

**XIE Shares Thailand (SET50) ETF\***  
**(\*This is a synthetic ETF) (Stock Code: 3069)**  
**a sub-fund of the XIE Shares Trust I\* (\*This is a synthetic ETF)**

**Unaudited Interim Report**

For the period from 1st January 2014  
to 30th June 2014

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## MANAGEMENT AND ADMINISTRATION

### Manager and Listing Agent

Enhanced Investment Products Limited  
337 New Henry House  
10 Ice House Street  
Central  
Hong Kong

### Directors of the Manager

BLAND Tobias Christopher James  
FORD Richard Andrew  
LAU Che Loon David

### Trustee

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

### Administrator

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

### Participating Dealers

Citigroup Global Markets Asia Limited  
J.P. Morgan Broking (Hong Kong) Limited  
RBS Asia Limited  
BNP Paribas Securities Services (operating through its Hong Kong branch)  
Standard Chartered Bank (Hong Kong) Limited

### Market Maker

BNP Paribas Securities (Asia) Limited

### Registrar

Computershare Hong Kong Investor  
Services Limited  
46/F, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### Service Agent

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Infinitus Plaza,  
199 Des Voeux Road Central  
Hong Kong

### Legal Counsel to the Manager

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

### Auditor

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22/F Prince's Building  
10 Chater Road  
Central  
Hong Kong

### Custodian

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

Any opinion contained in this Interim Report (if any) reflects the Manager's view as at the date of this report and is subject to amendment(s) without notice. The information contained in this Interim Report does not constitute recommendation or investment advice. Investors should refer to the Prospectus of the XIE Shares Trust I for further details (including but not limited to risk factors, fees and charges and other important information) which is available from the website [www.xieshares.com](http://www.xieshares.com).

Issued by Enhanced Investment Products Limited, the Manager of the XIE Shares Thailand (SET50) ETF\*(\*This is a synthetic ETF).

**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

as at 30th June 2014

**30th June 2014**  
**HKD****ASSETS**

Investments in listed securities	35,067,838
Investments in derivative instruments	2,434,566
Dividends receivable	10,626
Cash and cash equivalent	10,609,944
Other receivables	10,286

**TOTAL ASSETS****48,133,260****LIABILITIES**

Investments in derivative instruments	1,383,437
Amounts due to brokers	974,680
Management fee payable	15,026
Audit fees payable	32,120
Other fees payable	7,605

**TOTAL LIABILITIES****2,412,868****EQUITY**

Net assets attributable to unitholders	<b>45,720,392</b>
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**Number of units outstanding****4,500,000****Net asset value per unit****10.1601**

**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

for the period ended 30th June 2014

**Period from  
1st January 2014  
to 30th June 2014  
HKD****INCOME**

Dividend income	401,845
Interest income	3,211
Net gain/(loss) on investments	6,186,277
Net foreign exchange gain/(loss)	16,122

<b>Total net income/(loss)</b>	<b>6,607,455</b>
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**OPERATING EXPENSES**

Management fees	81,875
Audit fees	29,661
Preliminary expenses	5,435
Interest expense	186
Bank charges	255
Other operating expenses	58,478

<b>Total operating expenses</b>	<b>175,890</b>
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<b>Operating profit/(loss)</b>	<b>6,431,565</b>
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<b>Profit/(loss) before taxation</b>	6,431,565
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Dividend withholding tax	25,277
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<b>TOTAL COMPREHENSIVE GAIN/(LOSS) FOR THE PERIOD</b>	<b>6,406,288</b>
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**STATEMENT OF CHANGES IN NET ASSETS  
ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)**  
for the period ended 30th June 2014

**Period from  
1st January 2014  
to 30th June 2014  
HKD**

<b>Balance at the beginning of the period</b>	39,314,104
Proceeds on issue of units	-
Payment on redemption of units	-
	<hr/>
Net increase from unit transactions	-
Total comprehensive income for the period	6,406,288
<b>Balance at the end of the period</b>	<b><u><u>45,720,392</u></u></b>

**STATEMENT OF CASH FLOWS (UNAUDITED)**

for the period ended 30th June 2014

Period from  
1st January 2014  
to 30th June 2014  
HKD**OPERATING ACTIVITIES**

Payments for purchase of investments	(3,581,492)
Proceeds from sale of investments	8,060,863
Dividends received	426,020
Interest received	3,211
Management fee paid	(81,098)
Dividend withholding tax paid	(25,277)
Preliminary expenses paid	(5,435)
Interest expense paid	(186)
Net receipts from swap counterparties	4,204,737
Other receipts and payments	(86,031)

