

First State Umbrella Funds

Annual Report

July 2013 – June 2014

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND**

Contents	Pages
Report of the manager	1 - 2
Performance table (unaudited)	3
Report of the trustee	4
Independent auditor's report	5 - 6
Statement of net assets	7
Statement of comprehensive income	8
Statement of changes in equity	9
Cash flow statement	10
Notes to the financial statements	11 - 41
Investment portfolio (unaudited)	42 - 52
Statement of movements in portfolio holdings (unaudited)	53 - 62
General information	63

This annual report shall not constitute an offer to sell or a solicitation of an offer to buy units in the Sub-Funds of First State Umbrella Funds. Subscriptions are to be made only on the basis of the information contained in the relevant Explanatory Memorandum, as supplemented by the latest annual and semi-annual reports.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
REPORT OF THE MANAGER
FOR THE YEAR ENDED 30 JUNE 2014**

REPORT OF THE MANAGER

PERFORMANCE

	1 July 2013 to 30 June 2014	1 July 2012 to 30 June 2013
First State Asian Bridge Fund ("FSAB Fund") [^]	10.75%	6.57%
Benchmark: Customized Benchmark [#]	13.44%	6.29%

[^] Dividend adjustment return

[#] 50% MSCI AC Asia Pacific Ex Japan Free & 50% JP Morgan Asia Credit (USD)

(Performance calculation is based on the official dealing NAV.)

Asian Pacific equity markets rose strongly over the twelve months to 30 June 2014, but underperformed global markets. The MSCI Asia Pacific ex-Japan Index increased by 17.8% in US dollar terms, while the MSCI World Index rose by 24.7%.

India and South Korea were the region's strongest markets over the period. India was boosted by a surge of political optimism following a decisive victory in the national election for Narendra Modi, who has a reputation for implementing market-based reforms and curbing bureaucracy, while South Korea rebounded having been lacklustre in the previous 12 months. Indonesia and Thailand were the weakest. At a sector level, Information Technology and Industrials stocks performed strongly, while Telecom Services and Consumer Staples were subdued.

Asian credit markets delivered solid gains over the period mostly due to performance in the first six months of 2014 when strong technicals contributed to spread tightening. Global bond markets rallied over the period amid mixed economic data, ongoing geopolitical crises and continued ultra-accommodative monetary policy. Asian credit markets started 2014 in buoyant mode boosted by an increase in primary market activity, with China, Hong Kong and Korea all issuing new debt. In the second quarter, performance was helped by the Chinese government announcing targeted measures to boost growth.

The second half of 2013 saw modest gains as conditions proved somewhat volatile. Asian credit markets came under pressure in August from rising US Treasury yields and negative news flow from India and Indonesia. In September, the US Federal Reserve's (Fed) decision to maintain quantitative easing stimulus caused a rally in Asian credit markets that saw spreads tighten strongly. Asian credit markets experienced volatility towards the end of the year as rising global bond yields pushed credit spreads wider.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
REPORT OF THE MANAGER (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014**

REPORT OF THE MANAGER (CONTINUED)

Outlook

We prefer companies with more visible earnings growth and proven management track records – large positions include Dabur and Link REIT, which are expected to have relatively defensive, domestically-driven earnings. While Hong Kong’s property market is vulnerable to volatile global financial markets and tightening monetary policy, we continue to favour Cheung Kong, given its stronger balance sheet, robust product pipeline and diversified business exposure. Conservatively-run banks in Singapore, such as DBS and Oversea-Chinese Banking Corp, are attractive due to their solid deposit franchises and potential to grow fee income. We also favour Taiwan technology names that are industry leaders in their respective fields – such as TSMC (foundry), Delta Electronics (power supplies) and Advantech (industrial PCs).

**FIRST STATE UMBRELLA FUNDS
 FIRST STATE ASIAN BRIDGE FUND
 PERFORMANCE TABLE (UNAUDITED)
 FOR THE YEAR ENDED 30 JUNE 2014**

NET ASSET VALUES

Financial year	Net asset value US\$	Net asset value per unit in issue US\$
30.6.2014	58,411,190	14.76
30.6.2013	81,703,603	14.02
30.6.2012	99,247,000	13.82

PERFORMANCE RECORD

Financial year ended	Highest price per unit US\$	Lowest price per unit US\$
30.6.2014	14.76	13.46
30.6.2013	15.26	13.64
30.6.2012	15.25	12.72
30.6.2011	15.28	13.51
30.6.2010	13.99	11.77
30.6.2009	14.85	8.94
30.6.2008	16.96	14.85
30.6.2007	16.25	12.96
30.6.2006	13.97	12.14
30.6.2005	12.56	10.41

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 30 JUNE 2014**

We hereby confirm that, in our opinion, the Manager of the Fund has, in all material respects, managed the Fund in accordance with the provisions of the Trust Deed dated 10 May 2001, as amended, for the year ended 30 June 2014.

For and on behalf of

HSBC Institutional Trust Services (Asia) Limited
as the Trustee of
First State Umbrella Fund
First State Asian Bridge Fund

Hong Kong, 24 October 2014

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND (THE "FUND")**

Report on the Financial Statements

We have audited the financial statements of the Fund set out on pages 7 to 41, which comprise the statement of net assets as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Trustee and the Manager (the "Management") of the Fund are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and are responsible for ensuring that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 10 May 2001, as amended (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong (the "SFC Code"), and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We are also required to assess whether the financial statements of the Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the SFC Code.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND (THE "FUND") (CONTINUED)**

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 30 June 2014, and of its financial transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the SFC Code.

PricewaterhouseCoopers

Certified Public Accountants
Hong Kong, 24 October 2014

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF NET ASSETS
AS AT 30 JUNE 2014**

	Note	2014 US\$	2013 US\$
Assets			
Current assets			
Investments	4(b)	57,575,178	81,338,502
Derivative financial instruments	6	11,764	137,953
Interest receivable		339,155	550,578
Dividend receivable		56,041	79,159
Amounts receivable from brokers		748,584	816,487
Amounts receivable on subscription		97,664	19,694
Margin deposits		9,824	-
Cash at banks		448,698	123,717
Total assets		59,286,908	83,066,090
Liabilities			
Current liabilities			
Bank overdraft	7	7,988	861,997
Margin overdraft		-	47,783
Derivative financial instruments	6	5,847	56,058
Amounts payable on redemption		42,338	163,749
Amounts payable to brokers		640,801	-
Accounts payable and accrued expenses		178,744	232,900
Total liabilities		875,718	1,362,487
Equity			
Net assets attributable to unitholders	3	58,411,190	81,703,603
Number of units in issue		3,956,011.64	5,826,533.80
Net assets attributable to unitholders per unit		14.76	14.02

Signed for and on behalf of

HSBC Institutional Trust Services (Asia) Limited
as the Trustee

First State Investments (Hong Kong) Limited
as the Manager

The notes on pages 11 to 41 form part of these financial statements.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014**

	Note	2014 US\$	2013 US\$
Income			
Interest on investments		1,733,962	2,271,296
Dividend on investments		908,819	1,325,894
Interest on bank deposits		47	8
Net gains on investments and derivative financial instruments	5	5,820,958	5,455,367
Other income		-	8,000
Exchange losses		(8,973)	(14,961)
		<hr/>	<hr/>
Total net income		8,454,813	9,045,604
		-----	-----
Expenses			
Management fee	9(a)	1,551,843	2,129,009
Trustee's fee	9(b)	34,699	46,724
Administration fee	9(c)	69,398	93,448
Auditor's remuneration		29,924	28,470
Legal and professional fee		22,985	3,620
Safe custody and bank charges	7	6,248	4,477
Interest expenses	7	6,521	16,478
Other operating expenses		53,026	47,249
		<hr/>	<hr/>
Total operating expenses		1,774,644	2,369,475
		-----	-----
Profit before tax		6,680,169	6,676,129
Withholding tax		(71,916)	(107,765)
Capital gain tax		-	(12,473)
		<hr/>	<hr/>
Total comprehensive income		6,608,253	6,555,891
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 11 to 41 form part of these financial statements.

**FIRST STATE UMBRELLA FUNDS
 FIRST STATE ASIAN BRIDGE FUND
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2014**

	Note	2014		2013	
		Units	US\$	Units	US\$
Balance at the beginning of the year		5,826,533.80	81,703,603	7,180,036.48	99,247,000
Allotment of units		720,481.95	10,229,188	2,668,279.06	39,454,706
Redemption of units		(2,591,004.11)	(36,498,582)	(4,021,781.74)	(58,717,379)
Total comprehensive income		-	6,608,253	-	6,555,891
Distributions to unitholders	11	-	(3,631,272)	-	(4,836,615)
Balance at the end of the year		<u>3,956,011.64</u>	<u>58,411,190</u>	<u>5,826,533.80</u>	<u>81,703,603</u>

The notes on pages 11 to 41 form part of these financial statements.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014**

	2014 US\$	2013 US\$
Cash flows from operating activities		
Purchase of investments and derivative financial instruments	(14,977,920)	(19,689,891)
Proceeds from sale of investments and derivative financial instruments	45,282,831	41,231,239
Dividend received	861,029	1,223,030
Interest received	2,008,477	2,500,711
Other income received	-	8,000
Interest paid	(6,664)	(16,334)
Administration fee paid	(71,663)	(94,633)
Auditor's remuneration paid	(28,330)	(27,610)
Management fee paid	(1,598,082)	(2,161,530)
Trustee's fee paid	(35,832)	(47,317)
Increase in margin deposits	(9,824)	-
(Decrease)/increase in margin overdraft	(47,783)	47,783
Other operating expenses	(88,229)	(78,628)
Net cash generated from operating activities	31,288,010	22,894,820
Cash flows from financing activities		
Allotment of units	8,348,857	37,768,369
Distributions to unitholders	(1,828,911)	(2,517,032)
Redemption of units	(36,619,993)	(61,775,275)
Net cash used in financing activities	(30,100,047)	(26,523,938)
Net increase/(decrease) in cash and cash equivalents	1,187,963	(3,629,118)
Effect of foreign exchange rate changes	(8,973)	(14,961)
Cash and cash equivalents at the beginning of the year	(738,280)	2,905,799
Cash and cash equivalents at the end of the year	440,710	(738,280)
Analysis of balance of cash and cash equivalents		
Cash at banks	448,698	123,717
Bank overdraft	(7,988)	(861,997)
	440,710	(738,280)

The notes on pages 11 to 41 form part of these financial statements.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

1. The Umbrella Funds and the Fund

First State Umbrella Funds (the “Umbrella Funds”) is an umbrella fund established in Hong Kong under a Trust Deed dated 10 May 2001, as amended. As at 30 June 2014, the Umbrella Funds had only one sub-fund, namely the First State Asian Bridge Fund (the “Fund”), which was launched on 25 September 2003.

