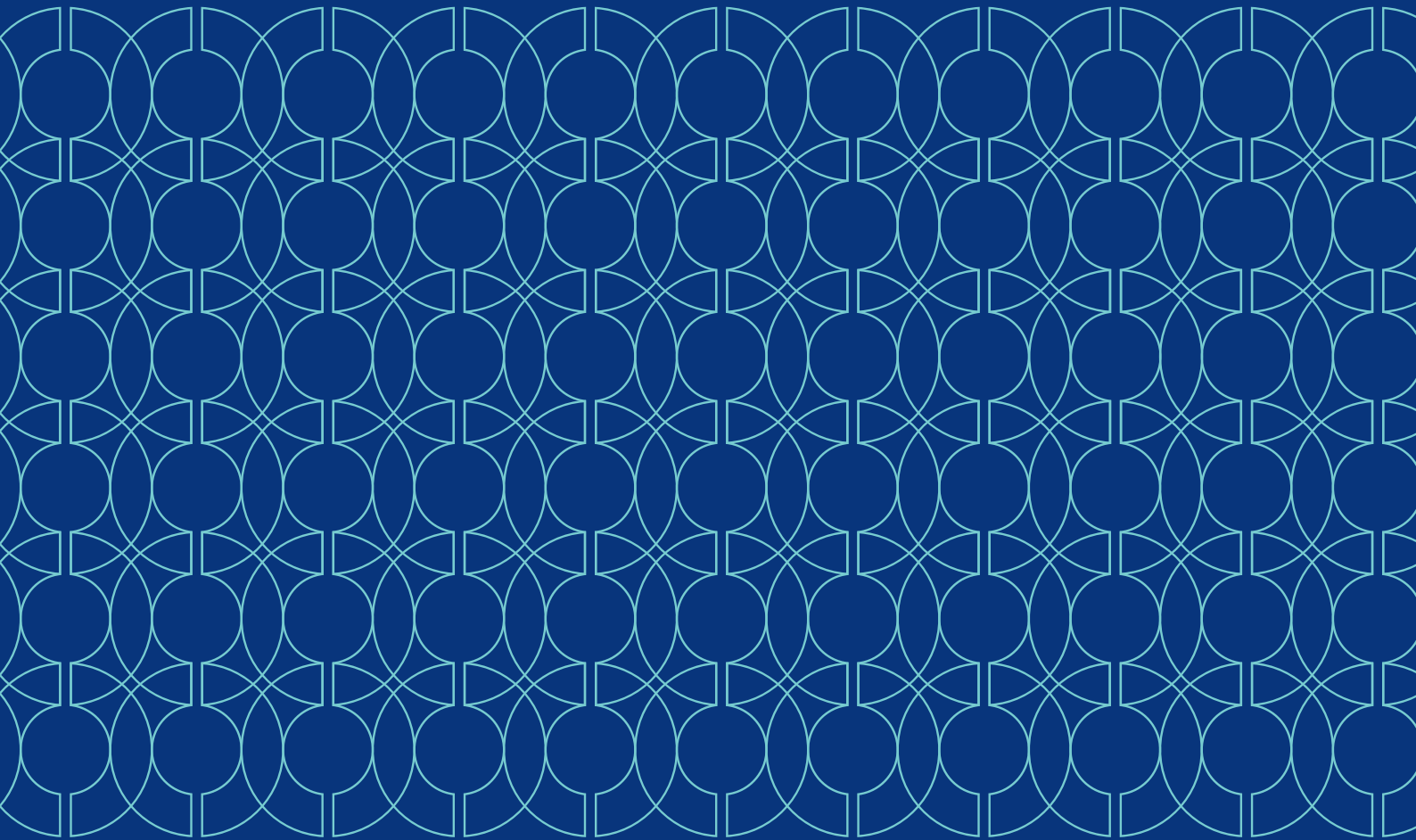


**Schroders**

**SCHRODER ASIAN GROWTH FUND**

**Semi-Annual Report & Financial Statements**

**June 2019**



## **SCHRODER ASIAN GROWTH FUND**

*Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991*

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### **Manager**

Schroder Investment Management (Singapore) Ltd  
138 Market Street  
#23-01 CapitaGreen  
Singapore 048946  
Company Registration No. 199201080H

