

令和3年6月期 中間決算短信 (令和2年7月1日～令和2年12月31日)

令和3年3月3日

ファンド名 ABF 汎アジア債券インデックス・ファンド 上場取引所 東京証券取引所
 コード番号 1349 売買単位 1口
 連動対象指標 Markit iBoxx® ABF パン・アジア指数
 主要投資資産 有価証券
 管理会社 ステート・ストリート・グローバル・アドバイザーズ・シンガポール・リミテッド
 URL http://www.abf-paif.com/
 代表者 (役職名) ディレクター (氏名) ケーン・シャン・ウン
 問合せ先責任者 (役職名) 代理人 (氏名) 伊東 啓 (TEL) (03)6250-6200
 半期報告書提出予定日 令和3年3月31日

I ファンドの運用状況

1. 令和2年12月中間期の運用状況 (令和2年7月1日～令和2年12月31日)

(1) 資産内訳

(百万円未満切捨て)

	主要投資資産		現金・預金・その他の資産 (負債控除後)		合計 (純資産)	
	金額	構成比	金額	構成比	金額	構成比
	百万円	%	百万円	%	百万円	%
令和2年12月中間期	410,053	(100)	△494	(-)	409,558	(100)
令和2年6月期	381,783	(99.9)	241	(0.1)	382,025	(100)

(2) 設定・交換実績

(千口未満四捨五入)

	前計算期間末 発行済口数(①)	設定口数(②)	交換口数(③)	当中間計算期間末 発行済口数 (①+②-③)
	千口	千口	千口	千口
令和2年12月中間期	30,315	462	170	30,607

(3) 基準価額

(百万円未満切捨て)

	総資産 (①)	負債 (②)	純資産 (③) (①-②)	1口当たり基準価額 (③/当中間計算期間末 (前計算期間末)発行済口数×1口)
	百万円	百万円	百万円	円
令和2年12月中間期	413,474	3,915	409,558	13,381
令和2年6月期	389,004	6,979	382,025	12,601

(注) 日本円への換算は、1米ドル=105.12円の換算率(令和3年2月15日に株式会社三菱UFJ銀行が発表した対顧客電信売・買相場の仲値)により計算されています。

2. 会計方針の変更

- ① 会計基準等の改正に伴う会計方針の変更
 ② ①以外の会計方針の変更

有・無
 有・無

CONTENTS

	<i>Page</i>
Condensed Statement of Net Assets (Unaudited)	5
Condensed Statement of Comprehensive Income (Unaudited)	6
Condensed Statement of Changes in Net Assets Attributable to Unitholders (Unaudited)	7
Condensed Statement of Cash Flows (Unaudited)	8
Notes to the Condensed Financial Statements (Unaudited)	10

ABF Pan Asia Bond Index Fund
Interim Report 2020

CONDENSED STATEMENT OF NET ASSETS

As at 31st December 2020 (Unaudited)

		As at 31.12.2020	As at 30.06.2020	As at 31.12.2019	As at 30.06.2019
	<i>Notes</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Assets					
Current assets					
Investments	<i>6(f)</i>	3,900,811,900	3,631,886,293	3,704,062,825	3,703,115,036
Amounts receivable on subscription of units		–	–	–	3,514,602
Amounts due from brokers		18,187,466	59,839,372	49,851,898	46,958,408
Other receivables		26,058	22,809	24,932	7,187
Cash at banks	<i>6(e)</i>	14,332,505	8,828,282	14,739,707	12,287,784
Total assets		<u>3,933,357,929</u>	<u>3,700,576,756</u>	<u>3,768,679,362</u>	<u>3,765,883,017</u>
Liabilities					
Current liabilities					
Amounts payable on redemption of units		–	–	–	1,167,325
Amounts due to brokers		28,479,564	58,639,086	57,170,271	50,001,330
Audit fee payable		26,774	65,163	29,109	70,862
Trustee fee payable	<i>6(d)</i>	164,171	158,657	160,555	140,560
Management fee payable	<i>6(c)</i>	1,390,588	675,608	1,014,815	1,003,519
Index license fee payable		122,889	208,473	122,173	205,597
Other payables		7,067,481	6,649,248	6,441,356	6,361,400
Liabilities (excluding net assets attributable to unitholders)		<u>37,251,467</u>	<u>66,396,235</u>	<u>64,938,279</u>	<u>58,950,593</u>
Net assets attributable to unitholders	<i>3</i>	<u>3,896,106,462</u>	<u>3,634,180,521</u>	<u>3,703,741,083</u>	<u>3,706,932,424</u>
Number of units in issue	<i>3</i>	<u>30,606,824</u>	<u>30,314,614</u>	<u>30,981,354</u>	<u>31,635,774</u>
Net assets attributable to unitholders per unit	<i>3</i>	<u>127.30</u>	<u>119.88</u>	<u>119.55</u>	<u>117.18</u>

The notes on pages 10 to 21 form part of these financial statements.

