison Electronics Corp	2,271,337	0.03	62,773	Siam Cement Pub Co (FR)	7,287,703	0.10
496,200	Pou Chen	5,024,894	0.07	365,924	Siam Commercial Bank PCL (FR)	13,166,022	0.18
123,650	Powertech Technology Inc	2,858,397	0.04	187,215	Thai Oil PCL - Foreign	4,647,864	0.06
110,505	President Chain Store Corp	8,244,152	0.11	441,305	Thai Union Group PCL - Foreign	2,106,514	0.03
555,480	Quanta Computer Inc	9,032,435	0.12	3,073,246	TMB Bank PCL - Foreign	2,226,264	0.03
57,673	Realtek Semiconductor Corp	1,651,371	0.02	2,031,280	True Corp PCL (FR)	3,020,883	0.04
238,176	Ruentex Development Co Ltd	1,999,008	0.03			<u>193,253,878</u>	<u>2.61</u>
110,505	Ruentex Industries Ltd	1,468,853	0.02		Total listed equity	<u>6,660,849,000</u>	<u>89.76</u>
1,369,491	Shin Kong Financial Holding	3,777,411	0.05		Exchange traded funds (9.96%)		
431,855	Siliconware Precision Inds	5,706,262	0.08		India (9.96%)		
2,059,669	Sinopac Financial Holdings	5,232,023	0.07	1,674,402	iShares MSCI India ETF	472,131,150	6.36
84,098	Standard Foods Corp	1,634,794	0.02	3,689,947	iShares MSCI India Index ETF	266,820,160	3.60
291,321	Synnex Technology Intl Corp	3,103,190	0.04		Total exchange traded funds	<u>738,951,310</u>	<u>9.96</u>
31,978	Taimed Biologics Inc	1,554,064	0.02		Unlisted equities (0.00%)		
1,819,432	Taishin Financial Holding	6,619,594	0.09		Malaysia (0.00%)		
822,439	Taiwan Business Bank	1,812,639	0.02	41,075	RHB Capital BHD	<u>1</u>	<u>0.00</u>
719,156	Taiwan Cement	6,885,990	0.09		Total unlisted equity	<u>1</u>	<u>0.00</u>
1,659,298	Taiwan Cooperative Financial	7,235,661	0.10		Total investments	<u>7,399,800,311</u>	<u>99.72</u>
343,712	Taiwan High Speed Rail Corp	2,121,819	0.03		Other net assets	<u>20,938,633</u>	<u>0.28</u>
330,800	Taiwan Mobile Co Ltd	9,341,567	0.13		Net assets attributable to unitholders at 31st December 2017	<u>7,420,738,944</u>	<u>100.00</u>
4,952,030	Taiwan Semiconductor Manufac	298,546,307	4.02		Total investments, at cost	<u>5,889,028,691</u>	
441,305	Teco Electric & Machinery	3,303,919	0.04				
996,089	Uni-President Enterprises Co	17,269,821	0.23				
2,315,674	United Microelectronics Corp	8,637,966	0.12				
198,480	Vanguard International Semi	3,441,172	0.05				
73,268	Win Semiconductors Corp	5,446,864	0.07				
625,666	Winbond Electronics Corp	3,854,173	0.05				
519,344	Wistron Corp	3,267,431	0.04				
330,800	WPG Holdings Ltd	3,423,793	0.05				
44,619	Yageo Corporation	4,137,522	0.06				
2,036,611	Yuanta Financial Holding Co	7,383,001	0.10				
66,160	Zhen Ding Technology Holding	1,138,368	0.02				
		<u>962,204,883</u>	<u>12.97</u>				
Thailand (2.61%)							
203,755	Advanced Info Service PCL (FR)	9,334,994	0.13				
875,252	Airports of Thailand PCL (FR)	14,276,260	0.19				
54,591	Bangkok Bank PCL - Foreign Reg	2,645,117	0.04				
618,398	Bangkok Dusit Medical Services PCL (FR)	3,100,179	0.04				
1,424,036	Bangkok Expressway and Metro	2,630,172	0.03				
249,968	Banpu Public Co Ltd - Foreign	1,169,207	0.02				
248,000	Berli Jucker Public Co - NVDR	3,926,160	0.05				
1,356,248	BTS Group Holdings PCL (FR)	2,700,161	0.04				
82,700	Bumrungrad Hospital Pub Co - Foreign	3,749,210	0.05				
1,020,206	C.P. All PCL (FR)	18,843,042	0.25				
226,804	Central Pattana PCL (FR)	4,637,859	0.06				
545,364	Charoen Pokphand Foods Co Ltd (FR)	3,139,570	0.04				
115,720	Delta Electronics Thai PCL - Foreign	2,033,239	0.03				
26,892	Electricity Genera PCL - NVDR	1,393,315	0.02				
261,332	Energy Absolute PCL - Foreign	3,290,973	0.04				
120,971	Glow Energy PCL (FR)	2,357,638	0.03				
926,263	Home Product Center PCL (FR)	2,843,916	0.04				
336,051	Indorama Ventures PCL (FR)	4,292,371	0.06				
2,326,856	IRPC PCL - Foreign	3,934,876	0.05				
27,657	Kasikornbank PCL	1,539,095	0.02				

iShares Core MSCI AC Asia ex Japan Index ETF (continued)

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
China	38.94	36.14
Hong Kong	6.67	7.50
India	0.00	-
Indonesia	2.67	3.24
Malaysia	2.73	3.01
Pakistan	0.09	-
Philippines	1.33	1.50
Singapore	4.05	4.24
South Korea	17.70	17.12
Taiwan	12.97	14.46
Thailand	2.61	2.83
	89.76	90.04
Exchange traded funds		
India	9.96	9.71
	9.96	9.71
Unlisted equities		
Malaysia	0.00	0.00
	0.00	0.00
Total investments	99.72	99.75
Other net assets	0.28	0.25
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares Core MSCI AC Asia ex Japan Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit HK\$	Dealing Net asset value of the Sub-Fund HK\$
At end of financial period dated		
31st December 2015	38.32	91,969,720
31st December 2016	40.04	4,212,113,896
31st December 2017	56.08	7,420,738,944

Highest and lowest net asset value per unit

	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
Financial period ended		
31st December 2009 (since inception)	35.66	20.00
31st December 2010	40.74	31.39
31st December 2011	42.76	30.78
31st December 2012	41.51	33.48
31st December 2013	43.78	35.61
31st December 2014	46.45	38.33
31st December 2015	49.56	36.60
31st December 2016	43.99	33.73
31st December 2017	57.39	40.30

iShares MSCI Emerging Asia Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets		
Investments (99.77%)			China (40.66%) Continued				
Listed equities (99.77%)							
China (40.66%)							
468	58.Com Inc - ADR	261,839	0.14	21,918	Dongfeng Motor Grp Co Ltd - H	207,344	0.11
4,768	AAC Technologies Holdings In	664,659	0.37	4,468	ENN Energy Holdings Ltd	249,091	0.14
142,871	Agricultural Bank of China - H	520,050	0.29	12,444	Far East Horizon Ltd	83,001	0.05
6,761	Alibaba Group Holding - SP ADR	9,113,402	5.05	18,879	Fosun International Ltd	326,984	0.18
14,400	Alibaba Health Information T	56,880	0.03	40,000	Fullshare Holdings Ltd	144,000	0.08
62,222	Alibaba Pictures Group Ltd	65,333	0.04	2,987	Fuyao Glass Industry Group - H	98,422	0.05
18,167	Aluminum Corp of China Ltd - H	101,554	0.06	61,671	GCL-Poly Energy Holdings Ltd	86,339	0.05
8,994	Anhui Conch Cement Co Ltd - H	330,529	0.18	34,222	Geely Automobile Holdings Lt	927,416	0.51
5,600	Anta Sports Products Ltd	198,520	0.11	8,000	GF Securities Co Ltd - H	125,760	0.07
12,800	Avichina Industry & Tech - H	53,248	0.03	100,000	Gome Retail Holdings Ltd (formerly known as Gome Electrical Appliances)	94,000	0.05
1,630	Baidu Inc - Spon ADR	2,984,350	1.65	14,470	Great Wall Motor Company - H	129,506	0.07
485,133	Bank of China Ltd - H	1,862,911	1.03	22,078	Guangdong Investment Ltd	230,936	0.13
60,327	Bank of Communications Co - H	349,897	0.19	6,400	Guangzhou Automobile Group - H	118,528	0.07
15,549	Beijing Capital Intl Airpo - H	183,167	0.10	7,327	Haier Electronics Group Co	156,798	0.09
4,436	Beijing Enterprises Hldgs	205,830	0.11	14,222	Haitong Securities Co Ltd - H	161,277	0.09
29,911	Beijing Enterprises Water Gr	180,962	0.10	57,143	Hanergy Thin Film Power Grou	1	0.00
22,400	Brilliance China Automotive	468,160	0.26	5,568	Hengan Intl Group Co Ltd	483,024	0.27
4,407	BYD Co Ltd - H	300,117	0.17	23,927	Huaneng Power Intl Inc - H	117,242	0.06
61,334	CGN Power Co Ltd - H	130,028	0.07	3,399	Huatai Securities Co Ltd - H	52,888	0.03
45,334	China Cinda Asset Managem - H	129,655	0.07	441,573	Ind & Comm Bk of China - H	2,777,494	1.54
35,200	China Citic Bank Corp Ltd - H	172,480	0.10	4,190	JD.Com Inc - ADR	1,356,691	0.75
29,222	China Communications Const - H	259,491	0.14	5,854	Jiangsu Express Co Ltd - H	69,663	0.04
5,133	China Conch Venture Holdings	92,907	0.05	9,632	Jiangxi Copper Co Ltd - H	119,437	0.07
485,476	China Construction Bank - H	3,495,427	1.94	4,000	Kingsoft Corp Ltd	104,000	0.06
19,191	China Everbright Intl Ltd	214,172	0.12	22,400	Kunlun Energy Co Ltd	182,336	0.10
9,905	China Everbright Ltd	173,139	0.10	46,400	Lenovo Group Ltd	204,624	0.11
18,999	China Evergrande Group	512,023	0.28	481	Netease Inc - ADR	1,297,505	0.72
22,500	China Galaxy Securities Co - H	129,600	0.07	5,334	New China Life Insurance C - H	284,836	0.16
16,000	China Gas Holdings Ltd	345,600	0.19	811	New Oriental Educatio - SP ADR	595,944	0.33
29,867	China Huarong Asset Manage - H	110,209	0.06	12,000	Nine Dragons Paper Holdings	150,240	0.08
11,250	China Huishan Dairy Holdings	0	0.00	26,666	People's Insurance Co Grou - H	102,664	0.06
45,183	China Life Insurance Co - H	1,109,243	0.61	124,471	Petrochina Co Ltd - H	678,367	0.38
22,492	China Longyuan Power Group - H	125,055	0.07	22,951	PICC Property & Casualty - H	344,724	0.19
11,200	China Medical System Holding	204,064	0.11	30,606	Ping An Insurance Group Co - H	2,489,798	1.38
18,564	China Mengniu Dairy Co	431,613	0.24	20,560	Semiconductor Manufacturing	277,971	0.15
25,609	China Merchants Bank - H	796,440	0.44	9,854	Shandong Weigao Gp Medical - H	56,069	0.03
8,471	China Merchants Port Holding	173,232	0.10	10,667	Shanghai Electric Grp Co L - H	34,348	0.02
43,140	China Minsheng Banking - H	337,786	0.19	2,000	Shanghai Fosun Pharmaceuti - H	100,300	0.06
37,127	China Mobile Ltd	2,942,315	1.63	3,928	Shanghai Lujiazui Fin&Trad - B	44,401	0.02
24,000	China National Building Ma - H	167,760	0.09	4,791	Shanghai Pharmaceuticals - H	101,330	0.06
10,935	China Oilfield Services - H	83,215	0.05	3,786	Shenzhen International Group	281,678	0.16
24,999	China Overseas Land & Invest	628,725	0.35	11,500	Shimao Property Holdings Ltd	195,500	0.11
16,800	China Pacific Insurance Gr - H	630,840	0.35	341	Sina Corp	267,396	0.15
153,641	China Petroleum & Chemical - H	880,363	0.49	28,727	Sino Biopharmaceutical	398,156	0.22
14,359	China Railway Construction - H	130,093	0.07	22,281	Sino-Ocean Group Holding Ltd	120,095	0.07
28,102	China Railway Group Ltd - H	162,430	0.09	35,577	Sinopec Shanghai Petrochem - H	158,318	0.09
11,242	China Resources Beer Holdin	315,338	0.17	7,239	Sinopharm Group Co - H	244,678	0.14
5,564	China Resources Gas Group Lt	157,739	0.09	15,107	Soho China Ltd	69,039	0.04
19,556	China Resources Land Ltd	449,788	0.25	12,000	Sunac China Holdings Ltd	388,200	0.22
12,087	China Resources Power Holdin	175,987	0.10	4,267	Sunny Optical Tech	426,273	0.24
22,473	China Shenhua Energy Co - H	455,078	0.25	1,542	Tal Education Group - ADR	358,133	0.20
7,957	China State Construction Int	87,050	0.05	33,143	Tencent Holdings Ltd	13,456,058	7.46
11,902	China Taiping Insurance Hold	348,729	0.19	15,367	Tingyi (Cayman Isln) Hldg Co	233,578	0.13
98,666	China Telecom Corp Ltd - H	367,037	0.20	2,999	Travelsky Technology Ltd - H	70,327	0.04
42,320	China Unicom Hong Kong Ltd	446,899	0.25	3,031	Tsingtao Brewery Co Ltd - H	122,149	0.07
8,000	China Vanke Co Ltd - H	249,600	0.14	2,447	Vipshop Holdings Ltd - ADR	224,191	0.12
19,994	Chongqing Rural Commercial - H	110,367	0.06	40,567	Want Want China Holdings Ltd	265,714	0.15
29,778	Citic Ltd	335,896	0.19	227	Weibo Corp-Spon ADR	183,593	0.10
7,799	Citic Securities Co Ltd - H	125,720	0.07	2,476	Yum China Holdings Inc	774,613	0.43
111,090	CNOOC Ltd	1,246,430	0.69	178	YY Inc - ADR	157,321	0.09
15,261	Cosco Shipping Ports Ltd	124,072	0.07	7,786	Zhejiang Expressway Co - H	66,882	0.04
25,827	Country Garden Holdings Co	384,822	0.21	3,834	Zhuzhou CRRC Times Electri - H	194,959	0.11
24,599	CRRC Corp Ltd - H	205,648	0.11	40,887	Zijin Mining Group Co Ltd - H	120,617	0.07
34,356	CSPC Pharmaceutical Group Lt	542,138	0.30	2,496	ZTE Corp - H	73,258	0.04
2,058	Ctrip.Com International - ADR	709,481	0.39				
						73,323,157	40.66

