

First State Umbrella Funds

Annual Report

July 2015 - June 2016

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND

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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 2016**

REPORT OF THE MANAGER

PERFORMANCE

	1 July 2015 to 30 June 2016	1 July 2014 to 30 June 2015
First State Asian Bridge Fund ("FSAB Fund") [^]	-1.05%	6.05%
Benchmark: Customized Benchmark [#]	-1.24%	2.05%

[^] 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.)

Market review

Asia Pacific ex-Japan markets declined over the year, with the MSCI AC Asia Pacific ex-Japan Index falling 10% in US dollar terms. Meanwhile, the MSCI World Index retreated 3.2% and the MSCI Emerging Markets Index declined by 11.7%. New Zealand and Indonesia were the best performing countries over the year, while China and Singapore were the weakest. At a sector level, Health Care and Utilities outperformed, while Energy and Financials lagged.

Outlook

Little has changed in our outlook for Asian markets, which remains uncertain. Despite the increasing prevalence of negative interest rates in developed markets, global growth remains muted. This lack of growth has resulted in challenging export conditions for Asian corporates. Low, and particularly negative, interest rates are likely to have many unforeseen consequences, but for now there are few inflationary pressures. If anything, the build-up of debt may become deflationary as cash flows are directed towards debt repayment. While inflation remains muted, in Asia interest rate cuts are more likely than increases, as central banks look to stimulate domestic economies and avoid currency strength.

Finally, the manager has proposed a payment of US\$25,405 be paid into the fund post 30 June 2016 due to an opportunity cost arising from an operational matter that occurred at a related entity. The matter is confidential as it has a bearing on a related matter before the courts outside of Hong Kong. These court proceedings do not involve First State Investments.

**FIRST STATE UMBRELLA FUNDS
 FIRST STATE ASIAN BRIDGE FUND
 PERFORMANCE TABLE (UNAUDITED)
 FOR THE YEAR ENDED 30 JUNE 2016**

NET ASSET VALUES

Financial year	Net asset value US\$	Net asset value per unit in issue US\$
30.6.2016	58,569,179	13.99
30.6.2015	63,067,889	14.90
30.6.2014	58,411,190	14.76

PERFORMANCE RECORD

Financial year ended	Highest price per unit US\$	Lowest price per unit US\$
30.6.2016	14.87	12.85
30.6.2015	15.46	14.43
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

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
REPORT OF THE TRUSTEE
FOR THE YEAR ENDED 30 JUNE 2016**

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 2016.

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, 14 October 2016

**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 6 to 40, which comprise the statement of net assets as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity, cash flow statement and statement of distribution 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 2016, 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, 14 October 2016

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF NET ASSETS
AS AT 30 JUNE 2016**

	Note	2016 US\$	2015 US\$
Assets			
Current assets			
Investments	4(b)	57,058,874	58,847,362
Derivative financial instruments	6	66,703	5,772
Interest receivable		305,056	340,861
Dividend receivable		121,849	125,853
Amounts receivable from brokers		765,910	-
Amounts receivable on subscription		319,986	1,435,520
Margin deposits		43,536	16,679
Cash at banks		864,405	2,624,530
Total assets		<u>59,546,319</u>	<u>63,396,577</u>
Liabilities			
Current liabilities			
Derivative financial instruments	6	92,252	5,259
Amounts payable on redemption		54,522	46,204
Amounts payable to brokers		685,061	95,496
Accounts payable and accrued expenses		145,305	181,729
Total liabilities		<u>977,140</u>	<u>328,688</u>
Equity			
Net assets attributable to unitholders	3	<u>58,569,179</u>	<u>63,067,889</u>
Number of units in issue		<u>4,185,630.63</u>	<u>4,230,438.21</u>
Net assets attributable to unitholders per unit		<u>13.99</u>	<u>14.90</u>

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 40 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 2016**

	Note	2016 US\$	2015 US\$
Income			
Interest on investments		1,211,410	1,335,279
Dividend on investments		683,808	724,800
Interest on bank deposits		34	49
Net (losses)/gains on investments and derivative financial instruments	5	(1,275,069)	3,234,441
Other income/(loss)		2,726	(910)
Exchange losses		(23,926)	(39,252)
		<hr/>	<hr/>
Total net income		598,983	5,254,407
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Expenses			
Management fee	9(a)	1,044,665	1,313,357
Trustee's fee	9(b)	28,172	30,456
Administration fee	9(c)	56,344	60,912
Auditor's remuneration		31,120	31,630
Legal and professional fee		46,417	37,604
Safe custody and bank charges	7	2,517	1,330
Interest expenses	7	583	788
Other operating expenses		56,195	74,936
		<hr/>	<hr/>
Total operating expenses		1,266,013	1,551,013
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
(Loss)/profit before tax		(667,030)	3,703,394
Withholding tax		(61,229)	(78,525)
		<hr/>	<hr/>
Total comprehensive (loss)/income		<u>(728,259)</u>	<u>3,624,869</u>

The notes on pages 11 to 40 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 2016**

	Note	2016		2015	
		Units	US\$	Units	US\$
Balance at the beginning of the year		4,230,438.21	63,067,889	3,956,011.64	58,411,190
Allotment of units		976,471.11	13,248,478	2,325,238.84	34,862,457
Redemption of units		(1,021,278.69)	(14,106,650)	(2,050,812.27)	(30,795,583)
Total comprehensive (loss)/income		-	(728,259)	-	3,624,869
Distributions to unitholders	11	-	(2,912,279)	-	(3,035,044)
Balance at the end of the year		<u>4,185,630.63</u>	<u>58,569,179</u>	<u>4,230,438.21</u>	<u>63,067,889</u>

The notes on pages 11 to 40 form part of these financial statements.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
	US\$	US\$
Cash flows from operating activities		
Purchase of investments and derivative financial instruments	(27,797,453)	(25,002,704)
Proceeds from sale of investments and derivative financial instruments	28,103,978	27,122,433
Dividend received	633,337	583,815
Interest received	1,297,104	1,377,481
Other income received	2,726	(910)
Interest paid	(583)	(789)
Administration fee paid	(56,696)	(60,662)
Auditor's remuneration paid	(30,736)	(30,150)
Management fee paid	(1,085,971)	(1,332,554)
Trustee's fee paid	(28,348)	(30,331)
Increase in margin deposits	(26,857)	(6,855)
Other operating expenses	(100,102)	(93,542)
Net cash generated from operating activities	910,399	2,525,232
Cash flows from financing activities		
Allotment of units*	12,793,826	31,974,077
Distributions to unitholders*	(1,342,092)	(1,484,520)
Redemption of units	(14,098,332)	(30,791,717)
Net cash used in financing activities	(2,646,598)	(302,160)
Net (decrease)/increase in cash and cash equivalents	(1,736,199)	2,223,072
Effect of foreign exchange rate changes	(23,926)	(39,252)
Cash and cash equivalents at the beginning of the year	2,624,530	440,710
Cash and cash equivalents at the end of the year	864,405	2,624,530
Analysis of balance of cash and cash equivalents		
Cash at banks	864,405	2,624,530

*During the year, there were non-cash transactions of US\$1,570,187 (2015: US\$1,550,524) on the allotment of units and distributions to unitholders.

The notes on pages 11 to 40 form part of these financial statements.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF DISTRIBUTION
FOR THE YEAR ENDED 30 JUNE 2016**

	2016 US\$	2015 US\$
Undistributed income brought forward at 1 July	1,345,198	718,616
Transfer to capital	(1,345,198)	(718,616)
Total comprehensive income for the year*	1,644,738	4,380,242
Interim distribution distributed on 25 February 2016 (US\$0.3452 per unit) (2015: on 23 February 2015 (US\$0.3682 per unit))	(1,371,575)	(1,535,551)
Final distribution distributed on 24 August 2015 (US\$0.3725 per unit) (2015: on 25 August 2014 (US\$0.3690 per unit))	(1,540,704)	(1,499,493)
Undistributed (loss)/income at 30 June	<u>(1,267,541)</u>	<u>1,345,198</u>

* Total comprehensive income for the year available for distribution is the adjusted total comprehensive income for the year, for which the calculation basis is in accordance with the relevant Trust Deed, Supplemental Deeds and Explanatory Memorandum.

The notes on pages 11 to 40 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 2016**

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 2016, 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 Hong Kong 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 2016**

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Standards and amendments to existing standards effective from 1 July 2015

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2015 that would be expected to have a material impact on the Fund.

New standards, amendments and interpretations 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. The complete version of HKFRS 9 was issued in July 2014. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually uses for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under HKAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Fund is yet to assess HKFRS 9's full impact and expects that the application of the standard will have no material impact on how the results and financial position of the Fund is prepared.

