



**國泰君安國際**  
GUOTAI JUNAN INTERNATIONAL  
ASSET MANAGEMENT

# **Guotai Junan Investment Funds**

Guotai Junan Greater China Growth Fund  
Guotai Junan Equity Income Fund  
Guotai Junan Hong Kong Dollar Bond Fund

INTERIM REPORT (Unaudited)  
For the six months ended 30 June 2014

**Guotai Junan Assets (Asia) Limited**

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## **DIRECTORY OF PARTIES**

### ***Investment Manager:***

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181 Queen's Road Central  
Hong Kong

### ***Directors of the Manager:***

YIM Fung  
YUAN Junping

### ***Trustee and Registrar:***

HSBC Trustee (Cayman) Limited  
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Cayman Islands

### ***Service Provider to Trustee and Registrar:***

HSBC Institutional Trust Services (Asia)  
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### ***Auditors:***

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Grand Cayman, KY1-1106  
Cayman Islands  
British West Indies

### ***Lead Legal Advisers to the Manager:***

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39th Floor  
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Central, Hong Kong

### ***Cayman Islands Legal Advisers to the Manager:***

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Cricket Square, Hutchins Drive  
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Cayman Islands

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**INVESTMENT MANAGER'S REVIEW**

FOR THE PERIOD ENDED 30 JUNE 2014 (UNAUDITED)

**MARKET REVIEW**

During the first half of 2014, the combination of a stable macro-economic backdrop, well-behaved inflation and supportive central banks ushered in a period of positive returns for global equity markets at a time when volatility remained at multiyear lows. Even though the global macro figures were not strong enough relative to expectations, global equity markets rose buoyed by expectations that global monetary policy will stay easy for a long time.

China and Hong Kong equity markets also showed encouraging signs of recovery. China's macro figures for the first half of 2014 were mixed. The second quarter GDP growth rate of China stabilized at 7.4% thanks to the central government's supportive expanding fiscal policies. PBOC also issued accommodative monetary policy by rolling out the targeted cuts in RRR (reserve requirement ratio). Reform on the financial markets also helped to bolster the market. The development of the Shanghai-Hong Kong Stock Connect, or so-called "through-train", boosted the investors' interest on both markets.

In review of the captioned period, major equity indices of the United States, Europe and Japan represented by S&P 500, MSCI Europe and MSCI Japan recorded total returns of 7.1%, 6.7% and -1.9% respectively. On the same basis, MSCI Emerging Market recorded a positive return of 9.4%. Specifically, CSI300 Index declined by 2.0%, HSCEI Index declined by 1.9%. Hang Seng Index recorded positive gain at 2.0%.

In review of Hong Kong's government bond market, basically following similar trend of the interest rate of the United States. United States 10 Years government bond dropped from around 3% in 31 December 2013 to around 2.53% on 30 June 2014. The major reason is adverse weather in first quarter of the United States affecting economic data in first quarter of United States. Similarly, Hong Kong followed the trend. HKMA Hong Kong Exchange Fund 10 year notes dropped from around 2.3% on 31 December 2013 to around 2.0% on 30 June 2014.



**INVESTMENT MANAGER'S REVIEW (CONTINUED)**  
**FOR THE PERIOD ENDED 30 JUNE 2014 (UNAUDITED)**  
**MARKET OUTLOOK**

Valuations for developed markets are becoming stretched across markets and investor complacency is high given the low volatility reading. This may set the markets up for more volatility in the second half of 2014, especially as the focus shifts from the end of U.S. quantitative easing to worries about the timing and magnitude of U.S. interest rate hikes.

Although there are geopolitical concerns for some specific emerging markets, the risk of severe escalation is still subdued at the moment. We need to keep a close watch on the development of the events and the effects on the global economic recovery.

And for the greater China markets, expectation on China's GDP growth has been edged down, and the worries about a credit blowout may be overdone. As widely believed that the investment-fueled economic model cannot be sustainable, therefore China is engineering for a market-oriented structural reform, the confidence boost from the determination and commitment of the government may lift the A and H shares market up from a distressed valuation level. And the proposed Shanghai-Hong Kong Stock Connect program would be implemented in coming October, both markets may have further liquidity boost from foreign investors, given the China economy still growing at over 7% and markets valued at a much cheaper level than its developed market counterparts. Since there are still concerns about the shadow banking and potential credit bubble risk, especially in the property market, we believe it would be a great challenge for the policymakers to engineer a soft landing of property market without hurting economic growth too much. Therefore sector selection would be as critical as ever, we believe with the implementation of the reforms and further development in the economy transformation, there would be certain emerging sectors that would benefit and prosper under the new paradigm, such as new energy, healthcare, technology and internet. We would position ourselves accordingly with the outperforming sectors.