The Umbrella Funds and the Fund are authorised by the Securities and Futures Commission of Hong Kong under Section 104 of the Securities and Futures Ordinance and are required to comply with the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) held at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the Trustee to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

New and amended standards that are effective in the current year and have been adopted by the Fund

Amendments to HKFRS 7, 'Disclosure - Offsetting financial assets and financial liabilities' require additional disclosures to enable users of financial statements to evaluate the effect or the potential effects of netting arrangements, including rights of set-off associated with an entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The amendments did not have any impact on the Funds' financial position or performance, however, has resulted in additional disclosure in the notes to financial statements.

HKFRS 13, 'Fair value measurement', effective for annual periods beginning on or after 1 January 2013, has been adopted. The standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within HKFRS. If an asset or a liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. The adoption of the standard did not have any material impact on the fair value measurements of the Fund's assets and liabilities.

There are no other standards, interpretations or amendments to existing standards that are effective that would be expected to have a material impact on the Fund.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

New standards and amendments to standards that are relevant to the Fund but are not yet effective and have not been early adopted by the Fund

HKFRS 9, 'Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities, is effective for annual periods on or after 1 July 2018. It replaces the parts of HKAS 39 that relate to the classification and measurement of financial instruments. HKFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the HKAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The standard is not expected to have a significant impact on the Fund's financial statements.

Amendments to HKAS 32, 'Offsetting financial assets and financial liabilities' will be effective for annual periods beginning on or after 1 July 2014. These amendments clarify the offsetting criteria in HKAS 32 and address inconsistencies in their application. This includes clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. The amendment is not expected to have a significant impact on the Funds' financial statements.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Fund.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

2. Summary of significant accounting policies (continued)

(b) Investments

All investments have been classified as “financial assets at fair value through profit or loss”.

Purchases and sales of investments are accounted for on the trade date basis. Investments are initially recognised at fair value, excluding transaction costs which are expensed as incurred, and are subsequently re-measured at fair value. Realised and unrealised gains and losses on investments are included in the statement of comprehensive income in the period in which they arise. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Investments that are listed or traded on an exchange are fair valued based on quoted bid market prices. Investments which are not listed on an exchange are valued by using quotes from brokers.

(c) Derivative financial instruments

Derivative financial instruments are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivative financial instruments are carried as assets when fair value is positive and as liabilities when fair value is negative.

The best evidence of the fair value of a derivative financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received). Subsequent changes in the fair value of any derivative financial instrument are recognised immediately in the statement of comprehensive income.

(d) Income

Interest income is recognised on a time-proportionate basis using the effective interest method. Dividend income is recognised when the right to receive payments is established. Other income is accounted for on an accruals basis.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

2. Summary of significant accounting policies (continued)

(e) Translation of foreign currencies

(i) Functional and presentation currencies

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The performance of the Fund is measured and reported to the holders of redeemable units in United States dollar. The Manager considers the United States dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in United States dollar, which is the Fund's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within "exchange gains/(losses)".

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within "net gains/(losses) on investments".

(f) Expenses

Expenses are accounted for on an accruals basis.

(g) Subscription and redemption of units

The Fund issues units, which are redeemable at the holder's option and are classified as equity. The price at which units are subscribed or redeemed is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

2. Summary of significant accounting policies (continued)

(h) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of net assets when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash at banks with maturity of three months or less from the date of placing the deposits, net of bank overdrafts.

(j) Amounts receivable from/payable to brokers

Amounts receivable from/payable to brokers represent receivables from investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered by the end of the year.

3. Net assets attributable to unitholders

The Fund has no restrictions on the subscriptions of units. However, to protect the interests of unitholders, the Manager is entitled, with the approval of the Trustee, to limit the number of units redeemed on any dealing day (whether by sale to the Manager or by cancellation by the Trustee) to 10 per cent of the total number of units in issue. In this event, the limitation will apply pro rata so that all unitholders wishing to redeem units on that dealing day will redeem the same proportion of such units, and units not redeemed (but which would otherwise have been redeemed) will be carried forward for redemption, subject to the same limitation, on the next dealing day. If requests for redemption are so carried forward, the Manager will inform the unitholders concerned. Subscriptions and redemptions of units during the year are shown in the statement of changes in equity. In order to achieve the investment objectives, the Fund endeavors to invest its capital in accordance with the investment policies as outlined in note 4, whilst maintaining sufficient liquidity to meet redemption requests. Such liquidity is augmented by the holding of liquid investments.

As at 30 June 2014, the Fund had US\$58,411,190 (2013: US\$81,703,603) of puttable financial instruments classified as equity.

The Fund's objectives and policies for managing their obligations to redeem these instruments are included in note 4(i) on capital risk management and note 4(f) on liquidity risk.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management

Investments and derivative financial instruments are classified as “financial assets and liabilities at fair value through profit or loss”. The remaining financial assets and liabilities as shown on the statement of net assets are classified as “loans and receivables” and “other financial liabilities” respectively.

(a) Strategy in using financial instruments

The investment objective of the Fund is to provide investors with capital growth over the medium to long term by investing in listed equities and quoted debt securities in the Asia Pacific markets.

The Fund is expected to provide a return in excess of the relevant benchmark index, the MSCI AC Asia Pacific Ex Japan Free in US dollars.

The Fund is exposed to market price risk, interest rate risk, credit risk, liquidity risk and currency risk.

The risks and the respective risk management policies employed by the Fund to manage these risks are discussed below:

(b) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

It is the policy of the Manager to maintain a diversified portfolio of investments so as to minimise risk.

As at year end, the overall market exposures were as follows:

	2014		2013	
	Fair value US\$	% of net assets	Fair value US\$	% of net assets
Held for trading:				
- Equities	29,837,876	51.08	40,708,899	49.82
- Debt securities	27,737,302	47.49	40,629,603	49.73
	<u>57,575,178</u>	<u>98.57</u>	<u>81,338,502</u>	<u>99.55</u>

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(b) Market price risk (continued)

The following table shows the market exposure the Fund has to various markets:

	2014 US\$ equivalents	2013 US\$ equivalents
Markets exposed to		
Equities		
Australia	1,495,317	3,532,844
China	3,235,865	4,846,753
Hong Kong	3,759,761	7,932,312
India	5,653,273	3,878,326
Indonesia	233,220	-
Japan	793,651	-
Malaysia	382,610	450,771
Philippines	1,474,463	2,331,540
Singapore	3,586,510	5,781,134
South Korea	4,153,369	5,456,730
Taiwan	4,305,172	4,729,750
Thailand	764,665	1,370,957
United States	-	397,782
Bonds		
China	7,203,950	10,205,260
Hong Kong	4,204,053	6,990,218
India	786,355	2,890,592
Indonesia	4,266,318	5,131,976
Malaysia	1,821,200	1,241,080
Philippines	1,971,509	2,645,585
Singapore	1,292,893	2,038,613
South Korea	3,362,852	5,709,895
Thailand	1,131,726	1,582,285
Money market instruments		
Singapore	661,073	450,959
South Korea	534,769	1,246,876
Taiwan	500,604	496,264
	<u>57,575,178</u>	<u>81,338,502</u>

The market exposure to country is based on the place of domiciles of the security.

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

4. Financial risk management (continued)

(b) Market price risk (continued)

The exposure to sectors at 30 June 2014 and 2013 are as follows:

Sectors exposed to	2014	2013
	% of net assets	% of net assets
Equities		
Consumer Discretionary	1.02	1.92
Consumer Staples	10.68	7.81
Energy	2.01	2.36
Financials	14.71	17.14
Health Care	3.30	1.15
Industrials	3.30	2.53
Information Technology	8.20	6.69
Materials	1.13	1.49
Multiple	1.07	0.64
Telecommunication Services	2.28	3.35
Utilities	3.38	4.74
	<u>51.08</u>	<u>49.82</u>
Debt securities		
Agency	9.39	12.24
Automotive	0.54	0.75
Banking	10.34	9.40
Building Materials	-	0.35
Construction Machinery	-	0.24
Diversified Manufacturing	0.35	1.09
Electric	0.36	0.95
Gas Distributor	0.79	0.56
Home Construction	6.19	7.44
Independent Energy	0.38	0.83
Life Insurance	0.81	0.52
Metals and Mining	1.05	1.27
Oil Field Services	0.35	-
Other Industrials	4.75	3.49
Refining	1.56	1.09
REIT	0.88	0.59
Sovereign	4.99	5.53
Technology	0.64	0.43
Transportation Services	0.87	1.38
Treasury	1.39	-
Wireless	1.00	0.61
Wirelines	0.86	0.97
	<u>47.49</u>	<u>49.73</u>

**FIRST STATE UMBRELLA FUNDS
 FIRST STATE ASIAN BRIDGE FUND
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(b) Market price risk (continued)

There are no individual investments with market value exceeding 10% of the Fund's net asset value at 30 June 2014 and 30 June 2013.

The table below summarises the impact on the net assets attributable to unitholders, as at 30 June 2014 and 2013, of a reasonably possible change in the benchmark market index relating to equity instruments as applied to the respective beta reported by Barra. Market price risk for the debt securities is disclosed in note 4(c) under interest rate risk.

The reasonably possible change in the benchmark market index has been determined by using the annualised benchmark returns since inception.

The performance of the Fund does not necessarily follow the benchmark and the holdings in the Fund might be different to the benchmark. The below sensitivity analysis is a relative estimate of risk. Please note that past performance should not be used as a guide to future performance as future market conditions could vary significantly from those experienced in the past.