### **Trustee**

HSBC Institutional Trust Services (Singapore) Limited  
21 Collyer Quay  
#13-02 HSBC Building  
Singapore 049320  
Company Registration No. 194900022R

### **Auditor**

PricewaterhouseCoopers LLP  
7 Straits View  
Marina One East Tower, Level 12  
Singapore 018936

### **Solicitor to the Manager**

Clifford Chance Pte Ltd  
Marina Bay Financial Centre  
25th Floor, Tower 3  
12 Marina Boulevard  
Singapore 018982

### **Solicitor to the Trustee**

Shook Lin & Bok LLP  
1 Robinson Road  
#18-00 AIA Tower  
Singapore 048542

### **Further Information**

Schroders is a Foreign Account Tax Compliance Act (“FATCA”) compliant organisation. Please find the FATCA classification of this Fund and its Global Intermediary Identification Number (“GIIN”) below.

FATCA entity classification: Nonreporting IGA FFI / Sponsored Investment Entity

GIIN: WM9S4Z.00023.SF.702

## SCHRODER ASIAN GROWTH FUND

*Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991*

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### COMMENTARY

After a difficult second half in 2018, Asian equity markets had one of their best starts to a year in 2019. Key to this major reversal in sentiment was the shift in policy stance from the US Federal Reserve (Fed) and Chinese authorities. Both have moved towards a more accommodative position, more supportive of medium-term growth and liquidity. Until early May this year, there was also greater optimism among investors over the prospects for a trade deal between the US and China. However, recent negotiations have stalled and restarted again, indicating that the threat of a further increase in tariffs remains a major overhang for markets. Against this backdrop, the Fund posted strong gains in the first quarter, while the second quarter was more muted. Year-to-date, the Fund gained 13.1%, outperforming the regional benchmark which rose 9.9% over the period.

In the US, subdued inflation data and dovish Fed commentary have significantly altered market expectations for future interest rates. A rate cut is now more likely in the next 12 months, versus the path of steady rate hikes expected six months ago. Tapering of the Fed balance sheet is also likely to end sooner than previously thought. In line with this more accommodative stance and concerns over the impact of the trade war on global growth, long-dated bond yields have fallen dramatically from their November highs. In a world where the US dollar remains the key reserve currency and many Asian economies need to adjust their own policy stance (at least loosely) along with the Fed to support their local currencies, this shift in US dollar money markets has positive implications. At the same time, the oil price has corrected from its October highs, which is beneficial for the trade balances of the many oil-importing economies in Asia and improves disposable incomes for consumers around the region. Supporting this view, we have recently seen interest rate cuts in India, Malaysia and the Philippines – reversing hikes put through in 2018 when external conditions were more hostile.

We have also seen an important shift in China's policy stance in the last six months. Until late last year, macro policy had been more focused towards deleveraging in the shadow banking sector, with aggregate credit growth slowing sharply from the high teens in early 2017 to around 10% in the fourth quarter of 2018. More recently, reserve requirement ratios have been cut, and banks have been encouraged to lend more aggressively to small and medium-sized enterprises (SMEs) and the private sector. The recent acceleration in credit data suggests that local financial institutions are responding to this top-down guidance. Fiscal spending also appears to be picking up to support growth, with lower income taxes for consumers and reduced value-added tax for corporates being announced and an acceleration of some infrastructure spending coming through.

A more supportive monetary backdrop explains the big bounce in markets this year, which by end-April took multiples almost back to 2018 highs, having touched the (non-crisis) lows of the last 20 years in November. In other words, we have almost completed a round trip in investor risk appetite from "greed" to "fear" and back towards "greed" again. The most dramatic shift in market behaviour occurred in the onshore China A-share market. The Shenzhen Composite index rebounded more than 45% from its lows, having been one of the weakest global performers last year. Domestic Chinese investors were quick to react negatively to China's growth slowdown and the escalating trade war in 2018, so policy shifts on these fronts have had an outsized positive impact earlier this year.

