

Semi-Annual Report (Unaudited)

**CHINA UNIVERSAL INTERNATIONAL SERIES –
CUAM HONG KONG DOLLAR BOND FUND**

(A Sub-Fund of China Universal International Series, an
umbrella unit trust established under the laws of Hong Kong)

For the period from 1 January 2015 to 30 June 2015



CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM HONG KONG DOLLAR BOND FUND
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CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM HONG KONG DOLLAR BOND FUND
(A Sub-Fund of China Universal International Series)

ADMINISTRATION AND MANAGEMENT

MANAGER

China Universal Asset Management (Hong Kong)
Company Limited
3710-11, Two International Finance Centre
8 Finance Street
Central
Hong Kong

DIRECTORS OF THE MANAGER

LIN Lijun (Resigned on 10 June 2015)
LI Wen
WAN Qing (Appointed on 10 June 2015)
ZHANG Hui

SOLICITORS TO THE MANAGER

Deacons
5/F, Alexandra House
18 Chater Road
Central
Hong Kong

TRUSTEE AND REGISTRAR

BOCI-Prudential Trustee Limited
12/F & 25/F, Citicorp Centre
18 Whitfield Road
Causeway Bay
Hong Kong

AUDITORS

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

CUSTODIAN

Bank of China (Hong Kong) Limited
14/F, Bank of China Tower
1 Garden Road
Central
Hong Kong

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM HONG KONG DOLLAR BOND FUND
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STATEMENT OF COMPREHENSIVE INCOME

	For the period from 1 January 2015 to 30 June 2015 HK\$ (Unaudited)	For the period from 2 September 2013 (date of inception) to 30 June 2014 HK\$ (Unaudited)
INCOME		
Interest income on financial assets at fair value through profit or loss	1,052,986	1,754,258
Other interest income	272	5,012
Net gain on financial assets at fair value through profit or loss	609,813	141,064
Foreign exchange differences, net	(5,602)	(3,327)
Other income	<u>26,374</u>	<u>-</u>
	<u>1,683,843</u>	<u>1,897,007</u>
EXPENSES		
Management fee	(131,925)	(208,306)
Trustee fee	(39,561)	(62,492)
Custodian fee	(4,984)	(73,080)
License fee	(3,471)	(4,500)
Other expenses	<u>(2,942)</u>	<u>(3,899)</u>
	<u>(182,883)</u>	<u>(352,277)</u>
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u><u>1,500,960</u></u>	<u><u>1,544,730</u></u>

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STATEMENT OF FINANCIAL POSITION

	30 June 2015	31 December 2014
	HK\$ (Unaudited)	HK\$ (Audited)
ASSETS		
Financial assets at fair value through profit or loss	46,827,974	50,067,740
Cash and bank balances	6,509,344	1,574,852
Interest receivable	471,258	659,797
Prepayment and other receivables	12,149	17,690
TOTAL ASSETS	<u>53,820,725</u>	<u>52,320,079</u>
LIABILITIES		
Management fee payable	23,546	23,582
Trustee fee payable	7,047	7,075
Other payables and accruals	-	250
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>30,593</u>	<u>30,907</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>53,790,132</u>	<u>52,289,172</u>
NUMBER OF UNITS IN ISSUE		
- Class A units	67,667.843	N/A
- Class I units	5,205,218.669	5,205,218.669
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT		
- Class A units	10.011	N/A
- Class I units	10.204	10.046

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM HONG KONG DOLLAR BOND FUND
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	HK\$
	(Unaudited)
At 2 September 2013 (date of inception)	-
Subscription of redeemable units	50,843,404
Redemption of redeemable units	-
Dividend distribution	(843,404)
Increase in net assets attributable to unitholders during the period	<u>1,544,730</u>
At 30 June 2014	<u>51,544,730</u>

	HK\$
	(Unaudited)
At 31 December 2014 and 1 January 2015	52,289,172
Subscription of redeemable units	676,678
Redemption of redeemable units	-
Dividend distribution	(676,678)
Increase in net assets attributable to unitholders during the period	<u>1,500,960</u>
At 30 June 2015	<u>53,790,132</u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM HONG KONG DOLLAR BOND FUND
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STATEMENT OF DISTRIBUTION

For the period from 1 January 2015 to 30 June 2015

	HK\$ (Unaudited)
Undistributed income at 2 September 2013 (date of inception)	-
Profit and total comprehensive income for the period	2,289,172
Add: Net loss on financial assets at fair value through profit or loss	<u>84,877</u>
Undistributed income before distribution	2,374,049
2013 final distribution (HK\$0.069 per unit) distributed on 23 December 2013	(345,000)
2014 interim distribution (HK\$0.099 per unit) distributed on 13 June 2014	(498,404)
2014 final distribution (HK\$0.240 per unit) distributed on 15 December 2014	(1,220,121)
Transfer to capital	<u>(310,524)</u>
Undistributed income at 31 December 2014 and 1 January 2015	-
Profit and total comprehensive income for the period	1,500,960
Add: Net (gain) on financial assets at fair value through profit or loss	<u>(609,813)</u>
Undistributed income before distribution	891,147
2015 interim distribution (HK\$0.13 per unit) distributed on 15 June 2015	<u>(676,678)</u>
Undistributed income at 30 June 2015	<u><u>214,469</u></u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM HONG KONG DOLLAR BOND FUND
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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (Unaudited)