	2014		2013	
	Change in market index %	Impact US\$	Change in market index %	Impact US\$
	+/-	+/-	+/-	+/-
MSCI AC Asia Pacific Ex Japan Free index in US\$	10.92%	2,514,762	6.55%	2,087,753

(c) Interest rate risk

Interest rate risk is the risk that the value or cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Fund's interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(c) Interest rate risk (continued)

The table below summarises the Fund's exposure to interest rate risk. It includes the Fund's assets and liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

At 30 June 2014

	Up to 1 year US\$	1-5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	-	10,902,290	16,835,012	29,837,876	57,575,178
Derivative financial instruments	-	-	-	11,764	11,764
Interest receivable	-	-	-	339,155	339,155
Dividend receivable	-	-	-	56,041	56,041
Amounts receivable from brokers	-	-	-	748,584	748,584
Amounts receivable on subscription	-	-	-	97,664	97,664
Margin deposits	9,824	-	-	-	9,824
Cash at banks	448,698	-	-	-	448,698
Total assets	458,522	10,902,290	16,835,012	31,091,084	59,286,908
Liabilities					
Bank overdraft	(7,988)	-	-	-	(7,988)
Derivative financial instruments	-	-	-	(5,847)	(5,847)
Amounts payable on redemption	-	-	-	(42,338)	(42,338)
Amounts payable to brokers	-	-	-	(640,801)	(640,801)
Accounts payable and accrued expenses	-	-	-	(178,744)	(178,744)
Total liabilities	(7,988)	-	-	(867,730)	(875,718)
Total interest sensitivity gap	450,534	10,902,290	16,835,012		

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(c) Interest rate risk (continued)

At 30 June 2013

	Up to 1 year US\$	1-5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	518,094	15,477,778	24,633,731	40,708,899	81,338,502
Derivative financial instruments	-	-	-	137,953	137,953
Interest receivable	-	-	-	550,578	550,578
Dividend receivable	-	-	-	79,159	79,159
Amounts receivable from brokers	-	-	-	816,487	816,487
Amounts receivable on subscription	-	-	-	19,694	19,694
Cash at banks	123,717	-	-	-	123,717
Total assets	641,811	15,477,778	24,633,731	42,312,770	83,066,090
Liabilities					
Bank overdraft	(861,997)	-	-	-	(861,997)
Margin overdraft	(47,783)	-	-	-	(47,783)
Derivative financial instruments	-	-	-	(56,058)	(56,058)
Amounts payable on redemption	-	-	-	(163,749)	(163,749)
Accounts payable and accrued expenses	-	-	-	(232,900)	(232,900)
Total liabilities	(909,780)	-	-	(452,707)	(1,362,487)
Total interest sensitivity gap	(267,969)	15,477,778	24,633,731		

At 30 June 2014, should interest rates have lowered/risen by 100 basis points with all other variables remaining constant, the increase/decrease in net assets attributable to unitholders for the year would amount to approximately US\$1.63 million (2013: US\$2.02million), arising substantially from the increase/decrease in market values of debt securities.

The Manager has used their view of what would be a “reasonable possible shift” in the market interest rates to estimate the change for use in the interest rate risk sensitivity analysis above.

Disclosures above are shown in absolute terms, changes and impacts could be positive or negative. Changes in basis points are revised annually depending on the Manager’s current view of market interest rate sensitivity and other relevant factors.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(d) Credit and custody risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to pay amounts in full when due. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency, negligence or fraudulent action of the custodian or of a sub-custodian.

The Fund's financial assets which are potentially subject to concentrations of credit risk consist principally of bank deposits and assets held with the custodian. The table below summarises the assets placed with the bank and custodian at 30 June 2014 and 2013.

At 30 June 2014

	US\$	Credit rating	Source of credit rating
<u>Custodians – custody risk</u>			
HSBC Institutional Trust Services (Asia) Limited	57,586,434	AA-	Fitch
Citigroup	508	A-	S&P
<u>Bank – credit risk</u>			
The Hongkong and Shanghai Banking Corporation Limited	448,698	AA-	Fitch
Citigroup	9,824	A-	S&P

At 30 June 2013

	US\$	Credit rating	Source of credit rating
<u>Custodians – custody risk</u>			
HSBC Institutional Trust Services (Asia) Limited	81,338,502	AA-	Fitch
Citigroup	137,953	A-	S&P
<u>Bank – credit risk</u>			
The Hongkong and Shanghai Banking Corporation Limited	123,717	AA-	Fitch

All derivative financial instruments represent rights, outstanding forward foreign exchange contracts and bond futures contracts as disclosed in note 6. The counterparties of these forward foreign exchange contracts and bond futures contracts are The Hongkong and Shanghai Banking Corporation Limited, Hong Kong Branch and Citigroup (2013: The Hongkong and Shanghai Banking Corporation Limited, Hong Kong Branch and Citigroup). The credit rating of The Hongkong and Shanghai Banking Corporation Limited, Hong Kong Branch issued by Fitch is AA- (2013: AA-) and that of Citigroup issued by S&P is A- (2013: A-).

**FIRST STATE UMBRELLA FUNDS
 FIRST STATE ASIAN BRIDGE FUND
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(d) Credit and custody risk (continued)

As the Fund holds debt securities, it is also exposed to risk that the issuers may not be able to repay the principal amount at maturity and interest. The credit risk is mitigated as the debt securities held are subject to the requirements of (i) minimum credit rating, and (ii) maximum holding of 10% of net asset value for any single issuer.

The table below summarises the credit rating of the investment portfolio by S&P/Moody's:

Portfolio by rating category

Rating	2014	2013
AAA/Aa1/AA+/AA/AA-/A+/A/A-/A1/A2/A3	15.23%	16.41%
BBB+/BBB/BBB-/Baa3/Baa2/Baa1	18.38%	17.67%
BB+/BB/BB-/B2/Ba1/Ba2	12.10%	13.01%
B+/B/B1	0.87%	2.64%
NR	0.91%	-
Total	47.49%	49.73%

All transactions in listed/quoted investments are settled/paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal since delivery of securities sold is only made when the broker has received payment. Payment is made on a purchase when the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund limits its exposure to credit risk by transacting the majority of its securities and contractual commitment activities with broker-dealers, banks and regulated exchanges with high credit ratings and that the Fund considers to be well established.

The maximum exposure to credit risk at year end is the carrying amount of the financial assets as shown on the statement of net assets.

None of the assets is impaired nor past due but not impaired.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(e) Offsetting and amounts subject to broker arrangements and similar agreements

As at 30 June 2014 and 2013, the Fund was subject to broker arrangement with its derivative counterparties. All of the derivative assets and liabilities of the Fund excluding rights which are not subject to offsetting arrangements are held with these counterparties and the margin balance maintained by the Fund is for the purpose of providing collateral on derivative positions.

The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable broker arrangements and similar agreements. The tables are presented by type of financial instrument.

Financial assets subject to offsetting, enforceable broker arrangements and similar agreements:

	A	B	C = (A-B)
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set-off in the statement of net assets	Net amounts of financial assets presented in the statement of net assets
	US\$	US\$	US\$
As at 30 June 2014			
<u>Financial assets</u>			
Margin deposits	9,824	-	9,824
Derivative assets	1,064	-	1,064
As at 30 June 2013			
<u>Financial assets</u>			
Derivative assets	137,953	-	137,953

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(e) Offsetting and amounts subject to broker arrangements and similar agreements (continued)

Financial liabilities subject to offsetting, enforceable broker arrangements and similar agreements

	A	B	C = (A-B)
	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set-off in the statement of net assets	Net amounts of financial liabilities presented in the statement of net assets
	US\$	US\$	US\$
As at 30 June 2014			
<u>Financial liabilities</u>			
Derivative liabilities	5,847	-	5,847
As at 30 June 2013			
<u>Financial liabilities</u>			
Margin overdraft	47,783	-	47,783
Derivative liabilities	56,058	-	56,058

The following table presents the Fund's financial assets subject to offsetting, enforceable broker arrangements and similar agreements, by counter party:

	C = A-B	D		E = C-D
	Net amounts of financial assets presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amount
	US\$	D(i) Financial instruments	D(ii) Cash collateral received	US\$
	US\$	US\$	US\$	US\$
As at 30 June 2014				
<u>Counterparty</u>				
Citigroup Inc	10,332	(5,758)	-	4,574
HSBC Plc	556	(89)	-	467
	10,888	(5,847)	-	5,041
	10,888	(5,847)	-	5,041
As at 30 June 2013				
<u>Counterparty</u>				
Citigroup Inc	137,953	(103,338)	-	34,615
	137,953	(103,338)	-	34,615
	137,953	(103,338)	-	34,615

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(e) Offsetting and amounts subject to broker arrangements and similar agreements (continued)

The following table presents the Fund's financial liabilities subject to offsetting, enforceable broker arrangements and similar agreements, by counter party:

	C = A-B	D		E = C-D
	Net amounts of financial liabilities presented in the statement of net assets	Related amounts not set-off in the statement of net assets		Net amount
		D(i)	D(ii)	
	US\$	Financial instruments	Cash collateral received	US\$
	US\$	US\$	US\$	US\$
As at 30 June 2014				
<u>Counterparty</u>				
Citigroup Inc	5,758	(5,758)	-	-
HSBC Plc	89	(89)	-	-
	5,847	(5,847)	-	-
	5,847	(5,847)	-	-
As at 30 June 2013				
<u>Counterparty</u>				
Citigroup Inc	103,338	(103,338)	-	-
HSBC Plc	503	-	-	503
	103,841	(103,338)	-	503
	103,841	(103,338)	-	503

The Fund and its counterparties have elected to settle all transactions on a gross basis however, each party has the option to settle all open contracts on a net basis in the event of default of the other party. Per the terms of the broker agreement, an event of default includes the following:

- failure by a party to make payment when due;
- failure by a party to perform any obligation required by the agreement;
- bankruptcy.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(f) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in settling a liability, including a redemption request.

The Fund is exposed to daily cash redemptions of units in the Fund. The Fund invests the majority of its assets in investments that are traded in an active market and can be readily disposed of. Please refer to note 3 for restrictions on unit redemption and note 7 for uncommitted bank overdraft.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the year end date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month US\$	1-3 months US\$	Over 3 months US\$
At 30 June 2014			
Bank overdraft	7,988	-	-
Derivative financial instruments	89	5,758	-
Amounts payable on redemption	42,338	-	-
Amounts payable to brokers	640,801	-	-
Accounts payable and accrued expenses	143,282	35,404	58
Total financial liabilities	834,498	41,162	58
	Less than 1 month US\$	1-3 months US\$	Over 3 months US\$
At 30 June 2013			
Bank overdraft	861,997	-	-
Margin overdraft	47,783	-	-
Derivative financial instruments	503	55,555	-
Amounts payable on redemption	163,749	-	-
Accounts payable and accrued expenses	195,919	34,317	2,664
Total financial liabilities	1,269,951	89,872	2,664

Units are redeemed on demand at the holder's option. As at 30 June 2014, there were 2 (2013: 2) unitholders holding over 10% of the Fund's net assets. Based on historical levels of activity, the Fund on average has outflows relating to the redemption of units of US\$3,042,000 (2013: US\$4,893,000) per month.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(f) Liquidity risk (continued)

The Fund manages its liquidity risk by investing predominantly in securities that it expects to be able to liquidate within 1 month or less. The following table illustrates the expected liquidity of assets held:

At 30 June 2014	Less than 1 month US\$	1-3 months US\$	More than 3 months US\$
Investments	57,575,178	-	-
Derivative financial instruments	10,700	1,064	-
Interest receivable	83,080	138,118	117,957
Dividend receivable	45,061	10,980	-
Amounts receivable from brokers	748,584	-	-
Amounts receivable on subscription	97,664	-	-
Margin deposits	9,824	-	-
Cash at banks	448,698	-	-
Total assets	59,018,789	150,162	117,957
At 30 June 2013	Less than 1 month US\$	1-3 months US\$	More than 3 months US\$
Investments	81,338,502	-	-
Derivative financial instruments	-	137,953	-
Interest receivable	128,458	245,660	176,460
Dividend receivable	38,034	34,269	6,856
Amounts receivable from brokers	816,487	-	-
Amounts receivable on subscription	19,694	-	-
Cash at banks	123,717	-	-
Total assets	82,464,892	417,882	183,316

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(g) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Fund has assets and liabilities denominated in currencies other than United States dollar, the Fund's functional and presentation currency. The Fund is therefore exposed to currency risk, as the value of the monetary assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates. The Manager will enter into forward foreign exchange contracts from time to time to hedge against the fluctuation in exchange rates. Details of forward foreign exchange contracts outstanding at the year end are disclosed in note 6.