## **SCHRODER ASIAN GROWTH FUND**

*Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991*

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Given the much more positive investor expectations and more demanding valuations that were in place at the end of April, it is not surprising that markets corrected sharply when trade negotiations broke down in the second quarter of 2019. The direct impact of tariff announcements on the earnings of listed Asian companies is relatively small, given the dominance of domestic businesses in regional equity indices. However, higher tariffs have a much broader negative impact on growth expectations given the impact on corporate and consumer confidence, not just in China but across the region and the rest of the world. Higher tariffs will raise many end-product prices for US and Chinese consumers and will likely dampen demand, further reducing already weak trade volumes while heightened uncertainty will deter corporate investment as companies adopt a wait-and-see attitude. The RMB has also started to weaken since April, and this could have a knock-on deflationary impact globally. All of this undermines the earlier optimism around the outlook for growth and earnings for the second half of the year.

A trade deal remains possible as there appears to be clear incentives for both sides to show progress. However, it is impossible to be certain about this today given the unpredictability of the parties involved and the sudden hardening of the US position in May. Given the inherent volatility of trade negotiations, markets are likely to remain very sensitive to daily headlines with many investors taking a wait-and-see attitude as a result. While markets could see further correction if tariffs are imposed on all US\$500 billion of imports from China, central banks in the US and China have moved towards a more pro-growth stance. We can expect to see further stimulus announced in China if economic momentum slips from here.

Given the lack of clarity on the macro front and the risks to global growth due to ongoing trade tensions, we remain focused on selective areas of longer-term secular growth that offer opportunities for attractive compounding of returns and are less reliant on a pick-up in headline GDP growth rates. Within our China holdings, the vast majority of exposure is to domestic businesses with little or no export exposure to the US – such as e-commerce, hotels and travel, education, insurance and healthcare. Where we do have export exposure across the region, it is to industry leaders that we believe will be able to sustain their competitive positioning in the event of higher tariffs and that have clear, company-specific growth drivers over the medium to long term. As interest rate expectations have moderated, the attraction of growing dividend yields has become more apparent. We continue to see attractive value in names where management takes a more progressive attitude to dividend payouts, given improving free cash flows and better capital discipline across the region.

June 2019

**SCHRODER ASIAN GROWTH FUND**

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

**STATEMENT OF TOTAL RETURN**

For the financial period ended 30 June 2019 (Unaudited)

	30 Jun 2019 \$	30 Jun 2018 \$
<b>Income</b>		
Dividends:		
Singapore	661,222	418,266
Foreign	21,316,319	18,034,309
Interest on deposits with banks	54,487	6,241
	<b>22,032,028</b>	<b>18,458,816</b>
<b>Less : Expenses</b>		
Management fees	8,473,469	7,693,804
Less : Management fee rebates	(32)	-
Trustee fees	233,563	212,772
Valuation fees	183,337	168,747
Custodian fees	204,710	184,744
Registration fees	746,211	677,600
Audit fees	8,179	10,225
Transaction costs	655,688	700,952
Others	231,751	285,186
	<b>10,736,876</b>	<b>9,934,030</b>
<b>Net income</b>	<b>11,295,152</b>	<b>8,524,786</b>
<b>Net gains or losses on value of investments and financial derivatives</b>		
Net gains/(losses) on investments	170,484,496	(25,657,433)
Net losses on spot foreign exchange contracts	(98,592)	(845,780)
Net foreign exchange (losses)/gains	(360,582)	174,682
	<b>170,025,322</b>	<b>(26,828,531)</b>
<b>Total return/(deficit) for the period before income tax</b>	<b>181,320,474</b>	<b>(17,803,745)</b>
<b>Income tax expense</b>	<b>(3,439,619)</b>	<b>(1,884,404)</b>
<b>Total return/(deficit) for the period</b>	<b>177,880,855</b>	<b>(19,688,149)</b>

**SCHRODER ASIAN GROWTH FUND***Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991***STATEMENT OF FINANCIAL POSITION***As at 30 June 2019 (Unaudited)*