For the period from 1 January 2015 to 30 June 2015

<u>LISTED/QUOTED DEBT SECURITIES</u>	Movement				
	As at 1 January 2015	Additions	Corporate Action	Disposals	At 30 June 2015
<i>British Virgin Islands</i>					
Denominated in HK\$					
HLP FINANCE LTD 4.35% S/A 20JAN2021	1,000,000	-	-	-	1,000,000
MELCO FINANCE LTD 4.15% Q 05MAR2018	1,000,000	-	-	-	1,000,000
NWD MTN LTD 5.9% S/A 18SEP2023	4,000,000	-	-	-	4,000,000
TONG JIE LTD CB 0% A 18FEB2018	2,000,000	-	-	(2,000,000)	-
<i>Cayman Islands</i>					
Denominated in HK\$					
CHEUNG KONG BOND FINANCE LTD 5.1% Q 07APR2016	1,000,000	-	-	-	1,000,000
CHEUNG KONG FINANCE MTN LTD 4.35% Q 20JAN2020	1,000,000	-	-	-	1,000,000
CIFI HLDGS GROUP CO LTD 12.25% S/A 15APR2018	500,000	-	-	(500,000)	-
KINGSOFT CORP LTD CB 1.25% S/A 11APR2019	-	2,000,000	-	-	2,000,000
MTR CORP (CI) 4.95% Q 21OCT2019	1,000,000	-	-	-	1,000,000
MTR CORP (CI) LTD 4.5 % Q 11MAY2015	1,000,000	-	-	(1,000,000)	-
SHENZHOU INTL GROUP HLDGS LTD 0.5% S/A 18JUN2019	2,000,000	-	-	(2,000,000)	-
SHUI ON DEVELOPMENT HLDG LTD 9.75% S/A 16FEB2015	500,000	-	-	(500,000)	-
SUN HUNG KAI PRO (CAP)4.67% Q 09FEB2016	1,500,000	-	-	-	1,500,000
SUNAC CHINA HLDGS LTD 12.5% S/A 16OCT2017 REGS	-	500,000	-	(500,000)	-
SUNAC CHINA HLDGS LTD 8.75% S/A 05DEC2019	-	500,000	-	(500,000)	-
YUZHOU PROPERTIES CO LTD 8.625% S/A 24JAN2019	500,000	-	-	(500,000)	-
Denominated in US\$					
CENTRAL CHINA REAL ESTATE LTD 8.75% S/A 23JAN2021	-	400,000	-	-	400,000
KWG PROPERTY HLDG LTD 13.25% S/A 22MAR2017	-	500,000	-	-	500,000

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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (Unaudited) (continued)

For the period from 1 January 2015 to 30 June 2015

	Movement				
	As at 1 January 2015	Additions	Corporate Action	Disposals	At 30 June 2015
<u>LISTED/QUOTED DEBT SECURITIES</u>					
<i>Hong Kong</i>					
Denominated in HK\$					
DAH SING BANK LTD 2.28% Q 07NOV2018 FXCD	1,000,000	-	-	-	1,000,000
DBS BANK HONG KONG LTD 3.86% Q 20JAN2020 FXCD	1,000,000	-	-	-	1,000,000
FAR EAST HORIZON LTD 4.35% Q 14MAR2020	2,000,000	-	-	-	2,000,000
HK GOVT 1.52% S/A 25SEP2018	1,000,000	-	-	-	1,000,000
HK MTG CO 0% A 19SEP2016	1,000,000	-	-	-	1,000,000
HK MTG CO 2% Q 11JAN2016	1,000,000	-	-	-	1,000,000
HONG KONG GOVERNMENT BOND PROGRAMME 0.61% S/A 05FEB2018	1,000,000	-	-	-	1,000,000
HONG KONG GOVERNMENT BOND PROGRAMME 1.43% S/A 02DEC2015	-	4,000,000	-	-	4,000,000
HONG KONG SAR GOVERNMENT BOND 5.125% S/A 23JUL2019	2,000,000	-	-	-	2,000,000
KOWLOON-CANTON 3.88% S/A 15JUN2021	1,000,000	-	-	-	1,000,000
WHARF FINANCE LTD 2.65% Q 11JAN2018	2,000,000	-	-	-	2,000,000
WHARF FINANCE LTD 3% Q 23OCT2018	1,500,000	-	-	-	1,500,000
WHARF FINANCE NO 1 LTD 2.9% Q 27NOV2018	1,000,000	-	-	-	1,000,000
WHEELOCK FINANCE LTD 2.7% Q 18JAN2018	2,000,000	-	-	-	2,000,000
WING HANG BANK LTD 1.3% A 22JUL2015 FXCD	1,000,000	-	-	-	1,000,000
WING HANG BANK LTD 2.6% Q 16JUL2018 FXCD	1,000,000	-	-	-	1,000,000
<i>United Arab Emirates</i>					
Denominated in HK\$					
NATIONAL BANK OF ABU DHABI 4.6% Q 29JAN2021 FXCD	2,000,000	-	-	-	2,000,000