The table below summarises the Fund's net exposure to different major currencies:

	2014		2013	
	Monetary US\$	Non- monetary US\$	Monetary US\$	Non- monetary US\$
Australian Dollar	-	1,495,317	134,813	3,532,844
Hong Kong Dollar	762,495	7,254,309	58,626	12,256,113
Indian Rupee	9,817	5,653,273	12,633	3,878,326
Indonesian Rupiah	21,373	918,292	218	10,262
Japanese yen	-	793,651	-	-
Malaysian Ringgit	2,394	519,824	4	451,095
Philippines Peso	3,754	1,474,463	7,919	2,331,540
Singapore Dollar	68,148	3,586,510	873	4,282,466
South Korean Won	57,648	4,153,369	24,045	5,456,739
Taiwan Dollar	185,659	4,305,172	134,757	4,729,750
Thai Baht	-	764,696	25,894	1,370,989

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(g) Currency risk (continued)

The table below summarises the impact on net assets attributable to unitholders as a result of increases/decreases of key exchange rates on the exposures tabled above, to which the Fund is exposed. The analysis is based on the assumption that the exchange rates had increased/decreased by the respective percentage with all other variables held constant.

	2014			2013		
	Change	Impact	Impact Non-monetary US\$ equivalent	Change	Impact	Impact Non-monetary US\$ equivalent
	+/-	+/-	+/-	+/-	+/-	+/-
Australian Dollar	5.0%	-	74,766	5.0%	6,741	176,642
Indian Rupee	5.0%	491	282,664	5.0%	632	193,916
Indonesian Rupiah	5.0%	1,069	45,915	5.0%	11	513
Japanese yen	5.0%	-	39,683	5.0%	-	-
Malaysian Ringgit	5.0%	120	25,991	5.0%	-	22,555
Philippines Peso	5.0%	188	73,723	5.0%	396	116,577
Singapore Dollar	5.0%	3,407	179,326	5.0%	44	214,123
South Korean Won	5.0%	2,882	207,668	5.0%	1,202	272,837
Taiwan Dollar	5.0%	9,283	215,259	5.0%	6,738	236,488
Thai Baht	5.0%	-	38,235	5.0%	1,295	68,549

The Manager has used their view of what would be a “reasonable possible shift” in the exchange rates to estimate the change for use in the currency risk sensitivity analysis above.

Disclosures above are shown in absolute terms, changes and impacts could be positive or negative. Changes in exchange rates % are revised annually depending on the Manager’s current view of exchange rates volatility and other relevant factors.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(h) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the year end date. The quoted market price used for financial assets held by the Fund is the current bid price; the quoted market price used for financial liabilities is the current asking price.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

The Fund adopted HKFRS 13, effective 1 July 2013. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

**FIRST STATE UMBRELLA FUNDS
 FIRST STATE ASIAN BRIDGE FUND
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(h) Fair value estimation (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund’s investments (by class) measured at fair value:

At 30 June 2014	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Held for trading				
- Equities	29,212,224	625,652	-	29,837,876
- Debt securities	-	27,737,302	-	27,737,302
- Derivatives	508	11,256	-	11,764
Total assets	<u>29,212,732</u>	<u>28,374,210</u>	<u>-</u>	<u>57,586,942</u>
Liabilities				
Held for trading				
- Derivatives	5,758	89	-	5,847
Total liabilities	<u>5,758</u>	<u>89</u>	<u>-</u>	<u>5,847</u>

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(h) Fair value estimation (continued)

At 30 June 2013	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Held for trading				
- Equities	40,185,947	522,952	-	40,708,899
- Debt securities	-	40,629,603	-	40,629,603
- Derivatives	137,953	-	-	137,953
Total assets	40,323,900	41,152,555	-	81,476,455
Liabilities				
Held for trading				
- Derivatives	55,555	503	-	56,058
Total liabilities	55,555	503	-	56,058

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities and derivatives. The Fund does not adjust the quoted price for these investments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include quoted debt securities and unlisted derivatives. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As of 30 June 2014 and 2013, the Fund did not hold any investments classified in level 3.

There were no transfers between levels of investments for the years ended 30 June 2014 and 2013.

The assets and liabilities as stated in the statement of net assets excluding investments and derivative financial instruments, are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

**FIRST STATE UMBRELLA FUNDS
 FIRST STATE ASIAN BRIDGE FUND
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2014**

4. Financial risk management (continued)

(i) Capital risk management

The capital of the Fund is represented by the net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly as the Fund is subject to subscriptions and redemptions every day at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

In order to maintain or adjust the capital structure, the Fund's policy is to perform the following:

- monitor the level of subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the trust deed of the Fund.

The Manager monitors capital on the basis of the value of net assets attributable to unitholders.

5. Net gains on investments and derivative financial instruments

	2014	2013
	US\$	US\$
Change in unrealised gains/losses in value of investments	2,334,344	576,783
Change in unrealised gains/losses on derivative financial instruments	(75,979)	114,374
Realised gains on sale of investments	3,565,421	4,697,507
Realised (losses)/gains on derivative financial instruments	(2,828)	66,703
	<u>5,820,958</u>	<u>5,455,367</u>

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

6. Derivative financial instruments

Derivative financial instruments represent rights, outstanding forward foreign exchange contracts and bond futures contracts.

	2014		2013	
	US\$	% of net assets	US\$	% of net assets
<u>Derivative financial instruments</u>				
- Rights	10,700	0.02	-	-
- Bond futures	508	-	137,953	0.17
- Forward foreign exchange contracts	556	-	-	-
Total derivative financial instruments - assets	11,764	0.02	137,953	0.17
- Bond futures	(5,758)	(0.01)	(55,555)	(0.07)
- Forward foreign exchange contracts	(89)	-	(503)	-
Total derivative financial instruments - liabilities	(5,847)	(0.01)	(56,058)	(0.07)

The details of outstanding forward foreign exchange contracts as at year end for the Fund were as follows:

At 30 June 2014

Contract to deliver	In exchange for	Settlement date	Fair value US\$
USD192,715	CNY1,200,000	3 July 2014	556
KOW58,319,378	USD57,611	1 July 2014	(26)
HKD47,987	USD6,187	2 July 2014	(4)
SGD84,001	USD67,206	2 July 2014	(59)
			<u>467</u>

At 30 June 2013

Contract to deliver	In exchange for	Settlement date	Fair value US\$
AUD134,204	USD123,938	2 July 2013	(503)
			<u>(503)</u>

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

6. Derivative financial instruments (continued)

The details of bond futures contracts as at year end for the Fund were as follows:

As at 30 June 2014

Contract size	Notional amount	Description	Position	Counter-party	Fair value US\$
1	1,000	US Long BD 0914 Future	Long	Citigroup	(1,063)
2	2,000	US Ultra BD 0914 Future	Long	Citigroup	453
(1)	(1,000)	US 10YR CBT 0914 Future	Short	Citigroup	55
(16)	(32,000)	US 2YR CBT 0914 Future	Short	Citigroup	(4,500)
1	1,000	US 5YR CBT 0914 Future	Long	Citigroup	(195)

As at 30 June 2013

Contract size	Notional amount	Description	Position	Counter-party	Fair value US\$
7	7,000	US Ultra BD 0913 Future	Long	Citigroup	(25,781)
(50)	(50,000)	US 10YR 0913 Future	Short	Citigroup	137,953
6	12,000	US 2YR CBT 0913 Future	Long	Citigroup	(469)
22	22,000	US 5YR 0913 Future	Long	Citigroup	(29,305)

7. Uncommitted bank overdraft

The Fund had arranged uncommitted overdraft with The Bank of Bermuda Limited, Hong Kong Branch (the "Branch"), an affiliate party of the Trustee. According to the Transfer of Facility and Security Agreement dated 15 October 2004 between the Branch, The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), the Trustee and the Manager, the arranged facility had been transferred to HSBC.

During the year ended 30 June 2014, HSBC has extended the facility and the new overdraft facility limit is the lesser of US\$8,000,000 or 25% of the net asset value of the Fund. The overdraft balance shall bear interest at 0.5% above HSBC's best lending rate for United States Dollars and 2.6% below HSBC's best lending rate for Hong Kong Dollars.

To secure the facility, the Fund had granted HSBC a charge over all present and future investments of the Fund upon utilising the facility. The Fund will not during the subsistence of the investment without the written consent of HSBC create or attempt to create or permit to subsist any encumbrance in or affecting the investment which may prejudice, diminish or affect the investment provided by the Security Deeds and the Transfer of Facility and Security Agreement. During the year, the Fund utilised the facility. As at 30 June 2014, the Fund had US\$7,988 on its overdraft facility (2013: US\$861,997).