ABF Pan Asia Bond Index Fund
Interim Report 2020

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

	Notes	01.07.2020 to 31.12.2020 US\$	01.07.2019 to 31.12.2019 US\$
Income			
Interest income on bank deposits	6(e)	6,665	37,550
Net gain on investments	4	274,116,589	133,635,648
Net foreign exchange loss		(214,090)	(262,578)
Security lending income		158,000	70,428
Other income		1,664	200,332
		<u>274,068,828</u>	<u>133,681,380</u>
Total investment income			
Expenses			
Management fee	6(c)	(2,224,329)	(2,083,700)
Trustee fee	6(d)	(944,886)	(933,258)
Index license fee		(176,438)	(178,356)
Publication and printing expenses	6(i)	(14,340)	(28,076)
Audit fee		(36,450)	(36,847)
Processing agent fee		(5,677)	(5,485)
Safe custody and bank charges	6(i)	(685)	(1,749)
Transaction handling fee	6(i)	(5,275)	(7,500)
Legal and professional fees		(147,696)	(90,083)
Other operating expenses	6(i)	(6,302)	(6,369)
		<u>(3,562,078)</u>	<u>(3,371,423)</u>
Total operating expenses			
Operating profit		<u>270,506,750</u>	<u>130,309,957</u>
Finance costs			
Distributions to unitholders	8	(37,336,175)	(51,849,869)
Interest expense	6(e)	(4,074)	(9,244)
		<u>(37,340,249)</u>	<u>(51,859,113)</u>
Profit after distributions and before tax		233,166,501	78,450,844
Taxation	5,6(i)	(5,927,086)	(5,281,502)
Profit after distributions and tax/increase in net assets attributable to unitholders from operations		<u>227,239,415</u>	<u>73,169,342</u>

The notes on pages 10 to 21 form part of these financial statements.

ABF Pan Asia Bond Index Fund
Interim Report 2020

CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

	01.07.2020 to 31.12.2020 <i>US\$</i>	01.07.2019 to 31.12.2019 <i>US\$</i>
Balance at beginning of the period	3,634,180,521	3,706,932,424
Issuance of units	55,957,743	88,143,376
Redemption of units	(21,271,217)	(164,504,059)
Net issuance/(redemption) of units	34,686,526	(76,360,683)
Increase in net assets attributable to unitholders	227,239,415	73,169,342
Balance at the end of the period	<u>3,896,106,462</u>	<u>3,703,741,083</u>

Number of units in issue

	01.07.2020 to 31.12.2020 <i>Units</i>	01.07.2019 to 31.12.2019 <i>Units</i>
Units in issue at the beginning of the period	30,314,614	31,635,774
Issuance of units	462,210	755,580
Redemption of units	(170,000)	(1,410,000)
Units in issue at the end of the period	<u>30,606,824</u>	<u>30,981,354</u>

The notes on pages 10 to 21 form part of these financial statements.