In terms of the outlook for Hong Kong fixed income market, we predict a surge in interest rate and upward shift of the yield curve in second half 2014 as United States shows strong recovery in job market and other leading indicators, like PMI, for instance shows recovery in economic situation. Besides, quantitative easing is expected to complete in fourth quarter 2014.

**INVESTMENT MANAGER'S REVIEW (CONTINUED)**  
**FOR THE PERIOD ENDED 30 JUNE 2014 (UNAUDITED)**  
**INVESTMENT STRATEGY**

In terms of Hong Kong and China equity markets, we are relatively optimistic for the performance of the second half of 2014. We will cherry-pick blue chips to capture the chance for revaluation. We will also check selective sectors with solid fundamentals as well as tangible earning growth, such as mobile internet, clean energy, environmental protection and pharmaceuticals.

In terms of bond investment strategy, our core holdings will be bonds with low duration but of high quality in order to handle interest rate rise.

**INVESTMENT MANAGER'S REVIEW (CONTINUED)**  
**FOR THE PERIOD ENDED 30 JUNE 2014 (UNAUDITED)**  
**SUB-FUNDS' PERFORMANCE**

**A. Guotai Junan Greater China Growth Fund**

Performance table

<b>Index / Fund's Name</b>	<b>Jan - Jun 2014 Rate of Return (%)*</b>	<b>Since Inception Rate of Return (%)</b>
Taiwan TaieX Total Return Index	9.4%	35.6%
MSCI Golden Dragon Total Return Index	4.1%	5.3%
Hang Seng Total Return Index	2.0%	5.9%
MSCI China Daily Total Return Index	-0.5%	-13.1%
Hang Seng China Enterprises Total Return Index	-1.9%	-23.3%
Hang Seng China-Affiliated Total Return Index	-2.5%	-11.8%
<b>Guotai Junan Greater China Growth Fund</b>	<b>-5.4%</b>	<b>-19.7%</b>

\* Ranked by the total returns of indices or the Fund for Jan - Jun 2014.

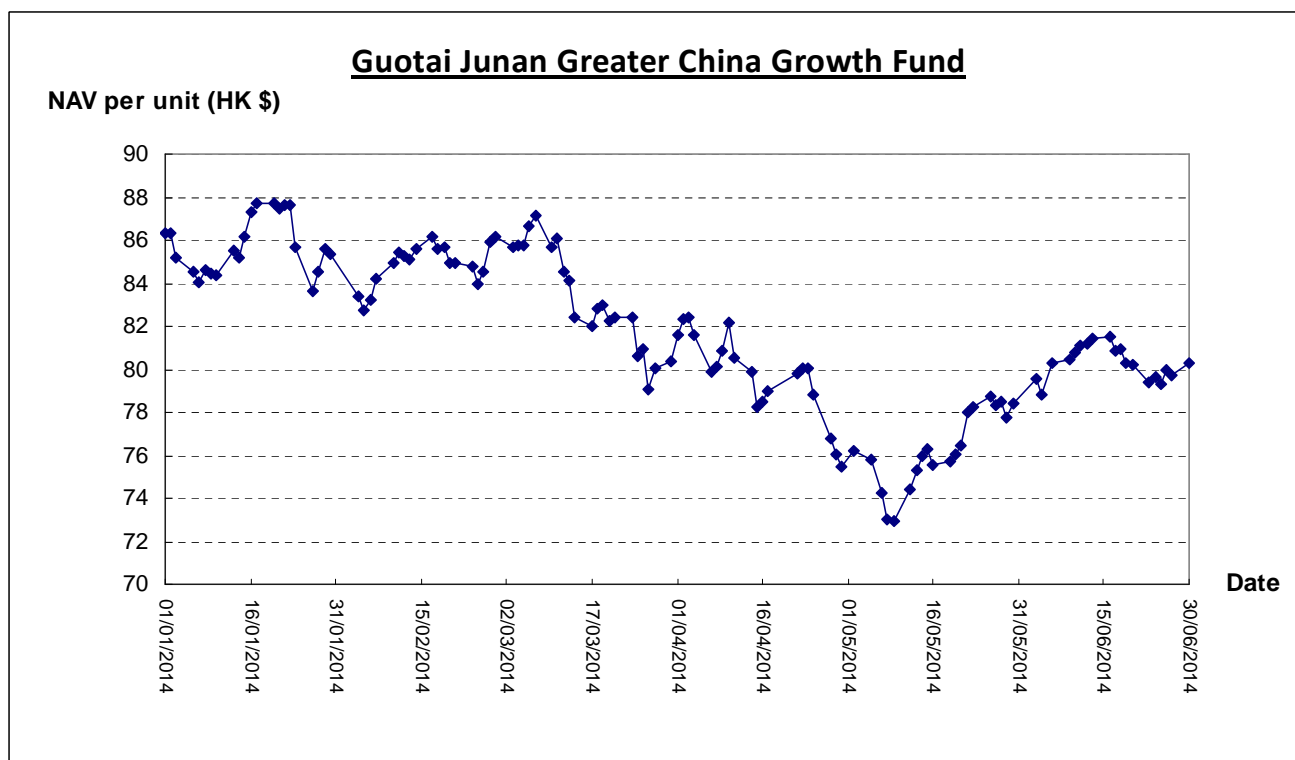
The total return of the Guotai Junan Greater China Growth Fund ("GJGC" hereafter) decreased by 5.4% in the first half of 2014, and recorded a decrease of 19.7% since inception i.e. 19 Nov 2007.