For the year ended 30 June 2014, an interest expense of US\$6,521 (2013: US\$16,478) and bank charges of US\$6,229 (2013: US\$4,394) were incurred by the Fund.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

8. Taxation

- (a) No provision for Hong Kong profits tax has been made as the Fund was authorised as a collective investment scheme under Section 104 of the Hong Kong Securities and Futures Ordinance and is therefore exempted from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.
- (b) The Fund invests in shares of companies in People's Republic of China ("PRC") listed on the Hong Kong Stock Exchange ("H-shares"). Under the PRC Corporate Income Tax Law, the Fund may be liable to pay PRC tax on the capital gains realised in the trading of H-shares. However, no provision was made for taxation from such gains in the financial statements as the Trustee and Manager believe that the Fund can sustain a position for not filing a tax return based on the existing tax regulations and that the enforcement of China tax on capital gains is not probable.
- (c) The Fund invests in B-shares of companies listed in the PRC. Under current PRC tax laws, gains derived from the transfer of shares of Chinese companies by non-residents should be subject to a withholding tax of 10%, unless exempt under relevant tax treaties. The State Administration of Taxation ("SAT") has remained silent on the application of the withholding tax for capital gains and until further clarification is issued by the SAT, the Manager considers that there is significant uncertainty in respect of whether the Fund has any liability and the extent of such liability. In making the assessment, the Manager has considered (a) the current position of the SAT, (b) absence of a withholding mechanism of the relevant tax, and (c) current market practice. Based on assumptions that the withholding tax, if levied, is at 10% of the gross gain, the maximum liability the Fund may be exposed is US\$13,920 (2013: US\$13,920), calculated based on the realised gain and unrealised gain from all investments in B-shares up to 30 June 2014. The Manager has assessed the risk for the Fund to be liable for such tax and consider such risk to be low as at 30 June 2014, and therefore no provision is made.
- (d) The Fund invests in securities listed on the stock exchange in Australia. Gains generated from disposals of Australian investments may be exposed to Australian tax at the rate of 30%. In September 2012, the Australian Government introduced legislation exempting gains realised by a foreign managed fund on or before 30 June 2011, provided that certain ownership conditions and other criteria are met and the Investment Manager believe that the Fund has met these conditions and criteria. The Australian Government has also announced that additional legislation will be introduced to assist with the interpretation of the taxing requirements after 30 June 2011. At this point the Trustee and the Manager consider that there are insufficient grounds to make a provision for tax on gains on Australian investments as at 30 June 2014 and 2013 as there are still uncertainties in the existing tax law including the extent of scope or exemptions and the calculation methodology, which will affect the tax exposures on the Fund. The Trustee and the Manager consider that a charge for tax on gains on Australian investments is uncertain as at the date of approval of the financial statements.
- (e) Withholding tax was charged on certain dividend income received during the year.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

9. Transactions with connected persons/related parties

The following is a summary of the transactions entered into during the year between the Fund and its related parties including the Trustee, the Manager and its connected persons. Connected persons of the Manager are those defined in the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong. All such transactions were entered into in the ordinary course of business and on normal commercial terms.

(a) Management fee

The Manager is entitled to receive in arrears a monthly management fee from the Fund, accrued on and calculated as at each dealing day at the rate of 1% per annum of the net asset value of the Fund,. The Manager may increase the rate of management fee payable in respect of the Fund up to 2.25% per annum on giving not less than three months written notice of such increase to the Trustee and the unitholders.

In addition, a fixed total expense ratio (the “TER”) is applied to calculate the management fee of the Fund. The TER represents total actual expenses and any fees payable to the Trustee but exclusive of any establishment costs, costs of acquiring and disposing of investments, interest expenses, taxes, any non-recurring or extraordinary losses and expenses or any litigation costs, calculated on an accruals basis. The TER is expressed as a percentage per annum of the latest net asset value of the Fund. In the event that the TER exceeds or is less than 3% per annum in the first financial year of the Fund or thereafter, 2.5% per annum, the management fee payable to the Manager shall be reduced/increased to the extent that the TER exceeds/less than 3% per annum for the first financial year and 2.5% per annum thereafter, respectively. Such TER adjustment should be accrued as at each dealing day, with the relevant adjustment or payment, being effected on a monthly basis at the time of payment of the management fee. For the year ended 30 June 2014, a management fee of US\$1,551,843 (2013: US\$2,129,009) was incurred by the Fund, of which US\$107,413 (2013: US\$153,651) remained payable at 30 June 2014.

(b) Trustee’s fee

The Trustee is entitled to receive in arrears a monthly trustee fee from the Fund, accrued on and calculated at each dealing day at the rate of 0.05% per annum of the net asset value of the Fund. The Trustee may increase the rate of the trustee fee up to 1% per annum by giving not less than three months’ written notice to the Manager and the unitholders. For the year ended 30 June 2014, a trustee fee of US\$34,699 (2013: US\$46,724) was incurred by the Fund, of which US\$2,397 (2013: US\$3,528) remained payable at 30 June 2014.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

9. Transactions with connected persons/related parties (continued)

(c) Administration fee

The Trustee is also entitled to receive in arrears a monthly administration fee from the Fund, accrued on and calculated at each dealing day at the rate of 0.1% per annum of the net asset value of the Fund, subject to a minimum fee of US\$1,250 per month. For the year ended 30 June 2014, an administration fee of US\$69,398 (2013: US\$93,448) was incurred by the Fund, of which US\$4,793 (2013: US\$7,058) remained payable at 30 June 2014.

(d) Subscription and redemption charge

The Manager is entitled to a charge of 5% of the issue price and the redemption price per unit relating to subscriptions and redemptions respectively in the Fund. For the year ended 30 June 2014, the income accruing to the Manager relating to subscriptions of the Fund amounted to US\$127,261 (2013: US\$502,940) of which US\$13,129 (2013: US\$13,782) remained payable at 30 June 2014.

The Manager has not levied any realisation charges on redemption of units in the Fund during the year (2013: Nil).

10. Soft commission arrangements

The Manager and its connected persons have not entered into any soft commission arrangements relating to dealing in the assets of the Fund during the year (2013: Nil).

11. Distributions

The Manager intends to declare distributions on units in the Fund on a semi-annual basis for the six-month periods to the end of June and December in each year. Distributions will normally be paid by the end of February and August in each year. The unitholders may elect to have distributions paid in cash or reinvested in the Fund.

	2014	2013
	US\$	US\$
Final distribution		
- US\$0.3455 on 7,054,202.60 units paid on 27 August 2012	-	2,437,227
- US\$0.3505 on 5,823,253.72 units paid on 26 August 2013	2,041,050	-
Interim distribution		
- US\$0.3742 on 6,412,047.73 units paid on 28 February 2013	-	2,399,388
- US\$0.3550 on 4,479,498.71 units paid on 24 February 2014	1,590,222	-
Total distributions	<u>3,631,272</u>	<u>4,836,615</u>

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

12. Subsequent events

A final distribution of US\$0.3690 per unit of the Fund totaling US\$1,499,493 related to the period from 1 January to 30 June 2014 was declared on 14 August 2014. The proposed distribution has not been reflected as a liability in the financial statements as at 30 June 2014.

13. Approval of the financial statements

The financial statements were approved by the Trustee and the Manager on 24 October 2014.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 JUNE 2014**

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%)			
(I) Equities (51.08%)			
<i>Australia</i>			
CSL LTD	13,068	818,742	1.40
NEWCREST MINING LTD	30,694	303,883	0.52
WESFARMERS LTD	9,456	372,692	0.64
		1,495,317	2.56
<i>China</i>			
CHINA MENGNIU DAIRY CO LTD	33,000	151,997	0.26
CHINA OILFIELD SERVICES LTD	212,000	508,748	0.87
CHINA RESOURCES GAS GROUP LTD	102,000	319,128	0.55
CHINA TELECOM CORP LTD	676,000	330,552	0.56
CNOOC LTD	253,000	453,721	0.78
ENN ENERGY HOLDINGS LTD	82,000	583,991	1.00
FIRST STATE FUNDS FIRST STATE CHINA A SHARES FUND	63,006	625,652	1.07
WANT WANT CHINA HOLDINGS LTD	183,000	262,076	0.45
		3,235,865	5.54
<i>Hong Kong</i>			
AEON STORES (HONG KONG) CO LTD	17,500	19,643	0.03
AIA GROUP LTD	120,600	606,828	1.04
CHEUNG KONG HLDGS LTD	76,000	1,348,248	2.31
HONG KONG & CHINA GAS	280,800	611,537	1.05
LINK REIT	159,078	854,828	1.46
VITASOY INTL HLDGS LTD	250,000	318,677	0.55
		3,759,761	6.44

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(I) Equities (51.08%) (continued)			
<i>India</i>			
DABUR INDIA LTD	354,482	1,103,423	1.89
DR REDDY'S LABORATORIES LTD	15,074	659,041	1.13
GODREJ CONSUMER PRODUCTS LTD	40,888	558,105	0.95
GRASIM INDUSTRIES LTD	6,259	356,349	0.61
HDFC BANK LTD	53,681	733,797	1.26
HOUSING DEVELOPMENT FINANCE CORP LTD	42,973	706,023	1.21
IDFC LTD	142,503	320,469	0.55
INFOSYS TECHNOLOGIES LTD	8,229	445,866	0.76
LUPIN LTD	12,545	219,284	0.37
MAHINDRA & MAHINDRA LTD	14,867	284,063	0.49
NESTLE INDIA LTD	3,255	266,853	0.46
		5,653,273	9.68
<i>Indonesia</i>			
KALBE FARMA	1,672,000	233,220	0.40
		233,220	0.40
<i>Japan</i>			
PIGEON CORP	9,300	490,198	0.84
UNICHARM CORPORATION	5,100	303,453	0.52
		793,651	1.36

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(I) Equities (51.08%) (continued)			
<i>Malaysia</i>			
PUBLIC BANK	62,800	382,610	0.65
		382,610	0.65
<i>Philippines</i>			
BDO UNIBANK	214,122	458,398	0.78
MANILA WATER CO	783,000	457,654	0.78
SM INV CORP	30,077	558,411	0.96
		1,474,463	2.52
<i>Singapore</i>			
DAIRY FARM INTERNATIONAL HOLDINGS LTD	36,690	390,749	0.67
DBS GROUP HLDGS LTD	51,684	693,231	1.19
JARDINE MATHESON HOLDINGS LTD	5,060	300,058	0.51
M1 LTD	195,000	548,086	0.94
OVERSEA-CHINESE BANKING CORP	118,136	902,480	1.55
SEMBCORP INDUSTRIES	70,000	299,888	0.51
SINGAPORE TELECOMMUNICATIONS LTD	147,000	452,018	0.77
		3,586,510	6.14
<i>South Korea</i>			
AMOREPACIFIC GROUP	721	532,280	0.91
DGB FINANCIAL GROUP INC	15,060	225,487	0.39
HYUNDAI MOBIS	1,041	291,667	0.50
LG CORP	7,658	472,263	0.81
LG HOUSEHOLD & HEALTH CARE LTD	1,248	561,190	0.96
SAMSUNG ELECTRONICS PFD	1,205	1,262,341	2.16
SAMSUNG FIRE & MARINE INS	1,491	379,436	0.65
SAMSUNG FIRE & MARINE INS-PREF	2,629	428,705	0.73
		4,153,369	7.11