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 2016**

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 2016**

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 2016**

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% 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 2016, the Fund had US\$58,569,179 (2015: US\$63,067,889) 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 2016**

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. Further with effect from 28 January 2015, the Fund may invest up to 10% of its net assets in certain eligible China A-shares via the Shanghai-Hong Kong Stock Connect (the “Stock Connect”).

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:

	2016		2015	
	Fair value US\$	% of net assets	Fair value US\$	% of net assets
Held for trading:				
- Equities	29,227,389	49.90	31,532,660	50.00
- Debt securities	27,831,485	47.52	27,314,702	43.31
	<u>57,058,874</u>	<u>97.42</u>	<u>58,847,362</u>	<u>93.31</u>

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

4. Financial risk management (continued)

(b) Market price risk (continued)

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

	2016 US\$ equivalents	2015 US\$ equivalents
Markets exposed to		
Equities		
Australia	2,564,406	1,783,399
China	3,848,744	5,449,533
Hong Kong	3,188,343	3,657,331
India	5,896,453	7,309,320
Indonesia	-	184,785
Japan	1,770,731	1,061,111
Malaysia	289,163	297,657
Philippines	1,430,854	1,411,956
Singapore	3,025,455	2,905,466
South Korea	2,265,681	2,754,630
Taiwan	3,805,467	4,017,509
Thailand	1,142,092	699,963
Bonds		
Australia	518,084	-
China	10,547,460	10,484,012
Hong Kong	3,205,080	4,748,787
India	1,964,969	2,089,043
Indonesia	3,560,396	3,819,477
Malaysia	559,122	1,305,974
Singapore	1,048,837	884,029
South Korea	1,382,567	1,342,497
Thailand	866,131	845,554
Money market instruments		
Australia	308,943	-
China	202,992	197,916
Hong Kong	410,000	203,054
Malaysia	405,612	-
Singapore	1,540,155	669,465
South Korea	708,679	724,894
Thailand	302,331	-
United Kingdom	300,127	-
	<u>57,058,874</u>	<u>58,847,362</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 2016

4. Financial risk management (continued)

(b) Market price risk (continued)

The exposure to sectors at 30 June 2016 and 2015 are as follows:

Sectors exposed to	2016	2015
	% of net assets	% of net assets
Equities		
Consumer discretionary	2.07	2.61
Consumer staples	8.72	9.18
Energy	0.32	0.98
Financials	10.94	11.43
Health care	5.11	4.62
Industrials	8.21	3.16
Information technology	10.32	8.22
Materials	0.13	0.97
Multiple	0.64	5.09
Telecommunication services	1.19	1.57
Utilities	2.25	2.17
	<u>49.90</u>	<u>50.00</u>
Debt securities		
Agency	14.69	10.41
Automotive	-	0.49
Banking	13.43	8.73
Diversified manufacturing	-	0.32
Electric	1.41	0.34
Finance companies	-	0.64
Home construction	7.04	5.89
Independent energy	0.39	0.99
Life insurance	-	1.10
Metals and mining	-	1.28
Natural gas	0.68	0.71
Other industrials	1.23	3.81
Refining	0.96	0.85
REIT	1.69	1.95
Retailers	0.34	0.31
Sovereign	2.19	1.31
Technology	0.89	0.89
Transportation services	-	0.26
Treasury	1.34	0.65
Wireless	0.46	0.90
Wirelines	0.78	1.48
	<u>47.52</u>	<u>43.31</u>

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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 2016 and 2015.

The table below summarises the impact on the net assets attributable to unitholders, as at 30 June 2016 and 2015, 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.

	2016		2015	
	Change in market index % +/-	Impact US\$ +/-	Change in market index % +/-	Impact US\$ +/-
MSCI AC Asia Pacific Ex Japan Free index in US\$	3.50%	781,916	7.39%	1,724,149

(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.

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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 2016

	Up to 1 year US\$	1-5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	213,771	10,220,919	17,396,795	29,227,389	57,058,874
Derivative financial instruments	-	-	-	66,703	66,703
Interest receivable	-	-	-	305,056	305,056
Dividend receivable	-	-	-	121,849	121,849
Amounts receivable from brokers	-	-	-	765,910	765,910
Amounts receivable on subscription	-	-	-	319,986	319,986
Margin deposits	43,536	-	-	-	43,536
Cash at banks	864,405	-	-	-	864,405
Total assets	1,121,712	10,220,919	17,396,795	30,806,893	59,546,319
Liabilities					
Derivative financial instruments	-	-	-	(92,252)	(92,252)
Amounts payable on redemption	-	-	-	(54,522)	(54,522)
Amounts payable to brokers	-	-	-	(685,061)	(685,061)
Accounts payable and accrued expenses	-	-	-	(145,305)	(145,305)
Total liabilities	-	-	-	(977,140)	(977,140)
Total interest sensitivity gap	1,121,712	10,220,919	17,396,795		

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4. Financial risk management (continued)

(c) Interest rate risk (continued)

At 30 June 2015

	Up to 1 year US\$	1-5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	634,694	10,224,521	16,455,487	31,532,660	58,847,362
Derivative financial instruments	-	-	-	5,772	5,772
Interest receivable	-	-	-	340,861	340,861
Dividend receivable	-	-	-	125,853	125,853
Amounts receivable on subscription	-	-	-	1,435,520	1,435,520
Margin deposits	16,679	-	-	-	16,679
Cash at banks	2,624,530	-	-	-	2,624,530
Total assets	3,275,903	10,224,521	16,455,487	33,440,666	63,396,577
Liabilities					
Derivative financial instruments	-	-	-	(5,259)	(5,259)
Amounts payable on redemption	-	-	-	(46,204)	(46,204)
Amounts payable to brokers	-	-	-	(95,496)	(95,496)
Accounts payable and accrued expenses	-	-	-	(181,729)	(181,729)
Total liabilities	-	-	-	(328,688)	(328,688)
Total interest sensitivity gap	3,275,903	10,224,521	16,455,487		

At 30 June 2016, 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 would amount to approximately US\$1.50 million (2015: US\$1.48 million), arising substantially from the increase/decrease in market values of debt securities.

The Manager has used its 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.

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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 2016 and 2015.

At 30 June 2016

	US\$	Credit rating	Source of credit rating
<u>Custodians – custody risk</u>			
HSBC Institutional Trust Services (Asia) Limited	57,058,874	AA-	Fitch
J.P. Morgan Securities LLC	66,703	A+	S&P
<u>Bank – credit risk</u>			
The Hongkong and Shanghai Banking Corporation Limited	864,405	AA-	Fitch
J.P. Morgan Securities LLC	43,536	A+	S&P

At 30 June 2015

	US\$	Credit rating	Source of credit rating
<u>Custodians – custody risk</u>			
HSBC Institutional Trust Services (Asia) Limited	58,847,362	AA-	Fitch
J.P. Morgan Securities LLC	5,772	A+	S&P
<u>Bank – credit risk</u>			
The Hongkong and Shanghai Banking Corporation Limited	2,624,530	AA-	Fitch
J.P. Morgan Securities LLC	16,679	A+	S&P

All derivative financial instruments represent 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 J.P. Morgan Securities LLC respectively (2015: The Hongkong and Shanghai Banking Corporation Limited, Hong Kong Branch and J.P. Morgan Securities LLC).

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4. Financial risk management (continued)

(d) Credit and custody risk (continued)

* The credit ratings of HSBC Institutional Trust Services (Asia) Limited and The Hongkong and Shanghai Banking Corporation Limited are obtained from HSBC Holdings PLC, which is the ultimate holding company.

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	2016	2015
AAA/Aa1/Aa3/AA+/AA/AA-/A+/A/A-/A1/A2/A3	15.09%	12.59%
BBB+/BBB/BBB-/Baa3/Baa2/Baa1	19.99%	18.15%
BB+/BB/BB-/B2/Ba1/Ba2	7.98%	9.04%
B+/B/B1	2.87%	1.67%
NR	1.59%	1.86%
Total	47.52%	43.31%

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 Fund had arranged uncommitted overdraft facility with The Hongkong and Shanghai Banking Corporation Limited ("HSBC"). To secure the facility, the Fund has granted HSBC a lien on the collateral and the securities and/or cash held in other accounts from time to time whether for safe custody or otherwise in respect of the Fund's actual or contingent liabilities under the facility. The Fund is therefore also exposed to credit risk to HSBC. Please refer to note 7 for uncommitted bank overdraft facility.

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.