In the first half of 2014, GJGC underperformed the total returns of the Hang Seng Index ("HSI") and Hang Seng China Enterprises Index ("HSCEI") by 7.4% and 3.5% respectively. GJGC's portfolio had overweighed mid-small cap stocks which have worse performance compared to the big-cap Hang Seng Index constituents.

As of the end of 30 June 2014, the portfolio was well diversified. Amongst all exposure, information technology, financials and industrials were the top weighed sectors, which made up of 23.7%, 19.1% and 12.9% of the NAV respectively.

**INVESTMENT MANAGER'S REVIEW (CONTINUED)**  
**FOR THE PERIOD ENDED 30 JUNE 2014 (UNAUDITED)**  
**SUB-FUNDS' PERFORMANCE (CONTINUED)**

**A. Guotai Junan Greater China Growth Fund**





**INVESTMENT MANAGER'S REVIEW (CONTINUED)**  
**FOR THE PERIOD ENDED 30 JUNE 2014 (UNAUDITED)**  
**SUB-FUNDS' PERFORMANCE (CONTINUED)**

**B. Guotai Junan Equity Income Fund**

Performance table

Index / Fund's Name	Jan - Jun 2014 Rate of Return (%)*	Since Inception Rate of Return (%)
Taiwan Taiex Total Return Index	9.4%	23.9%
MSCI Golden Dragon Total Return Index	4.1%	16.6%
Hang Seng Total Return Index	2.0%	17.8%
<b>Guotai Junan Equity Income Fund</b>	<b>1.0%</b>	<b>6.9%</b>
Dow Jones Hong Kong Select Dividend 30 Total Return	0.8%	8.0%
MSCI China Daily Total Return Index	-0.5%	7.8%
Hang Seng China Enterprises Total Return Index	-1.9%	-2.7%
Hang Seng China-Affiliated Total Return Index	-2.5%	10.5%

