

# **ABF Pan Asia Bond Index Fund**

## **Interim Report 2016**

1st July 2016 to 31st December 2016

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# ABF Pan Asia Bond Index Fund

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## MANAGER'S INVESTMENT REPORT

### ABOUT ABF PAN ASIA BOND INDEX FUND

ABF Pan Asia Bond Index Fund (PAIF) is a component of Asian Bond Fund 2 (ABF2), the second phase of the EMEAP (Executives' Meeting of East-Asia and Pacific Central Banks) Group's initiative to further develop the bond markets in Asia.

PAIF is designed to track the performance of the Markit iBoxx ABF Pan-Asia Index (the "Underlying Index") and invests primarily in domestic currency-denominated bonds and other debt obligations issued or guaranteed by government, quasi-government organizations and supranational financial institutions in eight EMEAP markets, namely, China, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, South Korea and Thailand.

### ABOUT THE MARKIT IBOXX ABF PAN-ASIA INDEX

PAIF is benchmarked to the Markit iBoxx ABF Pan-Asia Index, which is constructed and published by Markit Indices Limited. The Markit iBoxx ABF Pan-Asia Index is an indicator of investment returns of Asian currency denominated bonds and other debt obligations issued or guaranteed by government, quasi-government organizations and supranational financial institutions in China, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, South Korea and Thailand.

Country weights of the underlying index were reviewed in October 2016 and changed effective 31st October 2016. The previous and current market weights of the Underlying Index are:

| Market      | Current<br>Weights*<br>(%) | Previous<br>Weights<br>(%) |
|-------------|----------------------------|----------------------------|
| China       | 22.109                     | 21.05                      |
| Hong Kong   | 11.666                     | 14.60                      |
| Indonesia   | 7.265                      | 6.80                       |
| Malaysia    | 11.015                     | 10.82                      |
| Philippines | 5.764                      | 5.44                       |
| Singapore   | 15.644                     | 15.20                      |
| South Korea | 17.091                     | 16.95                      |
| Thailand    | 9.446                      | 9.14                       |

\* Source: Markit, SSGA (as of 31st December 2016).

As part of the 2016 Asian Annual Index Review, IHS Markit has calculated the 2016 weights of the eight markets included in the iBoxx ABF indices. The new weights are effective from 31st October 2016 and will be implemented in six equal monthly steps. The current weights shown above are as of 31st December 2016. Please visit [www.markit.com](http://www.markit.com) for the weights for each month of the 6-monthly implementation from 31st October 2016 to 31st March 2017.

## MANAGER'S INVESTMENT REPORT *(Continued)*

### PERFORMANCE SUMMARY

| Periods Ended                                      | 3 months | 6 months | 1 Year | 3 Years | 5 Years | Annualised since Inception <sup>(a)</sup> |
|--|----------|----------|--------|---------|---------|---|
| 31st December 2016                                 |          |          |        |         |         |   |
| ABF Pan Asia Bond Index Fund (PAIF) <sup>(b)</sup> | -7.73%   | -6.37%   | -0.54% | -0.07%  | 0.39%   | 4.11%                                     |
| Markit iBoxx ABF Pan-Asia Index                    | -7.57%   | -6.10%   | -0.04% | 0.42%   | 0.92%   | 4.75%                                     |

*Notes:*

- (a) Performance inception date is from 29th June 2005 when the units of PAIF were first issued.
- (b) PAIF's returns have been computed from Net Asset Values in USD terms including dividends. Performance returns for periods of less than one year are not annualised.

### PORTFOLIO AND MARKET REVIEW

Since inception, the annualized total return of PAIF, including dividends, was 4.11% compared to an index return of 4.75%. This is a difference of -0.63% and is principally attributable to an amount of -0.54% due to the estimated impact of certain relevant factors that are unavoidable in the performance of an indexed fund relative to its benchmark (the relevant factors are the permitted fees and expenses under the Trust Deed, and withholding taxes); the balance of -0.09% is attributable to tracking difference resulting from trading costs and the sampling approach used in the management of PAIF.

The Markit iBoxx ABF Pan-Asia Index annualised performance on an unhedged basis was 5.81% since inception. This performance was generated from resilient bond markets (contributing 4.30% to returns) as well as from Asian currencies' appreciation (contributing 1.50%).

### PORTFOLIO STRATEGY

The investment objective of PAIF is to provide investment results, before fees and expenses, which correspond closely to the total return of the Underlying Index. To achieve its objective, PAIF is passively managed.

The Manager employs a representative sampling approach to match the index's characteristics and returns through investing in a well-diversified portfolio of securities that represents the Underlying Index. Full replication in a broad market index would either be impossible or not cost-effective in Asian fixed income markets as the cost of transacting in many bonds is high and some bonds may not be available as they are already held by other long-term investors.

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## **MANAGER'S INVESTMENT REPORT** *(Continued)*

### **FUND GROWTH**

PAIF's total net asset value has grown to US\$3,731 million, representing in a 1.2% growth during the past year. In terms of units outstanding, these increased by 9.2% for the 6-month period with 33,739,624 units outstanding at the period-end. During the period ended 31 December 2016, fund subscriptions (including dividend reinvestments) net of redemptions totaled 2,832,570 units.

### **EXPOSURE TO FINANCIAL DERIVATIVES**

PAIF had no exposure to derivatives for the period ended 31 December 2016.

### **GLOBAL EXPOSURE TO FINANCIAL DERIVATIVES**

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

- (a) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- (b) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- (c) the sum of the values of cash collateral received pursuant to:
  - i) the reduction of exposure to counterparties of OTC financial derivatives; and
  - ii) EPM technique relating to securities lending and repurchase transactions,and that are reinvested.

### **OTHER INFORMATION**

During the period ended 31 December 2016, PAIF had no exposure to other unit trusts, mutual funds and collective investment schemes and did not hold any collateral. During the period ended 31 December 2016, PAIF had no borrowings, securities lending or repurchase transactions. There is no other material information that would adversely impact the valuation of PAIF.

## CONDENSED STATEMENT OF NET ASSETS

As at 31st December 2016 (Unaudited)

|   | As at<br>31st December<br>2016 | As at<br>30th June<br>2016 | As at<br>31st December<br>2015 | As at<br>30th June<br>2015 |
|---|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Notes   | US\$                           | US\$                       | US\$                           | US\$                       |
| <b>Assets</b>   |                                |                            |                                |                            |
| <b>Current assets</b>   |                                |                            |                                |                            |
| Investments   | 3,702,315,913                  | 3,683,751,240              | 2,971,624,276                  | 3,151,668,101              |
| Amounts due from brokers  | 46,360,495                     | 49,794,066                 | 48,712,423                     | 15,096,590                 |
| Other receivables   | -                              | -                          | 240,896                        | -                          |
| Cash at banks   | 6(e) 17,980,880                | 12,710,609                 | 20,489,557                     | 21,118,077                 |
|   | <u>3,766,657,288</u>           | <u>3,746,255,915</u>       | <u>3,041,067,152</u>           | <u>3,187,882,768</u>       |
| <b>Total assets</b>   |                                |                            |                                |                            |
| <b>Liabilities</b>  |                                |                            |                                |                            |
| <b>Current liabilities</b>  |                                |                            |                                |                            |
| Amounts payable on redemption   | 3,317,400                      | -                          | -                              | -                          |
| Amounts due to brokers  | 26,113,113                     | 52,662,241                 | 62,859,735                     | 26,170,651                 |
| Audit fee payable   | 54,184                         | 25,806                     | 71,199                         | 47,336                     |
| Trustee fee payable   | 6(d) 318,259                   | 140,692                    | 126,193                        | 261,910                    |
| Management fee payable  | 6(c) 1,077,793                 | 880,125                    | 284,236                        | 586,559                    |
| Index license fee payable   | 122,652                        | 34,195                     | 123,135                        | 173,561                    |
| Other payables  | 4,624,535                      | 4,175,759                  | 3,886,655                      | 4,001,327                  |
|   | <u>35,627,936</u>              | <u>57,918,818</u>          | <u>67,351,153</u>              | <u>31,241,344</u>          |
| <b>Liabilities (excluding net assets attributable to holders of redeemable units)</b> |                                |                            |                                |                            |
|   | <u>35,627,936</u>              | <u>57,918,818</u>          | <u>67,351,153</u>              | <u>31,241,344</u>          |
| <b>Net assets attributable to holders of redeemable units</b>                         |                                |                            |                                |                            |
|   | 3 3,731,029,352                | 3,688,337,097              | 2,973,715,999                  | 3,156,641,424              |
| <b>Number of units in issue</b>   |                                |                            |                                |                            |
|   | 3 33,739,624                   | 30,907,054                 | 26,081,836                     | 26,573,264                 |
| <b>Net assets attributable to unitholders per unit</b>                                |                                |                            |                                |                            |
|   | 3 110.58                       | 119.34                     | 114.01                         | 118.79                     |

The notes on pages 9 to 14 form part of these financial statements.

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**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

|  |       | 1st July 2016<br>to 31st December<br>2016<br>US\$ | 1st July 2015<br>to 31st December<br>2015<br>US\$ |
|--|-------|---|---|
|  | Notes |   |   |
| <b>Income</b>  |       |   |   |
| Interest income on bank deposits   |       | 11,190  | 16,223  |
| Net loss on investments  | 4     | (254,499,081)                                     | (76,254,714)                                      |
| Net foreign exchange loss  |       | (1,717,747)                                       | (610,636)   |
| Other income   |       | 651,820   | 178,193   |
|  |       | <u>651,820</u>                                    | <u>178,193</u>                                    |
| <b>Total investment loss</b>   |       | <u>(255,553,818)</u>                              | <u>(76,670,934)</u>                               |
| <b>Expenses</b>  |       |   |   |
| Management fee   | 6(c)  | (2,265,863)                                       | (1,743,397)                                       |
| Trustee fee  | 6(d)  | (999,372)   | (761,687)   |
| Index license fee  |       | (175,479)   | (185,469)   |
| Publication and printing expenses  |       | (21,694)  | (25,041)  |
| Audit fee  |       | (23,733)  | (23,863)  |
| Processing agent fee   |       | (8,637)   | (1,935)   |
| Safe custody and bank charges  |       | (43,425)  | (16,638)  |
| Legal and professional fees  |       | (235,995)   | (139,186)   |
| Other operating expenses   |       | (82,949)  | 822   |
|  |       | <u>(82,949)</u>                                   | <u>822</u>  |
| <b>Total operating expenses</b>  |       | <u>(3,857,147)</u>                                | <u>(2,896,394)</u>                                |
| <b>Operating loss</b>  |       | <u>(259,410,965)</u>                              | <u>(79,567,328)</u>                               |
| <b>Finance costs</b>   |       |   |   |
| Distributions to holders of redeemable units   | 8     | (40,571,318)                                      | (44,978,551)                                      |
| <b>Loss after distributions and before tax</b>   |       | (299,982,283)                                     | (124,545,879)                                     |
| Withholding taxes  | 5     | (4,723,721)                                       | (4,711,842)                                       |
|  |       | <u>(4,723,721)</u>                                | <u>(4,711,842)</u>                                |
| <b>Loss after distributions and tax/decrease in net assets attributable to holders of redeemable units from operations</b> |       | <u>(304,706,004)</u>                              | <u>(129,257,721)</u>                              |