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4. Financial risk management (continued)

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

As at 30 June 2016 and 2015, the Fund was subject to broker arrangement with its derivative counterparties. All of the derivative assets and liabilities of the Fund 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 offset 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 2016			
<u>Financial assets</u>			
Margin deposits	43,536	-	43,536
Derivative assets	66,703	-	66,703
As at 30 June 2015			
<u>Financial assets</u>			
Margin deposits	16,679	-	16,679
Derivative assets	5,772	-	5,772

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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 offset 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 2016			
<u>Financial liabilities</u>			
Derivative liabilities	92,252	-	92,252
As at 30 June 2015			
<u>Financial liabilities</u>			
Derivative liabilities	5,259	-	5,259

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

	C = A-B	D		E = C-D
	Net amounts of financial assets presented in the statement of net assets	Related amounts not offset 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 2016				
<u>Counterparty</u>				
J.P. Morgan Securities LLC	110,239	(92,172)	-	18,067
	110,239	(92,172)	-	18,067
As at 30 June 2015				
<u>Counterparty</u>				
J.P. Morgan Securities LLC	22,451	(5,250)	-	17,201
	22,451	(5,250)	-	17,201

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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 counterparty:

	C = A-B	D		E = C-D
	Net amounts of financial liabilities presented in the statement of net assets US\$	Related amounts not offset in the statement of net assets		Net amount US\$
D(i) Financial instruments US\$		D(ii) Cash collateral received US\$		
As at 30 June 2016				
<u>Counterparty</u>				
J.P. Morgan Securities LLC	92,172	(92,172)	-	-
HSBC Plc	80	-	-	80
	92,252	(92,172)	-	80
	92,252	(92,172)	-	80
As at 30 June 2015				
<u>Counterparty</u>				
J.P. Morgan Securities LLC	5,250	(5,250)	-	-
HSBC Plc	9	-	-	9
	5,259	(5,250)	-	9
	5,259	(5,250)	-	9

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.

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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 facility.

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 2016			
Derivative financial instruments	80	92,172	-
Amounts payable on redemption	54,522	-	-
Amounts payable to brokers	685,061	-	-
Accounts payable and accrued expenses	107,297	37,279	729
	<u>846,960</u>	<u>129,451</u>	<u>729</u>
Total financial liabilities	<u>846,960</u>	<u>129,451</u>	<u>729</u>
	Less than 1 month US\$	1-3 months US\$	Over 3 months US\$
At 30 June 2015			
Derivative financial instruments	9	5,250	-
Amounts payable on redemption	46,204	-	-
Amounts payable to brokers	95,496	-	-
Accounts payable and accrued expenses	144,461	36,877	391
	<u>286,170</u>	<u>42,127</u>	<u>391</u>
Total financial liabilities	<u>286,170</u>	<u>42,127</u>	<u>391</u>

Units are redeemed on demand at the holder's option. As at 30 June 2016, there was 1 (2015: 1) unitholder holding over 10% of the Fund's net assets.

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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 2016	Less than 1 month US\$	1-3 months US\$	More than 3 months US\$
Investments	57,058,874	-	-
Derivative financial instruments	-	66,703	-
Interest receivable	77,140	122,034	105,882
Dividend receivable	96,696	25,153	-
Amounts receivable from brokers	765,910	-	-
Amounts receivable on subscription	319,986	-	-
Margin deposits	43,536	-	-
Cash at banks	864,405	-	-
Total assets	59,226,547	213,890	105,882
At 30 June 2015	Less than 1 month US\$	1-3 months US\$	More than 3 months US\$
Investments	58,847,362	-	-
Derivative financial instruments	-	5,772	-
Interest receivable	122,329	104,174	114,358
Dividend receivable	114,062	11,791	-
Amounts receivable on subscription	1,435,520	-	-
Margin deposits	16,679	-	-
Cash at banks	2,624,530	-	-
Total assets	63,160,482	121,737	114,358

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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 foreign currencies:

	2016		2015	
	Monetary US\$	Non- monetary US\$	Monetary US\$	Non- monetary US\$
Australian dollar	-	2,564,406	-	1,783,399
Chinese renminbi	15,665	930,383	1,224,145	1,437,170
Hong Kong dollar	52,533	5,516,979	(57,866)	6,509,120
Indian rupee	327,380	5,896,453	344,886	7,309,320
Indonesian rupiah	543,996	-	346,529	184,784
Japanese yen	2,681	1,770,731	435	1,061,111
Malaysian ringgit	108,774	289,163	110,955	297,657
Philippines peso	-	1,430,854	-	1,411,956
Singapore dollar	-	2,073,143	-	2,277,343
South Korean won	(76,586)	2,265,681	10	2,754,630
Taiwan dollar	238,044	3,805,467	81,342	4,017,509
Thai baht	-	1,142,092	31	699,963

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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.

	2016			2015		
	Change	Impact	Impact Non- monetary US\$ equivalent	Change	Impact	Impact Non- monetary US\$ equivalent
	+/-	+/-	+/-	+/-	+/-	+/-
Australian dollar	5.0%	-	128,220	5.0%	-	89,170
Chinese renminbi	5.0%	783	46,519	5.0%	61,207	71,859
Indian rupee	5.0%	16,369	294,823	5.0%	17,244	365,466
Indonesian rupiah	5.0%	27,200	-	5.0%	17,326	9,239
Japanese yen	5.0%	134	88,537	5.0%	22	53,056
Malaysian ringgit	5.0%	5,439	14,458	5.0%	5,548	14,883
Philippines peso	5.0%	-	71,543	5.0%	-	70,598
Singapore dollar	5.0%	-	103,657	5.0%	-	113,867
South Korean won	5.0%	(3,829)	113,284	5.0%	1	137,732
Taiwan dollar	5.0%	11,902	190,273	5.0%	4,067	200,875
Thai baht	5.0%	-	57,105	5.0%	2	34,998

The Manager has used its 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.

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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.

HKFRS 13 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).

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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 such 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 financial instruments (by class) measured at fair value:

At 30 June 2016	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Held for trading				
- Equities	28,850,529	376,860	-	29,227,389
- Debt securities	-	27,831,485	-	27,831,485
- Derivatives	66,703	-	-	66,703
Total assets	28,917,232	28,208,345	-	57,125,577
Liabilities				
Held for trading				
- Derivatives	92,172	80	-	92,252
Total liabilities	92,172	80	-	92,252

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4. Financial risk management (continued)

(h) Fair value estimation (continued)

At 30 June 2015	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Assets				
Held for trading				
- Equities	30,372,085	1,160,575	-	31,532,660
- Debt securities	-	27,314,702	-	27,314,702
- Derivatives	5,772	-	-	5,772
	<u>30,377,857</u>	<u>28,475,277</u>	<u>-</u>	<u>58,853,134</u>
Total assets	<u>30,377,857</u>	<u>28,475,277</u>	<u>-</u>	<u>58,853,134</u>
Liabilities				
Held for trading				
- Derivatives	5,250	9	-	5,259
	<u>5,250</u>	<u>9</u>	<u>-</u>	<u>5,259</u>
Total liabilities	<u>5,250</u>	<u>9</u>	<u>-</u>	<u>5,259</u>

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 and 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 2016 and 2015, 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 2016 and 2015.

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.

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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 (losses)/gains on investments and derivative financial instruments

	2016	2015
	US\$	US\$
Change in unrealised gains/losses in value of investments	(2,346,939)	(760,674)
Change in unrealised gains/losses on derivative financial instruments	(26,058)	5,301
Realised gains on sale of investments	1,192,429	4,018,199
Realised losses on derivative financial instruments	(94,501)	(28,385)
	<u>(1,275,069)</u>	<u>3,234,441</u>

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6. Derivative financial instruments

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

	2016		2015	
	US\$	% of net assets	US\$	% of net assets
<u>Derivative financial instruments</u>				
- Bond futures	66,703	0.12	5,772	0.01
Total derivative financial instruments				
- assets	66,703	0.12	5,772	0.01
- Bond futures	(92,172)	(0.16)	(5,250)	(0.01)
- Forward foreign exchange contracts	(80)	(0.00)	(9)	(0.00)
Total derivative financial instruments				
- liabilities	(92,252)	(0.16)	(5,259)	(0.01)

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

At 30 June 2016

Contract to deliver	In exchange for	Settlement date	Fair value US\$
USD52,880	TWD1,708,231	1 July 2016	(77)
KOW59,441,739	USD51,608	1 July 2016	(2)
KOW3,849,978	USD3,343	1 July 2016	-
KOW8,982,962	USD7,799	1 July 2016	-
KOW15,952,412	USD13,850	1 July 2016	(1)
			(80)