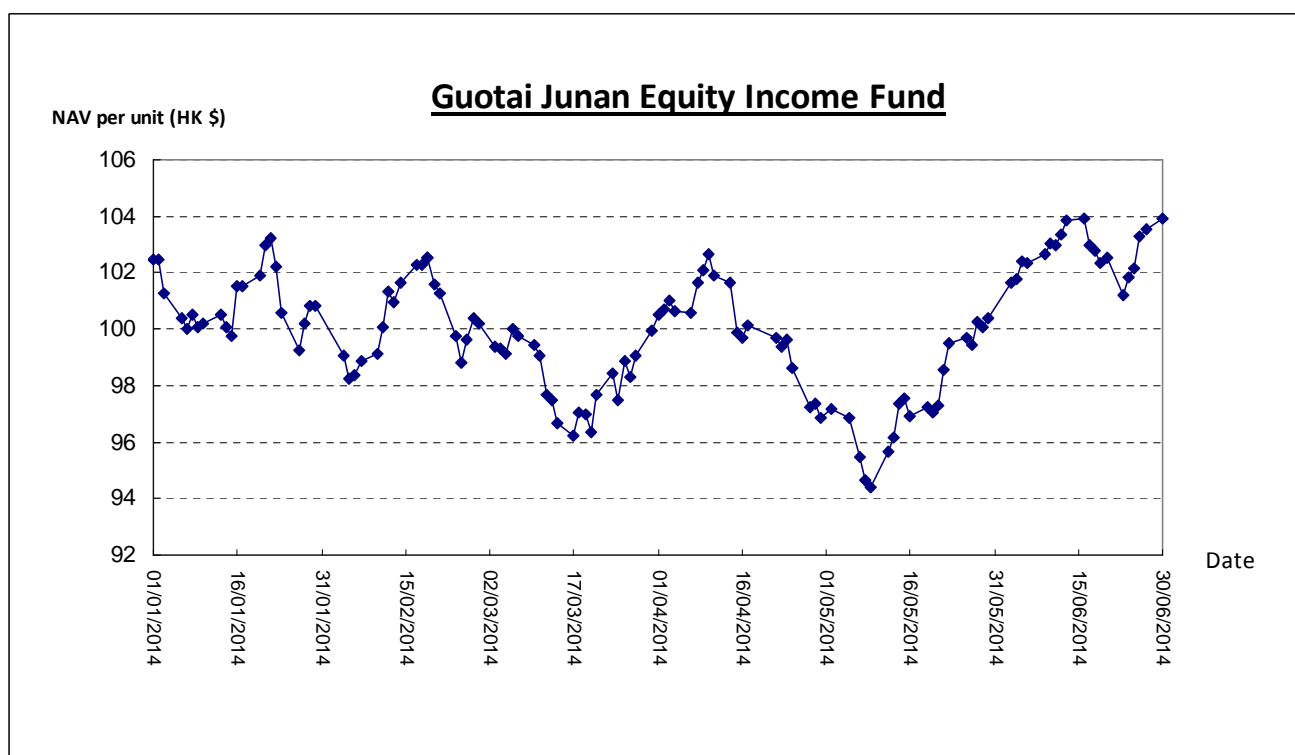
\* Ranked by the total returns of indices or the Fund for Jan - Jun 2014.

The NAV of the Guotai Junan Equity Income Fund ("GJEI") had a total return of 1.0% in the first half year of 2014, and recorded a total return of 6.9% since its inception on 29 Feb 2012. GJEI outperformed the total return of the Dow Jones Hong Kong Select Dividend 30 Index ("DJHKSD") and the HSCEI by 0.2% and 2.9% respectively, but underperformed the total return of HSI by 1%. We believe the GJEI's strategy of investing in companies with brighter prospect, reasonable valuation, good cash flows and willingness to share profits with shareholders through high dividends, contributed to the outperformance against HSCEI and DJHKSD, while the underperformance against HSI could be attributable to that GJEI was overweighting China exposure compared with HSI index, which accounted for 76% of the portfolio.

As of 30 June 2014, the portfolio of GJEI tilted more exposure to financials, which provided higher dividend yields. Financials, industrials and consumer discretionary are the top weighted sectors representing 48.4%, 16.4% and 8.6% of the fund's NAV respectively.

**INVESTMENT MANAGER'S REVIEW (CONTINUED)**  
**FOR THE PERIOD ENDED 30 JUNE 2014 (UNAUDITED)**  
**SUB-FUNDS' PERFORMANCE (CONTINUED)**

**B. Guotai Junan Equity Income Fund**



**INVESTMENT MANAGER'S REVIEW (CONTINUED)**  
**FOR THE PERIOD ENDED 30 JUNE 2014 (UNAUDITED)**  
**SUB-FUNDS' PERFORMANCE (CONTINUED)**

**C. Guotai Junan Hong Kong Dollar Bond Fund**

Performance

NAV was 99.74 on 31/12/2013 and 99.94 on 30/6/2014.

