

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS
FOR THE PERIOD FROM 1 JULY 2003 TO 31 DECEMBER 2003**

Portfolio holdings Bonus/ Additions Disposals split				Portfolio holdings Bonus/ Additions Disposals split			
Listed investments — equities				Listed investments — equities			
Listed on the Stock Exchange of Hong Kong				Lung Kee			
Angang New Steel - H	-	1,485,900	-	(Bermuda) Holdings	1,196,000	-	-
Anhui Conch				Maanshan Iron &			
Cement - H	148,000	901,400	-	Steel - H	-	1,240,000	-
Anhui Expressway - H	726,000	298,000	-	Norstar Founders			
Avichina Industry				Group	942,000	144,000	-
& Technology	1,780,000	-	-	Petrochina - H	1,581,400	370,000	-
Baoye Group	-	803,000	-	Ports Design	58,000	58,000	-
Chen Hsong Holdings	90,000	90,000	-	Sinopec Beijing Yanhua	-	1,729,000	-
Chia Hsin Cement				Sinopec Shanghai			
China Holdings	226,000	226,000	-	Petrochemical - H	1,500,000	1,294,000	-
China Life				Sinopec Zhenhai Refining			
Insurance - H	206,000	206,000	-	& Chemical - H	380,000	34,000	-
China Petroleum				Skyworth Digital			
& Chemical	-	1,001,600	-	Holdings	1,490,000	1,340,000	-
China Resources				Texwinca Holdings	-	500,000	-
Cement Holdings	-	23,666	23,666	Tianjin Capital Environmental			
China Resources Enterprise	-	362,000	-	Protection	1,806,000	-	-
China Resources				Tong Ren Tang			
Power Holdings	603,000	-	-	Technologies - H	59,000	63,000	-
China Shipping				TPV Technology	94,000	94,000	-
Development - H	-	1,363,400	-	Weiqiao Textile	137,000	137,000	-
CNOOC Ltd	-	50,500	-	Wumart Stores - H	97,000	97,000	-
Cofco International	-	962,000	-	Xi'an Haitain			
Ctrip.com International	1,379	1,379	-	Antenna Technologies	450,000	-	-
Denway Motors	420,000	1,154,000	-	Yanzhou Coal			
Fountain Set Holdings	100,000	530,000	-	Mining - H	-	566,000	-
Glorious Sun Enterprises	-	742,000	-	Yue Yuen Industrial	23,000	133,200	-
Great Wall				Zhejiang Expressway - H	-	1,043,600	-
Automobile Holdings	13,000	13,000	-				
Guangshen				Listed on the Stock Exchange of Shanghai,			
Railway - H	1,049,700	-	-	People's Republic of China			
Hainan Meilan Airport	350,000	89,000	-	Dazhong Transportation - B	-	91,043	-
Hopewell Highway				Shanghai Haixin Group - B	-	716,576	-
Infrastructue	1,068,400	-	-	Shanghai Lujiazui Finance			
Huaneng Power				& Trade - B	-	510,000	-
International - H	-	486,500	-	Shanghai Zhenhua Port			
Hung Hing				Machinery - B	-	71,447	-
Printing Group	-	42,000	-				
Jiangsu Express - H ...	326,900	1,009,800	-				
Jingwei Textile							
Machinery - H	1,422,300	152,800	-				
Kingboard							
Chemicals Holdings.	-	289,000	-				
Lianhua supermarket							
Holdings	119,800	41,000	-				