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PERFORMANCE TABLE (Unaudited)

1. NET ASSET VALUE

	Net asset value per unit HK\$	Total net asset value HK\$
As at 30 June 2015		
- Class A units	10.011	677,427
- Class I units	10.204	53,112,705
As at 31 December 2014 ¹		
- Class A units	N/A	N/A
- Class I units	10.046	52,289,172

¹ Inception on 2 September 2013

2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$
During the period ended 30 June 2015		
- Class A units	10.011	10.000
- Class I units	10.343	9.988
For the period from 2 September 2013 (date of inception) to 31 December 2014		
- Class A units	N/A	N/A
- Class I units	10.348	9.941

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INVESTMENT PORTFOLIO (Unaudited)

As at 30 June 2015

	Holdings/ Nominal Value	Fair Value HK\$	% of net assets
Listed/quoted debt securities			
<i>British Virgin Islands</i>			
Dominated in HK\$			
HLP FINANCE LTD 4.35% S/A 20JAN2021	1,000,000	1,054,948	1.96
MELCO FINANCE LTD 4.15% Q 05MAR2018	1,000,000	1,002,500	1.86
NWD MTN LTD 5.9% S/A 18SEP2023	4,000,000	4,415,750	8.22
<i>Cayman Islands</i>			
Dominated in HK\$			
CHEUNG KONG BOND FINANCE LTD 5.1% Q 07APR2016	1,000,000	1,028,988	1.91
CHEUNG KONG FINANCE MTN LTD 4.35% Q 20JAN2020	1,000,000	1,070,061	1.99
KINGSOFT CORP LTD CB 1.25% S/A 11APR2019	2,000,000	1,967,900	3.66
MTR CORP (CI) 4.95% Q 21OCT2019	1,000,000	1,124,840	2.09
SUN HUNG KAI PRO (CAP) 4.67% Q 09FEB2016	1,500,000	1,533,645	2.85
Dominated in US\$			
CENTRAL CHINA REAL ESTATE LTD 8.75% S/A 23JAN2021	400,000	3,118,820	5.80
KWG PROPERTY HLDG LTD 13.25% S/A 22MAR2017	500,000	4,249,647	7.91
<i>Hong Kong</i>			
Dominated in HK\$			
DAH SING BANK LTD 2.28% Q 07NOV2018 FXCD	1,000,000	1,002,593	1.86
DBS BANK HONG KONG LTD 3.86% Q 20JAN2020 FXCD	1,000,000	1,054,459	1.96
FAR EAST HORIZON LTD 4.35% Q 14MAR2020	2,000,000	1,973,000	3.67
HK GOVT 1.52% S/A 25SEP2018	1,000,000	4,023,800	7.48
HK MTG CO 0% A 19SEP2016	1,000,000	1,001,750	1.86
HK MTG CO 2% Q 11JAN2016	1,000,000	2,312,540	4.30
HONG KONG GOVERNMENT BOND PROGRAMME 0.61% S/A 05FEB2018	1,000,000	1,026,170	1.91
HONG KONG GOVERNMENT BOND PROGRAMME 1.43% S/A 02DEC2015	4,000,000	1,007,450	1.87
HONG KONG SAR GOVERNMENT BOND 5.125% S/A 23JUL2019	2,000,000	991,630	1.84
KOWLOON-CANTON 3.88% S/A 15JUN2021	1,000,000	1,079,020	2.01
WHARF FINANCE LTD 2.65% Q 11JAN2018	2,000,000	2,012,080	3.74
WHARF FINANCE LTD 3% Q 23OCT2018	1,500,000	1,518,015	2.82
WHARF FINANCE NO 1 LTD 2.9% Q 27NOV2018	1,000,000	1,008,060	1.87
WHEELOK FINANCE LTD 2.7% Q 18JAN2018	2,000,000	2,017,562	3.75
WING HANG BANK LTD 1.3% A 22JUL2015 FXCD	1,000,000	1,000,255	1.86
WING HANG BANK LTD 2.6% Q 16JUL2018 FXCD	1,000,000	1,020,911	1.90

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INVESTMENT PORTFOLIO (Unaudited)

As at 30 June 2015

	Holdings/ Nominal Value	Fair Value HK\$	% of net assets
Listed/quoted debt securities			
<i>United Arab Emirates</i>			
Dominated in HK\$			
NATIONAL BANK OF ABU DHABI 4.6% Q 29JAN2021 FXCD	2,000,000	2,211,580	4.11
TOTAL INVESTMENTS, AT FAIR VALUE		46,827,974	87.06
TOTAL INVESTMENTS, AT COST		46,128,022	
<u>TOTAL NET ASSETS</u>			
Total investment		46,827,974	87.06
Other net assets		6,962,158	12.94
Total net assets		53,790,132	100.00