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO**  
FOR THE SIX MONTHS ENDED 30 JUNE 2014 (UNAUDITED)

**GUOTAI JUNAN GREATER CHINA GROWTH FUND**

	% of net assets	
	31 December 2013	30 June 2014
<b>Equity</b>		
- Unites States	0.98	2.42
- Hong Kong and China	82.02	90.62
	<u>83.00</u>	<u>93.04</u>

**GUOTAI JUNAN EQUITY INCOME FUND**

	% of net assets	
	31 December 2013	30 June 2014
<b>Equity</b>		
- Hong Kong and China	71.63	90.17
	<u>71.63</u>	<u>90.17</u>

**GUOTAI JUNAN HONG KONG DOLLAR BOND FUND**

	% of net assets	
	31 December 2013	30 June 2014
<b>Debt Securities</b>		
- Hong Kong	88.15	90.66
	<u>88.15</u>	<u>90.66</u>



**INVESTMENT PORTFOLIO**

AS AT 30 JUNE 2014 (UNAUDITED)

**GUOTAI JUNAN GREATER CHINA GROWTH FUND**

**Investment Portfolio as at 30 June 2014**

Listed Investment Equities	Holdings	Market Value (HKD)	% of Net Assets
<b><u>HONG KONG</u></b>			
A8 NEW MEDIA GROUP LTD.	1,200,000	960,000	0.75
AGRICULTURAL BANK OF CHINA LTD	698,000	2,387,160	1.88
AVICHINA INDUSTRY & TECNOLOGY	440,000	1,927,200	1.51
BOSHIWA INTERNATIONAL HOLDINGS	690,000	-	0.00
CHANJET INFORMATION TECHNOLOGY	368,000	5,137,280	4.04
CHINA ALL ACCESS (HOLDINGS) LTD	1,208,000	3,853,520	3.03
CHINA CINDA ASSET MANAGEMENT CO LTD	645,000	2,483,250	1.95
CHINA DATANG CORPORATION RENEW	2,183,000	2,139,340	1.68
CHINA EVERBRIGHT INTERNATIONAL	232,000	2,570,560	2.02
CHINA GALAXY SECURITIES CO LTD	310,000	1,553,100	1.22
CHINA OVERSEAS LAND & INVESTMENT	80,000	1,504,000	1.18
CHINA PIONEER PHARMA HOLDINGS	435,000	2,044,500	1.61
CHINA RAILWAY CONSTRUCTION CORPORATION	117,000	797,940	0.63
CHINA SOUTH CITY HOLDINGS LTD	412,000	1,676,840	1.32
CHINA SUNTIEN GREEN ENERGY CORPORATION	1,613,000	4,064,760	3.19
CHINA TAIPING INSURANCE HOLDINGS	192,400	2,670,512	2.10

**INVESTMENT PORTFOLIO (CONTINUED)**  
AS AT 30 JUNE 2014 (UNAUDITED)  
**GUOTAI JUNAN GREATER CHINA GROWTH FUND**

**Investment Portfolio as at 30 June 2014**

<b>Listed Investment Equities</b>	<b>Holdings</b>	<b>Market Value (HKD)</b>	<b>% of Net Assets</b>
<b><u>HONG KONG</u></b>			
CHINA YURUN FOOD GROUP LTD.	200,000	690,000	0.54
CITIC SECURITIES CO. LTD.-H SH	100,000	1,710,000	1.34
COLOUR LIFE SERVICES GROUP CO LTD	25,000	115,000	0.09
CSR GROUP LTD	225,000	1,311,750	1.03
FORGAME HOLDINGS LTD	62,200	1,657,630	1.30
GCL POLY ENERGY HOLDINGS LTD	516,000	1,336,440	1.05
GUODIAN TECHNOLOGY & ENVIRONMENT	,854,000	3,263,040	2.56
GUOTAI JUNAN INTERNATIONAL HOLDINGS LTD	1,900,000	8,360,000	6.57
HONG KONG EXCHANGES AND CLEARING	10,000	1,445,000	1.14
HUANENG RENEWABLES CORPORATION	1,000,000	2,560,000	2.01
KINGSOFT CORP LTD	60,000	1,401,000	1.10
KULUN ENERGY COMPANY LIMITED	160,000	2,044,800	1.61
LENOVO GROUP LTD	240,000	2,539,200	2.00
LIJUN INTERNATIONAL PHARMACEUTICAL	1,000,000	2,980,000	2.34
LIVZON PHARMACEUTICAL GROUP INC	63,100	2,713,300	2.13
MERRY GARDEN HOLDINGS LTD	11,938,000	9,431,020	7.41
NETDRAGON WEBSOFT INC	154,000	2,205,280	1.73