*The notes on pages 9 to 14 form part of these financial statements.*

**CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS**

*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

|   | 1st July 2016<br>to 31st December<br>2016<br>US\$ | 1st July 2015<br>to 31st December<br>2015<br>US\$ |
|---|---|---|
| Balance at beginning of the period  | 3,688,337,097                                     | 3,156,641,424                                     |
| Issue of units  | 473,225,663                                       | 77,316,753  |
| Redemption of units   | <u>(125,827,404)</u>                              | <u>(130,984,457)</u>                              |
| Net issue/(redemption) of units   | 347,398,259                                       | (53,667,704)                                      |
| Decrease in net assets attributable to holders of<br>redeemable units from operations | <u>(304,706,004)</u>                              | <u>(129,257,721)</u>                              |
| Balance at the end of the period  | <u><u>3,731,029,352</u></u>                       | <u><u>2,973,715,999</u></u>                       |



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**CONDENSED STATEMENT OF CASH FLOWS**

*For the period from 1st July 2015 to 31st December 2015 (Unaudited)*

|  | 1st July 2016<br>to 31st December<br>2016<br>US\$ | 1st July 2015<br>to 31st December<br>2015<br>US\$ |
|--|---|---|
| <b>Cash flows from operating activities</b>  |   |   |
| Decrease in net assets attributable to holders of redeemable units from operations | (304,706,004)                                     | (129,257,721)                                     |
| Adjustment for:  |   |   |
| Interest income on bank deposits   | (11,190)  | (16,223)  |
| Distributions to holders of redeemable units                                       | 40,571,318  | 44,978,551  |
| Withholding taxes  | 4,304,322   | 4,784,693   |
|  | <hr/>   | <hr/>   |
| <b>Operating loss before working capital changes</b>                               | (259,841,554)                                     | (79,510,700)                                      |
|  | <hr style="border-top: 1px dashed black;"/>       | <hr style="border-top: 1px dashed black;"/>       |
| Net (increase)/decrease in investments   | (18,564,673)                                      | 180,043,825                                       |
| Net decrease/(increase) in amounts due from brokers                                | 3,433,571   | (33,615,833)                                      |
| Net increase in other receivables  | -   | (240,896)   |
| Net (decrease)/increase in amounts due to brokers                                  | (26,549,128)                                      | 36,689,084  |
| Net increase/(decrease) in accounts payable and accrued expenses                   | 940,846   | (579,275)   |
|  | <hr/>   | <hr/>   |
| <b>Cash (used in)/generated from operations</b>                                    | (300,580,938)                                     | 102,786,205                                       |
|  | <hr style="border-top: 1px dashed black;"/>       | <hr style="border-top: 1px dashed black;"/>       |
| Interest income on bank deposits received  | 11,190  | 16,223  |
| Withholding taxes paid   | (4,304,322)                                       | (4,784,693)                                       |
|  | <hr/>   | <hr/>   |
| <b>Net cash (used in)/generated from operating activities</b>                      | (304,874,070)                                     | 98,017,735  |
|  | <hr style="border-top: 1px dashed black;"/>       | <hr style="border-top: 1px dashed black;"/>       |
| <b>Cash flows from financing activities</b>  |   |   |
| Distributions paid to holders of redeemable units                                  | (40,571,318)                                      | (44,978,551)                                      |
| Issue of units   | 473,225,663                                       | 77,316,753  |
| Redemption of units  | (122,510,004)                                     | (130,984,457)                                     |
|  | <hr/>   | <hr/>   |
| <b>Net cash generated from/(used in) financing activities</b>                      | 310,144,341                                       | (98,646,255)                                      |
|  | <hr style="border-top: 1px dashed black;"/>       | <hr style="border-top: 1px dashed black;"/>       |
| Net increase/(decrease) in cash and cash equivalents                               | 5,270,271   | (628,520)   |
| Cash and cash equivalents at the beginning of the period                           | 12,710,609  | 21,118,077  |
|  | <hr/>   | <hr/>   |
| <b>Cash and cash equivalents at the end of the period</b>                          | 17,980,880  | 20,489,557  |
|  | <hr style="border-top: 3px double black;"/>       | <hr style="border-top: 3px double black;"/>       |
| <b>Analysis of balance of cash and cash equivalents:</b>                           |   |   |
| <b>Cash at banks</b>   | 17,980,880  | 20,489,557  |
|  | <hr style="border-top: 3px double black;"/>       | <hr style="border-top: 3px double black;"/>       |

*The notes on pages 9 to 14 form part of these financial statements.*

## **NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

### **1. GENERAL INFORMATION**

ABF Pan Asia Bond Index Fund (the “Fund”) is a Singapore unit trust authorised under Section 286 of the Securities and Futures Act (Cap. 289) of Singapore and Section 104 of the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The Fund was constituted by a trust deed dated 21st June 2005 between State Street Global Advisors Singapore Limited and HSBC Institutional Trust Services (Singapore) Limited (the “Trust Deed”). The Trust Deed was amended and restated by an Amending and Restating Deed on 28th June 2006, a Second Amending and Restating Deed dated 28th June 2007, a supplemental deed dated 27th June 2008 and a Third Amending and Restating Deed dated 24th June 2011. The Trust Deed and all supplement deeds are governed in accordance with the laws of Singapore. The Fund is also listed on The Stock Exchange of Hong Kong Limited and Tokyo Stock Exchange. The date of commencement of operation of the Fund was on 29th June 2005.

The investment objective of the Fund is to seek to provide investment results that correspond closely to the total return of the Markit iBoxx ABF Pan-Asia Index (the “Underlying Index”), before fees and expenses. The Underlying Index is determined and composed by Markit Indices Limited (the “Index Provider”). The Underlying Index is an indicator of investment returns of debt obligations denominated in China Renminbi, Hong Kong Dollars, Indonesian Rupiah, Korean Won, Malaysian Ringgits, Philippine Pesos, Singapore Dollars or Thai Baht (each an “Asian Currency”) issued or guaranteed by government, quasi-government organizations or supranational financial institutions, in each case as determined by the Index Provider and which are for the time being constituent securities of the Underlying Index.

### **2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

These unaudited condensed interim financial statements (“Interim Financial Statements”) have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. The Interim Financial Statements are prepared under the historical cost convention as modified by the revaluation of investments. The accounting policies and methods of computation used in the preparation of these Interim Financial Statements are consistent with those used in the annual financial statements for the year ended 30th June 2016.

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**NOTES TO THE CONDENSED FINANCIAL STATEMENTS** *(Continued)*  
*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

**3. NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AND NUMBER OF UNITS IN ISSUE**

Number of units in issue

|  | 1st July 2016 to<br>31st December<br>2016<br><i>units</i> | 1st January 2016 to<br>30th June<br>2016<br><i>units</i> | 1st July 2015 to<br>31st December<br>2015<br><i>units</i> |
|--|---|--|---|
| Units in issue at the beginning of the period  | 30,907,054  | 26,081,836   | 26,573,264  |
| Issue of units   | 3,952,570   | 6,260,250  | 660,960   |
| Redemption of units  | <u>(1,120,000)</u>  | <u>(1,435,032)</u>                                       | <u>(1,152,388)</u>  |
| Units in issue at the end of the period  | <u>33,739,624</u>   | <u>30,907,054</u>  | <u>26,081,836</u>   |
|  | <i>US\$</i>   | <i>US\$</i>  | <i>US\$</i>   |
| Net assets attributable to holders of redeemable units                               | <u>3,731,029,352</u>                                      | <u>3,688,337,097</u>                                     | <u>2,973,715,999</u>                                      |
| Net assets attributable to holders of redeemable units (per unit)                    | <u>110.58</u>   | <u>119.34</u>  | <u>114.01</u>   |
| Net asset value per Creation Unit<br>(1 Creation Unit is equivalent to 10,000 units) | <u>1,105,830</u>  | <u>1,193,364</u>   | <u>1,140,148</u>  |

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS** *(Continued)*  
*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

**4. NET LOSS ON INVESTMENTS**

|  | 1st July 2016<br>to 31st December<br>2016<br>US\$ | 1st July 2015<br>to 31st December<br>2015<br>US\$ |
|--|---|---|
| Change in unrealised gain/loss in value of investments | (301,842,921)                                     | (84,522,138)                                      |
| Realised gain on sale of investments                   | 47,343,840  | 8,267,424   |
|  | (254,499,081)                                     | (76,254,714)                                      |

**5. TAXATION**

The overseas withholding tax of US\$4,723,721 (6 months to 31st December 2015: US\$4,711,842) includes an amount of US\$1,069,617, charged on certain purchases and disposal of investments and dividend received during the period. As at 31st December 2016, the Fund made provision of US\$4,493,152 (as at 30th June 2015: US\$3,858,931) for withholding tax on interest income from PRC non-government securities. The amount is included in "other payables" in Statement of Net Assets.

**6. TRANSACTIONS WITH RELATED PARTIES INCLUDING THE MANAGER AND ITS CONNECTED PERSONS**

Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the "SFC Code"). The Manager and the Trustee of the Fund are State Street Global Advisors Singapore Limited and HSBC Institutional Trust Services (Singapore) Limited, respectively. State Street Global Advisors Singapore Limited is a subsidiary of State Street Corporation. HSBC Institutional Trust Services (Singapore) Limited is a subsidiary of HSBC Holdings plc. All transactions entered into during the period between the Fund and the related parties including Manager and its Connected Persons were carried out in the ordinary course of business and on normal commercial terms.

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**NOTES TO THE CONDENSED FINANCIAL STATEMENTS** *(Continued)*

*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

**(a) Foreign currency transactions with connected person of the Manager and the Trustee**

During the period ended 31st December 2016, the Manager transacted in foreign currency transactions totaling US\$1,013,881,561 (6 months to 31st December 2015: US\$569,260,345) through its affiliated party, State Street Global Markets, LLC and Trustee's affiliated parties, HSBC Hong Kong and HSBC Australia for the Fund's investments and settlement purpose. The amount represents 100% (6 months to 31st December 2015: 100%) of the Fund's foreign currency transactions during the period ended 31st December 2016.

| Name of company                  | Aggregate value<br>of foreign currency<br>transactions<br>US\$ | % of total<br>foreign currency<br>translations<br>% |
|----------------------------------|--|---|
| 31st December 2016               |  |   |
| HSBC Australia                   | 669,794,000  | 66.06   |
| HSBC Hong Kong                   | 165,997,561  | 16.37   |
| State Street Global Markets, LLC | 178,090,000  | 17.57   |
| 31st December 2015               |  |   |
| HSBC Australia                   | 400,894,781  | 70.42   |
| HSBC Hong Kong                   | 108,085,564  | 18.99   |
| State Street Global Markets, LLC | 60,280,000   | 10.59   |

During the period ended 31st December 2016 and 2015, the Connected Persons of the Manager and the Trustee as listed above had included normal bid-offer spread for the foreign currency transactions entered with the Fund, which were carried out in the ordinary course of business and on normal commercial terms. There were no direct commission paid to the connected persons of the Manager and the Trustee during the period ended 31st December 2016 and 2015.