	<b>30 Jun 2019</b>	31 Dec 2018
	\$	\$
<b>ASSETS</b>		
Portfolio of investments	<b>1,526,705,517</b>	1,335,932,507
Bank balances	<b>40,540,605</b>	26,880,282
Sales awaiting settlement	-	97,759
Receivables	<b>20,711,414</b>	11,016,446
<b>Total assets</b>	<b><u>1,587,957,536</u></b>	<u>1,373,926,994</u>
<b>LIABILITIES</b>		
Purchases awaiting settlement	<b>5,327,086</b>	-
Payables	<b>15,863,077</b>	34,434,973
Financial derivatives	<b>38</b>	853
<b>Total liabilities</b>	<b><u>21,190,201</u></b>	<u>34,435,826</u>
<b>EQUITY</b>		
Net assets attributable to unitholders	<b><u>1,566,767,335</u></b>	<u>1,339,491,168</u>

**SCHRODER ASIAN GROWTH FUND***Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period ended 30 June 2019 (Unaudited)*

	<b>30 Jun 2019</b>	31 Dec 2018
	\$	\$
<b>Net assets attributable to unitholders at the beginning of the financial period/year</b>	<b>1,339,491,168</b>	1,168,018,072
<b>Operations</b>		
Change in net assets attributable to unitholders resulting from operations	177,880,855	(231,544,362)
<b>Unitholders' contributions/(withdrawals)</b>		
Creation of units	232,781,748	744,153,242
Cancellation of units	(164,395,293)	(285,158,484)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	68,386,455	458,994,758
Distributions	(18,991,143)	(55,977,300)
Total increase in net assets attributable to unitholders	227,276,167	171,473,096
<b>Net assets attributable to unitholders at the end of the financial period/year</b>	<b>1,566,767,335</b>	1,339,491,168

**SCHRODER ASIAN GROWTH FUND**

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

**STATEMENT OF PORTFOLIO**

As at 30 June 2019 (Unaudited)

**Primary**

	Holdings at 30 Jun 2019	Fair value at 30 Jun 2019 \$	Percentage of total net assets attributable to unitholders at 30 Jun 2019 %
<b>By geography</b>			
<b>Quoted</b>			
<b>Equities</b>			
<b>CHINA</b>			
Alibaba Group Hldg Ltd ADR	406,927	93,291,017	5.95
China Intl Travel Service Corp Ltd A Shares	457,306	7,980,333	0.51
China Mobile Ltd	1,506,500	18,562,469	1.18
China Pacific Insurance Group Co Ltd H Shares	7,328,800	38,773,569	2.47
China Petroleum & Chemical Corp H Shares	26,870,000	24,708,926	1.58
China Resources Land Ltd	4,720,000	28,118,499	1.79
China Taiping Insurance Hldg Co Ltd	7,893,542	28,569,978	1.82
CNOOC Ltd	8,218,000	19,013,597	1.21
Hansoh Pharmaceutical Group Co Ltd	2,812,000	10,056,042	0.64
Hefei Meiya Optoelectronic Technology Inc A Shares	1,798,596	11,542,147	0.74
Hollysys Automation Technologies Ltd	637,934	16,398,763	1.05
Huazhu Group Ltd ADR	706,251	34,637,683	2.21
Hutchison China MediTech Ltd ADR	811,333	24,149,246	1.54
Leyard Optoelectronic Co Ltd	10,219,731	15,752,032	1.01
Midea Group Co Ltd A Shares	2,004,104	20,459,176	1.31
New Oriental Education & Technology Group Inc ADR	257,817	33,688,409	2.15
Tencent Hldg Ltd	1,521,800	92,924,788	5.93
Vipshop Hldg Ltd ADR	1,364,078	15,926,918	1.02
WuXi Biologics Cayman Inc	645,000	7,835,723	0.50
Zhejiang Sanhua Intelligent Controls Co Ltd A Shares	5,833,283	12,114,371	0.77
		<b>554,503,686</b>	<b>35.38</b>
<b>HONG KONG</b>			
AIA Group Ltd	4,992,000	72,834,338	4.64
BOC Hong Kong Hldg Ltd	5,382,000	28,660,285	1.83
Chow Sang Sang Hldg Intl Ltd	5,001,000	9,959,703	0.64
Galaxy Entertainment Group Ltd	3,693,000	33,672,036	2.15
Jardine Strategic Hldg Ltd	705,700	36,405,640	2.32
Kerry Properties Ltd	5,880,500	33,402,563	2.13
Pacific Textiles Hldg Ltd	9,888,000	10,582,508	0.68
Swire Properties Ltd	6,270,050	34,258,004	2.19
Techtronic Ind Co Ltd	4,384,000	45,400,791	2.90
		<b>305,175,868</b>	<b>19.48</b>