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(I) Equities (51.08%) (continued)			
<i>Taiwan</i>			
ADVANTECH CO LTD	88,974	753,815	1.29
CHROMA ATE INC	62,695	175,517	0.30
CTCI CORPORATION	170,000	294,320	0.50
DELTA ELECTRONICS INC	130,000	938,149	1.61
PRESIDENT CHAIN STORE CORP	52,000	415,310	0.71
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	286,791	1,214,891	2.08
UNI-PRESIDENT ENTERPRISES CORP	286,435	513,170	0.88
		4,305,172	7.37
<i>Thailand</i>			
CPN RETAIL GROWTH LEASEHOLD PROPERTY FUND	634,431	322,642	0.55
PTT PD (FR)	21,800	212,994	0.37
SIAM COMMERCIAL BANK PD (FR)	44,100	229,029	0.39
		764,665	1.31
Total Equities		29,837,876	51.08
(II) Debt securities (47.49%)			
Bonds (44.58%)			
<i>China</i>			
AGRICULTURAL BANK CHINA (REG S) (REG) 3.25% 16/05/2016	1,000,000	160,320	0.27
AMBER CIRCLE FUNDING LTD (REG S) 3.25% 04/12/2022	600,000	573,212	0.98
CHINA MERCHANTS FINANCE EMTN (REGS) (BR) 5% 04/05/2022	200,000	210,077	0.36
CHINA OVERSEAS FINANCE (REG S) (REG) 5.95% 08/05/2024	400,000	413,452	0.71
CHINA OVERSEAS FINANCE (REGS) 5.5% 10/11/2020	200,000	211,830	0.36
CHINA SHANSHUI CEMENT GROUP CO LTD (REG S) 8.5% 25/05/2016	200,000	208,000	0.36

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(II) Debt securities (47.49%) (continued)			
Bonds (44.58%) (continued)			
<i>China (continued)</i>			
CITIC PACIFIC LTD 6.8% 17/01/2023	1,200,000	1,366,800	2.34
CNOOC FINANCE 2011 LTD (REG S) (REG) 5.75% 26/01/2041	200,000	230,764	0.40
CNOOC FINANCE 2014 LTD 4.25% 30/04/2024	200,000	204,949	0.35
CNPC HK OVERSEAS CAPITAL (REG S) 5.95% 28/04/2041	200,000	233,759	0.40
COUNTRY GARDEN HOLDINGS COMPANY (REG S) REG 11.125% 23/02/2018	300,000	327,468	0.56
EXPORT-IMPORT BANK OF CHINA (REG S) (BR) 3% 14/05/2016	1,000,000	160,828	0.28
FRANSHION DEVELOPMENT LTD (REG S) 6.75% 15/04/2021	550,000	584,302	1.00
GEMDALE INT INVESTMENT (REG S) (REG) 7.125% 16/11/2017	500,000	514,105	0.88
HANG SENG CHINA LTD (REG S) (REG) 03/07/2017	1,500,000	241,589	0.41
LONGFOR PROPERTIES SER EMTN (REG S) (REG) 6.875% 18/10/2019	350,000	360,898	0.62
RIZHAO PORT CO LTD (REG S) (REG) 4.25% 15/05/2017	1,000,000	160,676	0.28
SINOCHEM OVERSEAS CAPITA (REGS) (REG) 6.3% 12/11/2040	150,000	171,315	0.29
SINOPEC GROUP OVERSEA 2012 (REG S) 4.875% 17/05/2042	200,000	202,443	0.35
SOHO CHINA LTD (REG S) 5.75% 07/11/2017	300,000	306,533	0.52
		6,843,320	11.72

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(II) Debt securities (47.49%) (continued)			
Bonds (44.58%) (continued)			
<i>Hong Kong</i>			
AGEAS CAPITAL ASIA LTD (REG S) (REG) 4.125% 25/04/2023	500,000	473,229	0.81
BANK OF CHINA HONG KONG (REGS) 5.55% 11/02/2020	600,000	663,700	1.14
CHINA CONSTRUCTION BANK ASIA (REG S) (BR) 3.45% 27/06/2017	1,000,000	160,922	0.28
CHINA CONSTRUCTION BANK ASIA SER EMTN (REG S) (REG) 3.25% 02/07/2019	200,000	199,708	0.34
DAH SING BANK LTD SER EMTN (REG) 6.625% 11/02/2020	150,000	170,618	0.29
GAIN SILVER FINANCE (REG) 6.375% 25/08/2016	350,000	380,869	0.65
GOODMAN HK FINANCE SER EMTN (REG S) (REG) 4.375% 19/06/2024	200,000	200,012	0.34
HK ELECTRIC FINANCE SER EMTN 4.25% 14/12/2020	200,000	212,210	0.36
HKCG FINANCE LTD (REG S) 6.25% 07/08/2018	400,000	462,038	0.79
HUTCHISON WHAMPOA INTERNATIONAL LTD (REG S) 7.45% 24/11/2033	200,000	279,107	0.48
LI & FUNG LTD (REG) 5.25% 13/05/2020	450,000	488,729	0.84
LI & FUNG LTD (REG) 5.5% 16/05/2017	200,000	218,365	0.37
STANDARD CHARTERED BANK EMTN 5.875% 24/06/2020	300,000	340,785	0.58
SWIRE PROPERTIES MTN FINANCING LTD EMTN (BR) 4.375% 18/06/2022	300,000	314,391	0.54
		4,564,683	7.81

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(II) Debt securities (47.49%) (continued)			
Bonds (44.58%) (continued)			
<i>India</i>			
BHARTI AIRTEL INTERNATIO (REG) (REG S) 5.125% 11/03/2023	250,000	256,455	0.44
RELIANCE HOLDINGS USA INC (REG S) (REG) 4.5% 19/10/2020	250,000	260,984	0.45
RELIANCE HOLDINGS USA INC (REG S) 5.4% 14/02/2022	250,000	268,916	0.46
		786,355	1.35
<i>Indonesia</i>			
ADARO INDONESIA (REGS) 7.625% 22/10/2019	300,000	315,000	0.54
BANK RAKYAT INDONESIA (REG S) 2.95% 28/03/2018	200,000	197,345	0.34
INDO ENERGY FINANCE BV (REG S) 7% 07/05/2018	300,000	299,250	0.51
INDONESIA (REP OF) (REG S) (REG) 7.75% 17/01/2038	600,000	747,000	1.28
INDONESIA (REP OF) FR55 7.375% 15/09/2016	100,000,000	8,454	0.01
INDONESIA GOVERNMENT SER FR69 (REG) 7.875% 15/04/2019	8,000,000,000	676,618	1.16
INDOSAT PALAPA CO BV (REG S) 7.375% 29/07/2020	300,000	325,125	0.56
MAJAPAHIT HOLDING (REG S) 7.75% 17/10/2016	350,000	393,745	0.67
PERTAMINA (REG S) 4.875% 03/05/2022	250,000	248,036	0.42
PERTAMINA (REG S) 5.25% 23/05/2021	200,000	205,967	0.35
PERUSAHAAN LISTRIK NEGAR (REG S) 5.5% 22/11/2021	350,000	366,934	0.63
REPUBLIC OF INDONESIA (REGS) 3.375% 15/04/2023	300,000	278,844	0.48
THETA CAPITAL PTE LTD (REG S) 7% 11/04/2022	200,000	204,000	0.35
		4,266,318	7.30

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(II) Debt securities (47.49%) (continued)			
Bonds (44.58%) (continued)			
<i>Malaysia</i>			
AMBANK M SER EMTN (REG S) 3.125% 03/07/2019	200,000	199,504	0.34
AXIATA SPV1 LABUAN LTD 5.375% 28/04/2020	220,000	244,479	0.42
IOI INVESTMENT SER EMTN (REG) 4.375% 27/06/2022	200,000	202,396	0.35
MALAYAN BANKING BERHAD 3% 10/02/2017	250,000	258,838	0.44
MALAYSIAN GOVERNMENT SER 1/06 4.262% 15/09/2016	1,000	317	-
MALAYSIAN GOVT SER 0114 4.181% 15/07/2024	400,000	126,197	0.22
PETRONAS CAPITAL LTD (REG S) (REG) 5.25% 12/08/2019	200,000	227,170	0.39
TENAGA NASIONAL (REG S) 7.5% 01/11/2025	440,000	562,299	0.96
		1,821,200	3.12
<i>Philippines</i>			
DEVELOPMENT BANK OF THE PHILIPPINES 5.5% 25/03/2021	300,000	330,473	0.56
PHILIPPINES (REP OF) 9.5% 02/02/2030	300,000	469,140	0.80
PHILIPPINES GOVT (REG) 8.375% 17/06/2019	920,000	1,171,896	2.01
		1,971,509	3.37
<i>Singapore</i>			
CMT MTN PTE LTD EMTN 3.731% 21/03/2018	300,000	315,739	0.54
PSA INTERNATIONAL PTE LTD (REGS) 4.625% 11/09/2019	310,000	344,452	0.59
SINGTEL GROUP TREASURY EMTN 2.375% 08/09/2017	250,000	257,391	0.44
STATS CHIPPAC LTD (REG S) 4.5% 20/03/2018	372,000	375,311	0.64
		1,292,893	2.21

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(II) Debt securities (47.49%) (continued)			
Bonds (44.58%) (continued)			
<i>South Korea</i>			
BUSAN BANK GMTN (REG) 4.125% 09/02/2017	200,000	211,411	0.36
EXPORT-IMPORT BANK KOREA (REG) 2.875% 17/09/2018	350,000	360,516	0.62
GS CALTEX OIL CORP 6% 08/08/2016	350,000	380,771	0.65
HYUNDAI CAPITAL SERVICES INC (REGS) 3.5% 13/09/2017	300,000	314,664	0.54
KOOKMIN BANK 3.625% 14/01/2017	400,000	422,469	0.72
KOREA (REPUBLIC OF) (REG) 7.125% 16/04/2019	200,000	246,468	0.42
KOREA DEVELOPMENT BANK (REG) 3.5% 22/08/2017	400,000	421,811	0.72
KOREA EXCHANGE BANK (REG S) 3.125% 26/06/2017	200,000	207,916	0.36
KOREA FINANCE CORP (REG) 3.25% 20/09/2016	300,000	313,120	0.54
KOREA HOUSING FINANCE CO (REGS) REG 3.5% 15/12/2016	250,000	262,841	0.45
KOREA HYDRO & NUCLEAR POWER (REG S) (REG) 4.75% 13/07/2021	200,000	220,865	0.38
		3,362,852	5.76
<i>Thailand</i>			
BANGKOK BANK PUB CO (HK) (REGS) 9.025% 15/03/2029	300,000	405,148	0.70
PTTEP CANADA INTL FIN (REG S) 5.692% 05/04/2021	200,000	222,892	0.38
SIAM COMMERCIAL BANK PCL SER REGS 3.5% 07/04/2019	500,000	503,655	0.86
THAILAND (GOVT OF) (REG) 2.8% 10/10/2017	1,000	31	-
		1,131,726	1.94
Total Bonds		26,040,856	44.58