ABF Pan Asia Bond Index Fund
Interim Report 2020

CONDENSED STATEMENT OF CASH FLOWS

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

	01.07.2020 to 31.12.2020 US\$	01.07.2019 to 31.12.2019 US\$
Cash flows from operating activities		
Increase in net assets attributable to unitholders	227,239,415	73,169,342
Adjustment for:		
Interest income on bank deposits	(6,665)	(37,550)
Interest expense	4,074	9,244
Distributions to unitholders	37,336,175	51,849,869
Taxation	5,927,086	5,281,502
Revaluation (gain)/loss in foreign exchange	(275,168)	300,972
	<u>270,224,917</u>	<u>130,573,379</u>
Operating profit before working capital changes	----- 270,224,917	----- 130,573,379
Net increase in investments	(268,925,607)	(947,789)
Net decrease/(increase) in amounts due from brokers	41,651,906	(2,893,490)
Net increase in other receivable	(3,249)	(17,745)
Net (decrease)/increase in amounts due to brokers	(30,159,522)	7,168,941
Net increase/(decrease) in accounts payable and accrued expenses	473,790	(129,681)
	<u>13,262,235</u>	<u>133,753,615</u>
Cash generated from operations	----- 13,262,235	----- 133,753,615
Interest income on bank deposits received	6,665	37,550
Taxes paid	(5,386,122)	(5,165,751)
	<u>7,882,778</u>	<u>128,625,414</u>
Net cash generated from operating activities	----- 7,882,778	----- 128,625,414
Cash flows from financing activities		
Distributions paid to unitholders	(37,336,175)	(51,849,869)
Interest expense paid	(4,074)	(9,244)
Issuance of units	55,957,743	91,657,978
Redemption of units	(21,271,217)	(165,671,384)
	<u>(2,653,723)</u>	<u>(125,872,519)</u>
Net cash used in financing activities	----- (2,653,723)	----- (125,872,519)
Net increase in cash and cash equivalents	5,229,055	2,752,895
Effect of currency translation	275,168	(300,972)
Cash and cash equivalents at the beginning of the period	8,828,282	12,287,784
	<u>14,332,505</u>	<u>14,739,707</u>
Cash and cash equivalents at the end of the period	----- <u>14,332,505</u>	----- <u>14,739,707</u>
Analysis of balance of cash and cash equivalents:		
Cash at banks	<u>14,332,505</u>	<u>14,739,707</u>

The notes on pages 10 to 21 form part of these financial statements.

ABF Pan Asia Bond Index Fund
Interim Report 2020

CONDENSED STATEMENT OF CASH FLOWS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

Reconciliation of liabilities arising from financing activities

	01.07.2020 to 31.12.2020 <i>US\$</i>	01.07.2019 to 31.12.2019 <i>US\$</i>
At 1st July	-----	-----
	-	1,167,325
Changes from financing cash flows		
Redemption paid	(21,271,217)	(165,671,384)
Other changes		
Redemption of units	<u>21,271,217</u>	<u>164,504,059</u>
At 31st December	<u>-----</u>	<u>-----</u>
	-	-

The notes on pages 10 to 21 form part of these financial statements.

ABF Pan Asia Bond Index Fund

Interim Report 2020

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the period from 1st July 2020 to 31st December 2020 (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 a Third Amending and Restating Deed dated 24th June 2011, a Fourth Amending and Restating Deed dated 10th July 2018 and a Fifth Amending and Restating Deed dated 27 December 2019. The Trust Deed and all supplemental 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 GmbH (formerly known as Markit Indices Limited) (the “**Index Provider**”). The Underlying Index is an indicator of investment returns of debt obligations denominated in China Renminbi, Hong Kong Dollar, Indonesian Rupiah, Korean Won, Malaysian Ringgit, Philippine Peso, Singapore Dollar 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 2020.

Changes to presentation and comparative information

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

3. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AND NUMBER OF UNITS IN ISSUE

Number of units in issue

	01.07.2020 to 31.12.2020 <i>units</i>	01.01.2020 to 30.06.2020 <i>units</i>	01.07.2019 to 31.12.2019 <i>units</i>
Units in issue at the beginning of the period	30,314,614	30,981,354	31,635,774
Issuance of units	462,210	373,260	755,580
Redemption of units	<u>(170,000)</u>	<u>(1,040,000)</u>	<u>(1,410,000)</u>
Units in issue at the end of the period	<u><u>30,606,824</u></u>	<u><u>30,314,614</u></u>	<u><u>30,981,354</u></u>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Net assets attributable to unitholders	<u><u>3,896,106,462</u></u>	<u><u>3,634,180,521</u></u>	<u><u>3,703,741,083</u></u>
Net assets attributable to unitholders (per unit)	<u><u>127.30</u></u>	<u><u>119.88</u></u>	<u><u>119.55</u></u>
Net asset value per Creation unit (1 Creation unit is equivalent to 10,000 units)	<u><u>1,272,954</u></u>	<u><u>1,198,821</u></u>	<u><u>1,195,474</u></u>