**(b) Manager's holding in the Fund**

As at 31st December 2016 and 2015, the directors and officers of the Manager did not hold any units in the Fund.

**(c) Management fee**

The Fund pays the Manager a management fee\*, monthly in arrears and accrued daily, determined on the average daily net assets of the Fund at the rate as follows:

|                          |       |
|--------------------------|-------|
| For first US\$1 billion  | 0.13% |
| For next US\$250 million | 0.12% |
| For next US\$250 million | 0.11% |
| Thereafter               | 0.10% |

\* This fee may be increased to a maximum of 0.25% per annum upon three month's notice in writing to unitholders.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS** *(Continued)*

*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

**(d) Trustee fee**

The Fund pays the Trustee a trustee fee\*, monthly in arrears and accrued daily, of 0.05% per annum of the average daily net assets of the Fund.

\* This fee may be increased to a maximum of 0.15% per annum upon three months' notice in writing to unitholders.

**(e) Bank balances**

The bank balance of the Fund held with a related party of the Trustee is:

|               | As at<br>31st December<br>2016<br>US\$ | As at<br>30th June<br>2016<br>US\$ |
|---------------|--|------------------------------------|
| Bank balances | 17,980,880                             | 12,710,609                         |

**7. SOFT DOLLAR PRACTICES**

The Manager may effect transactions, provided that any such transaction is consistent with standards of "best execution", by or through the agency of another person for the account of the Fund with whom the Manager or any of its Connected Persons have an arrangement under which that party will from time to time provide to or procure for the Manager or any of its Connected Persons goods, services or other benefits (such as research and advisory services, computer hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit the Fund as a whole and may contribute to an improvement in the performance of the Fund. For the avoidance of doubt, such goods and services may not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments.

Since the inception of the Fund, the Manager has not participated in any soft dollar arrangements in respect of any transactions for the account of the Fund.

**8. DISTRIBUTION**

|  | 1st July 2016<br>to 31st December<br>2016<br>US\$ | 1st July 2015<br>to 31st December<br>2015<br>US\$ |
|--|---|---|
| Final distribution                                     |   |   |
| – US\$1.25 on 32,457,054 units paid on 4th August 2016 | 40,571,318  | –   |
| – US\$1.67 on 26,933,264 units paid on 4th August 2015 | –   | 44,978,551  |

## ABF Pan Asia Bond Index Fund

Interim Report 2016

### NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

#### 9. SUPPLEMENTAL RATIOS

|                               | Period ended<br>31st December<br>2016 | Period ended<br>31st December<br>2015 |
|-------------------------------|---------------------------------------|---------------------------------------|
| Expense ratio <sup>(1)</sup>  | 0.18%                                 | 0.21%                                 |
| Turnover ratio <sup>(2)</sup> | 28.62%                                | 13.12%                                |

*Notes:*

- 1 The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at the period end was based on total operating expenses of US\$6,442,083 (2015: US\$6,503,251) divided by the average net asset value of US\$3,527,597,934 (2015: US\$3,074,704,131) for the period. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.
- 2 The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales, being sales of US\$1,141,948,220 (2015: purchase of US\$396,779,752) of the underlying investments, divided by the average daily net asset value of US\$3,989,814,754 (2015: US\$3,023,395,779). In line with Statement of Recommended Accounting Practice 7 "Reporting framework for Unit Trusts" ("RAP 7") issued by the Institute of Singapore Chartered Accountants in June 2012, total value of purchases or sales for the current period do not include brokerage and other transaction costs.

#### 10. EVENT OCCURRING AFTER STATEMENT OF NET ASSETS DATE

Subsequent to the period end, the Fund announced a dividend distribution of US\$1.52 per unit on 6th January 2017. The dividend was paid on 7 February 2017. The net assets attributable to holders of redeemable units as at 31 December 2016 has not accrued the dividend distribution payable as mentioned above.

## INVESTMENT PORTFOLIO

As at 31st December 2016 (Unaudited)

### PRIMARY – BY GEOGRAPHY

| Listed investments                          | Holdings at           | Fair value at                 | Percentage  |
|---|-----------------------|-------------------------------|---|
|   | 31st December<br>2016 | 31st December<br>2016<br>US\$ | of total net<br>assets at<br>31st December<br>2016<br>(%) |
| <b>CHINA (21.44%)</b>                       |                       |                               |   |
| AGRI DEV B C 3.37% 26FEB2026 (INTERBANK)    | 100,000,000           | 14,330,763                    | 0.38  |
| AGRICUL DEV BANK CHINA 3.5% 16DEC2018       | 20,000,000            | 2,880,111                     | 0.08  |
| AGRICUL DEV BANK CHINA 3.65% 26MAR2020      | 50,000,000            | 7,365,717                     | 0.20  |
| AGRICULDEV BANK 3.58% 22APR26 (INTERBANK)   | 100,000,000           | 14,478,479                    | 0.39  |
| CHINA (GOVT OF) 2.55% 28APR2019 (INTERBANK) | 180,000,000           | 26,284,937                    | 0.70  |
| CHINA (GOVT OF) 2.55% 28JAN2019 (INTERBANK) | 160,000,000           | 23,407,774                    | 0.63  |
| CHINA (GOVT OF) 2.75% 01SEP2023 (INTERBANK) | 30,000,000            | 4,307,163                     | 0.11  |
| CHINA (GOVT OF) 2.9% 15DEC2018 (INTERBANK)  | 30,000,000            | 4,325,899                     | 0.12  |
| CHINA (GOVT OF) 2.92% 11MAR2017             | 30,000,000            | 4,418,999                     | 0.12  |
| CHINA (GOVT OF) 2.95% 16JUN23 (INTERBANK)   | 50,000,000            | 7,320,103                     | 0.20  |
| CHINA (GOVT OF) 3.02% 07MAY2019             | 30,000,000            | 4,354,694                     | 0.12  |
| CHINA (GOVT OF) 3.1% 28MAY20 (INTERBANK)    | 50,000,000            | 7,322,142                     | 0.20  |
| CHINA (GOVT OF) 3.14% 07JUN19 (INTERBANK)   | 60,000,000            | 8,880,764                     | 0.24  |
| CHINA (GOVT OF) 3.27% 15NOV2021             | 25,000,000            | 3,647,406                     | 0.10  |
| CHINA (GOVT OF) 3.36% 25MAR2020             | 30,000,000            | 4,397,990                     | 0.12  |
| CHINA (GOVT OF) 3.4% 17APR2023              | 65,663,000            | 9,700,620                     | 0.26  |
| CHINA (GOVT OF) 3.41% 24JUN2020             | 30,000,000            | 4,390,688                     | 0.12  |
| CHINA (GOVT OF) 3.43% 04FEB2020             | 30,000,000            | 4,449,455                     | 0.12  |
| CHINA (GOVT OF) 3.44% 17SEP2019             | 50,000,000            | 7,377,267                     | 0.20  |
| CHINA (GOVT OF) 3.48% 23JUL2019             | 30,000,000            | 4,450,427                     | 0.12  |
| CHINA (GOVT OF) 3.51% 16JUL2025 (INTERBANK) | 20,000,000            | 3,038,114                     | 0.08  |
| CHINA (GOVT OF) 3.51% 23FEB2022             | 120,000,000           | 17,950,166                    | 0.48  |
| CHINA (GOVT OF) 3.52% 25APR2046 (INTERBANK) | 310,000,000           | 44,182,363                    | 1.18  |
| CHINA (GOVT OF) 3.53% 30OCT2019 (INTERBANK) | 30,000,000            | 4,413,594                     | 0.12  |
| CHINA (GOVT OF) 3.64% 09APR25 (INTERBANK)   | 180,000,000           | 27,364,538                    | 0.73  |
| CHINA (GOVT OF) 3.65% 13OCT2018 1121        | 50,000,000            | 7,354,804                     | 0.20  |
| CHINA (GOVT OF) 3.68% 22SEP2018             | 50,000,000            | 7,372,791                     | 0.20  |
| CHINA (GOVT OF) 3.7% 07JUL2018              | 70,000,000            | 10,386,617                    | 0.28  |
| CHINA (GOVT OF) 3.7% 23MAY2066 (INTERBANK)  | 20,000,000            | 2,820,807                     | 0.08  |
| CHINA (GOVT OF) 3.82% 02SEP2030             | 50,000,000            | 7,618,459                     | 0.20  |
| CHINA (GOVT OF) 3.91% 23OCT2038             | 30,000,000            | 4,568,815                     | 0.12  |
| CHINA (GOVT OF) 3.93% 18AUG2021             | 110,000,000           | 16,744,645                    | 0.45  |
| CHINA (GOVT OF) 3.96% 29JUL2040             | 40,000,000            | 6,191,799                     | 0.17  |
| CHINA (GOVT OF) 3.99% 16JUN2021             | 80,000,000            | 12,042,669                    | 0.32  |



**ABF Pan Asia Bond Index Fund**  
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**INVESTMENT PORTFOLIO** *(Continued)*

As at 31st December 2016 (Unaudited)