**INVESTMENT PORTFOLIO (CONTINUED)**  
AS AT 30 JUNE 2014 (UNAUDITED)  
**GUOTAI JUNAN GREATER CHINA GROWTH FUND**

**Investment Portfolio as at 30 June 2014**

<b>Listed Investment Equities</b>	<b>Holdings</b>	<b>Market Value (HKD)</b>	<b>% of Net Assets</b>
<b><u>HONG KONG</u></b>			
POLY PROPERTY GROUP CO LTD	200,000	646,000	0.51
REXLOT HOLDINGS LTD	4,025,000	3,662,750	2.88
SEMICONDUCTOR MANUFACTURING INTERNATIONAL	5,500,000	3,685,000	2.90
SHANGHAI INDUSTRIAL HOLDINGS LTD	42,000	991,200	0.78
SHANGHAI PHARMACEUTICALS HOLDINGS	169,200	2,727,504	2.14
SHENZHEN INTERNATIONAL HOLDINGS LTD	120,078	1,145,544	0.90
SINO OIL AND GAS HOLDINGS LTD	8,500,000	2,065,500	1.62
SINOPEC KANTONS HOLDINGS LTD	100,000	630,000	0.50
SOUND GLOBAL LTD	557,000	4,049,390	3.18
SPT ENERGY GROUP INC	618,000	2,521,440	1.98
TENCENT HOLDINGS LTD	51,500	6,087,300	4.78
TIANJIN CAPITAL ENVIRONMENTAL	120,000	591,600	0.46
TONG REN TANG TECHNOLOGIES CO	244,000	2,762,080	2.17
ZHAOJIN MINING INDUSTRY CO. LTD	160,000	708,800	0.56
ZTE CORPORATION	100,000	1,528,000	1.20
<b><u>UNITED STATES</u></b>			
CONCORD MEDICAL SERVICES HOLDINGS	49,535	3,083,323	2.42
TOTAL INVESTMENT		118,418,853	93.04
TOTAL INVESTMENT, AT COST		118,697,879	



**INVESTMENT PORTFOLIO**  
AS AT 30 JUNE 2014 (UNAUDITED)

**GUOTAI JUNAN EQUITY INCOME FUND**

**Investment Portfolio as at 30 June 2014**

<b>Listed Investment Equities</b>	<b>Holdings</b>	<b>Market Value (HKD)</b>	<b>% of Net Assets</b>
<b>HONG KONG</b>			
AGRICULTURAL BANK OF CHINA LTD	638,000	2,181,960	3.47
BANK OF CHINA LTD	607,000	2,106,290	3.35
BANK OF COMMUNICATIONS CO. LTD	349,000	1,867,150	2.97
BOC HONG KONG HOLDINGS LTD	87,500	1,964,375	3.12
CHINA CITIC BANK CORPORATION LTD	207,000	972,900	1.55
CHINA CONSTRUCTION BANK CORPORATION	323,000	1,892,780	3.01
CHINA MERCHANTS BANK CO. LTD	105,000	1,604,400	2.55
CHINA MINSHENG BANKING CORP LTD	201,000	1,411,020	2.24
CHINA PIONEER PHARMA HOLDINGS	284,000	1,334,800	2.12
CHINA POWER INTERNATIONAL DEVELOPMENT	417,000	1,276,020	2.03
CHINA RESOURCES POWER HOLDINGS	50,000	1,100,000	1.75
CHINA SOUTH CITY HOLDINGS LTD	900,000	3,663,000	5.83
CHONGQING RURAL COMMERCIAL BANK	486,000	1,739,880	2.77
CNOOC LTD	86,000	1,197,120	1.9
EMPEROR INTERNATIONAL HOLDINGS	746,000	1,312,960	2.09
EVERGRANDE REAL ESTATE GROUP LTD	247,000	743,470	1.18
FANTASIA HOLDINGS GROUP CO LTD	891,000	801,900	1.28