**SCHRODER ASIAN GROWTH FUND**

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

**STATEMENT OF PORTFOLIO**

As at 30 June 2019 (Unaudited)

**Primary (continued)**

	Holdings at 30 Jun 2019	Fair value at 30 Jun 2019 \$	Percentage of total net assets attributable to unitholders at 30 Jun 2019 %
<b>By geography</b>			
<b>Quoted</b>			
<b>Equities</b>			
<b>INDIA</b>			
Apollo Hospitals Enterprise Ltd	758,336	20,202,476	1.29
Arvind Fashions Ltd	610,431	8,141,872	0.52
Arvind Ltd	1,750,270	2,171,542	0.14
HDFC Bank Ltd	1,263,433	60,515,769	3.86
ICICI Bank Ltd	4,869,796	41,720,657	2.66
Infosys Ltd	1,677,265	24,064,250	1.54
The Phoenix Mills Ltd	1,398,486	17,424,884	1.11
Zee Entertainment Enterprises Ltd	2,330,727	15,470,418	0.99
		<b>189,711,868</b>	<b>12.11</b>
<b>PHILIPPINES</b>			
Ayala Land Inc	18,060,800	24,227,894	1.55
RFM Corp	70,610,600	9,136,523	0.58
		<b>33,364,417</b>	<b>2.13</b>
<b>SINGAPORE</b>			
Jardine Cycle & Carriage Ltd	358,500	12,988,455	0.83
Oversea-Chinese Banking Corp Ltd	3,216,956	36,673,298	2.34
		<b>49,661,753</b>	<b>3.17</b>
<b>SOUTH KOREA</b>			
ING Life Insurance Korea Ltd	451,742	16,753,113	1.07
LG Chem Ltd	74,946	31,131,212	1.99
Mando Corp	263,463	9,106,951	0.58
Samsung Electronics Co Ltd	1,813,750	99,886,459	6.37
SK Materials Co Ltd	127,332	22,096,523	1.41
		<b>178,974,258</b>	<b>11.42</b>
<b>SRI LANKA</b>			
John Keells Hldg PLC	11,282,414	11,987,110	0.77

**SCHRODER ASIAN GROWTH FUND***Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991***STATEMENT OF PORTFOLIO***As at 30 June 2019 (Unaudited)***Primary (continued)**

	Holdings at 30 Jun 2019	Fair value at 30 Jun 2019 \$	Percentage of total net assets attributable to unitholders at 30 Jun 2019 %
<b>By geography</b>			
<b>Quoted</b>			
<b>Equities</b>			
<b>TAIWAN</b>			
Largan Precision Co Ltd	111,000	18,639,515	1.19
Merida Ind Co Ltd	1,638,850	13,099,736	0.84
Taiwan Semiconductor Manufacturing Co Ltd	9,133,309	95,085,282	6.06
		<b>126,824,533</b>	<b>8.09</b>
<b>THAILAND</b>			
Kasikornbank PCL NVDR	3,000,300	<b>24,884,325</b>	<b>1.59</b>
<b>UNITED KINGDOM</b>			
Standard Chartered PLC	2,759,150	<b>33,328,151</b>	<b>2.13</b>
<b>UNITED STATES OF AMERICA</b>			
Samsonite Intl SA	5,893,500	<b>18,289,548</b>	<b>1.17</b>
<b>Portfolio of investments</b>		<b>1,526,705,517</b>	<b>97.44</b>
<b>Other net assets</b>		<b>40,061,818</b>	<b>2.56</b>
<b>Net assets attributable to unitholders</b>		<b>1,566,767,335</b>	<b>100.00</b>