At 30 June 2015

Contract to deliver	In exchange for	Settlement date	Fair value US\$
HKD378,729	USD48,858	2 July 2015	(3)
HKD22,268	USD2,873	2 July 2015	-
HKD29,748	USD3,838	2 July 2015	(1)
HKD309,551	USD39,936	2 July 2015	(5)
			(9)

**FIRST STATE UMBRELLA FUNDS
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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 2016

Contract size	Notional amount	Description	Position	Counter-party	Fair value US\$
4	1,000	US ULTR CBT 0916 AULU6	Long	J.P. Morgan Securities LLC	51,531
(20)	(1,000)	US 10YR 0916 TYU6	Short	J.P. Morgan Securities LLC	(63,328)
13	2,000	US 2YR CBT 0916 TUU6	Long	J.P. Morgan Securities LLC	15,172
(13)	(1,000)	US 5Y CBT 0916 FVU6	Short	J.P. Morgan Securities LLC	(28,844)

As at 30 June 2015

Contract size	Notional amount	Description	Position	Counter-party	Fair value US\$
(1)	(1,000)	US LONG BD 0915 USU5	Short	J.P. Morgan Securities LLC	(469)
1	1,000	US ULTRA BD0915 1AULU5	Long	J.P. Morgan Securities LLC	(406)
(12)	(1,000)	US 10YR 0915 TYU5	Short	J.P. Morgan Securities LLC	(4,375)
15	2,000	US 2YR CBT 0915 TUU5	Long	J.P. Morgan Securities LLC	4,984
(8)	(1,000)	US 5YR CBT 0915 FVU5	Short	J.P. Morgan Securities LLC	788

7. Uncommitted bank overdraft facility

The Fund had arranged uncommitted overdraft facility 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, HSBC, the Trustee and the Manager, the arranged facility had been transferred to HSBC.

The overdraft facility limit is the lesser of US\$8,000,000 and 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 2016, the Fund did not have an overdraft (2015: Nil).

**FIRST STATE UMBRELLA FUNDS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

7. Uncommitted bank overdraft facility (continued)

For the year ended 30 June 2016, an interest expense of US\$583 (2015: US\$788) and bank charges of US\$2,241 (2015: US\$1,239) were incurred by the Fund.

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 the 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 the 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 exempted 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 to is US\$13,920 (2015: US\$13,920), calculated based on the realised gain and unrealised gain from all investments in B-shares up to 30 June 2016. 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 2016, and therefore no provision is made.
- (d) The Fund invests in A-shares of companies listed in the PRC. Under current PRC tax laws, individual income tax and business tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (including the Fund) on the trading of China A-shares through the Stock Connect with effect from 17 November 2014. However, Hong Kong and overseas investors are required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant authority by the listed companies.
- (e) 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 Manager believes that the Fund has met these conditions and criteria. In June 2015, the Australian government further introduced legislation ("Legislation") which exempts gains realized by a foreign managed fund on or after 1 July 2011 given certain ownership conditions and other criteria can be met.

As at the date of approval of the financial statements, the Trustee and the Manager consider that a charge for tax on gains on Australian investments as at 30 June 2016 is unlikely. The Trustee and the Manager are of the view that the Fund should meet the criteria under the

**FIRST STATE UMBRELLA FUNDS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

8. Taxation (continued)

Legislation and should be eligible for the exemption of tax. No provision for such tax was made as at 30 June 2016 accordingly. This assessment represents the best estimate of the Trustee and the Manager and the amount ultimately payable could differ significantly.

- (f) Withholding tax was charged on certain dividend income received during the year.

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/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/is 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 2016, a management fee of US\$1,044,665 (2015: US\$1,313,357) was incurred by the Fund, of which US\$46,910 (2015: US\$88,216) remained payable at 30 June 2016.

(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 2016, a trustee fee of US\$28,172 (2015: US\$30,456) was incurred by the Fund, of which US\$2,346 (2015: US\$2,522) remained payable at 30 June 2016.

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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 2016, an administration fee of US\$56,344 (2015: US\$60,912) was incurred by the Fund, of which US\$4,691 (2015: US\$5,043) remained payable at 30 June 2016.

(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 2016, the income accruing to the Manager relating to subscriptions of the Fund amounted to US\$140,801 (2015: US\$495,927) of which US\$24,932 (2015: US\$39,573) remained payable at 30 June 2016.

The Manager has not levied any realisation charges on redemption of units in the Fund during the year ended 30 June 2016 (2015: Nil).

(e) Brokerage

First State Asian Bridge Fund utilized the brokerage service of Commonwealth Bank of Australia ("CBA"), which is the ultimate holding company of the Manager, in the ordinary course of its investment sales and purchase activities. Information relating to these transactions is set out below.

	2016	2015
	US\$	US\$
Total brokerage commission paid in respect of the Fund	-	-
<i>Commonwealth Bank of Australia</i>		
Total aggregate value of transactions	2,050,640	1,040,892
Percentage of such transactions in value to total transactions during the year	4.84%	7.29%
Total commission paid to CBA	-	-
Percentage of such commission in value to total commission during the year	-	-
Average commission rate	-	-

(f) Cross trade with fund managed by the Manager

During the year ended 30 June 2016, the Fund did not have any transactions with other funds which are also managed by the Manager.

During the year ended 30 June 2015, the Fund has transacted with another fund which is also managed by the Manager. The Fund bought investment amounting to US\$212,020 from that another fund. The transaction was carried out at fair value of the investment on the date of the transaction. The decision was in the best interest of the Fund and fell within the investment objectives and policies of the Fund.

**FIRST STATE UMBRELLA FUNDS
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FOR THE YEAR ENDED 30 JUNE 2016**

10. Soft commission arrangements

The Manager may make use of commission sharing arrangements with brokerage firms that execute orders or that provide research and advisory services to the Manager. This may include situations where the dealing commission on a particular trade or a series of trades is shared between one or more providers of execution and/or research services. In this case a portion of the commission paid by the Manager to the executing broker is used to purchase third party research or execution services. The Manager made use of commission sharing arrangement during the year ended 30 June 2016 and 2015. The brokerage firm has provided execution services in this period and a portion of commission paid has been to purchase third party research services.

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.

	2016	2015
	US\$	US\$
Final distribution		
- US\$0.3690 on 4,063,667.00 units paid on 25 August 2014	-	1,499,493
- US\$0.3725 on 4,136,117.17 units paid on 24 August 2015	1,540,704	-
Interim distribution		
- US\$0.3682 on 4,170,424.75 units paid on 23 January 2015	-	1,535,551
- US\$0.3452 on 3,973,276.86 units paid on 25 February 2016	1,371,575	-
Total distributions	<u>2,912,279</u>	<u>3,035,044</u>

12. Subsequent events

A final distribution of US\$0.3497 per unit of the Fund totaling US\$1,486,531 related to the period from 1 January to 30 June 2016 was declared on 10 August 2016. The proposed distribution has not been reflected as a liability in the financial statements as at 30 June 2016.

13. Approval of the financial statements

The financial statements were approved by the Trustee and the Manager on 14 October 2016.

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 JUNE 2016**

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%)			
(I) Equities (49.90%)			
<i>Australia</i>			
BRAMBLES LTD	78,736	716,008	1.22
CSL LTD	17,278	1,435,907	2.45
RESMED INC	67,598	412,491	0.71
		2,564,406	4.38
<i>China</i>			
AAC TECHNOLOGIES HOLDINGS INC	42,500	360,434	0.61
BAIDU INC	1,289	212,865	0.36
CHINA MENGNIU DAIRY CO LTD	337,000	584,637	1.00
CHINA OILFIELD SERVICES LTD	246,000	188,019	0.32
CHINA SOUTH PUBLISHING CSPC PHARMACEUTICAL GROUP LTD	55,700	151,343	0.26
ENN ENERGY HOLDINGS LTD	160,000	141,673	0.24
FIRST STATE FUNDS FIRST STATE CHINA A SHARES FUND	106,000	519,159	0.89
FOSHAN HAITIAN FLAV & FOOD CO LTD	26,446	376,860	0.64
FUYAO GLASS INDUSTRY GROUP CO LTD	55,990	255,512	0.44
HUAYU AUTOMOTIVE SYSTEMS CO LTD	151,200	349,611	0.60
SUN ART RETAIL GROUP LTD	123,200	259,106	0.44
ZHENGZHOU YUTONG BUS CO LTD	264,000	185,103	0.32
	88,962	264,422	0.45
		3,848,744	6.57
<i>Hong Kong</i>			
AIA GROUP LTD	107,400	640,217	1.09
CK HUTCHISON HOLDINGS LTD	91,500	997,116	1.70
HONG KONG & CHINA GAS	203,148	369,707	0.63
LINK REIT	81,578	555,160	0.95
MTR CORP LTD	39,283	198,473	0.34
VITASOY INTL HLDGS LTD	236,000	427,670	0.73
		3,188,343	5.44