**INVESTMENT PORTFOLIO (CONTINUED)**  
AS AT 30 JUNE 2014 (UNAUDITED)

**GUOTAI JUNAN EQUITY INCOME FUND**

**Investment Portfolio as at 30 June 2014**

<b>Listed Investment Equities</b>	<b>Holdings</b>	<b>Market Value (HKD)</b>	<b>% of Net Assets</b>
<b>HONG KONG</b>			
GUANGZHOU R&F PROPERTIES CO LTD	76,000	727,320	1.16
GUOTAI JUNAN INTERNATIONAL HOLDINGS LTD	750,000	3,300,000	5.26
GZI TRANSPORT LTD	150,000	663,000	1.05
HUANENG POWER INTERNATIONAL INC	100,000	875,000	1.39
INDUSTRIAL AND COMMERCIAL BANK	369,000	1,808,100	2.88
JIANGSU EXPRESSWAY CO LTD	270,000	2,475,900	3.95
MAN WAH HOLDINGS LTD	95,200	1,178,576	1.87
NEW WORLD DEPARTMENT STORE CHINA LTD	368,000	1,148,160	1.83
PCCW LTD	410,000	1,894,200	3.01
REXLOT HOLDINGS LTD	2,500,000	2,275,000	3.62
SHANGHAI ELECTRIC GROUP CO. LTD	512,000	1,597,440	2.54
SHENZHEN INTERNATIONAL HOLDING	150,000	1,431,000	2.28
SHENZHEN INVESTMENT LTD	310,000	768,800	1.22
SOHO CHINA LTD	256,500	1,567,215	2.49
TIANJIN PORT DEVELOPMENT HOLDINGS	1,500,000	1,830,000	2.91
TRULY INTERNATIONAL HOLDINGS	280,000	1,321,600	2.1
XINGDA INTERNATIONAL HOLDINGS	250,000	780,000	1.24
YANZHOU COAL MINING CO LTD	262,000	1,535,320	2.44
ZHEJIANG EXPRESSWAY CO LTD	298,000	2,339,300	3.72
<b>TOTAL INVESTMENT</b>		<b>56,685,956</b>	<b>90.17</b>
<b>TOTAL INVESTMENT, AT COST</b>		<b>58,357,645</b>	



**INVESTMENT PORTFOLIO**  
AS AT 30 JUNE 2014 (UNAUDITED)

**GUOTAI JUNAN HONG KONG DOLLAR BOND FUND**

	Holdings	Market Value (HKD)	% of Net Assets
<b>Investment Portfolio as at 30 June 2014</b>			
<b>HONG KONG</b>			
CHINA DEVELOPMENT BANK HONG KONG SER FXCD (REGS ) 2.28% 13/04/2015	1,000,000	1,005,610	2.01
HONG KONG GOVT BOND PROGRAMME SER 4208 FRN 28/07/2014	13,000,000	13,006,500	26.04
WING HANG BANK LTD WINHAN 1.2 07/15	2,000,000	1,998,021	4.00
WING LUNG BANK LTD FXCD 1.3%	1,000,000	996,683	1.99
HK GOVT BOND PROGRAMME SER 4214 22/06/2015	13,500,000	13,851,000	27.73
HONG KONG GOVT BOND PROGRAMME 0.46% 00/05/2015	100,000	100,278	0.20
HONG KONG GOVT BOND PROGRAMME 1.43% 02/12/2015	100,000	101,653	0.20
HONG KONG GOVT SER 5 YR 2.07% 03/11/2014	100,000	100,679	0.20
HONG KONG GOVT BOND PROGRAMME SER 4218 (REGS) FRN 24/06/2016	13,500,000	14,134,500	28.29
TOTAL INVESTMENT		45,294,923	90.66
TOTAL INVESTMENT, AT COST		45,683,700	