**Legend :**

ADR : American Depository Receipts

NVDR : Non-Voting Depository Receipts

**SCHRODER ASIAN GROWTH FUND***Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991***STATEMENT OF PORTFOLIO***As at 30 June 2019 (Unaudited)***Primary (continued)**

	<b>Percentage of total net assets attributable to unitholders at 30 Jun 2019 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 Dec 2018 %</b>
<b>By geography (summary)</b>		
<b>Quoted</b>		
China	<b>35.38</b>	34.70
Hong Kong	<b>19.48</b>	18.66
India	<b>12.11</b>	13.11
Indonesia	-	0.05
Philippines	<b>2.13</b>	1.80
Singapore	<b>3.17</b>	3.26
South Korea	<b>11.42</b>	12.73
Sri Lanka	<b>0.77</b>	1.00
Taiwan	<b>8.09</b>	9.77
Thailand	<b>1.59</b>	1.63
United Kingdom	<b>2.13</b>	2.02
United States of America	<b>1.17</b>	1.00
<b>Portfolio of investments</b>	<b>97.44</b>	99.73
<b>Other net assets</b>	<b>2.56</b>	0.27
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	100.00

**SCHRODER ASIAN GROWTH FUND**

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

**STATEMENT OF PORTFOLIO**

As at 30 June 2019 (Unaudited)

**Secondary**

	Fair value at 30 Jun 2019 \$	Percentage of total net assets attributable to unitholders at 30 Jun 2019 %	Percentage of total net assets attributable to unitholders at 31 Dec 2018 %
<b>By industry</b>			
Automobiles & Components	9,106,951	0.58	0.89
Bank	225,782,485	14.42	14.83
Chemicals/Petrochemicals	53,227,735	3.40	3.79
Consumer Durables	72,744,382	4.64	4.69
Diversified Operations	48,392,750	3.09	3.31
Education Services	33,688,409	2.15	1.72
Food & Beverage	9,136,523	0.58	0.67
Health Care/Pharmaceuticals	62,243,487	3.97	4.27
Hotel & Leisure	76,290,052	4.87	5.44
Industrial Machinery	85,456,072	5.45	5.65
Insurance	156,930,998	10.02	9.49
Internet Services	93,291,017	5.95	4.83
IT Services	24,064,250	1.54	1.61
Media	108,395,206	6.92	7.09
Oil & Gas	43,722,523	2.79	2.61
Real Estate	137,431,844	8.77	7.93
Retail	38,875,076	2.48	2.56
Semiconductor	95,085,282	6.07	6.82
Software	-	-	0.57
Technology Hardware & Equipment	134,278,006	8.57	9.48
Telecommunications	18,562,469	1.18	1.48
<b>Portfolio of investments</b>	<b>1,526,705,517</b>	<b>97.44</b>	<b>99.73</b>
<b>Other net assets</b>	<b>40,061,818</b>	<b>2.56</b>	<b>0.27</b>
<b>Net assets attributable to unitholders</b>	<b>1,566,767,335</b>	<b>100.00</b>	<b>100.00</b>

## SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

### UNITS IN ISSUE

For the financial period ended 30 June 2019 (Unaudited)