**PRIMARY – BY GEOGRAPHY** *(Continued)*

| Listed investments <i>(Continued)</i>     | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|---|--------------------------------------|--|---|
| <b>CHINA (21.44%)</b> <i>(Continued)</i>  |                                      |  |   |
| CHINA (GOVT OF) 4% 19JUN2024              | 60,000,000                           | 9,107,005                                      | 0.24  |
| CHINA (GOVT OF) 4% 27AUG2029              | 30,000,000                           | 4,640,869                                      | 0.12  |
| CHINA (GOVT OF) 4.03% 23APR2032           | 30,000,000                           | 4,684,875                                      | 0.13  |
| CHINA (GOVT OF) 4.07% 17OCT2020 1320      | 220,000,000                          | 33,317,201                                     | 0.89  |
| CHINA (GOVT OF) 4.08% 01MAR2040           | 80,000,000                           | 12,563,454                                     | 0.34  |
| CHINA (GOVT OF) 4.23% 09DEC2040           | 30,000,000                           | 4,756,781                                      | 0.13  |
| CHINA (GOVT OF) 4.31% 24FEB2041           | 20,000,000                           | 3,244,604                                      | 0.09  |
| CHINA (GOVT OF) 4.35% 15NOV2062           | 40,000,000                           | 6,503,966                                      | 0.17  |
| CHINA (GOVT OF) 4.44% 16JAN2021 1403      | 50,000,000                           | 7,960,980                                      | 0.21  |
| CHINA (GOVT OF) 4.46% 24SEP2017           | 30,000,000                           | 4,422,009                                      | 0.12  |
| CHINA (GOVT OF) 4.5% 08MAY2038            | 20,000,000                           | 3,295,414                                      | 0.09  |
| CHINA (GOVT OF) 4.5% 23JUN2041            | 50,000,000                           | 8,234,454                                      | 0.22  |
| CHINA (GOVT OF) 4.55% 29SEP2022           | 50,000,000                           | 7,883,701                                      | 0.21  |
| CHINA (GOVT OF) 4.94% 11AUG2028           | 40,000,000                           | 6,730,619                                      | 0.18  |
| CHINA (REP OF) 2.9% 5MAY2026 (INTERBANK)  | 50,000,000                           | 7,168,767                                      | 0.19  |
| CHINA (REP OF) 3.05% 22OCT22 (INTERBANK)  | 30,000,000                           | 4,384,219                                      | 0.12  |
| CHINA DEVELO 3.24% 25FEB2023 (INTERBANK)  | 180,000,000                          | 25,602,614                                     | 0.69  |
| CHINA DEVELOPMENT BANK 3.18% 05APR2026    | 220,000,000                          | 30,677,609                                     | 0.82  |
| CHINA DEVELOPMENT BANK 3.8% 30OCT2036     | 10,000,000                           | 1,405,498                                      | 0.04  |
| CHINA DEVELOPMENT BANK 3.97% 20JAN2017    | 30,000,000                           | 4,480,895                                      | 0.12  |
| CHINA DEVELOPMENT BANK 4.1% 30AUG2025     | 28,000,000                           | 4,175,117                                      | 0.11  |
| CHINA DEVELOPMENT BANK 4.3% 17MAR2030     | 30,000,000                           | 4,552,732                                      | 0.12  |
| CHINA DEVELOPMENT BANK 4.42% 07APR2040    | 40,000,000                           | 6,174,206                                      | 0.17  |
| CHINA GOV BND 3.36% 24MAY2022 (INTERBANK) | 160,000,000                          | 23,509,750                                     | 0.63  |
| CHINA GOVERNMENT BOND 2.51% 19MAY2018     | 160,000,000                          | 23,280,020                                     | 0.62  |
| CHINA GOVERNMENT BOND 2.75% 17MAR2023     | 90,000,000                           | 13,084,237                                     | 0.35  |
| CHINA GOVERNMENT BOND 2.9% 24MAY2032      | 20,000,000                           | 2,721,599                                      | 0.07  |
| CHINA GOVERNMENT BOND 3.14% 08SEP2020     | 20,000,000                           | 2,906,900                                      | 0.08  |
| CHINA GOVERNMENT BOND 3.3% 09JUL2022      | 100,000,000                          | 14,944,697                                     | 0.40  |
| CHINA GOVERNMENT BOND 3.41% 08MAR2019     | 120,000,000                          | 18,020,702                                     | 0.48  |
| CHINA GOVERNMENT BOND 3.42% 24JAN2020     | 10,000,000                           | 1,505,388                                      | 0.04  |
| CHINA GOVERNMENT BOND 3.57% 17NOV2021     | 20,000,000                           | 2,974,103                                      | 0.08  |
| CHINA GOVERNMENT BOND 3.68% 05NOV2019     | 20,000,000                           | 2,959,028                                      | 0.08  |
| CHINA GOVERNMENT BOND 3.7% 26JUN2026      | 10,000,000                           | 1,515,964                                      | 0.04  |

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**INVESTMENT PORTFOLIO** *(Continued)*

As at 31st December 2016 (Unaudited)

**PRIMARY – BY GEOGRAPHY** *(Continued)*

|   | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|---|--------------------------------------|--|---|
| Listed investments <i>(Continued)</i>       |                                      |  |   |
| <b>CHINA (21.44%)</b> <i>(Continued)</i>    |                                      |  |   |
| CHINA GOVERNMENT BOND 3.86% 19FEB2029       | 20,000,000                           | 3,053,791                                      | 0.08  |
| CHINA GOVERNMENT BOND 3.96% 15APR2030       | 20,000,000                           | 3,085,074                                      | 0.08  |
| CHINA GOVERNMENT BOND 4.03% 21JUN2040       | 20,000,000                           | 3,082,829                                      | 0.08  |
| CHINA GOVERNMENT BOND 4.12% 02AUG2042       | 20,000,000                           | 3,171,861                                      | 0.08  |
| CHINA GOVERNMENT BOND 4.16% 28FEB2023       | 6,000,000                            | 932,859  | 0.02  |
| CHINA GOVERNMENT BOND 4.18% 24OCT2018       | 10,000,000                           | 1,484,569                                      | 0.04  |
| CHINA GOVERNMENT BOND 4.25% 17MAY2062       | 20,000,000                           | 3,187,249                                      | 0.08  |
| CHINA GOVERNMENT BOND 4.27% 17MAY2037       | 10,000,000                           | 1,593,707                                      | 0.04  |
| CHINA GOVERNMENT BOND 4.3% 30NOV2059        | 20,000,000                           | 3,226,956                                      | 0.09  |
| CHINA GOVERNMENT BOND 4.4% 25JUN2017        | 20,000,000                           | 2,903,052                                      | 0.08  |
| CHINA GOVERNMENT BOND 4.41% 17DEC2017       | 10,000,000                           | 1,463,152                                      | 0.04  |
| CHINA GOVT 2.99% 15OCT2025 (INTERBANK)      | 90,000,000                           | 13,039,014                                     | 0.35  |
| CHINA GOVT 3.27% 22AUG2046 (INTERBANK)      | 70,000,000                           | 9,582,477                                      | 0.26  |
| CHINA GOVT BOND 2.58% 14APR2021 (INTERBANK) | 250,000,000                          | 35,754,991                                     | 0.96  |
| CHINA GOVT BOND 2.6% 20SEP2017 1213         | 58,767,000                           | 8,508,882                                      | 0.23  |
| CHINA GOVT BOND 3.77% 18DEC2024 (INTERBANK) | 60,000,000                           | 9,198,262                                      | 0.25  |
| EXPORT-IMPORT 3.33% 22FEB2026 (INTERBANK)   | 200,000,000                          | 28,482,909                                     | 0.76  |
| EXPORT-IMPORT BK CHINA 3.94% 21AUG2019      | 100,000,000                          | 14,671,387                                     | 0.39  |
|   |                                      | 799,954,577                                    | 21.44   |
| <b>HONG KONG (11.07%)</b>                   |                                      |  |   |
| HK (GOVT OF) 0.91% 05NOV2020                | 10,000,000                           | 1,267,607                                      | 0.03  |
| HK (GOVT OF) 2.13% 16JUL2030                | 105,000,000                          | 13,927,711                                     | 0.37  |
| HK GOVERNMENT BOND 0.79% 18JUN2018          | 80,000,000                           | 10,294,320                                     | 0.28  |
| HK GOVERNMENT BOND 1.09% 05JUN2023          | 55,000,000                           | 6,846,002                                      | 0.18  |
| HK GOVERNMENT BOND 2.39% 20AUG2025          | 55,000,000                           | 7,488,505                                      | 0.20  |
| HK GOVT BOND PROGRAMME 0.61% 05FEB2018      | 172,000,000                          | 22,169,911                                     | 0.60  |

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**INVESTMENT PORTFOLIO** *(Continued)*

As at 31st December 2016 (Unaudited)

**PRIMARY – BY GEOGRAPHY** *(Continued)*

|  | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|--|--------------------------------------|--|---|
| Listed investments <i>(Continued)</i>        |                                      |  |   |
| <b>HONG KONG (11.07%)</b> <i>(Continued)</i> |                                      |  |   |
| HK GOVT BOND PROGRAMME 1.02% 10APR2017       | 30,000,000                           | 3,877,366                                      | 0.10  |
| HONG KONG (GOVT OF) 0.8% 27AUG2027           | 54,000,000                           | 6,259,674                                      | 0.17  |
| HONG KONG (GOVT OF) 1.32% 23DEC2019          | 88,000,000                           | 11,361,931                                     | 0.31  |
| HONG KONG (GOVT OF) 1.34% 24JUN2019          | 80,000,000                           | 10,360,697                                     | 0.28  |
| HONG KONG (GOVT OF) 1.35% 25MAR2019          | 90,000,000                           | 11,705,982                                     | 0.31  |
| HONG KONG (GOVT OF) 1.47% 20FEB2019          | 100,000,000                          | 13,064,337                                     | 0.35  |
| HONG KONG (GOVT OF) 1.61% 10DEC2018          | 67,000,000                           | 8,738,973                                      | 0.23  |
| HONG KONG (GOVT OF) 1.73% 20FEB2024          | 54,000,000                           | 7,006,855                                      | 0.19  |
| HONG KONG (GOVT OF) 1.96% 03JUN2024          | 70,000,000                           | 9,175,712                                      | 0.25  |
| HONG KONG (GOVT OF) 2.16% 9DEC2019           | 70,000,000                           | 9,266,862                                      | 0.25  |
| HONG KONG (GOVT OF) 2.22% 07AUG2024          | 35,000,000                           | 4,649,070                                      | 0.13  |
| HONG KONG (GOVT OF) 2.24% 27AUG2029          | 26,000,000                           | 3,489,726                                      | 0.09  |
| HONG KONG (GOVT OF) 2.53% 22JUN2020          | 72,000,000                           | 9,659,348                                      | 0.26  |
| HONG KONG (GOVT OF) 2.6% 20AUG2024           | 55,000,000                           | 7,586,776                                      | 0.20  |
| HONG KONG (GOVT OF) 2.71% 20FEB2023          | 51,000,000                           | 7,044,711                                      | 0.19  |
| HONG KONG (GOVT OF) 2.93% 13JAN2020          | 318,000,000                          | 43,549,887                                     | 1.17  |
| HONG KONG (GOVT OF) 2.95% 24FEB2025          | 55,000,000                           | 7,796,038                                      | 0.21  |
| HONG KONG (GOVT OF) 3.32% 25FEB2026          | 15,000,000                           | 2,200,162                                      | 0.06  |
| HONG KONG (GOVT OF) 3.52% 5DEC2017           | 49,000,000                           | 6,489,628                                      | 0.17  |
| HONG KONG (GOVT OF) 4.65% 29AUG2022          | 54,000,000                           | 8,212,073                                      | 0.22  |
| HONG KONG (GOVT OF) 5.125% 23JUL2019         | 66,500,000                           | 9,500,625                                      | 0.26  |
| HONG KONG (GOVT) 0.55% 05DEC2022             | 70,000,000                           | 8,480,060                                      | 0.23  |
| HONG KONG (GOVT) 0.97% 20JUN2022             | 70,000,000                           | 8,734,651                                      | 0.23  |
| HONG KONG (GOVT) 05Y1812 1.17% 19DEC2018     | 87,000,000                           | 11,247,355                                     | 0.30  |
| HONG KONG (GOVT) 1.1% 17JAN2023              | 120,000,000                          | 15,069,949                                     | 0.40  |
| HONG KONG (GOVT) 1.19% 06DEC2021             | 70,000,000                           | 8,881,132                                      | 0.24  |
| HONG KONG (GOVT) 1.49% 30SEP2019             | 40,000,000                           | 5,212,867                                      | 0.14  |
| HONG KONG (GOVT) 1.51% 24FEB2027             | 54,000,000                           | 6,773,617                                      | 0.18  |
| HONG KONG (GOVT) 1.84% 09DEC2024             | 73,000,000                           | 9,476,970                                      | 0.25  |
| HONG KONG (GOVT) 10GB2108 2.46% 4AUG2021     | 152,000,000                          | 20,626,078                                     | 0.55  |
| HONG KONG (GOVT) 10Y1806 3.56% 25JUN2018     | 67,000,000                           | 8,971,408                                      | 0.24  |
| HONG KONG (GOVT) 10Y2012 2.44% 7DEC2020      | 74,000,000                           | 9,931,533                                      | 0.27  |
| HONG KONG (GOVT) 10Y2106 2.31% 21JUN2021     | 73,000,000                           | 9,753,857                                      | 0.26  |