iShares MSCI Emerging Asia Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets
Indonesia (3.20%)			Philippines (1.52%) Continued		
98,773 Adaro Energy TBK PT	105,854	0.06	1,735 Ayala Corporation	275,770	0.15
131,054 Astra International TBK PT	626,737	0.35	32,400 Ayala Land Inc	226,288	0.13
62,188 Bank Central Asia TBK PT	784,707	0.44	4,663 Bank of The Philippine Islan	78,936	0.04
34,000 Bank Danamon Indonesia TBK	136,151	0.08	16,748 BDO Unibank Inc	430,119	0.24
121,838 Bank Mandiri Persero TBK PT	561,603	0.31	205 GT Capital Holdings Inc	41,476	0.02
54,000 Bank Negara Indonesia Perser	308,025	0.17	9,500 Intl Container Term Svcs Inc	156,949	0.09
360,170 Bank Rakyat Indonesia Perser	755,381	0.42	16,971 JG Summit Holdings Inc	191,613	0.11
44,000 Charoen Pokphand Indonesi PT	76,055	0.04	5,680 Jollibee Foods Corp	225,036	0.12
2,000 Gudang Garam TBK PT	96,567	0.05	26,027 Metro Pacific Investments Co	27,919	0.02
17,500 Hm Sampoerna TBK PT	47,693	0.03	6,279 Metropolitan Bank & Trust	99,704	0.05
6,000 Indocement Tunggal Prakarsa	75,883	0.04	569 PLDT Inc	131,873	0.07
40,000 Indofood Sukses Makmur TBK P	175,734	0.10	997 SM Investments Corp	154,566	0.09
21,346 Jasa Marga (Persero) TBK PT	78,714	0.04	44,800 SM Prime Holdings Inc	263,082	0.15
147,607 Kalbe Farma TBK PT	143,731	0.08	8,000 Universal Robina Corp	189,169	0.10
19,209 Matahari Department Store TB	110,678	0.06			
144,960 Pakuwon Jati TBK PT	57,213	0.03		2,741,651	1.52
96,000 Perusahaan Gas Negara Perser	96,798	0.05			
16,000 Semen Indonesia Persero TBK	91,267	0.05	South Korea (21.13%)		
31,303 Surya Citra Media PT TBK	44,730	0.02	204 Amorepacific Corp	453,594	0.25
343,980 Telekomunikasi Indonesia Per	879,981	0.49	22 Amorepacific Corp - Pref	26,667	0.01
16,695 Tower Bersama Infrastructure	61,804	0.03	131 Amorepacific Group	134,878	0.07
9,300 Unilever Indonesia TBK PT	299,538	0.17	32 BGF Retail Co Ltd	49,070	0.03
8,000 United Tractors TBK PT	163,174	0.09	1,703 BNK Financial Group Inc	117,143	0.07
			473 Celltrion Inc	763,659	0.42
	5,778,018	3.20	356 Cheil Worldwide Inc	55,111	0.03
			39 CJ Cheiljedang Corp	104,231	0.06
Malaysia (3.00%)			118 CJ Corp	156,390	0.09
10,000 Airasia BHD	64,710	0.04	63 CJ E&M Corp	44,945	0.03
7,840 Alliance Bank Malaysia BHD (formerly known as Alliance Financial Group BHD)	61,787	0.03	22 CJ Logistics (formerly known as CJ Korea Express Corp)	22,491	0.01
6,900 AMMB Holdings BHD	58,777	0.03	343 Coway Co Ltd	244,703	0.14
15,895 Axiata Group Berhad	168,561	0.09	183 Daelim Industrial Co Ltd	110,110	0.06
640 British American Tobacco BHD	49,450	0.03	181 DB Insurance Co Ltd (formerly known as Dongbu Insurance Co Ltd)	94,104	0.05
27,098 Cimb Group Holdings BHD	342,325	0.19	171 E-Mart Inc	338,388	0.19
34,061 Digi.Com BHD	335,545	0.19	289 GS Engineering & Construct	59,722	0.03
13,547 Felda Global Ventures	44,224	0.02	153 GS Holdings	69,491	0.04
6,400 Gamuda BHD	61,318	0.03	87 GS Retail Co Ltd	25,602	0.01
13,282 Genting BHD	236,034	0.13	1,786 Hana Financial Group	649,472	0.36
26,106 Genting Malaysia BHD	283,905	0.16	375 Hankook Tire Co Ltd	149,511	0.08
1,600 Genting Plantations BHD	32,451	0.02	33 Hanmi Pharm Co Ltd	140,727	0.08
2,999 Hap Seng Consolidated	55,323	0.03	68 Hanmi Science Co Ltd	55,117	0.03
19,823 IHH Healthcare BHD	224,383	0.12	419 Hanon Systems	42,528	0.02
11,062 IJM Corp BHD	65,171	0.04	37 Hanssem Co Ltd	48,632	0.03
30,144 IOI Corp BHD	264,351	0.15	935 Hanwha Chemical Corp	215,749	0.12
47,932 IOI Properties Group BHD	171,286	0.09	439 Hanwha Corporation	133,034	0.07
2,934 Kuala Lumpur Kepong BHD	141,685	0.08	224 Hanwha Techwin Co Ltd	58,148	0.03
23,616 Malayan Banking BHD	447,050	0.25	229 Hotel Shilla Co Ltd	141,969	0.08
7,100 Maxis BHD	82,425	0.05	103 Hyosung Corporation	104,921	0.06
7,847 MISC BHD	112,469	0.06	128 Hyundai Dept Store Co	97,673	0.05
12,044 Petronas Chemicals Group BHD	179,137	0.10	349 Hyundai Development Co-Engin	98,243	0.05
4,099 Petronas Gas BHD	138,402	0.08	503 Hyundai Engineering & Const	133,329	0.07
17,169 Public Bank Berhad	689,151	0.38	79 Hyundai Glovis Co Ltd	78,454	0.04
30,180 Sapura Energy BHD (formerly known as Sapurakencana Petroleum BHD)	41,391	0.02	234 Hyundai Heavy Industries	171,724	0.10
19,136 Sime Darby Berhad	81,690	0.05	393 Hyundai Marine & Fire Ins Co	134,878	0.07
19,136 Sime Darby Plantation BHD	221,782	0.12	447 Hyundai Mobis Co Ltd	858,446	0.48
19,136 Sime Darby Property BHD	65,795	0.04	924 Hyundai Motor Co	1,052,559	0.58
20,679 Tenaga Nasional BHD	609,548	0.34	45 Hyundai Motor Co Ltd - 2nd Prf	33,517	0.02
4,480 Umw Holdings BHD	44,999	0.02	49 Hyundai Robotics Co Ltd	136,324	0.08
16,114 YTL Corp BHD	42,643	0.02	542 Hyundai Steel Co	231,925	0.13
	5,417,768	3.00	87 Hyundai Wia Corp	41,294	0.02
			930 Industrial Bank of Korea	111,712	0.06
Philippines (1.52%)			183 Kakao Corp	183,072	0.10
12,800 Aboitiz Equity Ventures Inc	148,328	0.08	695 Kangwon Land Inc	176,609	0.10
40,240 Alliance Global Group Inc	100,823	0.06	2,355 KB Financial Group Inc	1,090,260	0.60
			50 KCC Corp	139,106	0.08
			100 Kepco Plant Service & Engine	29,647	0.02