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(I) Equities (49.90%) (continued)			
<i>India</i>			
DABUR INDIA LTD	141,328	644,434	1.10
DR REDDY'S LABORATORIES LTD	14,427	723,741	1.24
GODREJ CONSUMER PRODUCTS LTD	26,764	636,333	1.09
HDFC BANK LTD	54,378	944,354	1.61
HOUSING DEVELOPMENT FINANCE CORP LTD	26,222	485,722	0.83
IDFC BANK LTD	243,279	162,690	0.28
IDFC LTD	333,234	234,432	0.40
INFOSYS TECHNOLOGIES LTD	23,268	402,947	0.69
KOTAK MAHINDRA BANK LTD	29,301	329,902	0.56
LUPIN LTD	11,978	273,763	0.47
MARICO LTD	30,204	117,795	0.20
TATA CONSULTANCY SERVICES LTD	14,301	539,128	0.92
TECH MAHINDRA LTD	53,524	401,212	0.68
		5,896,453	10.07
<i>Japan</i>			
MISUMI GROUP INC	26,700	475,903	0.81
PIGEON CORP	15,600	458,868	0.78
RYOHIN KEIKAKU CO LTD	600	145,398	0.25
SHIMANO INC	2,000	302,523	0.52
SMC CORP	1,600	388,039	0.66
		1,770,731	3.02
<i>Malaysia</i>			
PUBLIC BANK	60,200	289,163	0.49
		289,163	0.49

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(I) Equities (49.90%) (continued)			
<i>Philippines</i>			
BDO UNIBANK	194,692	463,947	0.79
MANILA WATER CO	740,300	426,066	0.73
SM INV CORP	26,287	540,841	0.92
		1,430,854	2.44
<i>Singapore</i>			
DAIRY FARM INTERNATIONAL HOLDINGS LTD	87,290	585,716	1.00
DBS GROUP HLDGS LTD	43,547	508,183	0.87
JARDINE MATHESON HOLDINGS LTD	6,313	366,596	0.63
M1 LTD	181,000	365,887	0.62
OVERSEA-CHINESE BANKING CORP	101,163	650,200	1.11
SEMBCORP INDUSTRIES	103,900	216,955	0.37
SINGAPORE TELECOMMUNICATIONS LTD	108,800	331,918	0.57
		3,025,455	5.17
<i>South Korea</i>			
AMOREPACIFIC GROUP	1,072	155,423	0.27
LG CHEMICAL LTD	343	77,423	0.13
LG CORP	11,731	647,734	1.11
LG HOUSEHOLD & HEALTH CARE LTD	641	621,606	1.06
SAMSUNG ELECTRONICS PFD	321	329,402	0.56
SAMSUNG FIRE & MARINE INS	712	162,879	0.28
SAMSUNG FIRE & MARINE INS-PREF	1,811	271,214	0.46
		2,265,681	3.87

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(I) Equities (49.90%) (continued)			
<i>Taiwan</i>			
ADVANTECH CO LTD	95,025	718,793	1.23
ASUSTEK COMPUTER INC	50,000	410,763	0.70
DELTA ELECTRONICS INC	157,294	758,261	1.29
PRESIDENT CHAIN STORE CORP	55,000	427,116	0.73
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	296,791	1,490,534	2.55
		<u>3,805,467</u>	<u>6.50</u>
<i>Thailand</i>			
CPN RETAIL GROWTH LEASEHOLD PROPERTY FUND	552,931	311,024	0.53
DELTA ELECTRONICS THAILAND PCL (FR)	220,200	425,386	0.73
KASIKORNBANK PCL	84,000	405,682	0.69
		<u>1,142,092</u>	<u>1.95</u>
Total Equities		<u>29,227,389</u>	<u>49.90</u>

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(II) Debt securities (47.52%)			
Bonds (40.38%)			
<i>Australia</i>			
AUSTRALIA AND NEW ZEALAND			
BANKING GROUP (REG S) 4.5%			
19/03/2024	500,000	518,084	0.88
		518,084	0.88
<i>China</i>			
ALIBABA GROUP HOLDING (REG)			
4.5% 28/11/2034	200,000	209,757	0.36
BANK OF CHINA SER REGS 5%			
13/11/2024	200,000	212,612	0.36
BANK OF CHINA/HONG KONG SER			
EMTN (REG S) (REG) 2.125%			
30/06/2018	300,000	302,319	0.52
BESTGAIN REAL ESTATE LTD (REGS)			
(REG) 2.625% 13/03/2018	350,000	350,094	0.60
CCBL CAYMAN CORP (REG S) (REG)			
3.25% 28/07/2020	200,000	204,902	0.35
CENTRAL CHINA REAL ESTATE			
(REG S) 8.75% 23/01/2021	300,000	315,375	0.54
CHINA MERCHANTS FINANCE EMTN			
(REGS) (BR) 5% 04/05/2022	200,000	221,072	0.38
CHINA OVERSEAS FINANCE (REGS)			
5.5% 10/11/2020	200,000	223,958	0.38
CHINA RESOURCES LAND LTD SER			
EMTN (REG S) (REG) 6% 27/02/2024	300,000	351,882	0.60
CIFI HOLDINGS GROUP (REG S) (REG)			
7.75% 05/06/2020	300,000	322,875	0.55
CITIC PACIFIC LTD 6.8% 17/01/2023	300,000	363,126	0.62
CNOOC FINANCE 2014 LTD 4.25%			
30/04/2024	500,000	533,363	0.91
CNOOC FINANCE 2015 LTD (REG)			
3.5% 05/05/2025	500,000	506,252	0.86
CNPC GENERAL CAPITAL (REG S)			
(REG) 2.7% 25/11/2019	200,000	204,338	0.35

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(II) Debt securities (47.52%) (continued)			
Bonds (40.38%) (continued)			
<i>China (continued)</i>			
CNPC HK OVERSEAS CAPITAL (REG S) 5.95% 28/04/2041	200,000	255,716	0.44
COSL FINANCE BVI LTD (REG S) 3.25% 06/09/2022	350,000	347,187	0.59
COUNTRY GARDEN HOLDINGS CO LTD (REGS) 7.25% 04/04/2021	300,000	319,650	0.55
COUNTRY GARDEN HOLDINGS COMPANY (REG S) (REG) 7.5% 09/03/2020	500,000	538,200	0.92
ENN ENERGY HOLDINGS LTD (REG S) 6% 13/05/2021	350,000	396,921	0.68
EXPORT-IMPORT BANK CHINA (REG) (SER REGS) 2.875% 26/04/2026	200,000	200,590	0.34
FRANSHION BRILLIANT LTD 5.375% 17/10/2018	200,000	211,426	0.36
FRANSHION DEVELOPMENT LTD (REG S) 6.75% 15/04/2021	550,000	628,513	1.07
HUARONG FINANCE II (REG) (REGS) 4.625% 03/06/2026	250,000	258,335	0.44
ICBCIL FINANCE CO LTD (REG S) (REG) 3.2% 10/11/2020	300,000	305,298	0.52
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD SER REGS (REG) 4.875% 21/09/2025	200,000	207,116	0.35
KWG PROPERTY HOLDING LTD (REG S) (REG) 8.25% 05/08/2019	300,000	324,420	0.55
LONGFOR PROPERTIES SER EMTN (REG S) (REG) 6.875% 18/10/2019	350,000	365,785	0.63
MEGA ADVANCE INVESTMENTS (REG S) 6.375% 12/05/2041	200,000	262,524	0.45
PROVEN HONOUR CAPITAL (REG S) (REG) 4.125% 06/05/2026	300,000	311,292	0.53
SHIMAO PPTY HLDNG LTD (REG S) (REG) 6.625% 14/01/2020	300,000	315,000	0.54
SINOCHEM OVERSEAS CAPITAL (REG S) (REG) 4.5% 12/11/2020	250,000	266,978	0.46