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014**

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Listed/quoted investments (98.57%) (continued)			
(II) Debt securities (47.49%) (continued)			
Money market instruments (2.91%)			
<i>Singapore</i>			
OVERSEA-CHINESE BANKING CORP LTD SER EMTN (BR) VAR 15/11/2022	250,000	257,404	0.44
OVERSEA-CHINESE BANKING CORP LTD. SER REGS VAR 15/10/2024	200,000	203,520	0.35
UNITED OVERSEAS BANK LTD EMTN (REG S) VAR 19/09/2024	200,000	200,149	0.34
		661,073	1.13
<i>South Korea</i>			
WOORI BANK (REG S) REG VAR 02/05/2037	495,000	534,769	0.92
		534,769	0.92
<i>Taiwan</i>			
CHINATRUST COMM BANK (REG S) VAR PERP 29/12/2049	500,000	500,604	0.86
		500,604	0.86
Total Money Market Instruments		1,696,446	2.91
Total Debt Securities		27,737,302	47.49
Total listed/quoted investments		57,575,178	98.57

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2014

	Holdings as at 30.6.2014	Market value US\$	% of net asset value
Derivatives (0.01%)			
Rights (0.02%)			
<i>Malaysia</i>			
PUBLIC BANK (LOCAL REG) NIL PAID RIGHTS 18/07/2014	6,280	10,700	0.02
Total Rights		<u>10,700</u>	<u>0.02</u>
Futures (-0.01%)			
<i>USA</i>			
US 10YR NOTE (CBT) SEP 14 19/09/2014	(1)	55	-
US 2YR NOTE (CBT) FUT 30/09/2014	(16)	(4,500)	(0.01)
US 5YR NOTE (CBT) SEP 14 30/09/2014	1	(195)	-
US LONG BOND (CBT) FUT SEP 14 30/09/2014	1	(1,063)	-
US ULTRA BOND (CBT) FUT SEP 14 19/09/2014	2	453	-
Total Futures		<u>(5,250)</u>	<u>(0.01)</u>
Total Forward Foreign Exchange Contracts		<u>467</u>	<u>-</u>
Other net assets		<u>830,095</u>	<u>1.42</u>
Net assets as at 30 June 2014		<u>58,411,190</u>	<u>100.00</u>
Total listed/quoted investments, at historical cost		<u>46,758,234</u>	

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
FOR THE YEAR ENDED 30 JUNE 2014

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(I) Equities			
<i>Australia</i>			
COCHLEAR LTD	-	6,674	-
CSL LTD	3,588	329	-
NEWCREST MINING LTD	-	38,000	-
QBE INSURANCE GROUP LTD	-	88,468	-
WESFARMERS LTD	9,986	9,986	-
WESFARMERS LTD	9,986	12,649	-
WORLEYPARSONS LTD	-	15,808	-
<i>China</i>			
CHINA BLUECHEMICAL LTD	-	324,000	-
CHINA COMMUNICATIONS SERVICES CORP LTD	-	907,195	-
CHINA MENGNIU DAIRY CO LTD	-	24,000	-
CHINA MERCHANTS HLDGS INTERNATIONAL CO LTD	-	99,067	-
CHINA OILFIELD SERVICES LTD	-	168,000	-
CHINA RESOURCES GAS GROUP LTD	144,000	42,000	-
CHINA RESOURCES POWER HOLDINGS CO LTD	-	134,600	-
CHINA TELECOM CORP LTD	-	396,000	-
CNOOC LTD	-	66,000	-
ENN ENERGY HOLDINGS LTD	-	44,000	-
WANT WANT CHINA HOLDINGS LTD	-	9,000	-
<i>Hong Kong</i>			
AEON STORES (HONG KONG) CO LTD	-	64,500	-
AIA GROUP LTD	-	56,600	-
ALCO HLDGS LTD	-	302,000	-
CHEUNG KONG HLDGS LTD	-	67,000	-
CHEUNG KONG INFRASTRUCTURE HLDGS LTD	-	122,000	-
DAH SING FINANCIAL GROUP	-	47,733	-
HONG KONG & CHINA GAS	-	257,000	25,527
LI & FUNG LTD	-	542,000	-
LINK REIT	4,797	84,500	-
SWIRE PACIFIC LTD A	-	34,500	-
VITASOY INTL HLDGS LTD	-	118,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(I) Equities (continued)			
<i>India</i>			
DABUR INDIA LTD	-	52,149	-
DR REDDY'S LABORATORIES LTD	15,588	514	-
GODREJ CONSUMER PRODUCTS LTD	10,415	1,989	-
GRASIM INDUSTRIES LTD	1,470	1,187	-
HDFC BANK LTD	38,566	1,903	-
HINDALCO INDUSTRIES LTD	-	68,082	-
HINDUSTAN UNILEVER LTD	-	40,007	-
HOUSING DEVELOPMENT FINANCE CORP LTD	19,950	2,164	-
IDFC LTD	170,303	117,468	-
INFOSYS TECHNOLOGIES LTD	-	4,550	-
LUPIN LTD	12,545	-	-
MAHINDRA & MAHINDRA LTD	8,852	6,411	-
NESTLE INDIA LTD	1,877	-	-
<i>Indonesia</i>			
KALBE FARMA	1,672,000	-	-
<i>Japan</i>			
PIGEON CORP	4,900	500	4,900
UNICHARM CORPORATION	5,400	300	-
<i>Malaysia</i>			
PUBLIC BANK	-	21,500	-
<i>Philippines</i>			
BDO UNIBANK	41,400	95,920	-
MANILA WATER CO	-	326,000	-
PHILIPPINE LONG DISTANCE TELEPHONE	-	6,217	-
SM INV CORP	3,330	1,590	5,667
<i>Singapore</i>			
CAPITACOMMERCIAL TRUST	-	185,000	-
DAIRY FARM INTERNATIONAL HOLDINGS LTD	-	2,700	-
DBS GROUP HLDGS LTD	1,155	48,000	-
JARDINE MATHESON HOLDINGS LTD	-	12,000	-
M1 LTD	-	65,000	-
OVERSEA-CHINESE BANKING CORP	2,290	60,000	-
SABANA SHARI'AH COMPLIANT INDUSTRIAL REIT	-	242,000	-
SEMBCORP INDUSTRIES	70,000	-	-
SINGAPORE TELECOMMUNICATIONS LTD	-	66,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(I) Equities (continued)			
<i>South Korea</i>			
AMOREPACIFIC GROUP	-	1,100	-
DGB FINANCIAL GROUP INC	-	21,350	-
E-MART CO LTD	-	2,500	-
HYUNDAI MOBIS	1,041	-	-
LG CORP	-	4,832	-
LG HOUSEHOLD & HEALTH CARE LTD	540	-	-
SAMSUNG ELECTRONICS PFD	-	1,273	-
SAMSUNG FIRE & MARINE INS	-	1,579	-
SAMSUNG FIRE & MARINE INS-PREF	-	1,626	-
<i>Taiwan</i>			
ADVANTECH CO LTD	-	44,000	-
CHROMA ATE INC	-	17,000	-
CTCI CORPORATION	-	41,000	-
DELTA ELECTRONICS INC	27,000	17,000	-
PRESIDENT CHAIN STORE CORP	9,000	29,000	-
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	-	180,000	-
UNI-PRESIDENT ENTERPRISES CORP	48,000	157,000	20,062
YUNGTAY ENGINEERING CO LTD	-	60,000	-
<i>Thailand</i>			
CPN RETAIL GROWTH LEASEHOLD PROPERTY FUND	174,560	35,900	-
CPN RETAIL GROWTH LEASEHOLD PROPERTY FUND	6,742	174,560	167,818
KIATNAKIN BANK PD (FR)	-	190,900	-
PTT PD (FR)	-	11,700	-
SIAM COMMERCIAL BANK PD (FR)	-	28,500	-
<i>USA</i>			
YUM! BRANDS INC	-	5,740	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities			
Bonds			
<i>China</i>			
AGILE PROPERTY HOLDINGS LTD (REG S) 8.875% (REG) 28/04/2017	-	200,000	-
AGRICULTURAL BANK CHINA (REG S) (REG) 3.25% 16/05/2016	1,000,000	-	-
BANK OF CHINA LTD SYDNEY SER EMTN (REG S) (REG) 3.25% 17/04/2016	1,000,000	1,000,000	-
CENTRAL CHINA REAL ESTATE EMTN 6.5% 04/06/2018	-	200,000	-
CHINA OIL & GAS GROUP LTD (REG S) 5.25% 25/04/2018	-	500,000	-
CHINA OVERSEA FIN KY III (REGS) (REG) 5.375% 29/10/2023	200,000	200,000	-
CHINA OVERSEAS FINANCE (REG S) (REG) 5.95% 08/05/2024	400,000	-	-
CHINA OVERSEAS FINANCE (REG S) 3.95% 15/11/2022	-	400,000	-
CHINA RESOURCES LAND LTD (REG S) 4.625% 19/05/2016	-	200,000	-
CHINA RESOURCES POWER HL 3.75% 3/8/2015	-	300,000	-
CITIC PACIFIC LTD (REG) 6.625% 15/04/2021	-	450,000	-
CITIC PACIFIC LTD 6.8% 17/01/2023	1,200,000	-	-
CITIC PACIFIC LTD SER EMTN (REG) 6.875% 21/01/2018	400,000	400,000	-
CMHI FINANCE (BVI) CO (BR) 7.125% 18/06/2018	-	250,000	-
CNOOC CURTIS FUNDING NO.1 PTY LTD (REG S) 4.5% 03/10/2023	450,000	450,000	-
CNOOC FINANCE 2011 LTD (REG S) (REG) 4.25% 26/01/2021	-	300,000	-
CNOOC FINANCE 2013 LTD (REG) 3% 09/05/2023	-	550,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>China</i>			
CNOOC FINANCE 2013 LTD 4.25% (REG) 9/5/2043	-	200,000	-
CNOOC FINANCE 2014 LTD 4.25% 30/04/2024	200,000	-	-
CNPC HK OVERSEAS CAPITAL (REG S) 5.95% 28/04/2041	200,000	200,000	-
COUNTRY GARDEN HOLDINGS COMPANY (REG S) REG 11.125% 23/02/2018	-	200,000	-
EXPORT-IMPORT BANK OF CHINA (REG S) (BR) 3% 14/05/2016	1,000,000	-	-
FRANSHION DEVELOPMENT LTD (REG S) 6.75% 15/04/2021	450,000	300,000	-
HANG SENG CHINA LTD (REG S) (REG) 03/07/2017	1,500,000	-	-
KAISA GROUP HOLDINGS LTD (REGS) (REG) 8.875% 19/03/2018	-	250,000	-
KWG PROPERTY HOLDINGS LT (REG S) 8.625% 05/02/2020	-	200,000	-
LAI FUNG HLDGS LTD (REG) 9.125% 4/4/2014	-	500,000	-
LONGFOR PROPERTIES (REG S) (REG) 9.5% 07/04/2016	-	450,000	-
LONGFOR PROPERTIES SER EMTN (REG S) (REG) 6.875% 18/10/2019	400,000	250,000	-
LONKING HOLDINGS LTD (REGS) 8.5% 03/06/2016	-	200,000	-
RIZHAO PORT CO LTD (REG S) (REG) 4.25% 15/05/2017	1,000,000	-	-
SHIMAO PPTY HLDNG LTD (REG S) (REG) 6.625% 14/01/2020	-	200,000	-
SHIMAO PROPERTY HOLDINGS LTD (REG S) 8% 01/12/2016	-	350,000	-
SOHO CHINA LTD (REG S) 5.75% 07/11/2017	300,000	-	-
SPARKLE ASSETS LTD EMTN (REG S) (REG) 6.875% 30/01/2020	-	500,000	-
TALENT YIELD INVESTMENTS (REG S) 4.5% 25/04/2022	-	300,000	-
YANLORD LAND GROUP LTD (REGS) (REG) 9.5% 04/05/2017	-	350,000	-