iShares MSCI Emerging Asia Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets
South Korea (21.13%) Continued			Taiwan (15.51%) Continued		
1,771 KIA Motors Corp	433,225	0.24	13,920 Delta Electronics Inc	524,731	0.29
333 Korea Aerospace Industries	115,380	0.06	43,714 E.Sun Financial Holding Co	217,034	0.12
1,524 Korea Electric Power Corp	424,550	0.24	1,681 Eclat Textile Company Ltd	131,371	0.07
417 Korea Investment Holdings Co	210,104	0.12	15,099 Eva Airways Corp	62,867	0.04
62 Korea Zinc Co Ltd	223,197	0.12	10,666 Far Eastone Telecomm Co Ltd	205,937	0.11
567 Korean Air Lines Co Ltd	140,149	0.08	2,133 Feng Tay Enterprise Co Ltd	75,923	0.04
639 KT&G Corp	538,930	0.30	57,798 First Financial Holding Co	296,828	0.17
109 Kumho Petrochemical Co Ltd	79,195	0.04	16,480 Formosa Chemicals & Fibre	445,903	0.25
308 LG Chem Ltd	910,868	0.51	8,200 Formosa Petrochemical Corp	248,795	0.14
50 LG Chem Ltd - Preference	90,912	0.05	25,137 Formosa Plastics Corp	651,743	0.36
779 LG Corp	517,641	0.29	5,155 Foxconn Technology Co Ltd	115,376	0.06
1,651 LG Display Co Ltd	360,469	0.20	34,983 Fubon Financial Holding Co	465,919	0.26
619 LG Electronics Inc	479,122	0.27	887 Giant Manufacturing	38,097	0.02
59 LG Household & Health Care	512,252	0.28	1,088 Hiwin Technologies Corp	92,030	0.05
128 Lotte Chemical Corp	343,960	0.19	92,794 Hon Hai Precision Industry	2,320,612	1.29
248 Lotte Corp (formerly known as Lotte Confectionery Co Ltd)	117,891	0.07	1,873 Hotai Motor Company Ltd	174,175	0.10
71 Lotte Shopping Co	103,172	0.06	3,811 HTC Corp	73,182	0.04
3,903 Mirae Asset Daewoo Co Ltd	261,917	0.15	45,494 Hua Nan Financial Holdings C	200,177	0.11
175 Naver Corp	1,111,750	0.62	54,993 Innolux Corp	179,133	0.10
90 Ncsoft Corp	294,093	0.16	10,667 Inventec Corp	66,551	0.04
1,680 NH Investment & Securities C	170,519	0.09	604 Largan Precision Co Ltd	637,836	0.35
119 OCI Co Ltd	118,178	0.07	18,675 Lite-On Technology Corp	199,174	0.11
154 Orion Corp/Republic of Korea	117,513	0.07	11,000 Macronix International	127,721	0.07
425 POSCO	1,031,883	0.57	9,499 Mediatek Inc	733,620	0.41
70 S-1 Corporation	54,693	0.03	63,791 Mega Financial Holding Co Ltd	403,014	0.22
99 Samsung Biologics Co Ltd	268,200	0.15	4,267 Micro-Star International Co	85,861	0.05
497 Samsung C&T Corp	457,274	0.25	29,010 Nan Ya Plastics Corp	593,651	0.33
172 Samsung Card Co	49,736	0.03	1,067 Nien Made Enterprise Co Ltd	89,133	0.05
335 Samsung Electro-Mechanics Co	244,621	0.14	1,778 Novatek Microelectronics Cor	53,012	0.03
109 Samsung Electronics - Pref	1,663,499	0.92	11,588 Pegatron Corp	219,173	0.12
570 Samsung Electronics Co Ltd	10,605,328	5.88	22,000 Pou Chen	222,789	0.12
254 Samsung Fire & Marine Ins	495,216	0.27	2,133 Powertech Technology Inc	49,308	0.03
806 Samsung Heavy Industries	43,141	0.02	3,556 President Chain Store Corp	265,293	0.15
439 Samsung Life Insurance Co Lt	399,102	0.22	16,000 Quanta Computer Inc	260,169	0.14
334 Samsung Sdi Co Ltd	498,758	0.28	2,133 Realtek Semiconductor Corp	61,075	0.03
205 Samsung Sds Co Ltd	299,388	0.17	3,200 Ruentex Industries Ltd	42,535	0.02
446 Samsung Securities Co Ltd	119,197	0.07	12,737 Siliconware Precision Inds	168,299	0.09
2,468 Shinhan Financial Group Ltd	890,270	0.49	43,257 Sinopac Financial Holdings	109,883	0.06
81 Shinsegae Inc	177,442	0.10	12,599 Synnex Technology Intl Corp	134,206	0.08
184 SK Holdings Co Ltd	380,237	0.21	999 Taimed Biologics Inc	48,549	0.03
3,615 SK Hynix Inc	2,019,387	1.12	51,162 Taishin Financial Holding	186,141	0.10
463 SK Innovation Co Ltd	691,392	0.38	72,218 Taiwan Business Bank	159,167	0.09
83 SK Telecom	161,823	0.09	30,413 Taiwan Cement	291,207	0.16
199 S-Oil Corp	170,016	0.09	48,980 Taiwan Cooperative Financial	213,586	0.12
1,986 Woori Bank	228,407	0.13	10,267 Taiwan Mobile Co Ltd	289,933	0.16
40 Yuhan Corp	63,967	0.04	146,581 Taiwan Semiconductor Manufac	8,837,026	4.90
			4,267 Teco Electric & Machinery	31,946	0.02
			29,297 Uni - Presient Enterprises Co	507,940	0.28
			94,733 United Microelectronics Corp	353,375	0.20
			1,778 Vanguard International Semi	30,826	0.02
			2,000 Win Semiconductor Corp	148,683	0.08
			17,000 Winbond Electronics Corp	104,722	0.06
			7,422 Wistron Corp	46,695	0.03
			3,200 WPG Holdings Ltd	33,120	0.02
			94,914 Yuanta Financial Holding Co	344,077	0.19
	<u>38,096,843</u>	<u>21.13</u>		<u>27,973,934</u>	<u>15.51</u>
Taiwan (15.51%)			Thailand (3.12%)		
40,501 Acer Inc	256,938	0.14	7,578 Advanced Info Service PCL (FR)	347,185	0.19
51,294 Advanced Semiconductor Engr	514,052	0.29	37,180 Airports of Thailand PCL (FR)	606,444	0.34
1,099 Advantech Co Ltd	60,771	0.03	4,107 Bangkok Bank PCL - Foreign Reg	198,998	0.11
4,267 Asia Cement Corp	31,609	0.02	26,250 Bangkok Dusit Medical Services PCL (FR)	131,598	0.07
5,754 Asustek Computer Inc	422,471	0.23	30,400 Bangkok Expressway and Metro (FR)	56,148	0.03
80,951 Au Optronics Corp	263,688	0.15	9,300 Banpu Public Co Ltd - Foreign	43,500	0.03
4,000 Catcher Technology Co Ltd	344,651	0.19	6,700 Berli Jucker Pub Co (FR)	106,070	0.06
48,671 Cathay Financial Holding Co	684,022	0.38			
8,221 Chailease Holding Co Ltd	187,020	0.10			
15,733 Cheng Shin Rubber Ind Co Ltd	216,978	0.12			
20,000 China Airlines Ltd	61,207	0.03			
82,999 China Development Financial	221,302	0.12			
6,911 China Life Insurance Co Ltd	54,373	0.03			
78,110 China Steel Corp	507,841	0.28			
22,733 Chungwa Telecom Co Ltd	633,007	0.35			
45,386 Compal Electronics	253,949	0.14			
109,732 CTBC Financial Holding Co Lt	590,926	0.33			

iShares MSCI Emerging Asia Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets
Thailand (3.12%) Continued		
37,432 BTS Group Holdings PCL (FR)	74,523	0.04
1,125 Bumrungrad Hospital (FR)	51,002	0.03
24,750 C.P. All PCL (FR)	457,129	0.25
5,250 Central Pattana PCL (FR)	107,356	0.06
19,500 Charoen Pokphand Foods Co Ltd (FR)	112,258	0.06
4,725 Glow Energy PCL (FR)	92,087	0.05
34,721 Home Product Center PCL (FR)	106,604	0.06
14,250 Indorama Ventures PCL (FR)	182,015	0.10
100,000 IRPC PCL (FR)	169,107	0.09
6,929 Kasikornbank PCL - Foreign	385,595	0.21
4,000 Kasikornbank PCL - NVDR	222,598	0.12
1,600 KCE Electronics PCL (FR)	31,758	0.02
17,212 Krung Thai Bank PCL (FR)	79,269	0.04
9,375 Minor International PCL (FR)	98,383	0.06
7,197 PTT Exploration & Production PCL (FR)	172,633	0.10
12,712 PTT Global Chemical PCL (FR)	259,182	0.14
6,562 PTT PCL (FR)	692,566	0.39
3,054 Siam Cement Pub Co (FR)	354,558	0.20
9,891 Siam Commercial Bank PCL (FR)	355,880	0.20
2,062 Thai Oil PCL (FR)	51,192	0.03
50,245 True Corp PCL (FR)	74,723	0.04
	<u>5,620,361</u>	<u>3.12</u>
Total listed equity	<u>158,951,732</u>	<u>88.14</u>
Exchange traded fund (11.63%)		
India (11.63%)		
859,767 iShares Asia Trust - iShares S&P BSE Sensex India Index ETF	<u>20,978,315</u>	<u>11.63</u>
Total investments	<u>179,930,047</u>	<u>99.77</u>
Other net assets	<u>413,803</u>	<u>0.23</u>
Net assets attributable to unitholders at 31st December 2017	<u>180,343,850</u>	<u>100.00</u>
Total investments, at cost	<u>127,778,994</u>	

iShares MSCI Emerging Asia Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
China	40.66	38.21
Indonesia	3.20	3.77
Malaysia	3.00	3.18
Philippines	1.52	1.78
South Korea	21.13	20.75
Taiwan	15.51	16.77
Thailand	3.12	3.23
	88.14	87.69
Exchange traded funds		
India	11.63	11.79
	11.63	11.79
Total investments	99.77	99.48
Other net assets	0.23	0.52
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares MSCI Emerging Asia Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit HK\$	Dealing Net asset value of the Sub-Fund HK\$
At end of financial period dated		
31st December 2015	38.29	122,524,427
31st December 2016	39.75	119,250,293
31st December 2017	56.36	180,343,850

Highest and lowest net asset value per unit

	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
Financial period ended		
31st December 2009 (since inception)	38.30	20.00
31st December 2010	45.33	33.63
31st December 2011	47.81	34.56
31st December 2012	43.99	36.30
31st December 2013	44.41	37.56
31st December 2014	48.00	39.33
31st December 2015	50.31	36.60
31st December 2016	44.18	33.70
31st December 2017	57.77	40.02

iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets
Investments (99.87%)			China (99.87%) Continued		
Listed equities (99.87%)			24,400 China Merchants Energy - A	128,173	0.07
China (99.87%)			30,100 China Merchants Securities - A	618,053	0.34
5,600 AECC Aero-Engine Control - A (formerly known as Avic Aero- Engine Controls - A)	102,456	0.06	31,900 China Merchants Shekou Ind - A	746,624	0.41
11,100 AECC Aviation Power Co - A (formerly known as Avic Aviation Engine Corp - A)	357,420	0.20	304,500 China Minsheng Banking - A	3,056,972	1.70
497,800 Agricultural Bank of China - A	2,281,370	1.27	33,900 China Molybdenum Co Ltd - A	279,081	0.16
5,000 Aier Eye Hospital Group Co - A	184,273	0.10	25,800 China National Chemical - A	208,385	0.12
26,000 Air China Ltd - A	383,289	0.21	63,000 China National Nuclear Pow - A	554,077	0.31
15,200 Aisino Corp - A	391,770	0.22	28,000 China Northern Rare Earth - A	488,827	0.27
7,000 Alpha Group - A	119,694	0.07	7,700 China Nuclear Engineering - A	94,624	0.05
83,900 Aluminum Corp of China Ltd - A	742,909	0.41	40,500 China Pacific Insurance Gr - A	2,007,277	1.12
26,800 Anhui Conch Cement Co Ltd - A	940,565	0.52	140,700 China Petroleum & Chemical - A	1,032,040	0.57
22,560 Anxin Trust Co Ltd - A	353,093	0.20	60,200 China Railway Construction - A	802,461	0.45
8,800 Aurora Optoelectronics Co - A	216,390	0.12	72,000 China Railway Group Ltd - A	722,831	0.40
18,200 Avic Aircraft Co Ltd - A	367,827	0.20	26,700 China Shenhua Energy Co - A	740,252	0.41
58,700 Avic Capital Co Ltd - A	387,721	0.22	115,100 China Shipbuilding Industry Co Ltd - A	830,491	0.46
3,100 Avic Helicopter Co Ltd - A	172,598	0.10	5,100 China Shipbuilding Industry Group Power Co Ltd - A	151,405	0.08
189,040 Bank of Beijing Co Ltd - A	1,617,342	0.90	48,100 China Southern Airlines Co - A	686,062	0.38
270,900 Bank of China Ltd - A	1,286,891	0.72	8,400 China Spacesat Co Ltd - A	253,795	0.14
351,900 Bank of Communications Co - A	2,614,887	1.45	197,400 China State Construction - A	2,130,570	1.18
9,000 Bank of Guiyang Co Ltd - A	143,877	0.08	107,500 China United Network - A	814,244	0.45
7,300 Bank of Hangzhou Co Ltd - A	100,715	0.06	62,600 China Vanke Co Ltd - A	2,326,580	1.29
89,200 Bank of Jiangsu Co Ltd - A	784,502	0.44	84,900 China Yangtze Power Co Ltd - A	1,583,784	0.88
67,160 Bank of Nanjing Co Ltd - A	622,005	0.35	7,900 Chinese Universe Publishin - A	160,039	0.09
34,000 Bank of Ningbo Co Ltd - A	724,578	0.40	27,300 Chongqing Changan Automob - A	411,600	0.23
11,290 Bank of Shanghai Co Ltd - A	191,563	0.11	35,000 Citic Guoan Information - A	401,632	0.22
117,416 Baoshan Iron & Steel Co - A	1,213,901	0.67	24,000 Citic Heavy Industries Co - A	118,318	0.07
40,800 BBMG Corporation - A	265,095	0.15	101,400 Citic Securities Co - A	2,196,133	1.22
37,300 Beijing Capital Co Ltd - A	229,411	0.13	43,600 Cosco Shipping Developme - A	177,903	0.10
13,600 Beijing Capital Developmen - A	151,181	0.08	51,000 Cosco Shipping Holdings Co - A	413,144	0.23
29,100 Beijing Dabeinong Technolo - A	211,012	0.12	94,000 CRRC Corp Ltd - A	1,362,116	0.76
12,200 Beijing Enlight Media Co L - A	152,552	0.08	4,100 CSSC Offshore and Marine E - A	125,152	0.07
14,800 Beijing Orient Landscape - A	357,199	0.20	77,100 Daqin Railway Co Ltd - A	836,766	0.47
25,600 Beijing Originwater Techno - A	532,086	0.30	28,000 DHC Software Co Ltd - A	274,735	0.15
12,050 Beijing Sanju Environmenta - A	506,533	0.28	7,000 Dong-E-E-Jiaoco Ltd - A	504,826	0.28
5,400 Beijing Shiji Information - A	172,265	0.10	14,600 Dongxing Securities Co Lt - A	251,569	0.14
20,700 Beijing Shougang Co Ltd - A	148,120	0.08	34,200 Dongxu Optoelectronic Tech - A	383,858	0.21
6,700 Beijing Tongrentang Co - A	258,471	0.14	16,000 Dr Peng Telcom & Media Gr - A	326,044	0.18
27,300 Beijing Xinwei Technology - A	582,447	0.32	34,260 East Money Information Co - A	530,884	0.30
306,200 BOE Technology Group Co Lt - A	2,121,416	1.18	26,200 Everbright Securitie Co - A	421,036	0.23
24,000 Bohai Capital Holding Co - A (formerly known as Bohai Financial Investment - A)	165,415	0.09	7,400 Fiberhome Telecom Tech Co - A	255,281	0.14
11,700 BYD Co Ltd - A	910,700	0.51	15,900 Financial Street Holdings - A	211,375	0.12
15,700 Central China Securities C - A	115,912	0.06	5,640 First Capital Securities C - A	66,137	0.04
42,900 Changjiang Securities Co L - A	403,993	0.22	62,980 Focus Media Information Te - A	1,061,078	0.59
7,800 China Avionics Systems Co - A	127,773	0.07	58,000 Founder Securities Co Ltd - A	478,178	0.27
40,900 China Citic Bank Corp Ltd - A	303,429	0.17	12,500 Future Land Holdings Co - A	438,248	0.24
23,600 China Coal Energy Co - A	161,529	0.09	19,800 Fuyao Glass Industry Group - A	687,077	0.38
20,500 China Communications Const - A	313,983	0.17	163,700 GD Power Development Co - A	611,147	0.34
90,300 China Construction Bank - A	829,834	0.46	29,900 Gemdale Corp - A	451,873	0.25
9,400 China CSSC Holdings Ltd - A	277,485	0.15	38,500 GF Securities Co Ltd - A	768,420	0.43
38,900 China Eastern Airlines Co - A	382,151	0.21	3,100 Giant Network Group Co Ltd - A	136,506	0.08
205,000 China Everbright Bank Co - A	993,461	0.55	26,100 Goertek Inc - A	541,854	0.30
7,300 China Film Co Ltd - A	134,520	0.07	17,300 Great Wall Motor Co Ltd - A	237,853	0.13
15,500 China Fortune Land Develop - A	582,191	0.32	62,700 Gree Electric Appliances I - A	3,278,620	1.82
8,300 China Galaxy Securities Co - A	104,381	0.06	47,800 Greenland Holdings Corp Lt - A	417,535	0.23
38,200 China Gezhoubu Group Co Lt - A	374,817	0.21	46,000 Guangshen Railway Co Ltd - A	306,588	0.17
30,160 China Grand Automotive Ser - A	289,433	0.16	7,800 Guangzhou Baiyunshan Phar - A	273,560	0.15
17,800 China Hainan Rubber Indust - A	118,210	0.07	24,800 Guangzhou Haige Communicat - A	284,585	0.16
12,100 China High-Speed Railway - A	126,688	0.07	5,600 Guizhou Bailing Group Phar - A	103,193	0.06
13,200 China International Travel - A	685,339	0.38	32,900 Guosen Securities Co Ltd - A	427,138	0.24
20,900 China Life Insurance Co - A	761,510	0.42	48,400 Guotai Junan Securities Co - A	1,072,577	0.60
132,900 China Merchants Bank - A	4,614,924	2.57	8,190 Guoxuan High-Tech Co Ltd - A	218,148	0.12
			22,450 Guoyuan Securities Co Ltd - A	295,496	0.16
			87,400 Hainan Airlines Holding Co - A (formerly known as Hainan Airlines Co - A)	333,614	0.19
			106,800 Haitong Securities Co Ltd - A	1,644,720	0.91

iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)) (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets		
China (99.87%) Continued			China (99.87%) Continued				
10,600	Han's Laser Technology In - A	626,578	0.35	138,700	Ping An Insurance Group Co - A	11,614,287	6.46
47,000	Hangzhou Hikvision Digital - A	2,193,333	1.22	93,700	Poly Real Estate Group Co - A	1,586,493	0.88
6,200	Hangzhou Robam Appliances - A	356,844	0.20	59,500	Power Construction Corp of - A	514,039	0.29
14,100	Henan Shuanghui Investment - A	447,103	0.25	40,700	Qingdao Haier Co Ltd - A	917,524	0.51
56,400	Hesteel Co Ltd - A	263,200	0.15	15,100	Qinghai Salt Lake Industry - A	251,331	0.14
3,000	Hithink Royalflush Informa - A	179,415	0.10	16,800	Risesun Real Estate Devel - A	191,577	0.11
18,500	Huaan Securities Co Ltd - A	160,934	0.09	2,700	S F Holding Co Ltd - A	162,702	0.09
6,900	Huadong Medicine Co Ltd - A	444,855	0.25	46,600	Saic Motor Corp Ltd - A	1,786,572	0.99
7,400	Hualan Biological Engineer - A	238,014	0.13	31,500	Sanan Optoelectronics Co L - A	957,008	0.53
54,100	Huaneng Power Intl Inc - A	399,415	0.22	49,700	Sany Heavy Industry Co Ltd - A	539,394	0.30
41,800	Huatai Securities Co Ltd - A	863,295	0.48	11,000	Sdic Essence Holdings Co L - A	173,480	0.10
82,320	Huaxia Bank Co Ltd - A	886,523	0.49	54,300	Sdic Power Holdings Co Ltd - A	476,912	0.27
22,400	Huayi Brothers Media Corp - A	233,994	0.13	39,500	Sealand Securities Co Ltd - A	231,598	0.13
20,200	Huayu Automotive Systems - A	717,635	0.40	9,100	Searainbow Hldg Corp Co - A	469,964	0.26
13,500	Hubei Biocause Pharmaceuti - A	129,231	0.07	41,200	Shaanxi Coal Industry Co L - A	402,281	0.22
6,700	Hundsun Technologies Inc - A	371,993	0.21	10,000	Shandong Gold Mining Co Lt - A	373,094	0.21
12,900	Iflytek Co Ltd - A	912,879	0.51	71,500	Shandong Nanshan Aluminum - A	314,844	0.18
281,900	Ind & Comm Bk of China - A	2,091,360	1.16	11,500	Shanghai Bailian Group Co - A	185,632	0.10
159,600	Industrial Bank Co Ltd - A	3,244,654	1.80	60,315	Shanghai Construction Grou - A	268,479	0.15
65,200	Industrial Securities Co - A	567,964	0.32	41,700	Shanghai Electric Grp Co L - A	333,814	0.19
176,680	Inner Mongolia Baotou Ste - A	520,073	0.29	10,200	Shanghai Electric Power Co - A	111,555	0.06
33,700	Inner Mongolia Junzheng En - A	189,930	0.11	13,593	Shanghai Fosun Pharmaceuti - A	723,798	0.40
77,800	Inner Mongolia Yili Indus - A	2,996,696	1.67	12,900	Shanghai International Air - A	694,770	0.39
6,100	Jiangsu Bicon Pharmaceutic - A	194,668	0.11	39,900	Shanghai International Por - A	317,495	0.18
19,000	Jiangsu Broadcasting Cable - A	185,973	0.10	11,300	Shanghai Lujiazui Fin&Trad - A	257,312	0.14
22,480	Jiangsu Hengrui Medicine C - A	1,855,503	1.03	16,800	Shanghai Oriental Pearl Gr - A		
11,400	Jiangsu Protruly Vision Te - A	134,637	0.07		(formerly known as Shanghai		
7,800	Jiangsu Yanghe Brewery - A	1,073,333	0.60		Oriental Pearl Me - A)	334,909	0.19
16,700	Jiangsu Zhongnan Construct - A	128,090	0.07	16,200	Shanghai Pharmaceuticals - A	468,914	0.26
26,100	Jiangsu Zhongtian Technolo - A	435,357	0.24	146,982	Shanghai Pudong Devel Bank - A	2,214,277	1.23
11,900	Jiangxi Copper Co Ltd - A	287,207	0.16	13,200	Shanghai RAAS Blood Produc - A	313,528	0.17
6,600	Jiangxi Ganfeng Lithium Co - A	566,641	0.32	13,600	Shanghai SMI Holding Co Lt - A	143,207	0.08
18,400	Jihua Group Corp Ltd - A	148,175	0.08	25,100	Shanghai Tunnel Engineerin - A	251,086	0.14
13,210	Jilin Aodong Pharmaceutica - A	355,654	0.20	12,700	Shanghai Zhangjiang High - A	217,311	0.12
10,700	Jinduicheng Molybdenum Co - A	92,569	0.05	15,900	Shanxi Meijin Energy Co Lt - A	131,087	0.07
27,100	Kangde Xin Composite Mater - A	719,887	0.40	25,000	Shanxi Securities Co Ltd - A	275,812	0.15
38,500	Kangmei Pharmaceutical Co - A	1,030,089	0.57	22,200	Shanxi Xishan Coal & Elec - A	269,360	0.15
20,000	Kingenta Ecological Engine - A	218,974	0.12	78,200	Shenwan Hongyuan Group Co - A	502,485	0.28
6,400	Kweichow Moutai Co Ltd - A	5,341,461	2.97	13,500	Shenzhen Inovance Technolo - A	468,785	0.26
13,800	Lepu Medical Technology - A	398,950	0.22	47,200	Shenzhen Overseas Chinese - A	479,504	0.27
30,400	Leshi Internet Information - A	473,980	0.26	5,400	Shenzhen Salubris Pharm - A	291,997	0.16
17,300	Liaoning Cheng Da Co Ltd - A	364,335	0.20	10,100	Shenzhen Sunway Communicat - A	612,733	0.34
18,000	Longi Green Energy Technol - A	784,861	0.44	19,200	Shenzhen Zhongjin Lingnan - A	256,624	0.14
15,850	Luxshare Precision Industr - A	444,559	0.25	15,100	Siasun Robot & Automation - A	340,047	0.19
10,000	Luzhou Laojiao Co Ltd - A	789,744	0.44	29,000	Sichuan Chuantou Energy Co - A	353,255	0.20
15,800	Meinian Onehealth Healthca - A	413,474	0.23	27,300	Sinolink Securities Co Ltd - A	311,640	0.17
70,000	Metallurgical Corp of Chin - A	405,402	0.23	19,400	Sinopec Oilfield Service C - A	61,981	0.03
58,900	Midea Group Co Ltd - A	3,906,630	2.17	18,700	Sinopec Shanghai Petroche - A	141,640	0.08
4,500	Muyuan Foodstuff Co Ltd - A	284,631	0.16	7,900	Songcheng Performance Deve - A	176,393	0.10
5,500	Nanjing Xinjiekou Dept - A	248,703	0.14	33,200	Soochow Securities Co Ltd - A	386,142	0.21
19,000	Nari Technology Co Ltd - A	415,597	0.23	37,700	Southwest Securities Co Lt - A	208,864	0.12
11,100	New China Life Insurance C - A	932,400	0.52	3,200	Spring Airlines Co Ltd - A	142,709	0.08
27,900	New Hope Liuhe Co Ltd - A	248,715	0.14	48,800	Suning Commerce Group Co - A	717,652	0.40
56,400	Ningbo Zhoushan Port Co Lt - A	358,357	0.20	7,100	Suofeiya Home Collection C - A	312,643	0.17
20,310	Northeast Securities Co Lt - A	213,133	0.12	21,200	Suzhou Gold Mantis Constr - A	388,630	0.22
27,100	Offshore Oil Engineering - A	199,428	0.11	27,400	Suzhou Victory Precision - A	191,144	0.11
25,600	O-film Tech Co Ltd - A (formerly known as Shenzhen O-film Tech Co - A)	630,723	0.35	8,400	Tasly Pharmaceutical Group - A	357,625	0.20
41,700	Orient Securities Co Ltd - A	691,578	0.38	48,466	TBEA Co Ltd - A	574,716	0.32
25,300	Ourpalm Co Ltd - A	168,321	0.09	104,900	TCL Corp - A	489,533	0.27
83,200	Pacific Securities Co/The - A	360,391	0.20	9,660	Tianqi Lithium Corp - A (formerly known as Tianqi Lithium Industr Ind - A)	615,053	0.34
5,100	Perfect World Co Ltd - A	204,192	0.11	80,600	Tongling Nonferrous Metals - A	281,618	0.16
74,900	Petrochina Co Ltd - A	725,058	0.40	23,700	Tsinghua Tongfang Co Ltd - A	277,918	0.15
110,600	Ping An Bank Co Ltd - A	1,760,147	0.98	2,100	Tsinghua Unisplendour Co - A	180,998	0.10
				6,700	Tus-Sound Environmen-Res - A	264,724	0.15

iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF)) (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets
China (99.87%) Continued		
6,300 Wanda Film Holding Co Ltd - A (formerly known as Wanda Cinema Line Co Ltd - A)	426,601	0.24
20,371 Wangsu Science & Technolog - A	259,356	0.14
19,280 Wanhua Chemical Group Co - A	875,279	0.49
16,780 Wanxiang Qianchao Co Ltd - A	203,798	0.11
65,700 Weichai Power Co Ltd - A	655,652	0.36
23,680 Western Securities Co Ltd - A	349,088	0.19
66,500 Wintime Energy Co Ltd - A	267,364	0.15
22,900 Wuchan Zhongda Group Co L - A	186,880	0.10
5,400 Wuhu Shunrong Sanqi Intera - A	132,720	0.07
24,400 Wuliangye Yibin Co Ltd - A	2,332,223	1.30
60,500 XCMG Construction Machin - A	335,180	0.19
18,500 Xiamen C & D Inc - A	246,161	0.14
5,600 Xiamen Tungsten Co Ltd - A	172,480	0.10
53,200 Xinhua Zhongbao Co Ltd - A	332,295	0.19
27,460 Xinjiang Goldwind Sci&Tech - A	619,375	0.34
25,500 Yango Group Co Ltd - A (formerly known as Sunshine City Group Co Ltd - A)	240,136	0.13
7,900 Yanzhou Coal Mining Co - A	137,257	0.08
51,200 Yonghui Superstores Co Ltd - A	618,776	0.34
10,500 Yonyou Network Technology - A	265,731	0.15
27,660 Youngor Group Co - A	303,503	0.17
4,900 Youzu Interactive Co Ltd - A	130,750	0.07
6,800 Yunnan Baiyao Group Co Ltd - A	828,240	0.46
4,000 Zhangzhou Pientzheuang Pha - A	302,496	0.17
4,100 Zhejiang Century Huatong - A	166,705	0.09
38,800 Zhejiang China Commodities - A	268,350	0.15
5,800 Zhejiang Chint Electrics - A	181,485	0.10
19,252 Zhejiang Dahua Technology - A	531,915	0.30
3,800 Zhejiang Huayou Cobalt Co - A	364,806	0.20
32,600 Zhejiang Longsheng Group C - A	456,790	0.25
54,200 Zhejiang Zheneng Electric - A	345,676	0.19
17,700 Zhengzhou Yutong Bus Co - A	509,790	0.28
24,700 Zhongjin Gold Corp - A	292,304	0.16
36,100 Zhongtian Financial Group - A (formerly known as Zhongtian Urban Developmen - A)	338,661	0.19
146,700 Zijin Mining Group Co Ltd - A	805,721	0.45
61,300 Zoomlion Heavy Industry S - A	327,876	0.18
29,000 ZTE Corp - A	1,261,723	0.70
Total investments	179,683,353	99.87
Other net assets	232,794	0.13
Net assets attributable to unitholders at 31st December 2017	179,916,147	100.00
Total investments, at cost	143,226,747	

iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	11.18	3.29
Consumer Staples	8.09	4.61
Energy	2.35	0.22
Financials	33.78	1.55
Health Care	5.56	2.63
Industrials	13.70	7.54
Information Technology	9.59	2.96
Materials	7.29	0.75
Real Estate	5.10	0.67
Telecommunications Services	0.63	0.93
Utilities	2.60	0.30
	99.87	25.45
CAAPs		
Consumer Discretionary	-	7.19
Consumer Staples	-	1.41
Energy	-	2.26
Financials	-	33.87
Health Care	-	2.10
Industrials	-	8.38
Information Technology	-	5.65
Materials	-	5.44
Real Estate	-	5.02
Utilities	-	2.59
	-	73.91
Total investments	99.87	99.36
Other net assets	0.13	0.64
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares Core CSI 300 Index ETF (formerly known as iShares CSI 300 A-Share Index ETF* (*This is a synthetic ETF))

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit HK\$	Dealing Net asset value of the Sub-Fund HK\$
At end of financial period dated		
31st December 2015	29.25	292,498,075
31st December 2016	24.21	193,698,426
31st December 2017	31.29	179,916,147

Highest and lowest net asset value per unit

	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
Financial period ended		
31st December 2010 (since inception)	33.18	23.07
31st December 2011	31.34	21.51
31st December 2012	25.01	18.66
31st December 2013	23.86	18.87
31st December 2014	29.59	17.71
31st December 2015	44.41	23.96
31st December 2016	27.54	21.97
31st December 2017	32.69	24.22

iShares Core KOSPI 200 Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value US\$	% of Net Assets	Holdings	Fair value US\$	% of Net Assets
Investments (99.21%)			South Korea (99.21%) Continued		
Listed equities (99.21%)			270 Hansol Technics Co Ltd	4,212	0.03
South Korea (99.21%)			150 Hanssem Co Ltd	25,221	0.18
257 Able C&C	3,985	0.03	1,710 Hanwha Chemical Corp	50,475	0.37
506 Amorepacific Corp	143,923	1.05	720 Hanwha Corporation	27,911	0.20
435 Amorepacific Group	57,293	0.42	5,520 Hanwha Life Insurance Co Ltd	35,630	0.26
210 BGF Co Ltd (formerly known as BGF Retail Co Ltd)	2,991	0.02	585 Hanwha Techwin Co Ltd	19,426	0.14
112 BGF Retail Co Ltd	21,970	0.16	495 Hite Jinro Co Ltd	11,143	0.08
90 Binggrae Co Ltd	5,305	0.04	525 Hotel Shilla Co Ltd	41,635	0.30
4,500 BNK Financial Group Inc	39,596	0.29	390 Huchems Fine Chemical Corp	8,944	0.07
64 Boryung Pharmaceutical Co	2,870	0.02	337 Hyosung Corporation	43,913	0.32
552 Bukwang Pharmaceutical Co	12,169	0.09	240 Hyundai Dept Store Co	23,427	0.17
1,095 Cheil Worldwide Inc	21,684	0.16	1,051 Hyundai Development Co-Engin	37,846	0.28
105 Chong Kun Dang Pharmaceutica	13,584	0.10	270 Hyundai Elevator Co	13,720	0.10
213 CJ CGV Co Ltd	14,763	0.11	1,237 Hyundai Engineering & Const	41,944	0.31
126 CJ Cheiljedang Corp	43,077	0.31	300 Hyundai Glovis Co Ltd	38,111	0.28
210 CJ Corp	35,603	0.26	855 Hyundai Greenfood Co Ltd	11,940	0.09
150 CJ Logistics (formerly known as CJ Korea Express Corp)	19,616	0.14	608 Hyundai Heavy Industries	57,077	0.42
115 Cosmax Inc	12,568	0.09	120 Hyundai Home Shopping Networ	13,507	0.10
795 Coway Co Ltd	72,553	0.53	195 Hyundai Livart Co Ltd	5,829	0.04
48 Cuckoo Holdings Co Ltd (formerly known as Cuckoo Electronics Co Ltd)	7,398	0.05	996 Hyundai Marine & Fire Ins Co	43,727	0.32
540 Daeduck Electronics Co	4,974	0.04	195 Hyundai Mipo Dockyard	14,335	0.10
405 Daekyo Co Ltd	3,102	0.02	1,066 Hyundai Mobis Co Ltd	261,882	1.91
450 Daelim Industrial Co Ltd	34,636	0.25	2,359 Hyundai Motor Co	343,752	2.51
330 Daesang Corporation	8,492	0.06	178 Hyundai Robotics Co Ltd	63,349	0.46
3,300 Daewoo Engineering & Constr	18,249	0.13	750 Hyundai Rotem Company	13,136	0.10
90 Daewoong Pharmaceutical Co	13,829	0.10	1,422 Hyundai Steel Co	77,838	0.57
570 DB Hitek Co Ltd (formerly known as Dongbu Hitek Co Ltd)	6,389	0.05	240 Hyundai Wia Corp	14,572	0.11
755 DB Insurance Co Ltd (formerly known as Dongbu Insurance Co Ltd)	50,213	0.37	290 Iljin Materials Co Ltd	10,375	0.08
80 Dong-A Socio Holdings Co Ltd	9,565	0.07	195 Ilyang Pharmaceutical Co Ltd	7,022	0.05
105 Dong-A St Co Ltd	9,769	0.07	4,193 Industrial Bank of Korea	64,429	0.47
1,140 Dongkuk Steel Mill Co Ltd	11,714	0.09	188 Innocean Worldwide Inc	12,855	0.09
515 Dongsuh Companies Inc	13,999	0.10	204 IS Dongseo Co Ltd	6,631	0.05
15 Dongwon F&B Co Ltd	3,279	0.02	188 JW Pharmaceutical	7,955	0.06
60 Dongwon Systems Corp	2,634	0.02	656 Kakao Corp	83,949	0.61
120 Doosan Corp	12,666	0.09	2,103 Kangwon Land Inc	68,362	0.50
930 Doosan Heavy Industries	13,335	0.10	5,837 KB Financial Group Inc	345,678	2.52
1,980 Doosan Infracore Co Ltd	16,072	0.12	84 KCC Corp	29,895	0.22
342 E-Mart Inc	86,574	0.63	210 Kepco Engineering & Construc	4,669	0.03
240 Farmsco	2,601	0.02	360 Kepco Plant Service & Engine	13,653	0.10
735 Foosung Co Ltd	6,969	0.05	4,181 KIA Motors Corp	130,833	0.95
495 Grand Korea Leisure Co Ltd	13,525	0.10	100 Kiswire Ltd	3,064	0.02
90 Green Cross Corp	19,000	0.14	255 Kolon Industries Inc	21,199	0.15
413 Green Cross Holdings Corp	15,142	0.11	1,147 Korea Aerospace Industries	50,838	0.37
492 GS Engineering & Construct	13,006	0.09	5,259 Korea Electric Power Corp	187,409	1.37
870 GS Holdings	50,548	0.37	120 Korea Electric Terminal Co	7,499	0.05
435 GS Retail Co Ltd	16,375	0.12	585 Korea Gas Corporation	23,251	0.17
120 Halla Holdings Corp	7,028	0.05	672 Korea Investment Holdings Co	43,312	0.32
4,434 Hana Financial Group	206,261	1.50	270 Korea Kolmar Co Ltd	20,681	0.15
540 Hanall Biopharma Co Ltd	12,308	0.09	54 Korea Petro Chemical Ind	13,291	0.10
210 Handsome Co Ltd	6,169	0.04	143 Korea Zinc Co Ltd	65,853	0.48
60 Hanil Cement Co Ltd	8,015	0.06	1,013 Korean Air Lines Co Ltd	32,030	0.23
1,050 Hanjin Heavy Indus & Const	3,246	0.02	3,541 KT Corp	100,056	0.73
9 Hankook Shell Oil Co Ltd	3,228	0.02	1,802 KT&G Corp	194,415	1.42
1,220 Hankook Tire Co Ltd	62,222	0.45	285 Kumho Petrochemical Co Ltd	26,489	0.19
375 Hankook Tire Worldwide Co Ltd	6,620	0.05	2,265 Kumho Tire Co Inc	9,362	0.07
115 Hanmi Pharm Co Ltd	62,734	0.46	540 Kwang Dong Pharmaceutical Co	4,414	0.03
312 Hanmi Science Co Ltd	32,350	0.24	150 Kyungbang Ltd	1,948	0.01
4,245 Hanon Systems	55,117	0.40	300 LF Corp	8,771	0.06
255 Hansae Co Ltd	6,419	0.05	763 LG Chem Ltd	288,651	2.10
135 Hansol Chemical Co Ltd	9,143	0.07	1,478 LG Corp	125,634	0.92
			3,816 LG Display Co Ltd	106,579	0.78
			1,765 LG Electronics Inc	174,761	1.27
			105 LG Hausys Ltd	9,524	0.07
			155 LG Household & Health Care	172,150	1.26
			225 LG Innotek Co Ltd	30,265	0.22
			435 LG International Corp	11,032	0.08
			4,656 LG Uplus Corp	60,888	0.44

iShares Core KOSPI 200 Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	11.19	12.75
Consumer Staples	6.89	7.63
Energy	2.37	2.31
Financials	12.54	12.86
Health Care	2.54	1.82
Industrials	9.63	10.92
Information Technology	40.88	36.07
Materials	8.92	9.12
Telecommunication Services	2.71	3.07
Utilities	1.54	2.17
Total investments	99.21	98.72
Other net assets	0.79	1.28
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares Core KOSPI 200 Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit US\$	Dealing Net asset value of the Sub-Fund US\$
At end of financial period dated		
31st December 2016	1.07	13,482,530
31st December 2017	1.52	13,719,283