**STATEMENT OF ASSETS AND LIABILITIES**  
FOR THE SIX MONTHS ENDED 30 JUNE 2014

**GUOTAI JUNAN GREATER CHINA GROWTH FUND**

	<b>30 June</b>	<b>31 December</b>
	<b>2014</b>	<b>2013</b>
	<b>HK\$</b>	<b>HK\$</b>
<b>Assets</b>		
Financial assets at fair value through profit or loss	118,418,853	114,677,543
Due from brokers	9,596,472	2,000,000
Dividend receivable	664,324	0
Prepayments	6,347	0
Cash and bank balances	2,432,412	21,931,735
<b>Total assets</b>	<u>131,118,408</u>	<u>138,609,278</u>
<b>Liabilities</b>		
Accounts payable and accruals	397,577	466,618
Due to brokers	3,478,796	0
<b>Total liabilities</b>	<u>3,876,373</u>	<u>466,618</u>
<b>Equity</b>		
<b>Net assets attributable to unitholders</b>	<u>127,242,035</u>	<u>138,142,660</u>
<b>Total liabilities and equity</b>	<u>131,118,408</u>	<u>138,609,278</u>
	<b>Units</b>	<b>Units</b>
<b>Number of units in issue</b>	<u>1,584,659.19</u>	<u>1,626,092.52</u>
	<b>HK\$</b>	<b>HK\$</b>
<b>Net asset value per unit</b>	<u>80.30</u>	<u>84.95</u>



**STATEMENT OF ASSETS AND LIABILITIES**  
FOR THE SIX MONTHS ENDED 30 JUNE 2014

**GUOTAI JUNAN EQUITY INCOME FUND**

	<b>30 June</b>	<b>31 December</b>
	<b>2014</b>	<b>2013</b>
	<b>HK\$</b>	<b>HK\$</b>
<b>Assets</b>		
Financial assets at fair value through profit or loss	56,685,956	44,561,198
Due from brokers	2,586,567	115,367
Dividend receivable	917,103	0
Prepayments	6,347	0
Cash and bank balances	2,933,766	17,914,320
<b>Total assets</b>	<b>63,129,739</b>	<b>62,590,885</b>
<b>Liabilities</b>		
Accounts payable and accruals	244,680	353,508
Distributions payable	907,622	0
<b>Total liabilities</b>	<b>1,152,302</b>	<b>353,508</b>
<b>Equity</b>		
Net assets attributable to unitholders	61,977,437	62,237,377
<b>Total liabilities and equity</b>	<b>63,129,739</b>	<b>62,590,885</b>
<b>Number of units in issue</b>	<b>605,081.51</b>	<b>605,081.51</b>
Net asset value per unit	102.43	102.86



**STATEMENT OF ASSETS AND LIABILITIES**  
FOR THE SIX MONTHS ENDED 30 JUNE 2014

**GUOTAI JUNAN HONG KONG DOLLAR BOND FUND**

	<b>30 June</b>	<b>31 December</b>
	<b>2014</b>	<b>2013</b>
	<b>HK\$</b>	<b>HK\$</b>
<b>Assets</b>		
Financial assets at fair value through profit or loss	45,294,923	43,610,669
Interest receivable	329,169	262,263
Prepayment	6,347	0
Cash and bank balances	4,145,523	6,235,653
<b>Total assets</b>	<u>49,775,962</u>	<u>50,108,585</u>
<b>Liabilities</b>		
Accounts payable and accruals	148,201	637,406
<b>Total liabilities</b>	<u>148,201</u>	<u>637,406</u>
<b>Equity</b>		
<b>Net assets attributable to unitholders</b>	<u>49,627,761</u>	<u>49,471,179</u>
<b>Total liabilities and equity</b>	<u>49,775,962</u>	<u>50,108,585</u>
<b>Number of units in issue</b>	<u>500,000</u>	<u>500,000</u>
<b>Net asset value per unit</b>	<u>99.26</u>	<u>98.94</u>



**DISTRIBUTION DISCLOSURE**

RECORD OF DISTRIBUTION FROM 1 JANUARY 2014

**GUOTAI JUNAN GREATER CHINA GROWTH FUND**

No distribution has been declared for the reported period from 1 January 2014 to 30 June 2014.

**GUOTAI JUNAN EQUITY INCOME FUND**

On 4 July 2014, the Manager declared on behalf of Guotai Junan Equity Income Fund to distribute the interim dividend for 2014 at HKD\$ 1.5 per unit which was paid on 14 July 2014.

**GUOTAI JUNAN HONG KONG DOLLAR BOND FUND**

No distribution has been declared for the reported period from 1 January 2014 to 30 June 2014.