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**INVESTMENT PORTFOLIO** *(Continued)*

As at 31st December 2016 (Unaudited)

**PRIMARY – BY GEOGRAPHY** *(Continued)*

|  | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|--|--------------------------------------|--|---|
| Listed investments <i>(Continued)</i>        |                                      |  |   |
| <b>HONG KONG (11.07%)</b> <i>(Continued)</i> |                                      |  |   |
| HONG KONG GOVERNMENT 0.67% 21MAY2018         | 78,000,000                           | 10,028,540                                     | 0.27  |
| HONG KONG GOVERNMENT 1.94% 04DEC2023         | 40,000,000                           | 5,240,759                                      | 0.14  |
| HONG KONG(GOVT OF) 1.68% 21JAN2026           | 19,000,000                           | 2,400,236                                      | 0.07  |
| HONG KONG(GOVT OF)10Y1906 2.64% 10JUN19      | 68,000,000                           | 9,092,045                                      | 0.24  |
|  |                                      | 412,911,546                                    | 11.07   |
| <b>INDONESIA (7.25%)</b>                     |                                      |  |   |
| INDONESIA (GOVT OF) 8.75% 15MAY2031          | 115,000,000,000                      | 9,027,739                                      | 0.24  |
| INDONESIA (REP OF) 10% 15FEB2028 FR47        | 69,000,000,000                       | 6,044,347                                      | 0.16  |
| INDONESIA (REP OF) 10.25% 15JUL2022 FR43     | 38,000,000,000                       | 3,287,588                                      | 0.09  |
| INDONESIA (REP OF) 10.5% 15AUG2030 FR52      | 112,000,000,000                      | 10,180,882                                     | 0.27  |
| INDONESIA (REP OF) 10.5% 15JUL2038 FR50      | 54,000,000,000                       | 4,967,962                                      | 0.13  |
| INDONESIA (REP OF) 11% 15SEP2025 FR40        | 76,000,000,000                       | 6,855,645                                      | 0.18  |
| INDONESIA (REP OF) 11.5% 15SEP2019 FR36      | 53,000,000,000                       | 4,454,318                                      | 0.12  |
| INDONESIA (REP OF) 11.6% 15AUG2018 FR38      | 10,500,000,000                       | 866,369  | 0.02  |
| INDONESIA (REP OF) 11.75% 15AUG23 FR39       | 20,000,000,000                       | 1,853,687                                      | 0.05  |
| INDONESIA (REP OF) 12% 15SEP2026 FR37        | 14,000,000,000                       | 1,355,748                                      | 0.04  |
| INDONESIA (REP OF) 12.8% 15JUN2021 FR34      | 31,000,000,000                       | 2,766,374                                      | 0.07  |
| INDONESIA (REP OF) 12.9% 15JUN2022 FR35      | 26,000,000,000                       | 2,389,905                                      | 0.06  |
| INDONESIA (REP OF) 5.25% 15MAY2018           | 151,000,000,000                      | 11,030,427                                     | 0.30  |
| INDONESIA (REP OF) 6.375% 15APR2042          | 37,000,000,000                       | 2,179,989                                      | 0.06  |
| INDONESIA (REP OF) 6.625% 15MAY2033          | 121,000,000,000                      | 7,733,844                                      | 0.21  |
| INDONESIA (REP OF) 7% 15MAY2022 FR61         | 70,000,000,000                       | 5,127,893                                      | 0.14  |
| INDONESIA (REP OF) 7% 15MAY2027 FR59         | 78,000,000,000                       | 5,541,443                                      | 0.15  |
| INDONESIA (REP OF) 8.25% 15JUL2021           | 194,100,000,000                      | 15,354,926                                     | 0.41  |
| INDONESIA (REP OF) 8.25% 15JUN2032 FR58      | 117,000,000,000                      | 8,688,092                                      | 0.23  |
| INDONESIA (REP OF) 8.25% 15MAY2036           | 220,000,000,000                      | 16,646,225                                     | 0.45  |
| INDONESIA (REP OF) 8.375% 15MAR2024          | 432,000,000,000                      | 33,656,678                                     | 0.90  |
| INDONESIA (REP OF) 8.375% 15MAR2034          | 175,000,000,000                      | 13,406,291                                     | 0.36  |
| INDONESIA (REP OF) 8.375% 15SEP2026 FR56     | 236,000,000,000                      | 18,601,585                                     | 0.50  |
| INDONESIA (REP OF) 9% 15MAR2029              | 172,000,000,000                      | 13,871,948                                     | 0.37  |
| INDONESIA (REP OF) 9% 15SEP2018 FR48         | 15,000,000,000                       | 1,174,532                                      | 0.03  |

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**INVESTMENT PORTFOLIO** *(Continued)*

As at 31st December 2016 (Unaudited)

**PRIMARY – BY GEOGRAPHY** *(Continued)*

|   | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|---|--------------------------------------|--|---|
| Listed investments <i>(Continued)</i>       |                                      |  |   |
| <b>INDONESIA (7.25%)</b> <i>(Continued)</i> |                                      |  |   |
| INDONESIA (REP OF) 9.5% 15JUL2023 FR46      | 44,000,000,000                       | 3,701,371                                      | 0.10  |
| INDONESIA (REP OF) 9.5% 15JUL2031 FR54      | 129,000,000,000                      | 10,975,483                                     | 0.30  |
| INDONESIA (REP OF) 9.5% 15MAY2041 FR57      | 36,000,000,000                       | 3,015,845                                      | 0.08  |
| INDONESIA (REP OF) 9.75% 15MAY2037 FR45     | 20,000,000,000                       | 1,724,691                                      | 0.05  |
| INDONESIA GOVERNMENT 5.625% 15MAY2023       | 175,000,000,000                      | 11,728,437                                     | 0.32  |
| INDONESIA GOVERNMENT 6.125% 15MAY2028       | 30,000,000,000                       | 1,928,578                                      | 0.05  |
| INDONESIA GOVERNMENT 7.875% 15APR2019       | 195,000,000,000                      | 14,842,553                                     | 0.40  |
| INDONESIA GOVT 10% 15SEP2024 FR44           | 32,000,000,000                       | 2,741,132                                      | 0.07  |
| INDONESIA GOVT 10.25% 15JUL2027 SER FR42    | 44,000,000,000                       | 3,935,160                                      | 0.11  |
| INDONESIA GOVT 11% 15NOV2020 SER FR31       | 104,000,000,000                      | 8,713,025                                      | 0.23  |
|   |                                      | <u>270,370,712</u>                             | <u>7.25</u>   |
| <b>SINGAPORE (15.62%)</b>                   |                                      |  |   |
| HOUSING &DEVELOPMENT 2.1% 03NOV2020         | 14,000,000                           | 9,671,454                                      | 0.26  |
| HOUSING &DEVELOPMENT 2.545% 04JUL2031       | 1,000,000                            | 639,127  | 0.02  |
| HOUSING &DEVELOPMENT BRD 1.23% 30JAN2018    | 6,000,000                            | 4,151,833                                      | 0.11  |
| HOUSING &DEVELOPMENT BRD 2.088% 30AUG2022   | 8,000,000                            | 5,427,301                                      | 0.15  |
| HOUSING &DEVELOPMENT BRD 2.5% 29JAN2023     | 10,000,000                           | 6,912,168                                      | 0.18  |
| HOUSING &DEVELOPMENT BRD 2.505% 27JUN2024   | 11,000,000                           | 7,448,706                                      | 0.20  |
| LAND TRANSPORT AUTHORITY 2.9% 19JUN2023     | 2,000,000                            | 1,400,923                                      | 0.04  |
| SINGAPORE (GOVT OF) 0.5% 01APR2018          | 58,500,000                           | 40,139,845                                     | 1.08  |
| SINGAPORE (GOVT OF) 2.125% 01JUN2026        | 23,500,000                           | 15,798,396                                     | 0.42  |
| SINGAPORE (GOVT OF) 2.25% 1JUN2021          | 48,300,000                           | 34,075,863                                     | 0.91  |
| SINGAPORE (GOVT OF) 2.375% 1APR2017         | 13,700,000                           | 9,555,699                                      | 0.26  |
| SINGAPORE (GOVT OF) 2.5% 1JUN2019           | 57,600,000                           | 40,839,462                                     | 1.09  |
| SINGAPORE (GOVT OF) 2.75% 01APR2042         | 36,500,000                           | 25,550,193                                     | 0.68  |
| SINGAPORE (GOVT OF) 2.75% 01JUL2023         | 56,000,000                           | 40,361,142                                     | 1.08  |
| SINGAPORE (GOVT OF) 2.875% 01SEP2030        | 38,000,000                           | 26,996,157                                     | 0.72  |

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**INVESTMENT PORTFOLIO** *(Continued)*