ABF Pan Asia Bond Index Fund
Interim Report 2020

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

4. NET GAINS ON INVESTMENTS

	01.07.2020 to 31.12.2020 <i>US\$</i>	01.07.2019 to 31.12.2019 <i>US\$</i>
Change in unrealised gain/(loss) in value of investments	218,253,235	86,624,608
Realised gain on sale of investments	<u>55,863,354</u>	<u>47,011,040</u>
	<u><u>274,116,589</u></u>	<u><u>133,635,648</u></u>

5. TAXATION

The Fund had incurred taxes of US\$5,927,086 (6 months to 31st December 2019: US\$5,281,502) during the period ended 31st December 2020. The amount includes withholding taxes from China, Philippines and Indonesia totaling US\$5,851,652 and the remaining portion of US\$75,434 relates to payments of Singapore corporate income tax and other taxes.

On 7th November 2018, the Ministry of Finance and the PRC State Taxation Administration ("STA") jointly issued a notice Caishui [2018] No.108 ("Circular 108") which stipulates that foreign institutional investors are temporarily exempted from PRC withholding tax and Value Added Tax ("VAT") in respect of bond interest income received from 7th November 2018 to 6th November 2021.

Pursuant to the letter to the unitholders of the Fund dated 28th February 2020, the Manager and the Trustee have decided to change the tax provision policy of the Fund and ceased to make provisions for PRC withholding tax on the interest income received from PRC non-government bonds from 7th November 2018 to 6th November 2021. The Manager will retain the PRC withholding tax provision in respect of bond interest income received before 7th November 2018 until new developments and interpretation of the relevant regulations are available.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

5. TAXATION *(Continued)*

As at 31st December 2020, the Fund made provision of US\$4,176,577 (equivalent to RMB27,285,160) for 10% withholding income tax on interest income from PRC non-government securities received up to 6th November 2018 (as at 30th June 2020: US\$3,845,812, equivalent to RMB27,285,160). The amount is included in "other payables" in Statement of Net Assets. In addition, according to Circular 36, interest received from government bonds and local government bonds are exempted from VAT. According to Circular 108, foreign institutional investors are temporarily exempted from VAT in respect of bond interest income received from 7th November 2018 to 6th November 2021. However, the prevailing VAT regulations do not specifically exempt VAT on interest received by foreign institutional investors for the period from 1st May 2016 to 6th November 2018. Hence, interest income derived during the period from 1st May 2016 to 6th November 2018 on non-government bonds (including corporate bonds) would be subject to 6.72% VAT and VAT related taxes.

Pursuant to the letter to the unitholders of the Fund dated 28th February 2020, the Manager has considered the current PRC tax provisioning policy of the Trust and after consultation with an independent and professional tax advisor, the Fund made a VAT provision of US\$1,124,920 (equivalent to RMB7,348,992) for the bond interest income received from the Trust's investments in PRC non-government bonds, for the period between 1st May 2016 and 6th November 2018 (as at 30th June 2020: US\$1,052,306, equivalent to RMB7,348,992).

6. TRANSACTIONS AND BALANCES 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 the Manager and its Connected Persons were carried out in the ordinary course of business and on normal commercial terms. To the best of the Manager's knowledge, the Fund does not have any other transactions with the Connected Persons of the Manager except for those disclosed below.

ABF Pan Asia Bond Index Fund
Interim Report 2020

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

6. TRANSACTIONS AND BALANCES WITH RELATED PARTIES INCLUDING THE MANAGER AND ITS CONNECTED PERSONS *(Continued)*

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

During the period ended 31st December 2020, the Manager transacted in foreign currency transactions totaling US\$294,013,011 (6 months to 31st December 2019: US\$471,408,139) through its affiliated party, State Street Global Markets, LLC and the Trustee's affiliated parties, The Hongkong and Shanghai Banking Corporation Limited and The Hongkong and Shanghai Banking Corporation Limited Sydney Branch, for the Fund's investments and settlement purpose. The amount represents 100% (6 months to 31st December 2019: 100%) of the Fund's foreign currency transactions during the period ended 31st December 2020.