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(II) Debt securities (47.52%) (continued)			
Bonds (40.38%) (continued)			
<i>China (continued)</i>			
STATE GRID OVERSEAS			
INVESTMENT SER REGS (REG) (REGS) 2.125% 18/05/2021	200,000	200,512	0.34
THREE GORGES FINANCE I CAYMAN ISLANDS (SER REGS) 3.15% 02/06/2026	200,000	206,016	0.35
THREE GORGES FINANCE I CAYMAN ISLANDS SER REGS 2.3% 02/06/2021	300,000	304,056	0.52
		10,547,460	18.01
<i>Hong Kong</i>			
BANK OF CHINA HONG KONG (REGS) 5.55% 11/02/2020	600,000	660,846	1.13
CHINA CONSTRUCTION BANK ASIA SER EMTN (REG S) (REG) 3.25% 02/07/2019	200,000	207,140	0.35
GOODMAN HK FINANCE SER EMTN (REG S) (REG) 4.375% 19/06/2024	200,000	214,076	0.36
HK ELECTRIC FINANCE SER EMTN 4.25% 14/12/2020	200,000	220,294	0.38
HONGKONG ELECTRIC FIN SER EMTN (REG S) (REG) 2.875% 03/05/2026	600,000	602,196	1.03
HUTCHISON WHAMPOA INTERNATIONAL LTD (REG S) 7.45% 24/11/2033	200,000	291,526	0.50
LI & FUNG LTD (REG) 5.5% 16/05/2017	200,000	205,918	0.35
LINK FINANCE CAYMAN 2009 SER EMTN (REG S) (REG) 3.6% 03/09/2024	450,000	468,410	0.80
STANDARD CHARTERED BANK EMTN 5.875% 24/06/2020	300,000	334,674	0.57
		3,205,080	5.47

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(II) Debt securities (47.52%) (continued)			
Bonds (40.38%) (continued)			
<i>India</i>			
BHARTI AIRTEL INTERNATIO (REG) (REG S) 5.125% 11/03/2023	250,000	270,252	0.46
ICICI BANK LTD / DUBAI (REG S) 4% 18/03/2026	300,000	304,329	0.52
ICICI BANK LTD / DUBAI (REGS) 4.8% 22/05/2019	250,000	265,406	0.45
INDIA GOVERNMENT BOND 8.27% 09/06/2020	10,000,000	152,939	0.26
INDIA GOVERNMENT BOND SER SPB 8.08% 02/08/2022	10,000,000	151,748	0.26
NTPC LTD SER EMTN (REG S) (REG) 4.25% 26/02/2026	250,000	260,435	0.45
RELIANCE HOLDINGS USA INC (REG S) 5.4% 14/02/2022	500,000	559,860	0.96
		1,964,969	3.36
<i>Indonesia</i>			
BANK RAKYAT INDONESIA (REG S) 2.95% 28/03/2018	200,000	200,946	0.34
INDONESIA (REP OF) (REG S) (REG) 7.75% 17/01/2038	200,000	271,384	0.46
INDONESIA (REP OF) (REG S) 4.75% 08/01/2026	300,000	322,515	0.55
INDONESIA (REP OF) FR55 7.375% 15/09/2016	100,000,000	7,604	0.01
INDONESIA (REP OF) SER FR73 8.75% 15/05/2031	2,000,000,000	166,275	0.28
INDONESIA GOVERNMENT SER FR69 (REG) 7.875% 15/04/2019	4,610,000,000	355,078	0.61
PERTAMINA (REG S) 4.875% 03/05/2022	250,000	262,657	0.45
PERTAMINA (REG S) 5.25% 23/05/2021	200,000	214,310	0.37
PERTAMINA PERSERO 6.45% (REG S) 30/05/2044	400,000	425,788	0.73

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(II) Debt securities (47.52%) (continued)			
Bonds (40.38%) (continued)			
<i>Indonesia (continued)</i>			
PERUSAHAAN LISTRIK NEGAR (REG S) 5.5% 22/11/2021	350,000	381,182	0.65
REPUBLIC OF INDONESIA (REGS) 3.375% 15/04/2023	300,000	302,157	0.52
REPUBLIC OF INDONESIA SER (REG S) (REG S) 5.95% 08/01/2046	200,000	237,000	0.40
THETA CAPITAL PTE LTD (REG S) 7% 11/04/2022	400,000	413,500	0.71
		3,560,396	6.08
<i>Malaysia</i>			
AMBANK M SER EMTN (REG S) 3.125% 03/07/2019	200,000	205,338	0.35
AXIATA SPV1 LABUAN LTD 5.375% 28/04/2020	220,000	245,676	0.42
MALAYSIA (GOVT OF) SER 0414 3.654% 31/10/2019	430,000	107,859	0.18
MALAYSIAN GOVERNMENT SER 1/06 4.262% 15/09/2016	1,000	249	0.00
		559,122	0.95
<i>Singapore</i>			
CMT MTN PTE LTD EMTN 3.731% 21/03/2018	300,000	310,386	0.53
OVERSEA-CHINESE BANKING CORP SER (REGS) 4.25% 19/06/2024	500,000	525,119	0.90
SINGTEL GROUP TREASURY P SER EMTN (REG S) 3.25% 30/06/2025	200,000	213,332	0.36
		1,048,837	1.79

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(II) Debt securities (47.52%) (continued)			
Bonds (40.38%) (continued)			
<i>South Korea</i>			
HANA BANK SER REGS 4.375%			
30/09/2024	350,000	374,312	0.64
KOREA DEVELOPMENT BANK 3%			
14/09/2022	300,000	316,257	0.54
KOREA HYDRO & NUCLEAR POWER (REG S) (REG) 4.75% 13/07/2021	200,000	226,970	0.39
NONGHYUP BANK SER EMTN (REG S) (REG) 2.875% 22/07/2020	200,000	203,416	0.35
WOORI BANK SER REG S 4.75%			
30/04/2024	250,000	261,612	0.44
		1,382,567	2.36
<i>Thailand</i>			
BANGKOK BANK PUBLIC CO (HK) (REGS) 9.025% 15/03/2029	300,000	430,140	0.74
PTTEP CANADA INTL FIN (REG S) 5.692% 05/04/2021	200,000	228,892	0.39
SIAM COMMERCIAL BANK PCL SER REGS 3.5% 07/04/2019	200,000	207,099	0.35
		866,131	1.48
Total Bonds		23,652,646	40.38

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016**

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(II) Debt securities (47.52%) (continued)			
Money market instruments (7.14%)			
<i>Australia</i>			
AUSTRALIA AND NEW ZEALAND			
BANKING GROUP (REG) SER REGS			
VAR PERP			
	300,000	308,943	0.53
		<u>308,943</u>	<u>0.53</u>
<i>China</i>			
CCCI TREASURE LTD (REG S) (REG)			
VAR 29/12/2049			
	200,000	202,992	0.35
		<u>202,992</u>	<u>0.35</u>
<i>Hong Kong</i>			
CHINA CONSTRUCTION BANK ASIA			
SER EMTN (REG S) VAR 20/08/2024			
	400,000	410,000	0.70
		<u>410,000</u>	<u>0.70</u>
<i>Malaysia</i>			
MALAYAN BANKING BERHAD			
(REG S) VAR 29/10/2026			
	400,000	405,612	0.69
		<u>405,612</u>	<u>0.69</u>
<i>Singapore</i>			
OVERSEA-CHINESE BANKING CORP			
LTD SER EMTN (BR) VAR			
15/11/2022			
	500,000	511,990	0.87
OVERSEA-CHINESE BANKING CORP			
LTD SER REGS VAR 15/10/2024			
	200,000	208,225	0.36

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016**

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Listed/quoted investments (97.42%) (continued)			
(II) Debt securities (47.52%) (continued)			
Money market instruments (7.14%) (continued)			
<i>Singapore (continued)</i>			
UNITED OVERSEAS BANK LTD EMTN (REG S) VAR 19/09/2024	400,000	411,732	0.70
UNITED OVERSEAS BANK LTD SER EMTN (REG S) (REG) VAR 16/09/2026	400,000	408,208	0.70
		<u>1,540,155</u>	<u>2.63</u>
<i>South Korea</i>			
SHINSEGAE CO LTD (REG S) VAR 2.625% 08/05/2045	200,000	201,126	0.34
WOORI BANK (REG S) REG VAR 02/05/2037	495,000	507,553	0.87
		<u>708,679</u>	<u>1.21</u>
<i>Thailand</i>			
KRUNG THAI BANK PCL (REG) VAR PERP	300,000	302,331	0.52
		<u>302,331</u>	<u>0.52</u>
<i>United Kingdom</i>			
HSBC HOLDINGS PLC (REG) VAR 29/12/2049	300,000	300,127	0.51
		<u>300,127</u>	<u>0.51</u>
Total Money Market Instruments		<u>4,178,839</u>	<u>7.14</u>
Total Debt Securities		<u>27,831,485</u>	<u>47.52</u>
Total listed/quoted investments		<u><u>57,058,874</u></u>	<u><u>97.42</u></u>

