



## VALUE GOLD ETF

Stock code: 03081 (HKD) | 83081 (RMB)

# 2016 SEMI-ANNUAL REPORT

For the six months ended 30 September 2016

**Sensible Asset Management Hong Kong Limited**

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*In the event of inconsistency, the English text of this Semi-Annual Report shall prevail over the Chinese text. This report shall not constitute an offer to sell or a solicitation of an offer to buy shares in any of the funds. Subscriptions are to be made only on the basis of the information contained in the prospectus, as supplemented by the latest semi-annual and annual reports.*

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# VALUE GOLD ETF

(A Hong Kong Unit Trust)

## GENERAL INFORMATION

### Investment Manager

Sensible Asset Management Hong Kong Limited  
9th Floor, Nexus Building  
41 Connaught Road Central  
Hong Kong

### Sub-investment Manager

Value Partners Hong Kong Limited  
9th Floor, Nexus Building  
41 Connaught Road Central  
Hong Kong

### Directors of the Investment Manager

Mr. Chow Wai Chiu William  
Mr. So Chun Ki Louis

### Trustee and Registrar

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

### Custodian

HKIA Precious Metals Depository Limited  
HKIA Tower  
1 Sky Plaza Road  
Hong Kong International Airport  
Lantau  
Hong Kong

### Legal Advisor

Simmons & Simmons  
13th Floor, One Pacific Place  
88 Queensway  
Hong Kong

### Auditor

Ernst & Young  
22/F, CITIC Tower  
1 Tim Mei Avenue Central  
Hong Kong

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## GENERAL INFORMATION (Continued)

### Recent awards and achievements

<b>Corporate awards (ETF)</b>	
2016	<ul style="list-style-type: none"><li>• <b>Value Partners</b> <b>ETF and Indexing Awards 2016 – Best ETF Launch</b> <i>– Asia Asset Management &amp; ETFI Asia</i></li><li>• <b>Value Partners</b> <b>ETF and Indexing Awards 2016 – Best Commodity ETF</b> <i>– Asia Asset Management &amp; ETFI Asia</i></li><li>• <b>Value Partners</b> <b>ETF and Indexing Awards 2016 – Best Smart Beta ETF</b> <i>– Asia Asset Management &amp; ETFI Asia</i></li></ul>
<b>Value Gold ETF</b>	
2012	<ul style="list-style-type: none"><li>• <b>Best of the Best Awards 2011</b> <b>Best of the Best Regional Awards - Best Performing Small ETF</b> <i>– Asia Asset Management</i></li></ul>
2011	<ul style="list-style-type: none"><li>• <b>2010 Best of the Best Awards</b> <b>Best of the Best Awards - Hong Kong - Best New ETF category</b> <i>– Asia Asset Management</i></li></ul>

# VALUE GOLD ETF

(A Hong Kong Unit Trust)

## MANAGER'S REPORT

Value Gold ETF ("the Fund") is a fund constituted in the form of a unit trust established under Hong Kong law. The Fund is a "physical" ETF, meaning it will hold actual gold. Units in the Fund are listed on The Stock Exchange of Hong Kong Limited (SEHK). The Fund seeks to provide investment results, before fees and expenses, that closely correspond to the performance of the London Bullion Markets Association ("LBMA") Gold Price.

As at 30 September 2016, the Net Asset Value ("NAV") per unit of the Fund was HKD32.24, and 21,300,000 units were outstanding. The total size of the Fund was approximately HKD687 million.

A summary of the performance of the Index and the Fund is given below.

Total Return in HKD	From 1 April 2016 to 30 September 2016	2016 YTD (as at 30 September)	Since inception
LBMA Gold Price	7.6%	25.0%	0.0%
Value Gold ETF	7.4%	24.6%	-2.6%

The difference in performance between the LBMA Gold Price and the Value Gold ETF is mainly attributed to fees and expenses. The historical tracking error for the NAV of the Fund against the LBMA Gold Price was at 3 basis points on an annualized basis since its inception on 29 October 2010.

### Sensible Asset Management Hong Kong Limited

25 November 2016

*All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg, in HKD, NAV to NAV with dividends reinvested, as at 30 September 2016. Performance data is net of all fees.*

*Investors should note that investments involve risk. The price of units may go down as well as up and past performance is not indicative of future results.*

**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
AS AT 30 SEPTEMBER 2016

	<b>30.9.2016</b>	<b>31.3.2016</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>Assets</b>		
Commodity	686,405,215	684,218,847
Amounts receivable on sale of commodity	—	63,173,037
Cash and cash equivalents	1,182,195	1,010,853
Prepayments	<u>13,398</u>	<u>11,271</u>
<b>Total assets</b>	<u><u>687,600,808</u></u>	<u><u>748,414,008</u></u>
<b>Liabilities</b>		
Amounts due to unitholders	—	63,177,314
Audit fee payable	146,633	96,496
Management fees payable	261,200	188,460
Trustee and registrar fees payable	56,425	63,781
Custodian fees payable	88,252	16,432
Other payables	<u>348,607</u>	<u>171,916</u>
<b>Total liabilities</b>	<u><u>901,117</u></u>	<u><u>63,714,399</u></u>
<b>Total equity</b>	<u><u>686,699,691</u></u>	<u><u>684,699,609</u></u>
<b>Represented by:</b>		
Net assets attributable to unitholders	<u><u>686,699,691</u></u>	<u><u>684,699,609</u></u>
<b>Net asset value per unit based on 21,300,000 (31.3.2016: 22,800,000) units outstanding</b>	<u><u>32.2394</u></u>	<u><u>30.0307</u></u>

**VALUE GOLD ETF**  
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**INVESTMENT PORTFOLIO (UNAUDITED)**  
AS AT 30 SEPTEMBER 2016

	<b>Holdings</b> <i>Fine weight gram</i>	<b>Fair value</b> <i>HK\$</i>	<b>% of net assets</b>
<b>COMMODITY</b>			
<b>Gold bullion</b>	2,073,792.60	<u>686,405,215</u>	<u>99.96</u>
<b>Total commodity</b>		686,405,215	99.96
Cash and cash equivalents		1,182,195	0.17
Other net liabilities		<u>(887,719)</u>	<u>(0.13)</u>
<b>Total net assets</b>		<u>686,699,691</u>	<u>100.00</u>
<b>Total investments, at cost</b>		<u>750,792,144</u>	



**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)**  
*AS AT 30 SEPTEMBER 2016*

	% of net assets	
	30.9.2016	31.3.2016
<b>COMMODITY</b>		
Gold bullion	<u>99.96</u>	<u>99.93</u>
<b>Total commodity</b>	99.96	99.93
Cash and cash equivalents	0.17	0.15
Other net liabilities	<u>(0.13)</u>	<u>(0.08)</u>
<b>Total net assets</b>	<u><u>100.00</u></u>	<u><u>100.00</u></u>

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