Highest and lowest net asset value per unit

	Highest net asset value per unit US\$	Lowest net asset value per unit US\$
Financial period ended		
31st December 2016 (since inception)	1.17	1.00
31st December 2017	1.54	1.08

iShares Core MSCI Taiwan Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value US\$	% of Net Assets	Holdings	Fair value US\$	% of Net Assets		
Investments (99.92%)			Taiwan (99.92%) Continued				
Listed equities (99.92%)							
Taiwan (99.92%)							
149,295	Acer Inc	121,158	0.39	51,153	Ruentex Development Co Ltd	54,920	0.17
332,681	Advanced Semiconductor Engr	426,493	1.36	28,749	Ruentex Industries Ltd	48,883	0.16
18,091	Advantech Co Ltd	127,969	0.41	418,662	Shin Kong Financial Holding	147,721	0.47
6,000	Airtac International Group	107,868	0.34	107,818	Siliconware Precision Inds	182,242	0.58
127,444	Asia Cement Corp	120,770	0.39	550,660	Sinopac Financial Holdings	178,936	0.57
107,337	Asia Pacific Telecom Co Ltd	35,997	0.11	30,195	Standard Foods Corp	75,085	0.24
36,191	Asustek Computer Inc	339,916	1.08	72,261	Synnex Technology Intl Corp	98,465	0.31
452,739	Au Optronics Corp	188,651	0.60	8,214	Taimed Biologics Inc	51,064	0.16
33,729	Catcher Technology Co Ltd	371,763	1.19	465,792	Taishin Financial Holding	216,786	0.69
417,453	Cathay Financial Holding Co	750,499	2.39	203,466	Taiwan Business Bank	57,364	0.18
62,331	Chailase Holding Co Ltd	181,389	0.58	175,725	Taiwan Cement	215,239	0.69
240,570	Chang Hwa Commercial Bank	133,791	0.43	404,929	Taiwan Cooperative Financial	225,879	0.72
98,598	Cheng Shin Rubber Ind Co Ltd	173,947	0.55	87,032	Taiwan High Speed Rail Corp	68,728	0.22
27,119	Chicony Electronics Co Ltd	68,348	0.22	82,399	Taiwan Mobile Co Ltd	297,659	0.95
133,755	China Airlines Ltd	52,363	0.17	1,259,813	Taiwan Semiconductor Manufac	9,715,781	31.01
692,973	China Development Financial	236,359	0.75	96,723	Teco Electric & Machinery	92,633	0.30
127,245	China Life Insurance Co Ltd	128,064	0.41	246,742	Uni-President Enterprises Co	547,238	1.75
635,384	China Steel Corp	528,446	1.69	609,194	United Microelectronics Corp	290,692	0.93
194,811	Chunghwa Telecom Co Ltd	693,918	2.21	45,954	Vanguard International Semi	101,919	0.32
216,339	Compal Electronics	154,847	0.49	18,000	Win Semiconductors Corp	171,178	0.55
897,102	CTBC Financial Holding Co Lt	617,995	1.97	150,000	Winbond Electronics Corp	118,201	0.38
99,269	Delta Electronics Inc	478,690	1.53	131,115	Wistron Corp	105,523	0.34
460,562	E.Sun Financial Holding Co	292,509	0.93	82,374	WPG Holdings Ltd	109,062	0.35
8,678	Eclat Textile Company Ltd	86,755	0.28	11,000	Yageo Corp	130,484	0.42
106,237	Eva Airways Corp	56,584	0.18	506,919	Yuanta Financial Holding Co	235,075	0.75
100,205	Evergreen Marine Corp Ltd	55,055	0.18	20,535	Zhen Ding Technology Holding	45,199	0.14
171,364	Far Eastern New Century Corp	154,327	0.49	Total investments			
81,225	Far Eastone Telecomm Co Ltd	200,616	0.64	31,310,877			
17,017	Feng Tay Enterprise Co Ltd	77,484	0.25	Other net assets			
472,221	First Financial Holding Co	310,228	0.99	23,588			
149,631	Formosa Chemicals & Fibre	517,902	1.65	Net assets attributable to unitholders at 31st December 2017			
68,381	Formosa Petrochemical Corp	265,403	0.85	31,334,465			
211,340	Formosa Plastics Corp	700,951	2.24	100.00			
38,628	Formosa Taffeta Co.	40,629	0.13	Total investments, at cost			
49,168	Foxconn Technology Co Ltd	140,770	0.45	26,190,686			
344,245	Fubon Financial Holding Co	586,495	1.87				
8,840	General Interface Solution Holding Ltd	59,115	0.19				
15,239	Giant Manufacturing	83,727	0.27				
11,346	GlobalWafers Co Ltd	151,554	0.48				
41,625	Highwealth Construction Corp	59,168	0.19				
10,744	Hiwin Technologies Corp	116,255	0.37				
797,498	Hon Hai Precision Industry	2,551,265	8.14				
12,840	Hotai Motor Company Ltd	152,742	0.49				
33,855	HTC Corp	83,163	0.27				
370,389	Hua Nan Financial Holdings C	208,479	0.66				
474,285	Innolux Corp	197,629	0.63				
127,872	Inventec Corp	102,054	0.33				
5,106	Largan Precision Co Ltd	689,757	2.20				
112,692	Lite-On Technology Corp	153,747	0.49				
92,000	Macronix International Co Ltd	136,647	0.44				
77,173	Mediatek Inc	762,433	2.43				
563,623	Mega Financial Holding Co Lt	455,505	1.45				
35,314	Micro - Star International Co Ltd	90,900	0.29				
245,071	Nan Ya Plastics Corp	641,532	2.05				
34,965	Nanya Technology Corp	89,532	0.29				
7,635	Nien Made Enterprise Co Ltd	81,588	0.26				
29,331	Novatek Microelectronics Cor	111,869	0.36				
102,031	Pegatron Corp	246,862	0.79				
7,548	Phison Electronics Corp	74,063	0.24				
117,729	Pou Chen	152,509	0.49				
32,898	Powertech Technology Inc	97,284	0.31				
29,316	President Chain Store Corp	279,777	0.89				
139,342	Quanta Computer Inc	289,842	0.91				
23,199	Realtek Semiconductor Corp	84,974	0.27				

iShares Core MSCI Taiwan Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	2.88	3.94
Consumer Staples	2.88	2.69
Energy	0.85	0.81
Financials	15.81	16.77
Health Care	0.16	0.37
Industrials	2.25	1.50
Information Technology	62.11	58.93
Materials	8.71	9.76
Real Estate	0.36	0.43
Telecommunication Services	3.91	4.44
Total investments	99.92	99.64
Other net assets	0.08	0.36
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares Core MSCI Taiwan Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit US\$	Dealing Net asset value of the Sub-Fund US\$
At end of financial period dated		
31st December 2016	1.13	19,839,608
31st December 2017	1.41	31,334,465

Highest and lowest net asset value per unit

	Highest net asset value per unit US\$	Lowest net asset value per unit US\$
Financial period ended		
31st December 2016 (since inception)	1.20	1.01
31st December 2017	1.45	1.13

iShares DAX Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value EUR	% of Net Assets
Investments (100.08%)		
Listed equities (100.08%)		
Germany (100.08%)		
498 Adidas AG	83,241	2.97
1,188 Allianz Se - Reg	227,502	8.12
2,478 BASF SE	227,332	8.11
2,226 Bayer AG - Reg	231,504	8.26
863 Bayerische Motoren Werke AG	74,934	2.67
264 Beiersdorf AG	25,846	0.92
2,694 Commerzbank AG	33,688	1.20
294 Continental AG	66,165	2.36
2,686 Daimler AG - Registered Shares	190,169	6.78
5,040 Deutsche Bank AG - Registered	80,010	2.85
498 Deutsche Boerse AG	48,206	1.72
1,277 Deutsche Lufthansa - Reg	39,229	1.40
2,500 Deutsche Post AG - Reg	99,375	3.55
8,695 Deutsche Telekom AG - Reg	128,643	4.59
5,826 E.On SE	52,789	1.88
583 Fresenius Medical Care AG	51,176	1.83
1,028 Fresenius SE & Co KGaA	66,892	2.39
394 Heidelbergcement AG	35,558	1.27
473 Henkel AG & Co KGaA Vorzug	52,196	1.86
3,040 Infineon Technologies AG	69,418	2.48
462 Linde AG - Tender	89,928	3.21
348 Merck KGaA	31,233	1.11
409 Muenchener Rueckver AG - Reg	73,927	2.64
619 ProSiebenSat.1 Media SE	17,768	0.63
1,388 RWE AG	23,596	0.84
2,828 Sap SE	264,277	9.43
2,198 Siemens AG - Reg	255,298	9.11
1,325 Thyssenkrupp AG	32,085	1.15
499 Volkswagen AG - Pref	83,059	2.96
1,214 Vonovia SE	50,247	1.79
Total investments	2,805,291	100.08
Other net liabilities	(2,295)	(0.08)
Net assets attributable to unitholders at 31st December 2017	2,802,996	100.00
Total investments, at cost	2,317,667	

iShares DAX Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	18.37	19.18
Consumer Staples	2.78	2.96
Financials	16.53	15.36
Health Care	13.59	15.13
Industrials	14.06	13.55
Information Technology	11.91	10.54
Materials	13.74	14.19
Real Estate	1.79	1.40
Telecommunication Services	4.59	5.53
Utilities	2.72	2.01
Total investments	100.08	99.85
Other net (liabilities)/assets	(0.08)	0.15
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares DAX Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit EUR	Dealing Net asset value of the Sub-Fund EUR
At end of financial period dated		
31st December 2016	1.05	6,072,552
31st December 2017	1.17	2,802,996

Highest and lowest net asset value per unit

	Highest net asset value per unit EUR	Lowest net asset value per unit EUR
Financial period ended		
31st December 2016 (since inception)	1.05	0.85
31st December 2017	1.22	1.05

iShares EURO STOXX 50 Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value EUR	% of Net Assets	Holdings	Fair value EUR	% of Net Assets
Investments (99.54%)			Netherlands (10.09%)		
Listed equities (99.54%)			540 ASML Holding NV	78,381	2.35
Belgium (2.91%)			5,429 ING Groep NV	83,199	2.50
1,040 Anheuser-Busch Inbev SA/NV	96,855	2.91	1,688 Koninklijke Ahold Delhaize N	30,950	0.93
			1,313 Koninklijke Philips NV	41,412	1.24
	96,855	2.91	2,181 Unilever NV - CVA	102,409	3.07
				336,351	10.09
Finland (0.93%)			Spain (10.13%)		
7,988 Nokia OYJ	31,105	0.93	9,368 Banco Bilbao Vizcaya Argenta	66,625	1.99
	31,105	0.93	22,509 Banco Santander SA	123,327	3.70
			8,044 Iberdrola SA	51,964	1.56
France (36.36%)			1,560 Industria De Diseno Textil	45,310	1.36
594 Air Liquide SA	62,400	1.87	6,247 Telefonica SA	50,757	1.52
791 Airbus SE	65,653	1.97		337,983	10.13
2,862 AXA SA	70,792	2.12	Total investments	3,319,501	99.54
1,597 BNP Paribas	99,413	2.98	Other net assets	15,416	0.46
778 Compagnie De Saint Gobain	35,773	1.07			
882 Danone	61,696	1.85	Net assets attributable to unitholders at 31st December 2017	3,334,917	100.00
2,565 Engie	36,769	1.10			
300 Essilor International	34,485	1.03	Total investments, at cost	2,869,595	
338 L'Oreal	62,513	1.88			
376 LVMH Moet Hennessy Louis Vui	92,270	2.77			
2,843 Orange	41,152	1.23			
510 Safran SA	43,814	1.31			
1,597 Sanofi	114,745	3.44			
774 Schneider Electric SE	54,846	1.65			
1,128 Societe Generale SA	48,560	1.46			
3,503 Total SA	161,296	4.84			
142 Unibail-Rodamco SE	29,820	0.89			
766 Vinci SA	65,225	1.96			
1,401 Vivendi	31,410	0.94			
	1,212,632	36.36			
Germany (33.31%)					
254 Adidas AG	42,456	1.27			
621 Allianz SE - Reg	118,921	3.56			
1,282 BASF SE	117,611	3.53			
1,149 Bayer AG - Reg	119,496	3.58			
444 Bayerische Motoren Werke AG	38,553	1.16			
1,398 Daimler AG - Registered Shares	98,978	2.97			
2,602 Deutsche Bank AG - Registered	41,307	1.24			
1,356 Deutsche Post AG - Reg	53,901	1.62			
4,540 Deutsche Telekom AG - Reg	67,169	2.01			
3,077 E.On SE	27,881	0.84			
563 Fresenius SE & Co KGaA	36,634	1.10			
216 Muenchener Rueckver AG - Reg	39,042	1.17			
1,391 Sap SE	129,989	3.90			
1,176 Siemens AG - Reg	136,592	4.09			
255 Volkswagen AG - Pref	42,445	1.27			
	1,110,975	33.31			
Ireland (1.03%)					
1,144 CRH Plc	34,269	1.03			
	34,269	1.03			
Italy (4.78%)					
10,673 Enel Spa	54,753	1.64			
3,488 Eni Spa	48,134	1.45			
20,377 Intesa Sanpaolo	56,444	1.69			
	159,331	4.78			