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
INVESTMENT PORTFOLIO (UNAUDITED) (CONTINUED)
AS AT 30 JUNE 2016

	Holdings as at 30.6.2016	Market value US\$	% of net asset value
Derivatives (0.04%)			
Futures (0.04%)			
<i>USA</i>			
US ULTRA BOND CBT FUT 21/09/2016	4	51,531	0.09
US 10YR NOTE (CBT) FUT SEP 16 21/09/2016	(20)	(63,328)	(0.11)
US 2YR NOTE (CBT) FUT SEP 16 30/09/2016	13	15,172	0.03
US 5YR NOTE (CBT) FUT 30/09/2016	(13)	(28,844)	(0.05)
Total Futures		(25,469)	(0.04)
Total Forward Foreign Exchange Contracts		(80.00)	(0.00)
Other net assets		1,535,854	2.62
Net assets as at 30 June 2016		58,569,179	100.00
Total listed/quoted investments, at historical cost		49,446,658	

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
FOR THE YEAR ENDED 30 JUNE 2016**

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(I) Equities			
<i>Australia</i>			
BRAMBLES LTD	2,064	-	-
CSL LTD	6,352	1,002	-
<i>China</i>			
AAC TECHNOLOGIES HOLDINGS INC	42,500	-	-
BAIDU INC	1,289	-	-
CHINA MENGNIU DAIRY CO LTD	53,000	19,000	178,000
CHINA OILFIELD SERVICES LTD	36,000	-	-
CHINA SOUTH PUBLISHING	55,700	-	-
CHINA TELECOM CORP LTD	-	544,000	-
CNOOC LTD	-	200,000	-
CSPC PHARMACEUTICAL GROUP LTD	160,000	-	-
ENN ENERGY HOLDINGS LTD	20,000	-	-
FIRST STATE FUNDS FIRST STATE CHINA A SHARES FUND	-	36,560	-
FUYAO GLASS INDUSTRY GROUP CO LTD	73,600	-	-
HUAYU AUTOMOTIVE SYSTEMS CO LTD	59,100	26,900	-
QINGDAO HAIER CO LTD	-	213,600	106,800
SUN ART RETAIL GROUP LTD	69,000	-	-
WANT WANT CHINA HOLDINGS LTD	-	390,000	-
ZHENGZHOU YUTONG BUS CO LTD	-	6,000	-
<i>Hong Kong</i>			
AIA GROUP LTD	13,600	7,000	-
CHEUNG KONG PROPERTY HOLDINGS LTD	-	47,533	-
CK HUTCHISON HOLDINGS LTD	22,000	-	-
HONG KONG & CHINA GAS	-	34,000	18,468
LINK REIT	-	43,000	-
MTR CORP LTD	39,283	-	-

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016**

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(I) Equities (continued)			
<i>India</i>			
DABUR INDIA LTD	-	41,163	-
DR REDDY'S LABORATORIES LTD	2,433	3,080	-
GODREJ CONSUMER PRODUCTS LTD	-	5,655	-
GRASIM INDUSTRIES LTD	-	6,137	-
HDFC BANK LTD	4,895	-	-
HOUSING DEVELOPMENT FINANCE CORP LTD	-	11,229	-
IDFC BANK LTD	243,279	-	-
IDFC LTD	457,026	243,279	-
INFOSYS TECHNOLOGIES LTD	4,740	8,408	-
KOTAK MAHINDRA BANK LTD	-	16,335	22,818
LUPIN LTD	-	12,710	-
MAHINDRA & MAHINDRA LTD	-	14,066	-
MARICO LTD	15,102	-	15,102
NESTLE INDIA LTD	-	2,084	-
TATA CONSULTANCY SERVICES LTD	3,089	-	-
TECH MAHINDRA LTD	18,166	-	-
<i>Indonesia</i>			
KALBE FARMA	-	1,468,900	-
<i>Japan</i>			
MISUMI GROUP INC	26,700	-	-
PIGEON CORP	5,600	6,800	-
RYOHIN KEIKAKU CO LTD	600	-	-
SHIMANO INC	2,000	-	-
SMC CORP	500	-	-
UNICHARM CORPORATION	-	8,500	-
<i>Philippines</i>			
SM INV CORP	-	2,150	-
<i>Singapore</i>			
DAIRY FARM INTERNATIONAL HOLDINGS LTD	47,800	-	-
DBS GROUP HLDGS LTD	4,558	1,100	-
JARDINE MATHESON HOLDINGS LTD	1,262	-	-
M1 LTD	46,300	-	-
OVERSEA-CHINESE BANKING CORP	4,201	-	-
SEMBCORP INDUSTRIES	78,300	66,100	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(I) Equities (continued)			
<i>South Korea</i>			
HYUNDAI MOBIS	-	1,778	-
LG CHEMICAL LTD	343	1,107	-
LG CORP	4,150	-	-
LG HOUSEHOLD & HEALTH CARE LTD	-	262	-
SAMSUNG ELECTRONICS PFD	-	157	-
SAMSUNG FIRE & MARINE INS-PREF	-	115	-
<i>Taiwan</i>			
ADVANTECH CO LTD	-	8,000	-
ASUSTEK COMPUTER INC	17,000	-	-
CHROMA ATE INC	-	62,695	-
CTCI CORPORATION	-	148,000	-
DELTA ELECTRONICS INC	19,294	45,000	-
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	11,000	-	-
<i>Thailand</i>			
DELTA ELECTRONICS THAILAND PCL (FR)	132,000	-	-
KASIKORNBANK PCL	84,000	-	-
SIAM COMMERCIAL BANK PD (FR)	-	41,700	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities			
Bonds			
<i>Australia</i>			
AUSTRALIA AND NEW ZEALAND			
BANKING GROUP (REG S) 4.5%			
19/03/2024	500,000	-	-
<i>China</i>			
AGRICUL DEVELOPMENT BANK CHINA			
2% 21/05/2018	-	550,000	-
AGRICULTURAL BANK CHINA (REG S)			
(REG) 3.25% 16/05/2016	-	1,000,000	-
ALIBABA GROUP HOLDING (REG) 4.5%			
28/11/2034	200,000	-	-
ALIBABA GROUP HOLDING LTD SER			
REGS (REG) 4.5% 28/11/2034	-	200,000	-
BANK OF CHINA LTD PARIS SER EMTN			
3.35% (REG S) (REG) 15/07/2016	-	1,000,000	-
BESTGAIN REAL ESTATE LTD (REGS)			
(REG) 2.625% 13/03/2018	350,000	-	-
CCBL CAYMAN CORP (REG S) (REG)			
3.25% 28/07/2020	200,000	-	-
CENTRAL CHINA REAL ESTATE (REG S)			
(REG) 8% 28/01/2020	-	300,000	-
CENTRAL CHINA REAL ESTATE (REG S)			
8.75% 23/01/2021	300,000	-	-
CENTRAL CHINA REAL ESTATE EMTN			
6.5% 04/06/2018	300,000	300,000	-
CHARMING LIGHT INVESTMENT SER			
EMTN (REG S) 5% 03/09/2024	-	200,000	-
CHINA MERCHANTS FINANCE (REG S)			
03/08/2025	450,000	450,000	-
CHINA OVERSEAS FINANCE (REG S)			
(REG) 5.95% 08/05/2024	-	400,000	-
CIFI HOLDINGS GROUP (REG S) (REG)			
7.75% 05/06/2020	300,000	-	-
CITIC PACIFIC LTD 6.8% 17/01/2023	-	750,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>China (continued)</i>			
CITIC SEC FINANCE 2013 (REG S) 3.5% 30/10/2019	-	200,000	-
CNOOC FINANCE 2011 LTD (REG S) (REG) 5.75% 26/01/2041	-	200,000	-
CNOOC FINANCE 2015 LTD (REG) 3.5% 05/05/2025	750,000	250,000	-
COSL FINANCE BVI LTD (REG S) 3.25% 06/09/2022	350,000	-	-
COUNTRY GARDEN HOLDINGS CO LTD (REGS) 7.25% 04/04/2021	300,000	-	-
COUNTRY GARDEN HOLDINGS COMPANY (REG S) (REG) 7.5% 09/03/2020	200,000	-	-
ENN ENERGY HOLDINGS LTD (REG S) 6% 13/05/2021	350,000	-	-
EXPORT-IMPORT BANK CHINA (REG) (SER REGS) 2.875% 26/04/2026	200,000	-	-
EXPORT-IMPORT BANK OF CHINA (REG S) (BR) 3% 14/05/2016	-	1,000,000	-
FRANSHION BRILLIANT LTD 5.375% 17/10/2018	200,000	-	-
FRANSHION DEVELOPMENT LTD (REG S) 6.75% 15/04/2021	250,000	250,000	-
FRANSHION INVESTMENT LTD (REGS) 4.7% 26/10/2017	-	300,000	-
GEMDALE INT INVESTMENT (REG S) (REG) 7.125% 16/11/2017	-	250,000	-
GREENLAND HONG KONG HOLDING (REG S) (BR) 4.375% 07/08/2017	-	200,000	-
HANG SENG CHINA LTD (REG S) (REG) 03/07/2017	-	2,500,000	-
HUARONG FINANCE II (REG) (REGS) 4.625% 03/06/2026	250,000	-	-
ICBCIL FINANCE CO LTD (REG S) (REG) 3.2% 10/11/2020	300,000	-	-
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD SER REGS (REG) 4.875% 21/09/2025	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 2016