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**PRIMARY – BY GEOGRAPHY** *(Continued)*

|  | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|--|--------------------------------------|--|---|
| Listed investments <i>(Continued)</i>        |                                      |  |   |
| <b>SINGAPORE (15.62%)</b> <i>(Continued)</i> |                                      |  |   |
| SINGAPORE (GOVT OF) 3% 01SEP2024             | 48,700,000                           | 35,393,776                                     | 0.95  |
| SINGAPORE (GOVT OF) 3.125% 01SEP2022         | 41,800,000                           | 30,794,619                                     | 0.83  |
| SINGAPORE (GOVT OF) 3.375% 01SEP2033         | 29,400,000                           | 22,231,257                                     | 0.60  |
| SINGAPORE (GOVT OF) 3.5% 1MAR2027            | 43,300,000                           | 32,724,767                                     | 0.88  |
| SINGAPORE (GOVT OF) 4% 1SEP2018              | 44,350,000                           | 32,411,445                                     | 0.87  |
| SINGAPORE (REP OF) 2% 01JUL2020              | 25,000,000                           | 17,642,248                                     | 0.47  |
| SINGAPORE GOV 1.625% 01OCT2019               | 43,900,000                           | 30,518,798                                     | 0.82  |
| SINGAPORE GOVERNMENT 1.375% 01OCT2017        | 12,500,000                           | 8,689,090                                      | 0.23  |
| SINGAPORE GOVERNMENT 2.25% 01AUG2036         | 14,000,000                           | 9,066,975                                      | 0.24  |
| SINGAPORE GOVERNMENT 2.75% 01MAR2046         | 29,500,000                           | 20,709,631                                     | 0.55  |
| SINGAPORE GOVERNMENT 2.875% 01JUL2029        | 22,000,000                           | 15,753,665                                     | 0.42  |
| SINGAPORE GOVERNMENT 3.25% 1SEP2020          | 37,750,000                           | 27,809,911                                     | 0.75  |
| SINGAPORE (GOVT OF) 2.375% 01JUN2025         | 22,700,000                           | 15,639,249                                     | 0.42  |
| SP POWERASSETS LTD 4.84% 22OCT2018           | 4,100,000                            | 3,004,853                                      | 0.08  |
| TEMASEK FINANCIAL I LTD 3.265% 19FEB2020     | 10,000,000                           | 7,190,974                                      | 0.19  |
| TEMASEK FINANCIAL I LTD 4.2% 02AUG2050       | 5,750,000                            | 4,401,638                                      | 0.12  |
|  |                                      | 582,951,165                                    | 15.62   |
| <b>SOUTH KOREA (17.11%)</b>                  |                                      |  |   |
| (D) KOREA (REP OF) 2% 10MAR2020              | 17,000,000,000                       | 14,275,830                                     | 0.38  |
| (D) KOREA (REP OF) 2% 10SEP2020              | 26,000,000,000                       | 21,819,360                                     | 0.59  |
| (D) KOREA (REP OF) 3.5% 10MAR2024            | 22,000,000,000                       | 20,199,882                                     | 0.54  |
| (D) KOREA TREASURY 3.75% 10DEC2033           | 26,200,000,000                       | 26,597,868                                     | 0.71  |
| (D) KOREA TREASURY BOND 1.375% 10SEP2021     | 13,900,000,000                       | 11,318,540                                     | 0.30  |
| (D) KOREA TREASURY BOND 1.5% 10JUN2019       | 19,000,000,000                       | 15,684,232                                     | 0.42  |
| (D) KOREA TREASURY BOND 1.5% 10SEP2036       | 5,000,000,000                        | 3,720,812                                      | 0.10  |
| (D) KOREA TREASURY BOND 1.625% 10JUN2018     | 56,000,000,000                       | 46,415,981                                     | 1.24  |
| (D) KOREA TREASURY BOND 1.75% 10DEC2018      | 25,000,000,000                       | 20,764,869                                     | 0.56  |
| (D) KOREA TREASURY BOND 1.875% 10JUN2026     | 31,000,000,000                       | 25,211,800                                     | 0.68  |
| (D) KOREA TREASURY BOND 2% 10MAR2021         | 30,000,000,000                       | 25,168,277                                     | 0.67  |
| (D) KOREA TREASURY BOND 2% 10MAR2046         | 34,000,000,000                       | 27,114,548                                     | 0.73  |
| (D) KOREA TREASURY BOND 2.25% 10DEC2025      | 16,000,000,000                       | 13,422,953                                     | 0.36  |

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**INVESTMENT PORTFOLIO** *(Continued)*

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|  | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|--|--------------------------------------|--|---|
| Listed investments <i>(Continued)</i>          |                                      |  |   |
| <b>SOUTH KOREA (17.11%)</b> <i>(Continued)</i> |                                      |  |   |
| (D) KOREA TREASURY BOND 2.25% 10JUN2025        | 5,000,000,000                        | 4,193,737                                      | 0.11  |
| (D) KOREA TREASURY BOND 2.625% 10SEP2035       | 21,000,000,000                       | 18,737,069                                     | 0.50  |
| (D) KOREA TREASURY BOND 2.75% 10DEC2044        | 11,000,000,000                       | 10,165,947                                     | 0.27  |
| (D) KOREA TREASURY BOND 2.75% 10MAR2018        | 47,000,000,000                       | 39,780,920                                     | 1.07  |
| (D) KOREA TREASURY BOND 2.75% 10SEP2019        | 24,000,000,000                       | 20,597,139                                     | 0.55  |
| (D) KOREA TREASURY BOND 3% 10DEC2042           | 25,000,000,000                       | 24,011,487                                     | 0.64  |
| (D) KOREA TREASURY BOND 3% 10MAR2023           | 19,000,000,000                       | 16,820,396                                     | 0.45  |
| (D) KOREA TREASURY BOND 3% 10SEP2024           | 10,000,000,000                       | 8,897,445                                      | 0.24  |
| (D) KOREA TREASURY BOND 3.25% 10SEP2018        | 23,000,000,000                       | 19,743,780                                     | 0.53  |
| (D) KOREA TREASURY BOND 3.375% 10SEP2023       | 16,000,000,000                       | 14,524,021                                     | 0.39  |
| (D) KOREA TREASURY BOND 3.75% 10JUN2022        | 14,000,000,000                       | 12,707,412                                     | 0.34  |
| (D) KOREA TREASURY BOND 4% 10DEC2031           | 21,000,000,000                       | 21,487,548                                     | 0.58  |
| (D) KOREA TREASURY BOND 4.25% 10JUN2021        | 27,000,000,000                       | 24,691,524                                     | 0.66  |
| (D) KOREA TREASURY BOND 4.75% 10DEC2030        | 12,000,000,000                       | 13,054,806                                     | 0.35  |
| (D) KOREA TREASURY BOND 5% 10JUN2020           | 23,000,000,000                       | 21,145,713                                     | 0.57  |
| (D) KOREA TREASURY BOND 5.25% 10MAR2027        | 6,000,000,000                        | 6,470,318                                      | 0.17  |
| (D) KOREA TREASURY BOND 5.5% 10DEC2029         | 13,000,000,000                       | 14,863,352                                     | 0.40  |
| (D) KOREA TREASURY BOND 5.5% 10MAR2028         | 9,000,000,000                        | 10,073,858                                     | 0.27  |
| (D) KOREA TREASURY BOND 5.75% 10MAR2026        | 11,000,000,000                       | 12,031,821                                     | 0.32  |
| (D) KOREA TREASURY BOND 5.75% 10SEP2018 1809   | 38,000,000,000                       | 34,165,832                                     | 0.92  |
| (D) KOREA WESTERN PWR 3.46% 12SEP2018          | 10,000,000,000                       | 8,519,540                                      | 0.23  |
| (D) KOREA (REPUBLIC OF) 2% 10DEC2017           | 12,000,000,000                       | 9,986,935                                      | 0.27  |
|  |                                      | 638,385,552                                    | 17.11   |
| <b>THAILAND (9.50%)</b>                        |                                      |  |   |
| BANK OF THAILAND BOND 1.49% 23FEB2018          | 270,000,000                          | 7,569,900                                      | 0.20  |
| BANK OF THAILAND BOND 1.55% 20JUL2018          | 180,000,000                          | 5,051,418                                      | 0.13  |
| BANK OF THAILAND BOND 2.2% 26JAN2018           | 60,000,000                           | 1,701,590                                      | 0.05  |
| BANK OF THAILAND BOND 2.66% 21JUL2017          | 170,000,000                          | 4,831,197                                      | 0.13  |
| THAILAND (GOVT OF) 1.875% 17JUN2022            | 100,000,000                          | 2,742,196                                      | 0.07  |
| THAILAND (GOVT OF) 2.8% 10OCT2017              | 260,000,000                          | 7,374,177                                      | 0.20  |
| THAILAND (GOVT OF) 3.25% 16JUN2017             | 36,500,000                           | 1,028,523                                      | 0.03  |
| THAILAND (GOVT OF) 3.4% 17JUN2036              | 400,000,000                          | 11,440,813                                     | 0.31  |

**INVESTMENT PORTFOLIO** *(Continued)*

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**PRIMARY – BY GEOGRAPHY** *(Continued)*

|  | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|--|--------------------------------------|--|---|
| Listed investments <i>(Continued)</i>      |                                      |  |   |
| <b>THAILAND (9.50%)</b> <i>(Continued)</i> |                                      |  |   |
| THAILAND (GOVT OF) 3.45% 8MAR2019          | 330,000,000                          | 9,659,221                                      | 0.26  |
| THAILAND (GOVT OF) 3.58% 17DEC2027         | 288,000,000                          | 8,517,109                                      | 0.23  |
| THAILAND (GOVT OF) 3.625% 16JUN2023        | 792,000,000                          | 23,655,806                                     | 0.63  |
| THAILAND (GOVT OF) 3.65% 17DEC2021         | 794,500,000                          | 23,796,601                                     | 0.64  |
| THAILAND (GOVT OF) 3.65% 20JUN2031         | 248,000,000                          | 7,291,593                                      | 0.19  |
| THAILAND (GOVT OF) 3.775% 25JUN2032        | 263,000,000                          | 7,764,218                                      | 0.21  |
| THAILAND (GOVT OF) 3.85% 12DEC2025         | 670,000,000                          | 20,524,832                                     | 0.55  |
| THAILAND (GOVT OF) 3.875% 13JUN2019        | 1,526,500,000                        | 44,892,339                                     | 1.20  |
| THAILAND (GOVT OF) 3.875% 07MAR2018        | 35,000,000                           | 1,015,930                                      | 0.03  |
| THAILAND (GOVT OF) 4.5% 9APR2024           | 89,000,000                           | 2,828,624                                      | 0.08  |
| THAILAND (GOVT OF) 4.675% 29JUN2044        | 983,000,000                          | 33,543,364                                     | 0.90  |
| THAILAND (GOVT OF) 4.75% 20DEC2024         | 160,000,000                          | 5,161,830                                      | 0.14  |
| THAILAND (GOVT OF) 4.85% 17JUN2061         | 281,000,000                          | 10,108,941                                     | 0.27  |
| THAILAND (GOVT OF) 4.875% 22JUN2029        | 694,000,000                          | 23,183,856                                     | 0.62  |
| THAILAND (GOVT OF) 5.125% 08NOV2022        | 51,000,000                           | 1,651,487                                      | 0.04  |
| THAILAND (GOVT OF) 5.375% 03DEC2019        | 129,000,000                          | 3,980,141                                      | 0.11  |
| THAILAND (GOVT OF) 5.5% 13AUG2019          | 95,000,000                           | 2,960,538                                      | 0.08  |
| THAILAND (GOVT OF) 5.5% 13MAR2023          | 150,000,000                          | 5,000,628                                      | 0.13  |
| THAILAND (GOVT OF) 5.67% 13MAR2028         | 164,000,000                          | 5,823,788                                      | 0.16  |
| THAILAND (GOVT OF) 6.15% 07JUL2026         | 150,000,000                          | 5,564,525                                      | 0.15  |
| THAILAND GOVERN BOND 2.125% 17DEC2026      | 70,000,000                           | 1,868,562                                      | 0.05  |
| THAILAND GOVERNMENT BOND 2.55% 26JUN2020   | 965,000,000                          | 27,544,962                                     | 0.74  |
| THAILAND GOVERNMENT BOND 4% 17JUN2066      | 99,000,000                           | 2,968,235                                      | 0.08  |
| THAILAND GOVT BOND 5.125% 13MAR2018        | 395,500,000                          | 11,677,793                                     | 0.31  |
| THAILAND GOVT BOND 5.625% 12JAN2019        | 296,000,000                          | 9,133,324                                      | 0.24  |
| THAILAND GOVT BOND 5.85% 31MAR2021 06-5    | 288,000,000                          | 9,393,236                                      | 0.25  |
| THAILAND (GOVT OF) 3.8% 14JUN2041          | 109,000,000                          | 3,255,118                                      | 0.09  |
|  |                                      | 354,506,415                                    | 9.50  |
|  |                                      | -----  | -----   |