Name of company	Aggregate value of foreign currency transactions <i>US\$</i>	% of total foreign currency translations <i>%</i>
For the period ended 31.12.2020		
State Street Global Markets, LLC	36,383,104	12.37
The Hongkong and Shanghai Banking Corporation Limited	44,300,000	15.07
The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch	213,329,907	72.56
For the period ended 31.12.2019		
State Street Global Markets, LLC	24,500,000	5.20
The Hongkong and Shanghai Banking Corporation Limited	134,206,030	28.47
The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch	312,702,109	66.33

During the period ended 31st December 2020 and 2019, 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 connected persons of the Manager or the Trustee during the period ended 31st December 2020 and 2019.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

6. TRANSACTIONS AND BALANCES WITH RELATED PARTIES INCLUDING THE MANAGER AND ITS CONNECTED PERSONS *(Continued)*

(b) Holdings of units

As at 31st December 2020, the directors and officers of the Manager did not hold any units in the Fund (2019: Nil). The Hong Kong and Shanghai Banking Corporation Limited, a related party of the Trustee, held 28,397,892 units (30th June 2020: 28,083,247 units) of the Fund as nominee on behalf of its clients, representing 92.78% (2020: 92.64%) of the Fund's net assets.

(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 months' notice in writing to unitholders.

(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.

ABF Pan Asia Bond Index Fund
Interim Report 2020

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

6. TRANSACTIONS AND BALANCES WITH RELATED PARTIES INCLUDING THE MANAGER AND ITS CONNECTED PERSONS *(Continued)*

(e) Bank balances

The bank balance of the Fund is held with a related party of the Trustee, (i.e. The Hongkong Shanghai Banking Corporation Limited). The details of such transactions are as follows:

	As at 31.12.2020 <i>US\$</i>	As at 30.06.2020 <i>US\$</i>
Bank balances	<u>14,332,505</u>	<u>8,828,282</u>

During the period/year ended 31st December 2020 and 30th June 2020, the below income and expenses related to the bank balance of the Fund stated in Statement of Comprehensive Income was earned/paid from/to a related party of the Trustee, (i.e. The Hongkong Shanghai Banking Corporation Limited).

	For the period ended 31.12.2020 <i>US\$</i>	For the year ended 30.06.2020 <i>US\$</i>
Interest income	6,665	58,703
Interest expense	<u>4,074</u>	<u>15,564</u>

(f) Investments

During the period/year ended 31st December 2020 and 30th June 2020, the Fund placed investments with a related party of the Trustee, (i.e. HSBC Institutional Trust Services (Asia) Limited). The details of such investments are as follows:

	As at 31.12.2020 <i>US\$</i>	As at 30.06.2020 <i>US\$</i>
Investments	<u>3,900,811,900</u>	<u>3,631,886,293</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

6. TRANSACTIONS AND BALANCES WITH RELATED PARTIES INCLUDING THE MANAGER AND ITS CONNECTED PERSONS *(Continued)*

(g) Security Lending Arrangement

During the period ended 31st December 2020 and 2019, the Fund put in place a securities lending arrangement with a related party of the Trustee (i.e. HSBC Bank Plc) as a security lending agent. The details of such transactions are as follows:

	For the period ended 31.12.2020 <i>US\$</i>	For the period ended 31.12.2019 <i>US\$</i>
Aggregate securities lending transactions through HSBC Bank Plc	203,856,047	504,608,199

The details of collateral held at the end of the period/year are as follows:

	As at 31.12.2020 <i>US\$</i>	As at 30.06.2020 <i>US\$</i>
Collateral held by HSBC Bank Plc in segregated accounts	113,032,949	92,691,825

ABF Pan Asia Bond Index Fund
Interim Report 2020

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

6. TRANSACTIONS AND BALANCES WITH RELATED PARTIES INCLUDING THE MANAGER AND ITS CONNECTED PERSONS *(Continued)*

(h) Bond transactions with connected persons of the Manager and the Trustee

- (i) During the periods ended 31st December 2020 and 2019, the Fund transacted in bond trades through Trustee's affiliated party as buyers or sellers as follows:

Name of company	Aggregate value of purchase transactions <i>US\$</i>	Aggregate value of sale transactions <i>US\$</i>
For the period ended 31.12.2020		
HSBC Bank (China) Company Limited	32,453,018	18,378,054
The Hongkong and Shanghai Banking Corporation Limited	20,652,317	–
The Hongkong and Shanghai Banking Corporation Limited, Singapore	32,503,961	6,313,936
For the period ended 31.12.2019		
HSBC Bank (China) Company Limited	3,331,412	14,067,742
The Hongkong and Shanghai Banking Corporation Limited	7,969,007	7,028,225
The Hongkong and Shanghai Banking Corporation Limited, Singapore	62,681,419	44,062,923