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014**

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>Hong Kong</i>			
BANK OF CHINA HONG KONG (REGS) 5.55% 11/02/2020	-	200,000	-
CHINA CONSTRUCTION BANK ASIA (REG S) (BR) 3.45% 27/06/2017	1,000,000	-	-
CHINA CONSTRUCTION BANK ASIA SER EMTN (REG S) (REG) 3.25% 02/07/2019	200,000	-	-
CHONG HING BANK LIMITED (REG) 6% 4/11/2020	-	150,000	-
CITIC BK INTL LTD SER EMTN (REG) 6.875% 24/06/2020	-	400,000	-
CLP POWER HK FINANCING LTD EMTN 4.75% 12/07/2021	-	250,000	-
GOODMAN HK FINANCE SER EMTN (REG S) (REG) 4.375% 19/06/2024	200,000	-	-
HONG KONG LAND FINANCE 4.5% 7/10/2025	-	100,000	-
HONG KONG LAND FINANCE EMTN 4.5% 1/6/2022	-	200,000	-
HUTCHISON WHAMPOA INTERNATIONAL LTD (REG S) 7.45% 24/11/2033	-	100,000	-
HUTCHISON WHAMPOA INTL (REG S) (REG) 5.75% 11/09/2019	-	650,000	-
KOWLOON CANTON RAILWAY CORP (REGS) (REG) 5.125% 20/05/2019	-	260,000	-
PCCW HKT CAPITAL NO4 LTD (REG) 4.25% 24/02/2016	-	300,000	-
SUN HUNG KAI PROP (CAP) SER EMTN (REG S) 3.625% 16/01/2023	-	200,000	-
SWIRE PROPERTIES MTN FINANCING LTD EMTN (BR) 4.375% 18/06/2022	-	200,000	-
<i>India</i>			
BANK OF BARODA SER EMTN (REG) 4.75% 07/10/2015	-	280,000	-
BANK OF INDIA / LONDON EMTN (REG) 4.75% 30/09/2015	-	350,000	-
BHARTI AIRTEL INTERNATIONAL (REG) (REG S) 5.125% 11/03/2023	250,000	200,000	-
EXPORT-IMPORT BK INDIA (REG) 4.375% 2/2/2015	-	250,000	-
ICICI BANK LTD (REG S) 5.5% 25/03/2015	-	560,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
India (continued)			
ICICI BANK LTD / DUBAI (REGS) (REG) 4.7% 21/02/2018	-	200,000	-
INDIAN OIL CORP LTD 4.75% 22/01/2015	-	100,000	-
STATE BANK INDIA LONDON EMTN 4.5% 23/10/2014	-	400,000	-
Indonesia			
INDO ENERGY FINANCE BV (REG S) 7% 7/5/2018	-	200,000	-
INDONESIA (REP OF) (REG S) (REG) 7.75% 17/01/2038	-	250,000	-
INDONESIA GOVERNMENT SER FR69 (REG) 7.875% 15/04/2019	8,000,000,000	-	-
PERTAMINA (REG S) 6% 03/05/2042	-	600,000	-
PERTAMINA (REGS) 6.5% 27/05/2041	-	200,000	-
REPUBLIC OF INDONESIA (REGS) 3.375% 15/04/2023	-	700,000	-
THETA CAPITAL PTE LTD (REG S) 7% 11/04/2022	200,000	-	-
Malaysia			
AMBANK M SER EMTN (REG S) 3.125% 03/07/2019	200,000	-	-
IOI INVESTMENT SER EMTN (REG) 4.375% 27/06/2022	200,000	-	-
MALAYSIAN GOVT SER 0114 4.181% 15/07/2024	400,000	-	-
Philippines			
PHILIPPINES (GOVT OF) (REG) 5.5% 30/03/2026	-	300,000	-
PHILIPPINES (REP OF) (REG) 4% 15/01/2021	-	200,000	-
PHILIPPINES (REP OF) 9.5% 02/02/2030	-	100,000	-
Singapore			
BW GROUP LTD (REG S) 6.625% 28/06/2017	-	500,000	-
CHINA RESOURCES CEMENT HOLDINGS LTD (REG S) 2.125% 05/10/2017	-	300,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>South Korea</i>			
EXPORT-IMPORT BANK KOREA (REG) 2.875% 17/09/2018	350,000	-	-
EXPORT-IMPORT BANK OF KOREA (REG) 5% 11/04/2022	-	200,000	-
EXPORT-IMPORT BANK OF KOREA (REG) 5.125% 29/06/2020	-	200,000	-
HYUNDAI MOTOR MANUFACTUR (REG S) 4.5% 15/04/2015	-	300,000	-
KOERA GAS CORP (REGS) 4.25% 2/11/2020	-	100,000	-
KOREA (TREASURY) SER 1309 (REG) 4.75% 17/09/2013 (DIRTY)	-	10,000	-
KOREA DEVELOPMENT BANK (REG) 4% 9/9/2016	-	300,000	-
KOREA EXPRESSWAY CORP (REGS) 4.5% 23/03/2015	-	400,000	-
KOREA HYDRO & NUCLEAR POWER (REG S) (REG) 4.75% 13/07/2021	-	350,000	-
KOREA HYDRO & NUCLEAR POWER (REGS) (REG) 3.125% 16/09/2015	-	100,000	-
NATIONAL AGRICULTURAL CO (REG) 4.25% 28/01/2016	-	150,000	-
POSCO (REGS) 4.25% 28/10/2020	-	250,000	-
SHINHAN BANK (REG S) 4.375% 15/09/2015	-	130,000	-
WOORI BANK (REGS) (REG) 4.5% 7/10/2015	-	200,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>Thailand</i>			
BANGKOK BANK PUB CO (HK) (REG S) 3.875% 27/09/2022	-	200,000	-
BANGKOK BANK PUB CO (HK) (REGS) 9.025% 15/03/2029	-	100,000	-
PTTEP AUSTRALIA INTERNATIONAL FINANCE PROPRIETARY LTD	-	450,000	-
SIAM COMMERCIAL BANK (HK) (REGS) 3.375% 19/09/2017	-	200,000	-
SIAM COMMERCIAL BANK PCL SER REGS 3.5% 07/04/2019	500,000	-	-
<i>USA</i>			
US TREASURY BOND 2.75% 15/02/2024	350,000	350,000	-
US TREASURY BOND 2.875% 15/05/2043	500,000	500,000	-
Money Market Instruments			
<i>Hong Kong</i>			
YANCOAL INT'L TRADING (REG S) VAR PERPETUAL	200,000	200,000	-
<i>Singapore</i>			
DBS BANK LTD (REG S) (REG) VAR 21/09/2022	-	200,000	-
OVERSEA-CHINESE BANKING CORP LTD. SER REGS VAR 15/10/2024	200,000	-	-
UNITED OVERSEAS BANK LTD EMTN (REG S) VAR 19/09/2024	200,000	-	-
<i>South Korea</i>			
SHINHAN BANK EMTN VAR 02/03/2035	-	700,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Derivatives	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(III) Derivatives			
Rights			
<i>Malaysia</i>			
PUBLIC BANK (LOCAL REG) NIL PAID RIGHTS 18/7/2014	-	-	6,280
Futures			
<i>USA</i>			
US LONG BOND (CBT) 19/06/2014	1	1	-
US LONG BOND (CBT) 20/03/2014	1	1	-
US LONG BOND (CBT) FUT 30/09/2014	1	-	-
US ULTRA BOND (CBT) 19/09/2013	-	7	-
US ULTRA BOND (CBT) 19/12/2013	7	7	-
US ULTRA BOND (CBT) FUT 19/06/2014	2	2	-
US ULTRA BOND (CBT) FUT 19/09/2014	2	-	-
US ULTRA BOND (CBT) FUT 20/03/2013	6	6	-
US 10YR NOTE (CBT) 19/06/2014	47	47	-
US 10YR NOTE (CBT) 19/09/2013	87	37	-
US 10YR NOTE (CBT) 19/09/2014	42	43	-
US 10YR NOTE (CBT) 19/12/2013	93	93	-
US 10YR NOTE (CBT) 20/03/2014	80	80	-
US 2YR NOTE (CBT) 30/06/2014	17	17	-
US 2YR NOTE (CBT) FUT 30/09/2013	8	14	-
US 2YR NOTE (CBT) FUT 30/09/2014	12	12	-
US 2YR NOTE (CBT) FUT 30/09/2014	-	16	-
US 2YR NOTE (CBT) FUT 31/03/2014	15	15	-
US 2YR NOTE (CBT) FUT 31/12/2013	17	17	-
US 5YR NOTE (CBT) 30/06/2014	4	4	-
US 5YR NOTE (CBT) 30/09/2013	4	26	-
US 5YR NOTE (CBT) 30/09/2014	4	3	-
US 5YR NOTE (CBT) 31/03/2014	5	5	-
US 5YR NOTE (CBT) 31/12/2013	25	25	-

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
GENERAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2014**

Manager	First State Investments (Hong Kong) Limited 6th Floor, Three Exchange Square 8 Connaught Place Central Hong Kong
Directors of the Manager	Chris Turpin Djayawinata Adrianus (resigned on 6 March 2014) Michael Stapleton Ng Hui Lin Todd Prado (appointed on 25 July 2013)
Trustee and Registrar	HSBC Institutional Trust Services (Asia) Limited 1 Queen's Road Central Hong Kong
Auditor	PricewaterhouseCoopers 22nd Floor, Prince's Building Central Hong Kong
Legal Advisor to the Manager	Deacons Alexandra House 5th Floor 18 Charter Road Central Hong Kong

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The Securities & Futures Commission has not reviewed the contents of the above website.