**Cash generated from/(used in) operating activities** 8,915,312

**FINANCING ACTIVITIES**

Proceeds from issue of units	-
Redemption paid on redemption of units	-

**Cash flows generated from financing activities** -

**Net increase/(decrease) in cash and cash equivalents** **8,915,312**

Cash and cash equivalents at beginning of period	1,678,510
Net foreign exchange gain	16,122

**Cash and cash equivalents at end of period** 10,609,944

**Analysis of balances of cash and cash equivalents**

Cash and cash equivalents 10,609,944

## INVESTMENT PORTFOLIO (UNAUDITED)

as at 30th June 2014

### Investments

#### Listed Equities

Australia	Holdings	Fair Value HKD <sup>1</sup>	% of Net Assets
AGL ENERGY LTD	285	32,273	0.07%
BHP BILLITON LTD	2,875	755,019	1.65%
COMMONWEALTH BANK OF AUSTRALIA	1,376	814,114	1.78%
FORTESCUE METALS GROUP LTD	11,718	372,879	0.82%
ORIGIN ENERGY LTD	2,174	232,505	0.51%
RIO TINTO LTD	1,062	460,764	1.01%
WESFARMERS LTD	2,693	824,240	1.80%
WESTPAC BANKING CORP	1,614	400,012	0.87%
WOODSIDE PETROLEUM LTD	1,992	598,466	1.31%

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

4,490,273 9.82%

Japan	Holdings	Fair Value HKD <sup>1</sup>	% of Net Assets
ASAHI GROUP HOLDINGS LTD	2,700	656,875	1.44%
ASTELLAS PHARMA INC	7,000	712,800	1.56%
BRIDGESTONE CORPORATION	2,700	732,271	1.60%
CANON INC	3,200	806,917	1.76%
DENSO CORP	1,500	554,855	1.21%
FANUC CORP	1,500	2,004,823	4.38%
FAST RETAILING CO LTD	300	764,977	1.67%
HONDA MOTOR CO LTD	1,600	432,959	0.95%
JAPAN TOBACCO INC	2,100	593,322	1.30%
KDDI CORP	4,400	2,079,997	4.55%
KOMATSU LTD	5,100	917,697	2.01%
MITSUBISHI CORP	6,100	983,300	2.15%
MITSUBISHI ESTATE CO LTD	3,000	574,020	1.26%
mitsui & CO LTD	8,300	1,031,231	2.26%
mitsui FUDOSAN CO LTD	7,000	1,829,396	4.00%
SEVEN & I HOLDINGS CO LTD	1,400	457,135	1.00%
SOFTBANK CORP	1,200	692,496	1.51%
SONY CORP	7,000	900,774	1.97%
SUMITOMO CORPORATION	9,500	994,264	2.17%
TAKEDA PHARMACEUTICAL	3,200	1,150,396	2.52%
TOYOTA MOTOR CORP	3,500	1,629,105	3.56%

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

20,499,610 44.84%

Singapore	Holdings	Fair Value HKD <sup>1</sup>	% of Net Assets
CAPITALAND LTD	82,000	1,631,331	3.57%
GLOBAL LOGISTIC PROPERTIES LTD	189,000	3,172,517	6.94%
SINGAPORE EXCHANGE LTD	41,000	1,771,524	3.87%
SINGAPORE PRESS HOLDINGS LTD	12,000	311,097	0.68%
SINGAPORE TELECOM LTD	133,338	3,191,487	6.98%

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

10,077,955 22.04%

#### Total Investments in Securities at Fair Value

35,067,838 76.70%

Index Swaps Issued by	Fair Value HKD <sup>2</sup>	% of Net Assets
JPMORGAN CHASE BANK N.A.	76,075	0.17%
THE ROYAL BANK OF SCOTLAND PLC	2,115,309	4.63%
BNP PARIBAS	166,193	0.36%

#### Total Investment in Index Swaps at Fair Value

2,357,577 5.16%

Equity Swaps Issued by	Fair Value HKD <sup>2</sup>	% of Net Assets
JPMORGAN CHASE BANK N.A.	(54,150)	-0.12%
THE ROYAL BANK OF SCOTLAND PLC	(1,188,892)	-2.60%
BNP PARIBAS	(63,406)	-0.14%