<b>S\$ Class</b>	<b>30 Jun 2019 Units</b>	<b>31 Dec 2018 Units</b>
At the beginning of the financial period/year	<b>384,170,765</b>	286,959,304
Created	<b>59,376,754</b>	163,282,900
Cancelled	<b>(41,343,888)</b>	(66,071,439)
At the end of the financial period/year	<b>402,203,631</b>	384,170,765
	<b>\$</b>	<b>\$</b>
<b>Net assets attributable to unitholders</b>	<b>1,397,745,549</b>	1,195,034,801
<b>Net assets attributable to unitholders per unit</b>	<b>3.48</b>	3.11
<b>US\$ Class</b>	<b>30 Jun 2019 Units</b>	<b>31 Dec 2018 Units</b>
At the beginning of the financial period/year	<b>33,456,232</b>	15,090,905
Created	<b>5,943,681</b>	27,037,705
Cancelled	<b>(4,360,656)</b>	(8,672,378)
At the end of the financial period/year	<b>35,039,257</b>	33,456,232
	<b>US\$</b>	<b>US\$</b>
<b>Net assets attributable to unitholders</b>	<b>124,961,714</b>	105,987,875
<b>Net assets attributable to unitholders per unit</b>	<b>3.57</b>	3.17

The Fund currently offers 2 Classes of units, namely S\$ Class units and US\$ Class units. Both Classes of units constitute the Fund and have different features. The key difference between the Classes is the currency of denomination applicable to each Class. The US\$ Class is structured such that all or substantially all its assets are invested into the S\$ Class, and is subject to foreign exchange risk against the Fund's functional currency.

Net assets attributable to unitholders ("NAV") is apportioned between both Classes of units based on the proportion of NAV of each Class, which is determined by computing the equivalent number of units of S\$ Class and US\$ Class units in issue. Any expense, income and/or gain which is attributable to a particular Class shall be deducted from or added to the net assets attributable to that Class.

## SCHRODER ASIAN GROWTH FUND

Constituted under a Trust Deed in the Republic of Singapore on 4 April 1991

### FINANCIAL RATIOS

For the financial period ended 30 June 2019 (Unaudited)

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	30 Jun 2019	30 Jun 2018
Expense ratio <sup>1</sup>	1.34%	1.35%
Turnover ratio <sup>2</sup>	8.92%	8.04%

<sup>1</sup> 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 was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include brokerage and other transaction 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 respective values used in the calculation of the expense ratio are disclosed below. The average net asset value is based on the daily balances.

Expense ratio calculations	30 Jun 2019	30 Jun 2018
	\$	\$
Total operating expenses	19,722,924	16,133,509
Average net asset value	1,468,554,789	1,192,072,727

<sup>2</sup> 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 value of purchases or sales of the underlying investments divided by the average daily net asset value.

Turnover ratio calculations	30 Jun 2019	30 Jun 2018
	\$	\$
Lower of purchases or sales	135,403,187 (sales)	110,817,249 (sales)
Average net asset value	1,518,724,386	1,377,969,203

## REPORT TO UNITHOLDERS

30 June 2019

The following is a report on the Schroder Asian Growth Fund (the "Fund"):

1. Top 10 holdings of the Fund as at 30 June 2019:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Samsung Electronics Co Ltd	99,886,459	6.37
Taiwan Semiconductor Manufacturing Co Ltd	95,085,282	6.06
Alibaba Group Hldg Ltd ADR	93,291,017	5.95
Tencent Hldg Ltd	92,924,788	5.93
AIA Group Ltd	72,834,338	4.64
HDFC Bank Ltd	60,515,769	3.86
Techtronic Ind Co Ltd	45,400,791	2.90
ICICI Bank Ltd	41,720,657	2.66
China Pacific Insurance Group Co Ltd H Shares	38,773,569	2.47
Oversea-Chinese Banking Corp Ltd	36,673,298	2.34

Top 10 holdings of the Fund as at 30 June 2018:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Samsung Electronics Co Ltd	97,481,324	6.65
Alibaba Group Hldg Ltd ADR	90,835,764	6.20
Tencent Hldg Ltd	85,783,284	5.86
Taiwan Semiconductor Manufacturing Co Ltd	75,253,552	5.14
AIA Group Ltd	55,054,966	3.76
HDFC Bank Ltd	49,418,786	3.37
Huazhu Group Ltd ADR	36,376,441	2.48
China Pacific Insurance Group Co Ltd H Shares	36,366,796	2.48
Techtronic Ind Co Ltd	35,805,028	2.44
China Petroleum & Chemical Corp H Shares	35,589,065	2.43

The Fund was not invested in other unit trusts, mutual funds or collective investment schemes as at 30 June 2019. For the full composition of investments of the Fund as at 30 June 2019, refer to the Statement of Portfolio on pages 7 to 11.