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

6. TRANSACTIONS AND BALANCES WITH RELATED PARTIES INCLUDING THE MANAGER AND ITS CONNECTED PERSONS *(Continued)*

(h) Bond transactions with connected persons of the Manager and the Trustee *(Continued)*

(ii) During the periods ended 31st December 2020 and 2019, the Fund transacted in bond trades through Trustee's affiliated party as delivering or receiving agents as follows:

Name of company	Aggregate value of transactions 31.12.2020	Aggregate value of transactions 31.12.2019
	<i>US\$</i>	<i>US\$</i>
HSBC Bank (China) Company Limited	57,689,354	17,399,154
HSBC Bank Malaysia Berhad	6,361,025	28,212,675
PT Bank HSBC Indonesia	16,437,620	27,270,985
The Hongkong and Shanghai Banking Corporation Limited	20,652,317	21,400,625
The Hongkong and Shanghai Banking Corporation Limited, Bangkok	13,361,721	18,195,579
The Hongkong and Shanghai Banking Corporation Limited, Seoul Branch	7,068,339	19,121,738
The Hongkong and Shanghai Banking Corporation Limited, Singapore	8,579,407	28,631,043
The Hongkong and Shanghai Banking Corporation Ltd – Philippine Branch	9,279,302	18,273,825

(i) Other respective amounts paid to the Trustee or Manager and their connected persons

(i) During the period ended 31 December 2020 and 2019, other than Trustee fee paid to the trustee or its Connected persons, other respective amounts paid to the Trustee or its Connected persons were as follows:

	01.07.2020 to 31.12.2020	01.07.2019 to 31.12.2019
	<i>US\$</i>	<i>US\$</i>
Publication and printing expenses	61	6
Safe custody and bank charges	334	313
Transaction handling fee	5,275	7,500
Other operating expenses	6,302	6,369

(ii) During the period ended 31 December 2020 and 2019, other than Management fee paid to the Manager no other respective amounts were paid to the Manager or its Connected Persons.

ABF Pan Asia Bond Index Fund
Interim Report 2020

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

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.

The Manager has not participated in any soft dollar arrangements in respect of any transactions for the account of the Fund during the period ended 31st December 2020 and 31st December 2019.

8. DISTRIBUTION

	01.07.2020 to 31.12.2020 <i>US\$</i>	01.07.2019 to 31.12.2019 <i>US\$</i>
Final distribution		
– US\$1.23 on 30,354,614 units paid on 3rd August 2020	37,336,175	–
– US\$1.64 on 31,615,774 units paid on 1st August 2019	–	51,849,869
	<u> </u>	<u> </u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS *(Continued)*

For the period from 1st July 2020 to 31st December 2020 (Unaudited)

9. SUPPLEMENTAL RATIOS

	Period from 01.01.2020 to 31.12.2020	Period from 01.01.2019 to 31.12.2019
Expense ratio ⁽¹⁾	0.19%	0.19%
Turnover ratio ⁽²⁾	6.54%	12.47%

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 for the period from 1st January 2020 to 31st December 2020 of US\$7,103,435 (from 1st January 2019 to 31st December 2019: US\$6,896,678) divided by the average net asset value for the period from 1st January 2020 to 31st December 2020 of US\$3,682,190,787 (from 1st January 2019 to 31st December 2019: US\$3,676,946,830). 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\$245,291,628 (2019: purchases of US\$456,719,735) of the underlying investments, divided by the average daily net asset value of US\$3,748,777,070 (2019: US\$3,662,580,521). In line with the recommendation of Statement of Recommended Accounting Practice 7 "Reporting framework for Unit Trusts" ("RAP 7") issued by the Institute of Singapore Chartered Accountants, 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\$1.27 per unit on 7th January 2021. The dividend was paid on 3rd February 2021. The net assets attributable to unitholders as at 31st December 2020 has not accrued the dividend distribution payable as mentioned above.

On 8th January 2021, Ms. June Wong resigned from her position as director of the Manager. On 10th February 2021, Mr. Ong Hwee Yeow resigned from his position as director of the Manager and Mr. Kheng Siang Ng is appointed as director of the Manager.