iShares EURO STOXX 50 Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	11.74	11.42
Consumer Staples	10.64	10.71
Energy	6.29	7.31
Financials	22.41	21.58
Health Care	10.39	10.11
Industrials	13.67	14.12
Information Technology	7.18	6.64
Materials	6.43	6.76
Real Estate	0.89	1.00
Telecommunication Services	4.76	5.34
Utilities	5.14	4.57
Total investments	99.54	99.56
Other net assets	0.46	0.44
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares EURO STOXX 50 Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit EUR	Dealing Net asset value of the Sub-Fund EUR
At end of financial period dated		
31st December 2016	1.02	5,100,868
31st December 2017	1.11	3,334,917

Highest and lowest net asset value per unit

	Highest net asset value per unit EUR	Lowest net asset value per unit EUR
Financial period ended		
31st December 2016 (since inception)	1.02	0.83
31st December 2017	1.17	1.01

iShares FTSE 100 Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value GBP	% of Net Assets	Holdings	Fair value GBP	% of Net Assets
Investments (99.30%)			United Kingdom (78.52%)		
Listed equities (99.29%)			<i>Continued</i>		
Australia (2.35%)			4,367 BAE Systems Plc	25,023	0.90
1,662 Rio Tinto Plc	65,516	2.35	23,630 Barclays Plc	47,993	1.73
	65,516	2.35	1,344 Barratt Developments Plc	8,702	0.31
			174 Berkeley Group Holdings/The	7,303	0.26
Chile (0.17%)			2,919 BHP Billiton Plc	44,442	1.60
465 Antofagasta Plc	4,673	0.17	26,903 BP Plc	140,622	5.06
	4,673	0.17	3,189 British American Tobacco Plc	160,024	5.75
			1,397 British Land Co Plc	9,660	0.35
Germany (0.34%)			11,551 BT Group Plc	31,384	1.13
615 Tui Ag - Di	9,471	0.34	459 Bunzl Plc	9,510	0.34
	9,471	0.34	613 Burberry Group Plc	10,985	0.39
			248 Carnival Plc	12,132	0.44
Ireland (2.88%)			7,790 Centrica Plc	10,696	0.38
1,178 CRH Plc	31,300	1.13	2,183 Compass Group Plc	34,928	1.26
120 DCC Plc	8,958	0.32	179 Croda International Plc	7,919	0.28
1,329 Experian Plc	21,742	0.78	3,440 Diageo Plc	93,740	3.37
113 Paddy Power Betfair Plc	9,972	0.36	1,815 Direct Line Insurance Group	6,928	0.25
324 Smurfit Kappa Group Plc	8,123	0.29	1,381 DS Smith Plc	7,147	0.26
	80,095	2.88	330 Easyjet Plc	4,831	0.17
			2,154 G4S Plc	5,751	0.21
Mali (0.37%)			2,265 GKN Plc	7,234	0.26
138 Randgold Resources Ltd	10,226	0.37	6,744 Glaxosmithkline Plc	89,189	3.21
	10,226	0.37	527 Halma Plc	6,640	0.24
			1,035 Hammerson Plc	5,661	0.20
Mexico (0.11%)			382 Hargreaves Lansdown Plc	6,884	0.25
225 Fresnillo Plc	3,215	0.11	27,908 HSBC Holdings Plc	214,026	7.69
	3,215	0.11	1,314 Imperial Brands Plc	41,601	1.49
			1,115 Informa Plc	8,050	0.29
Netherlands (10.35%)			261 Intercontinental Hotels Grou	12,317	0.44
6,328 Royal Dutch Shell Plc - A Shs	156,934	5.64	231 Intertek Group Plc	11,989	0.43
5,222 Royal Dutch Shell Plc - B Shs	130,994	4.71	2,295 Intl Consolidated Airline - Di	14,940	0.54
	287,928	10.35	5,566 ITV Plc	9,212	0.33
			255 Johnson Matthey Plc	7,841	0.28
South Africa (0.89%)			801 Just Eat Plc	6,256	0.22
1,374 Anglo American Plc	21,290	0.77	3,015 Kingfisher Plc	10,182	0.37
525 Mediclinic International Plc	3,410	0.12	963 Land Securities Group Plc	9,707	0.35
	24,700	0.89	8,197 Legal & General Group Plc	22,402	0.80
			99,267 Lloyds Banking Group Plc	67,561	2.43
Switzerland (3.19%)			428 London Stock Exchange Group	16,234	0.58
255 Coca-Cola HBC AG - Di	6,171	0.22	2,145 Marks & Spencer Group Plc	6,752	0.24
354 Ferguson Plc (formerly known as Wolseley Plc)	18,868	0.68	596 Micro Focus International	15,037	0.54
16,316 Glencore Plc	63,633	2.29	502 Mondi Plc	9,694	0.35
	88,672	3.19	4,775 National Grid Plc	41,786	1.50
			195 Next Plc	8,824	0.32
United Arab Emirates (0.12%)			6,719 Old Mutual Plc	15,568	0.56
114 NMC Health Plc	3,289	0.12	1,095 Pearson Plc	8,059	0.29
	3,289	0.12	457 Persimmon Plc	12,513	0.45
			3,636 Prudential Plc	69,284	2.49
United Kingdom (78.52%)			864 Reckitt Benckiser Group Plc	59,780	2.15
1,297 3i Group Plc	11,848	0.43	1,461 Relx Plc	25,407	0.91
270 Admiral Group Plc	5,405	0.19	2,511 Rentokil Initial Plc	7,985	0.29
683 Ashtead Group Plc	13,605	0.49	2,229 Rolls-Royce Holdings Plc	18,880	0.68
471 Associated British Foods Plc	13,282	0.48	4,551 Royal Bank of Scotland Group	12,652	0.45
1,769 Astrazeneca Plc	90,591	3.26	1,350 RSA Insurance Group Plc	8,539	0.31
5,587 Aviva Plc	28,298	1.02	1,597 Sage Group Plc/The	12,744	0.46
			2,527 Sainsbury (J) Plc	6,100	0.22
			150 Schroders Plc	5,274	0.19
			1,852 Scottish Mortgage Inv Tr Plc	8,315	0.30
			1,388 Segro Plc	8,148	0.29
			315 Severn Trent Plc	6,810	0.24
			1,238 Shire Plc	48,282	1.74
			1,443 Sky Plc	14,603	0.53
			1,217 Smith & Nephew Plc	15,675	0.56
			595 Smiths Group Plc	8,866	0.32
			1,388 SSE Plc	18,322	0.66
			690 St James's Place Plc	8,459	0.30
			3,705 Standard Chartered Plc	28,903	1.04

iShares FTSE 100 Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value GBP	% of Net Assets
United Kingdom (78.52%)		
<i>Continued</i>		
3,745 Standard Life Aberdeen Plc (formerly known as Standard Life Plc)	16,351	0.59
4,320 Taylor Wimpey Plc	8,917	0.32
11,214 Tesco Plc	23,465	0.84
1,609 Unilever Plc	66,379	2.39
1,030 United Utilities Group Plc	8,544	0.31
37,291 Vodafone Group Plc	87,634	3.15
248 Whitbread Plc	9,920	0.36
2,865 WM Morrison Supermarkets	6,300	0.23
2,764 Worldpay Group Plc	11,775	0.42
1,704 WPP Plc	22,851	0.82
	<u>2,184,072</u>	<u>78.52</u>
Total listed equity	<u>2,761,857</u>	<u>99.29</u>
Unlisted equities (0.01%)		
United Kingdom (0.01%)		
164,220 Rolls-Royce Holdings - Entitl	<u>164</u>	<u>0.01</u>
Total unlisted equity	<u>164</u>	<u>0.01</u>
Total investments	<u>2,762,021</u>	<u>99.30</u>
Other net assets	<u>19,404</u>	<u>0.70</u>
Net assets attributable to unitholders at 31st December 2017	<u>2,781,425</u>	<u>100.00</u>
Total investments, at cost	<u>2,312,683</u>	

iShares FTSE 100 Index ETF (continued)

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	8.38	9.07
Consumer Staples	17.14	16.35
Energy	15.41	15.54
Financials	21.60	20.62
Health Care	9.01	10.58
Industrials	7.06	7.05
Information Technology	1.88	0.87
Materials	10.25	9.29
Real Estate	1.19	1.16
Telecommunication Services	4.28	4.64
Utilities	3.09	4.19
	99.29	99.36
Unlisted equities		
Industrials	0.01	0.01
	0.01	0.01
Total investments	99.30	99.37
Other net assets	0.70	0.63
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares FTSE 100 Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit GBP	Dealing Net asset value of the Sub-Fund GBP
At end of financial period dated		
31st December 2016	0.83	3,988,724
31st December 2017	0.93	3,522,989

Highest and lowest net asset value per unit

	Highest net asset value per unit GBP	Lowest net asset value per unit GBP
Financial period ended		
31st December 2016 (since inception)	0.83	0.69
31st December 2017	0.93	0.83