## REPORT TO UNITHOLDERS

30 June 2019

2. The Fund has the following exposure to financial derivatives as at 30 June 2019:

	Fair value \$	Percentage of total net assets attributable to unitholders %
Contracts:		
Spot foreign exchange	(38)	(*)

\* Less than 0.01

The net loss on financial derivatives realised in the period 1 January 2019 to 30 June 2019 amounted to S\$98,554.

The net loss on outstanding financial derivatives marked to market as at 30 June 2019 amounted to S\$38.

3. The Fund did not have any borrowings as at 30 June 2019.

4. The amount of subscriptions and redemptions in the period 1 January 2019 to 30 June 2019 were as follows:

	\$
Subscriptions	232,781,748
Redemptions	164,395,293

5. Expense Ratio

1 July 2018 to 30 June 2019	1.34%
1 July 2017 to 30 June 2018	1.35%

6. Turnover of Portfolio

1 January 2019 to 30 June 2019	8.92%
1 January 2018 to 30 June 2018	8.04%



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### 7. Soft dollar commissions/arrangements:

In the management of the Fund, the Manager may accept soft dollar commissions from, or enter into soft dollar arrangements with, stockbrokers who execute trades on behalf of the Fund and the soft dollars received are restricted to the following kinds of services:

- (i) research, analysis or price information;
- (ii) performance measurement;
- (iii) portfolio valuations; and
- (iv) administration services.

The Manager may not receive or enter into soft dollar commissions or arrangements unless (a) such soft dollar commissions or arrangements shall reasonably assist the Manager in their management of the Fund, (b) best execution is carried out for the transactions, and (c) that no unnecessary trades are entered into in order to qualify for such soft dollar commissions or arrangements. The Manager shall not receive goods and services such as travel, accommodation and entertainment.

### 8. Related Party Transactions

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Registrar for the Fund is Schroder Investment Management (Europe) SA, a related party of the Manager. The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group. The management fees, net of any management fee rebates, paid to the Manager and registration fees paid to the Registrar; trustee fees, valuation fees and custodian fees charged by, and interest earned on deposits with, the HSBC Group are shown in the Statement of Total Return.

As at reporting date, the Fund maintained with the HSBC Group, the following bank balances:

	<b>30 Jun 2019</b>	<b>31 Dec 2018</b>
	<b>\$</b>	<b>\$</b>
Current accounts	<b><u>40,540,605</u></b>	<b><u>26,880,282</u></b>

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### 9. Performance of Fund for periods ended 30 June 2019

	<b>3</b>	<b>6</b>	<b>1</b>	<b>3</b>	<b>5</b>	<b>10</b>	<b>Since</b>
	<b>mths</b>	<b>mths</b>	<b>yr</b>	<b>yrs*</b>	<b>yrs*</b>	<b>yrs*</b>	<b>Launch**</b>
S\$ Class	-2.0%	13.1%	-2.5%	15.3%	9.4%	11.1%	8.9%
Benchmark**	-0.8%	9.9%	-1.2%	11.7%	6.6%	7.4%	6.1%
US\$ Class	-1.9%	14.0%	-1.7%	15.1%	7.7%	11.9%	11.0%
Benchmark**	-0.7%	10.7%	-0.5%	11.5%	4.8%	8.2%	9.0%

\* Returns of more than 1 year are annualised

# Since launch figures from 8 May 1991 (S\$ Class) and 30 April 2004 (US\$ Class)

\*\* Benchmark: The benchmark of the Fund has been changed from the MSCI AC Far East ex Japan Index (Gross Dividend Reinvested) to the MSCI AC Far East ex Japan Index (Net Dividend Reinvested) with effect from 1 March 2013. On 1 March 2016, the MSCI AC Asia ex Japan Index (Net Dividend Reinvested) replaced the MSCI AC Far East ex Japan Index (Net Dividend Reinvested).

Source: Schroders, class currency, bid to bid, net income reinvested.