#### Total Investment in Equity Swaps at Fair Value

(1,306,448) -2.86%

Total Investments 36,118,967 79.00%

Other net assets 9,601,425 21.00%



**Net assets attributable to Unitholders at 30th June 2014**

45,720,392

100%

**Total Investments, at cost**

31,249,924

<sup>1</sup> Exchange rate as at 30th June 2014

HK/JPY 13.07098

HKD/SGD 0.160987

HKD/USD 0.129026

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

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)**

for the period ended 30th June 2014

Investments - Listed Equities	Holdings as at 1st January 2014	Additions	Corporate Action	Disposals	Holdings as at 30th June 2014
AGL ENERGY LTD	285	-	-	-	285
ASAHI GROUP HOLDINGS LTD	10,400	-	-	(7,700)	2,700
ASTELLAS PHARMA INC	1,400	-	5,600	-	7,000
BHP BILLITON LTD	2,875	-	-	-	2,875
BRIDGESTONE CORPORATION	2,700	-	-	-	2,700
CANON INC	3,200	-	-	-	3,200
CAPITALAND LTD	82,000	-	-	-	82,000
COMMONWEALTH BANK OF AUSTRALIA	1,376	-	-	-	1,376
DENSO CORP	1,500	-	-	-	1,500
FANUC CORP	1,500	-	-	-	1,500
FAST RETAILING CO LTD	300	-	-	-	300
FORTESCUE METALS GROUP LTD	11,718	-	-	-	11,718
GLOBAL LOGISTIC PROPERTIES LTD	120,000	69,000	-	-	189,000
HONDA MOTOR CO LTD	3,900	-	-	(2,300)	1,600
JAPAN TOBACCO INC	2,100	-	-	-	2,100
KDDI CORP	4,400	-	-	-	4,400
KOMATSU LTD	5,100	-	-	-	5,100
MINITSUBISHI CORP	6,100	-	-	-	6,100
MINITSUBISHI ESTATE CO LTD	3,000	-	-	-	3,000
MINITSUBISHI & CO LTD	8,300	-	-	-	8,300
MINITSUBISHI FUDOSAN CO LTD	7,000	-	-	-	7,000
ORIGIN ENERGY LTD	2,174	-	-	-	2,174
RIO TINTO LTD	1,062	-	-	-	1,062
SEVEN & I HOLDINGS CO LTD	5,000	-	-	(3,600)	1,400
SINGAPORE EXCHANGE LTD	41,000	-	-	-	41,000
SINGAPORE PRESS HOLDINGS LTD	67,000	-	-	(55,000)	12,000
SINGAPORE TELECOM LTD	83,338	112,000	-	(62,000)	133,338
SOFTBANK CORP	1,200	-	-	-	1,200
SONY CORP	7,000	-	-	-	7,000
SUMITOMO CORPORATION	9,500	-	-	-	9,500
TAKEDA PHARMACEUTICAL	3,200	-	-	-	3,200
TOYOTA MOTOR CORP	3,500	-	-	-	3,500
WESFARMERS LTD	2,693	-	-	-	2,693
WESTPAC BANKING CORP	1,614	-	-	-	1,614
WOODSIDE PETROLEUM LTD	1,992	-	-	-	1,992

Swaps Issued by	Fair Value as at 1st January 2014 HKD	Fair Value Change HKD	Fair Value as at 30th June 2014 HKD
JPMORGAN CHASE BANK N.A.	(301,263)	323,188	21,925
THE ROYAL BANK OF SCOTLAND PLC	(2,374,258)	3,300,675	926,417
BNP PARIBAS	(762,398)	865,185	102,787

## PERFORMANCE RECORD (UNAUDITED)

### Highest and lowest net asset value per unit

	Lowest HKD	Highest HKD
Period ended 30th June 2014	<u>8.2431</u>	<u>10.2276</u>

### Net asset value attributable to unitholders

	HKD
As at 30th June 2014	<u>45,720,392</u>

### Net asset value per unit

	HKD
As at 30th June 2014	<u>10.1601</u>

During the period, the SET50 Index increased by 14.52%, while the net asset value per unit of XIE Shares Thailand (SET50) ETF\* (\*This is a synthetic ETF) increased by 16.03%<sup>(a)</sup>.

There were no constituent securities of that SET50 Index that accounted for more than 10% of the weighting of SET50 Index as at 30th June 2014.

<sup>(a)</sup> This is the annualized return of XIE Shares Thailand (SET50) ETF\*(\*This is a synthetic ETF) (net of fees and expenses) from 1st January 2014 to 30th June 2014.