iShares NASDAQ 100 Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value US\$	% of Net Assets	Holdings	Fair value US\$	% of Net Assets		
Investments (99.73%)			United States (94.79%) Continued				
Listed equities (99.73%)							
Argentina (0.19%)							
55	Mercadolibre Inc	17,306	0.19	180	Citrix Systems Inc	15,840	0.17
		17,306	0.19	750	Cognizant Tech Solutions - A	53,265	0.58
China (2.00%)							
348	Baidu Inc - Spon ADR	81,505	0.89	5,887	Comcast Corp - Class A	235,774	2.58
557	Ctrip.com International - ADR	24,564	0.27	540	Costco Wholesale Corp	100,505	1.10
1,110	JD.Com Inc - ADR	45,976	0.50	1,170	CSX Corp	64,362	0.70
90	Netease Inc - ADR	31,056	0.34	300	Dentsply Sirona Inc	19,749	0.22
		183,101	2.00	270	Dish Network Corp - A	12,892	0.14
Ireland (0.16%)							
360	Seagate Technology	15,062	0.16	300	Dollar Tree Inc	32,193	0.35
		15,062	0.16	1,410	Ebay Inc	53,213	0.58
Israel (0.24%)							
210	Check Point Software Tech	21,760	0.24	393	Electronic Arts Inc	41,289	0.45
		21,760	0.24	180	Expedia Inc	21,559	0.24
Netherlands (0.17%)							
89	ASML Holding NV - NY Reg Shs	15,470	0.17	705	Express Scripts Holding Co	52,621	0.58
		15,470	0.17	2,968	Facebook Inc - A	523,733	5.73
Singapore (1.39%)							
496	Broadcom Ltd	127,423	1.39	360	Fastenal Co	19,688	0.22
		127,423	1.39	270	Fiserv Inc	35,405	0.39
United Kingdom (0.79%)							
360	Liberty Global Plc - A	12,902	0.14	1,620	Gilead Sciences Inc	116,057	1.27
810	Liberty Global Plc - C	27,410	0.30	153	Hasbro Inc	13,906	0.15
104	Shire Plc - ADR	16,133	0.18	206	Henry Schein Inc	14,395	0.16
480	Vodafone Group Plc - SP ADR	15,312	0.17	343	Hologic Inc	14,663	0.16
		71,757	0.79	138	Hunt (JB) Transport Svcs Inc	15,867	0.17
United States (94.79%)							
943	Activision Blizzard Inc	59,711	0.65	109	IDEXX Laboratories Inc	17,045	0.19
618	Adobe Systems Inc	108,298	1.18	180	Illumina Inc	39,328	0.43
270	Alexion Pharmaceuticals Inc	32,289	0.35	240	Incyte Corp	22,730	0.25
100	Align Technology Inc	22,219	0.24	5,805	Intel Corp	267,959	2.93
369	Alphabet Inc - Cl A	388,705	4.25	313	Intuit Inc	49,385	0.54
432	Alphabet Inc - Cl C	452,045	4.95	138	Intuitive Surgical Inc	50,362	0.55
598	Amazon.Com Inc	699,343	7.65	195	KLA - Tencor Corp	20,489	0.22
643	American Airlines Group Inc	33,455	0.37	1,500	Kraft Heinz Co/The	116,640	1.28
914	Amgen Inc	158,945	1.74	188	Lam Research Corp	34,605	0.38
456	Analog Devices Inc	40,598	0.44	540	Liberty Interactive Corp Q - A	13,187	0.14
6,435	Apple Inc	1,088,995	11.91	107	Liberty Ventures - Ser A	5,804	0.06
1,320	Applied Materials Inc	67,478	0.74	476	Marriott International - Cl A	64,607	0.71
270	Autodesk Inc	28,304	0.31	360	Maxim Integrated Products	18,821	0.21
570	Automatic Data Processing	66,798	0.73	285	Microchip Technology Inc	25,046	0.27
270	Biogen Inc	86,014	0.94	1,375	Micron Technology Inc	56,540	0.62
210	Biomarin Pharmaceutical Inc	18,726	0.20	9,580	Microsoft Corp	819,473	8.96
510	CA Inc	16,973	0.19	1,890	Mondelez International Inc - A	80,892	0.89
351	Cadence Design Sys Inc	14,679	0.16	720	Monster Beverage Corp	45,569	0.50
960	Celgene Corp	100,186	1.10	630	Mylan NV	26,655	0.29
420	Cerner Corp	28,304	0.31	523	Netflix Inc	100,395	1.10
309	Charter Communications Inc - A	103,812	1.14	740	Nvidia Corp	143,190	1.57
131	Cintas Corp	20,414	0.22	106	O'Reilly Automotive Inc	25,497	0.28
6,229	Cisco Systems Inc	238,571	2.61	420	Paccar Inc	29,854	0.33
				450	Paychex Inc	30,636	0.34
				1,470	Paypal Holdings Inc	108,221	1.18
				60	Priceline Group Inc/The	104,264	1.14
				1,843	Qualcomm Inc	117,989	1.29
				134	Regeneron Pharmaceuticals	50,379	0.55
				480	Ross Stores Inc	38,520	0.42
				6,060	Sirius XM Holdings Inc	32,482	0.36
				240	Skyworks Solutions Inc	22,788	0.25
				1,800	Starbucks Corp	103,374	1.13
				750	Symantec Corp	21,045	0.23
				187	Synopsys Inc	15,940	0.17
				142	Take-Two Interactive Software	15,589	0.17
				204	Tesla Inc (formerly known as Tesla Motors Inc)	63,515	0.70
				1,230	Texas Instruments Inc	128,461	1.41
				1,038	T-Mobile US Inc	65,923	0.72
				1,350	Twenty-First Century Fox - A	46,616	0.51
				990	Twenty-First Century Fox - B	33,779	0.37
				74	Ulta Beauty Inc (formerly known as Ulta Salon Cosmetics & Fragr)	16,551	0.18
				210	Verisk Analytics Inc	20,160	0.22
				300	Vertex Pharmaceuticals Inc	44,958	0.49
				1,232	Walgreens Boots Alliance Inc	89,468	0.98
				370	Western Digital Corp	29,426	0.32
				170	Workday Inc - A	17,296	0.19

iShares NASDAQ 100 Index ETF (continued)

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value US\$	% of Net Assets
United States (94.79%) <i>Continued</i>		
126 Wynn Resorts Ltd	21,242	0.23
300 Xilinx Inc	20,226	0.22
	8,664,759	94.79
Total investments	9,116,638	99.73
Other net assets	24,774	0.27
Net assets attributable to unitholders at 31st December 2017	9,141,412	100.00
Total investments, at cost	6,323,510	

iShares NASDAQ 100 Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2017

	% of net asset value 2017	% of net asset value 2016
Financial assets at fair value through profit or loss		
Listed equities		
Consumer Discretionary	20.79	21.37
Consumer Staples	4.75	6.39
Health Care	10.20	11.50
Industrials	2.23	2.14
Information Technology	60.87	57.10
Telecommunication Services	0.89	1.21
Total investments	99.73	99.71
Other net assets	0.27	0.29
Net assets attributable to unitholders at 31st December	100.00	100.00

iShares NASDAQ 100 Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit US\$	Dealing Net asset value of the Sub-Fund US\$
At end of financial period dated		
31st December 2016	1.15	7,845,929
31st December 2017	1.52	9,141,412

Highest and lowest net asset value per unit

	Highest net asset value per unit US\$	Lowest net asset value per unit US\$
Financial period ended		
31st December 2016 (since inception)	1.18	0.99
31st December 2017	1.55	1.17

iShares Core Hang Seng Index ETF

Investment Portfolio (unaudited) as at 31st December 2017

Holdings	Fair value HK\$	% of Net Assets	Holdings	Fair value HK\$	% of Net Assets
Investments (99.87%)			Futures (0.00%)		
Listed equities (99.87%)			Hong Kong (0.00%)		
China (70.92%)			1 Mini Hang Seng Index Futures Jan 2018	3,460	0.00
26,408 AAC Technologies Holdings In	3,681,275	1.07	Total futures	3,460	0.00
438,312 AIA Group Ltd	29,213,495	8.50	Total investments	343,314,064	99.87
2,884,127 Bank of China Ltd - H	11,075,048	3.22	Other net assets	453,089	0.13
318,488 Bank of Communications Co - H	1,847,230	0.54	Net assets attributable to unitholders at 31st December 2017	343,767,153	100.00
49,529 Bank of East Asia Ltd	1,676,557	0.49	Total investments, at cost	274,619,769	
134,467 BOC Hong Kong Holdings Ltd	5,324,893	1.55			
3,927,234 China Construction Bank - H	28,276,085	8.23			
270,604 China Life Insurance Co - H	6,643,328	1.93			
99,586 China Mengniu Dairy Co	2,315,375	0.67			
46,080 China Merchants Port Holding	942,336	0.27			
223,011 China Mobile Ltd	17,673,622	5.14			
138,407 China Overseas Land & Invest	3,480,936	1.01			
925,417 China Petroleum & Chemical - H	5,302,639	1.54			
101,116 China Resources Land Ltd	2,325,668	0.68			
68,314 China Resources Power Holdin	994,652	0.29			
123,690 China Shenhua Energy Co - H	2,504,723	0.73			
261,390 China Unicom Hong Kong Ltd	2,760,278	0.80			
211,193 Citic Ltd	2,382,257	0.69			
68,573 CLP Holdings Ltd	5,482,411	1.60			
648,018 CNOOC Ltd	7,270,762	2.12			
271,276 Country Garden Holdings Co	4,042,012	1.18			
195,383 Geely Automobile Holdings Lt	5,294,879	1.54			
27,801 Hang Seng Bank Ltd	5,393,394	1.57			
26,035 Hengan Intl Group Co Ltd	2,258,536	0.66			
304,807 Hong Kong & China Gas	4,669,643	1.36			
2,678,310 Ind & Comm Bk of China - H	16,846,570	4.90			
222,064 Lenovo Group Ltd	979,302	0.28			
65,721 MTR Corp	3,010,022	0.88			
766,455 Petrochina Co Ltd - H	4,177,180	1.22			
189,053 Ping An Insurance Group Co - H	15,379,462	4.47			
88,139 Sands China Ltd	3,556,409	1.03			
25,762 Sunny Optical Tech	2,573,624	0.75			
81,106 Tencent Holdings Ltd	32,929,036	9.58			
228,078 Want Want China Holdings Ltd	1,493,911	0.43			
	<u>243,777,550</u>	<u>70.92</u>			
Hong Kong (28.95%)					
93,878 CK Asset Holdings Ltd	6,411,867	1.87			
98,030 CK Hutchison Holdings Ltd	9,616,743	2.80			
23,527 CK Infrastructure Holdings L	1,579,838	0.46			
86,342 Galaxy Entertainment Group L	5,413,643	1.57			
71,533 Hang Lung Properties Ltd	1,366,280	0.40			
43,621 Henderson Land Development	2,246,482	0.65			
42,765 Hong Kong Exchanges & Clear	10,255,047	2.98			
442,048 HSBC Holdings Plc	35,341,738	10.28			
79,618 Link Reit	5,768,324	1.68			
211,218 New World Development	2,479,699	0.72			
50,243 Power Assets Holdings Ltd	3,313,526	0.96			
116,079 Sino Land Co	1,606,533	0.47			
47,434 Sun Hung Kai Properties	6,185,394	1.80			
18,347 Swire Pacific Ltd - CIA	1,327,405	0.39			
352,000 WH Group Ltd	3,104,640	0.90			
44,505 Wharf Holdings Ltd	1,201,635	0.35			
44,505 Wharf Real Estate Investment	2,314,260	0.67			
	<u>99,533,054</u>	<u>28.95</u>			
Total listed equity	<u>343,310,604</u>	<u>99.87</u>			

iShares Core Hang Seng Index ETF

Statement of Movements in Investment Portfolio (unaudited) For the period ended 31st December 2017

	% of net asset value 2017
Financial assets at fair value through profit or loss	
Listed equities	
Consumer Discretionary	4.14
Consumer Staples	2.66
Energy	5.61
Financials	48.66
Industrials	4.64
Information Technology	11.68
Real Estate	11.87
Telecommunication Services	5.94
Utilities	4.67
	99.87
Futures	
Mini Hang Seng Futures	0.00
	0.00
Total investments	99.87
Other net assets	0.13
Net assets attributable to unitholders at 31st December	100.00

iShares Core Hang Seng Index ETF

Performance Record (unaudited)

Net Asset Value

	Dealing Net asset value per unit HK\$	Dealing Net asset value of the Sub-Fund HK\$
At end of financial period dated 31st December 2017	107.43	343,767,153

Highest and lowest net asset value per unit

	Highest net asset value per unit HK\$	Lowest net asset value per unit HK\$
Financial period ended 31st December 2017 (since inception)	110.79	77.58

iShares Asia Trust

Management and Administration

Directors of the Manager

Andrew Reynolds (appointed on 25th January 2017)
Belinda Boa
Graham Douglas Turl
Michael Timothy Marquardt (resigned on 25th January 2017)
Ryan David Stork
Sam Y. Kim (resigned on 4th April 2018)
Susan Wai-Lan Chan

Trustee

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

Custodian (excluding MSCI China A ETF, A50 China ETF and CSI 300 ETF)

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

QFII Custodian

Citibank (China) Co., Limited
Citigroup Tower
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Lu Jia Zui Finance and Trade Area
Shanghai 200120 PRC

RQFII Custodian

HSBC Bank (China) Company Limited
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8 Century Avenue, Pudong District
Shanghai 200120 PRC

Registrar for MSCI China ETF

Hong Kong Registrars Limited
17th Floor Hopewell Centre
183 Queen's Road East, Wan Chai
Hong Kong

Conversion Agent for MSCI China ETF

HK Conversion Agency Services Limited
12th Floor
One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Auditor

PricewaterhouseCoopers
22nd Floor
Prince's Building
Central
Hong Kong

Manager

BlackRock Asset Management North Asia Limited
16/F, Champion Tower
3 Garden Road
Central
Hong Kong

Registrar for all Sub-Funds (excluding MSCI China ETF)

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

Custodian for A50 China ETF, MSCI China A ETF and CSI 300 ETF only

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

QFII Licence Holder for A50 China ETF

BlackRock Asset Management North Asia Limited
16/F, Champion Tower
3 Garden Road
Central
Hong Kong

RQFII Licence Holder for MSCI China A ETF

BlackRock Advisors (UK) Limited
12 Throgmorton Avenue
London EC2N 2DL United Kingdom

RQFII Licence Holder for A50 China ETF

BlackRock Asset Management North Asia Limited
16/F, Champion Tower
3 Garden Road
Central
Hong Kong

RQFII Licence Holder for A50 China ETF and CSI 300 ETF

BlackRock (Singapore) Limited
#18-01, Twenty Anson
20 Anson Road,
Singapore 079912

Service Agent for all Sub-Funds (excluding MSCI China ETF)

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