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|   | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|---|--------------------------------------|--|---|
| Unlisted investments                      |                                      |  |   |
| <b>HONG KONG (0.62%)</b>                  |                                      |  |   |
| CHINA DEVELOPMENT BANK HK 3.2% 30MAR2017  | 50,000,000                           | 6,477,388                                      | 0.18  |
| MTR CORP (C.I.) 4.28% 6JUL2020 EMTN       | 35,000,000                           | 4,838,176                                      | 0.13  |
| MTR CORP (C.I.) 4.75% 11MAY2020           | 22,000,000                           | 3,069,113                                      | 0.08  |
| MTR CORP (C.I.) 4.9% 25JUN2018            | 3,000,000                            | 412,029  | 0.01  |
| URBAN RENEWAL AUTHORITY 1.5% 13JUL2017    | 20,000,000                           | 2,588,924                                      | 0.07  |
| URBAN RENEWAL AUTHORITY 1.65% 17JAN2020   | 45,000,000                           | 5,721,492                                      | 0.15  |
| URBAN RENEWAL AUTHORITY 1.75% 02AUG2019   | 1,000,000                            | 128,246  | 0.00  |
|   |                                      | 23,235,368                                     | 0.62  |
| <b>MALAYSIA (10.97%)</b>                  |                                      |  |   |
| MALAYSIA (GOVT OF) 3.418% 15AUG2022       | 56,000,000                           | 12,212,649                                     | 0.33  |
| MALAYSIA (GOVT OF) 3.58% 28SEP2018        | 67,000,000                           | 15,088,666                                     | 0.40  |
| MALAYSIA (GOVT OF) 3.62% 30NOV2021        | 77,000,000                           | 17,193,915                                     | 0.46  |
| MALAYSIA (GOVT OF) 3.659% 15OCT2020       | 61,000,000                           | 13,658,924                                     | 0.37  |
| MALAYSIA (GOVT OF) 3.716% 23MAR2021       | 8,200,000                            | 1,823,733                                      | 0.05  |
| MALAYSIA (GOVT OF) 3.759% 15MAR2019       | 31,000,000                           | 7,075,465                                      | 0.19  |
| MALAYSIA (GOVT OF) 3.892% 15MAR2027       | 39,000,000                           | 8,307,813                                      | 0.22  |
| MALAYSIA (GOVT OF) 3.99% 15OCT2025        | 28,000,000                           | 6,099,706                                      | 0.16  |
| MALAYSIA (GOVT OF) 4.498% 15APR2030       | 91,000,000                           | 19,963,781                                     | 0.54  |
| MALAYSIA (GOVT OF) 4.709% 15SEP2026       | 1,000,000                            | 229,801  | 0.01  |
| MALAYSIA (GOVT OF) 4.736% 15MAR2046       | 30,000,000                           | 6,879,265                                      | 0.18  |
| MALAYSIA (GOVT OF) 4.786% 31OCT2035       | 30,000,000                           | 6,811,605                                      | 0.18  |
| MALAYSIA (GOVT OF) 5.734% 30JUL2019       | 34,000,000                           | 8,154,163                                      | 0.22  |
| MALAYSIA GOVERNMENT 3.8% 17AUG2023        | 70,000,000                           | 15,553,493                                     | 0.42  |
| MALAYSIA GOVERNMENT 3.9% 30NOV2026        | 65,000,000                           | 14,155,503                                     | 0.38  |
| MALAYSIA GOVERNMENT 4.254% 31MAY2035      | 17,000,000                           | 3,585,952                                      | 0.10  |
| MALAYSIA GOVT 3.654% 31OCT2019            | 73,200,000                           | 16,427,033                                     | 0.44  |
| MALAYSIA INVESTMNT ISSUE 3.576% 15MAY2020 | 1,000,000                            | 221,824  | 0.01  |
| MALAYSIA INVESTMNT ISSUE 3.699% 15NOV2022 | 2,000,000                            | 436,822  | 0.01  |
| MALAYSIA INVESTMNT ISSUE 3.704% 30SEP2019 | 2,000,000                            | 448,571  | 0.01  |
| MALAYSIA INVESTMNT ISSUE 3.871% 08AUG2028 | 10,000,000                           | 2,104,832                                      | 0.06  |
| MALAYSIA INVESTMNT ISSUE 3.899% 15JUN2027 | 10,000,000                           | 2,104,416                                      | 0.06  |
| MALAYSIA INVESTMNT ISSUE 4.07% 30SEP2026  | 70,000,000                           | 15,369,863                                     | 0.41  |

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As at 31st December 2016 (Unaudited)

**PRIMARY – BY GEOGRAPHY** *(Continued)*

|   | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|---|--------------------------------------|--|---|
| Unlisted investments <i>(Continued)</i>     |                                      |  |   |
| <b>MALAYSIA (10.97%)</b> <i>(Continued)</i> |                                      |  |   |
| MALAYSIA INVESTMNT ISSUE 4.17% 30APR2021    | 19,000,000                           | 4,284,713                                      | 0.11  |
| MALAYSIA INVESTMNT ISSUE 4.284% 15JUN2020   | 14,000,000                           | 3,166,324                                      | 0.09  |
| MALAYSIA INVESTMNT ISSUE 4.295% 31OCT2018   | 20,000,000                           | 4,539,615                                      | 0.12  |
| MALAYSIA INVESTMNT ISSUE 4.39% 07JUL2023    | 30,000,000                           | 6,935,004                                      | 0.19  |
| MALAYSIA INVESTMNT ISSUE 4.444% 22MAY2024   | 8,500,000                            | 1,912,197                                      | 0.05  |
| MALAYSIA INVESTMNT ISSUE 4.492% 30APR2020   | 7,420,000                            | 1,699,214                                      | 0.05  |
| MALAYSIAN (GOVT OF) 3.314% 31OCT2017        | 18,420,000                           | 4,135,710                                      | 0.11  |
| MALAYSIAN (GOVT OF) 3.48% 15MAR2023         | 43,500,000                           | 9,394,219                                      | 0.25  |
| MALAYSIAN (GOVT OF) 3.492% 31MAR2020        | 96,000,000                           | 21,450,027                                     | 0.58  |
| MALAYSIAN (GOVT OF) 3.502% 31MAY2027        | 16,300,000                           | 3,315,588                                      | 0.09  |
| MALAYSIAN (GOVT OF) 3.795% 30SEP2022        | 18,300,000                           | 4,047,971                                      | 0.11  |
| MALAYSIAN (GOVT OF) 3.955% 15SEP2025        | 71,000,000                           | 15,543,547                                     | 0.42  |
| MALAYSIAN (GOVT OF) 4.048% 30SEP2021        | 32,000,000                           | 7,263,076                                      | 0.19  |
| MALAYSIAN (GOVT OF) 4.127% 15APR2032        | 15,000,000                           | 3,129,013                                      | 0.08  |
| MALAYSIAN (GOVT OF) 4.16% 15JUL2021         | 91,000,000                           | 20,963,824                                     | 0.56  |
| MALAYSIAN (GOVT OF) 4.181% 15JUL2024        | 35,200,000                           | 7,933,845                                      | 0.21  |
| MALAYSIAN (GOVT OF) 4.232% 30JUN2031        | 50,200,000                           | 10,899,039                                     | 0.29  |
| MALAYSIAN (GOVT OF) 4.392% 15APR2026        | 29,000,000                           | 6,499,474                                      | 0.17  |
| MALAYSIAN GOVERNMENT 3.26% 01MAR2018        | 52,000,000                           | 11,693,123                                     | 0.31  |
| MALAYSIAN GOVERNMENT 3.733% 15JUN2028       | 26,500,000                           | 5,437,660                                      | 0.15  |
| MALAYSIAN GOVERNMENT 3.844% 15APR2033       | 39,000,000                           | 7,788,326                                      | 0.21  |
| MALAYSIAN GOVERNMENT 3.889% 31JUL2020       | 28,500,000                           | 6,491,562                                      | 0.17  |
| MALAYSIAN GOVERNMENT 4.24% 07FEB2018        | 6,000,000                            | 1,371,409                                      | 0.04  |
| MALAYSIAN GOVERNMENT 4.837% 15JUL2025       | 17,670,000                           | 4,144,591                                      | 0.11  |
| MALAYSIAN GOVERNMENT 4.935% 30SEP2043       | 20,000,000                           | 4,522,464                                      | 0.12  |
| MALAYSIAN GOVERNMENT 5.248% 15SEP2028       | 19,000,000                           | 4,515,600                                      | 0.12  |
| MALAYSIAN GOVT 4.012% 15SEP2017 0210        | 9,000,000                            | 2,042,875                                      | 0.05  |
| MALAYSIAN GOVT 4.378% 29NOV2019             | 108,000,000                          | 24,654,888                                     | 0.66  |
| SYARIKAT PRASARANA NEGAR 3.77% 06SEP2022    | 5,000,000                            | 1,104,564                                      | 0.03  |
| SYARIKAT PRASARANA NEGAR 4.4% 30MAY2018     | 10,000,000                           | 2,249,370                                      | 0.06  |
| SYARIKAT PRASARANA NEGAR 4.85% 27SEP2024    | 5,000,000                            | 1,160,642                                      | 0.03  |
| SYARIKAT PRASARANA NEGAR 5.07% 28SEP2029    | 5,000,000                            | 1,161,564                                      | 0.03  |
|   |                                      | 409,358,833                                    | 10.97   |

**ABF Pan Asia Bond Index Fund**  
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**INVESTMENT PORTFOLIO** *(Continued)*

As at 31st December 2016 (Unaudited)

**PRIMARY – BY GEOGRAPHY** *(Continued)*

|   | Holdings at<br>31st December<br>2016 | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|---|--------------------------------------|--|---|
| Unlisted investments <i>(Continued)</i> |                                      |  |   |
| <b>PHILIPPINES (5.65%)</b>              |                                      |  |   |
| PHILIPPINE (GOVT OF) 4% 06DEC2022       | 80,000,000                           | 1,598,839                                      | 0.04  |
| PHILIPPINE (GOVT OF) 3.375% 20AUG2020   | 570,000,000                          | 11,455,500                                     | 0.31  |
| PHILIPPINE (GOVT OF) 3.5% 21APR2023     | 420,000,000                          | 8,210,757                                      | 0.22  |
| PHILIPPINE (GOVT OF) 3.875% 22NOV2019   | 888,000,000                          | 18,078,767                                     | 0.48  |
| PHILIPPINE (GOVT OF) 5.875% 31JAN2018   | 25,000,000                           | 528,524  | 0.01  |
| PHILIPPINE (GOVT OF) 7.875% 19FEB2019   | 369,000,000                          | 8,194,968                                      | 0.22  |
| PHILIPPINE (REP OF) 2.125% 23MAY2018    | 710,000,000                          | 14,156,423                                     | 0.38  |
| PHILIPPINE GOVERNMENT 3.625% 09SEP2025  | 460,000,000                          | 8,796,912                                      | 0.24  |
| PHILIPPINE GOVERNMENT 4.625% 09SEP2040  | 450,000,000                          | 8,786,709                                      | 0.24  |
| PHILIPPINE (GOVT OF) 3.5% 20MAR2021     | 300,000,000                          | 6,009,344                                      | 0.16  |
| PHILIPPINE (GOVT OF) 4.125% 20AUG2024   | 345,000,000                          | 6,911,097                                      | 0.19  |
| PHILIPPINES (REP OF) 10.25% 19JAN2026   | 77,000,000                           | 2,148,343                                      | 0.06  |
| PHILIPPINES (REP OF) 18.25% 29NOV2025   | 50,000,000                           | 1,845,261                                      | 0.05  |
| PHILIPPINES (REP OF) 3.625% 21MAR2033   | 415,000,000                          | 7,464,196                                      | 0.20  |
| PHILIPPINES (REP OF) 4.75% 13SEP2022    | 113,000,000                          | 2,358,819                                      | 0.06  |
| PHILIPPINES (REP OF) 4.875% 02AUG2022   | 90,000,000                           | 1,899,208                                      | 0.05  |
| PHILIPPINES (REP OF) 5% 18AUG2018 7-51  | 237,000,000                          | 4,964,999                                      | 0.13  |
| PHILIPPINES (REP OF) 5.75% 16AUG2037    | 50,000,000                           | 1,120,876                                      | 0.03  |
| PHILIPPINES (REP OF) 5.75% 24NOV2021    | 120,000,000                          | 2,575,504                                      | 0.07  |
| PHILIPPINES (REP OF) 5.875% 16DEC2020   | 45,000,000                           | 960,183  | 0.03  |
| PHILIPPINES (REP OF) 6.375% 19JAN2022   | 105,000,000                          | 2,352,289                                      | 0.06  |
| PHILIPPINES (REP OF) 6.5% 28APR2021     | 170,000,000                          | 3,737,258                                      | 0.10  |
| PHILIPPINES (REP OF) 7.75% 18FEB2020    | 50,000,000                           | 1,133,303                                      | 0.03  |
| PHILIPPINES (REP OF) 8% 19JUL2031       | 1,846,174,950                        | 48,989,151                                     | 1.31  |
| PHILIPPINES (REP OF) 8% 30SEP2035       | 110,000,000                          | 2,985,323                                      | 0.08  |
| PHILIPPINES (REP OF) 8.125% 16DEC2035   | 656,902,627                          | 17,807,945                                     | 0.48  |
| PHILIPPINES (REP OF) 8.5% 29NOV2032     | 100,000,000                          | 2,724,069                                      | 0.07  |
| PHILIPPINES (REP OF) 8.625% 06SEP2027   | 54,000,000                           | 1,413,692                                      | 0.04  |
| PHILIPPINES (REP OF) 8.75% 27MAY2030    | 180,000,000                          | 4,850,877                                      | 0.13  |
| PHILIPPINES (REP OF) 9.25% 05NOV2034    | 113,000,000                          | 3,323,983                                      | 0.09  |
| PHILIPPINES (REP OF) 9.375% 05OCT2031   | 50,000,000                           | 1,439,436                                      | 0.04  |
| PHILIPPINES (REP OF) 9.5% 04DEC2028     | 66,000,000                           | 1,819,190                                      | 0.05  |
|   |                                      | 210,641,745                                    | 5.65  |

**INVESTMENT PORTFOLIO** *(Continued)*

*As at 31st December 2016 (Unaudited)*

**PRIMARY – BY GEOGRAPHY** *(Continued)*

|                            | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|----------------------------|--|---|
| Total quoted investments   | <u>3,702,315,913</u>                           | <u>99.23</u>  |
| Total investments          | <u>3,702,315,913</u>                           | <u>99.23</u>  |
| Total investments, at cost | <u><u>3,982,600,593</u></u>                    |   |

**ABF Pan Asia Bond Index Fund**  
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**INVESTMENT PORTFOLIO** *(Continued)*

As at 31st December 2016 (Unaudited)

|   | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|---|--|---|
| <b>DISTRIBUTION OF INVESTMENTS (Markit iBoxx)</b> |  |   |
| <b>(a) By credit rating</b>                       |  |   |
| AAA   | 944,551,771                                    | 25.32   |
| AA  | 1,432,825,442                                  | 38.40   |
| A   | 403,682,693                                    | 10.82   |
| BBB   | 545,994,055                                    | 14.63   |
| BB  | 270,370,712                                    | 7.25  |
| Non-rated   | 104,891,240                                    | 2.81  |
|   | <u>3,702,315,913</u>                           | <u>99.23</u>  |
| <b>PORTFOLIO OF INVESTMENTS</b>                   |  |   |
| <b>(b) By asset class</b>                         |  |   |
| Bonds   | 3,695,838,525                                  | 99.05   |
| Money Market Instruments                          | 6,477,388                                      | 0.18  |
|   | <u>3,702,315,913</u>                           | <u>99.23</u>  |
| <b>(c) By industry</b>                            |  |   |
| Financial   | 141,755,234                                    | 3.80  |
| Government  | 3,535,040,828                                  | 94.75   |
| Industrial  | 13,995,458                                     | 0.37  |
| Utilities   | 11,524,393                                     | 0.31  |
|   | <u>3,702,315,913</u>                           | <u>99.23</u>  |

**INVESTMENT PORTFOLIO** *(Continued)*  
*As at 31st December 2016 (Unaudited)*

**TOP TEN HOLDINGS**

|   | Fair value at<br>31st December<br>2016<br>US\$ | Percentage<br>of total net<br>assets at<br>31st December<br>2016<br>(%) |
|---|--|---|
| PHILIPPINES (REP OF) 8% 19JUL2031           | 48,989,151                                     | 1.31  |
| (D) KOREA TREASURY BOND 1.625% 10JUN2018    | 46,415,981                                     | 1.24  |
| THAILAND (GOVT OF) 3.875% 13JUN2019         | 44,892,339                                     | 1.20  |
| CHINA (GOVT OF) 3.52% 25APR2046 (INTERBANK) | 44,182,363                                     | 1.18  |
| HONG KONG (GOVT OF) 2.93% 13JAN2020         | 43,549,887                                     | 1.17  |
| SINGAPORE (GOVT OF) 2.5% 1JUN2019           | 40,839,462                                     | 1.09  |
| SINGAPORE (GOVT OF) 2.75% 01JUL2023         | 40,361,142                                     | 1.08  |
| SINGAPORE (GOVT OF) 0.5% 01APR2018          | 40,139,845                                     | 1.08  |
| (D) KOREA TREASURY BOND 2.75% 10MAR2018     | 39,780,920                                     | 1.07  |
| CHINA GOVT BOND 2.58% 14APR2021 (INTERBANK) | 35,754,991                                     | 0.96  |
|   | <u>424,906,081</u>                             | <u>11.38</u>  |

**ABF Pan Asia Bond Index Fund**  
Interim Report 2016

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS**

*For the period from 1st July 2016 to 31st December 2016 (Unaudited)*

|                                 | Percentage of<br>total net assets<br>as at 31st December<br>2016<br>(%) | Percentage of<br>total net assets<br>as at 30th June<br>2016<br>(%) |
|---------------------------------|---|---|
| <b>Quoted Investments</b>       |   |   |
| <b>Debt securities</b>          |   |   |
| China                           | 21.44   | 21.02   |
| Hong Kong                       | 11.69   | 14.57   |
| Indonesia                       | 7.25  | 6.78  |
| Malaysia                        | 10.97   | 10.88   |
| Philippines                     | 5.65  | 5.28  |
| Singapore                       | 15.62   | 15.15   |
| South Korea                     | 17.11   | 17.08   |
| Thailand                        | 9.50  | 9.12  |
| <b>Total quoted investments</b> | <b>99.23</b>  | <b>99.88</b>  |

**UNDERLYING INDEX CONSTITUENT STOCKS DISCLOSURE**

*As at 31st December 2016*

The underlying index of the Fund namely Markit iBoxx ABF Pan-Asia Index, did not have any constituent stock that accounted for more than 10% of the index as at 31st December 2016.

During the period from 1st July 2016 to 31st December 2016, the Markit iBoxx ABF Pan-Asia Index decreased by 6.10% while the net asset value per unit of the Fund decreased by 6.37%.

## **ADMINISTRATION AND MANAGEMENT**

### **Directors of the Manager**

Mr. Lochiel Cameron Crafter  
Mr. James Keith MacNevin  
Mr. Hon Wing Cheung  
Mr. Kheng Siang Ng  
(Resigned on 4th July 2016 as alternate director  
to Mr. Hon Wing Cheung)  
Mr. Kevin David Anderson  
Ms. June Wong  
(Appointed on 1st November 2016)

### **Members of the Supervisory Committee**

Dr. Philip Lowe  
(Resigned on 2nd December 2016)  
Dr. Guy Debelle  
(Appointed on 5th December 2016)  
Mr. Eiji Maeda  
Mr. Mathee Supapongse  
Mr. Eddie Yue  
Mr. Huang Guobo  
(Resigned on 22nd November 2016)  
Dr. Yong Yin  
(Appointed on 22nd November 2016)  
Mr. Grant Spencer  
Mrs. Ma. Ramona G. D. T. Santiago  
Mr. Erwin Rijanto  
Dr. Sukhdave Singh  
(Resigned on 16th January 2017)  
Mr. Abdul Rasheed Ghaffour  
(Appointed on 16th January 2017)  
Ms. Jacqueline Loh  
Dr. Young Kyung Suh  
(Resigned on 2nd December 2016)  
Mr. Myun-Shik Yoon  
(Appointed on 5th December 2016)

### **Trustee**

HSBC Institutional Trust Services  
(Singapore) Limited  
21 Collyer Quay  
#13-02 HSBC Building  
Singapore 049320

### **Custodian, Administrator, Registrar and Receiving Agent**

HSBC Institutional Trust Services (Asia) Limited  
HSBC Main Building  
1 Queen's Road Central  
Hong Kong

### **Manager**

State Street Global Advisors  
Singapore Limited

Singapore office:  
168 Robinson Road  
#33-01 Capital Tower  
Singapore 068912

Hong Kong branch office:  
68th floor, Two International Finance Center  
8 Finance Street  
Central  
Hong Kong

### **Processing Agent**

HK Conversion Agency Services Limited  
1/F One & Two Exchange Square  
8 Connaught Place  
Central  
Hong Kong

### **Auditor**

PricewaterhouseCoopers LLP  
8 Cross Street  
#17-00 PWC Building  
Singapore 048424  
Singapore