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>China (continued)</i>			
PROVEN HONOUR CAPITAL (REG S) (REG) 4.125% 06/05/2026	300,000	-	-
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	300,000	-	-
SINOCHEM OVERSEAS CAPITAL (REG S) (REG) 4.5% 12/11/2020	750,000	500,000	-
SINOCHEM OVERSEAS CAPITAL (REGS) (REG) 6.3% 12/11/2040	-	150,000	-
SINOPEC GROUP OVERSEA 2012 (REG S) 4.875% 17/05/2042	-	200,000	-
SINOPEC GRP OVERSEA 2015 (REG S) 4.1% 28/04/2045	-	220,000	-
SOHO CHINA LTD (REG S) 5.75% 07/11/2017	-	300,000	-
STATE GRID OVERSEAS INVESTMENT SER REGS (REG) (REGS) 2.125% 18/05/2021	200,000	-	-
STATE GRID OVERSEAS INVESTMENT SER REGS (REG) (REGS) 2.875% 18/05/2026	200,000	200,000	-
TENCENT HOLDINGS LTD (REG S) 3.8% 11/02/2025	200,000	200,000	-
THREE GORGES FINANCE I CAYMAN ISLANDS SER REGS (REG) 3.7% 10/06/2025	-	200,000	-
THREE GORGES FINANCE I CAYMAN ISLANDS (SER REGS) 3.15% 02/06/2026	200,000	-	-
THREE GORGES FINANCE I CAYMAN ISLANDS SER REGS 2.3% 02/06/2021	300,000	-	-
WANDA PROPERTIES OVERSEA (REG) (REG S) 4.875% 21/11/2018	-	200,000	-
<i>Hong Kong</i>			
AGEAS CAPITAL ASIA LTD (REG S) (REG) 4.125% 25/04/2023	-	500,000	-
CHINA CONSTRUCTION BANK ASIA (REG S) (BR) 3.45% 27/06/2017	-	1,000,000	-
DAH SING BANK LTD SER EMTN (REG) 6.625% 11/02/2020	-	150,000	-
FWD LTD (REG S) (REG) 5% 24/09/2024	-	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 2016

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>Hong Kong (continued)</i>			
HKCG FINANCE LTD (REG S) 6.25%			
07/08/2018	-	400,000	-
HONGKONG ELECTRIC FIN SER EMTN			
(REG S) (REG) 2.875% 03/05/2026	600,000	-	-
HUTCHISON WHAMPOA			
INTERNATIONAL 14 LTD SER REGS			
(BR) 3.625% 31/10/2024	250,000	250,000	-
LI & FUNG LTD (REG) 5.25% 13/05/2020	-	450,000	-
LINK FINANCE CAYMAN 2009 SER			
EMTN (REG S) (REG)3.6% 03/09/2024	250,000	-	-
PCCW CAPITAL NO.5 LTD (REG S) (REG)			
3.75% 08/03/2023	-	300,000	-
PCCW HKT CAPITAL NO.2 LTD (REG S)			
(REG) 3.625% 02/04/2025	-	200,000	-
<i>India</i>			
BHARTI AIRTEL LTD SER REGS 4.375%			
10/06/2025	250,000	250,000	-
EXPORT-IMPORT BANK OF INDIA			
SER N-04 8.1% 15/07/2015	-	20,000,000	-
ICICI BANK LTD / DUBAI (REG S) 4%			
18/03/2026	300,000	-	-
INDIA GOVERNMENT BOND 8.27%			
09/06/2020	10,000,000	-	-
INDIA GOVERNMENT BOND SER SPB			
8.08% 02/08/2022	10,000,000	-	-
NTPC LTD SER EMTN (REG S) (REG)			
4.25% 26/02/2026	850,000	600,000	-
ONGC VIDESH LTD SER REGS 4.625%			
15/07/2024	350,000	750,000	-
RELIANCE HOLDINGS USA INC (REG S)			
(REG) 4.5% 19/10/2020	-	250,000	-
RELIANCE HOLDINGS USA INC (REG S)			
5.4% 14/02/2022	250,000	-	-
VEDANTA RESOURCES PLC (REGS)			
(REG) 6.75% 07/06/2016	230,000	230,000	-
VEDANTA RESOURCES PLC (REGS)			
8.25% 07/06/2021	300,000	600,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>Indonesia</i>			
INDO ENERGY FINANCE BV (REG S) 7%			
07/05/2018	-	600,000	-
INDONESIA (REP OF) (REG S) 4.75%			
08/01/2026	550,000	250,000	-
INDONESIA (REP OF) FR30 10.75%			
15/05/2016	350,000,000	350,000,000	-
INDONESIA (REP OF) SER FR73 8.75%			
15/05/2031	2,000,000,000	-	-
INDONESIA (REPUBLIC OF) SER REGS			
4.125% 15/01/2025	-	300,000	-
INDONESIA GOVERNMENT SER FR69			
(REG) 7.875% 15/04/2019	610,000,000	-	-
INDOSAT PALAPA CO BV (REG S)			
7.375% 29/07/2020	-	300,000	-
PERTAMINA PERSERO 6.45% (REG S)			
30/05/2044	300,000	350,000	-
REPUBLIC OF INDONESIA SER (REG S)			
(REG S) 5.95% 08/01/2046	200,000	-	-
<i>Malaysia</i>			
IOI INVESTMENT SER EMTN (REG)			
4.375% 27/06/2022	-	200,000	-
MALAYSIA (GOVT OF) SER 0414 3.654%			
31/10/2019	30,000	-	-
TENAGA NASIONAL (REG S) 7.5%			
01/11/2025	-	440,000	-
<i>Singapore</i>			
OVERSEA-CHINESE BANKING CORP			
SER (REGS) 4.25% 19/06/2024	500,000	-	-
SP POWERASSETS LTD (REG S) 3.25%			
24/11/2025	200,000	200,000	-
STATS CHIPAC LTD (REG S) 4.5%			
20/03/2018	-	372,000	-
STATS CHIPAC LTD SER REGS			
(REG)(REGS) 8.5% 24/11/2020	450,000	450,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Bonds (continued)			
<i>South Korea</i>			
EXPORT-IMPORT BANK OF KOREA (REG) 5.125% 29/06/2020	-	400,000	-
HYUNDAI CAPITAL SERVICES INC (REGS) 3.5% 13/09/2017	-	300,000	-
KOREA DEVELOPMENT BANK 3% 14/09/2022	300,000	-	-
NONGHYUP BANK SER EMTN (REG S) (REG) 2.875% 22/07/2020	200,000	-	-
WOORI BANK SER REG S 4.75% 30/04/2024	250,000	-	-
<i>Thailand</i>			
THAILAND (GOVT OF) (REG) 2.8% 10/10/2017	-	1,000	-
<i>United States</i>			
US TREASURY N/B 0.75% 15/01/2017	850,000	850,000	-
US TREASURY N/B 0.875% 31/03/2018	450,000	450,000	-
US TREASURY N/B 1.625% 15/02/2026	775,000	775,000	-
US TREASURY N/B 2% 15/08/2025	130,000	130,000	-
US TREASURY N/B 2.5% 15/02/2046	70,000	70,000	-
US TREASURY N/B 2.5% 15/05/2046	150,000	150,000	-
US TREASURY N/B 2.875% 15/08/2045	50,000	50,000	-
US TREASURY N/B SER 0.875% 15/10/2018	750,000	750,000	-

FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)
(CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016

Listed/quoted investments	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(II) Debt Securities (continued)			
Money Market Instruments			
<i>Australia</i>			
AUSTRALIA AND NEW ZEALAND			
BANKING GROUP (REG) SER REGS VAR PERP	300,000	-	-
<i>Hong Kong</i>			
CHINA CONSTRUCTION BANK ASIA			
SER EMTN (REG S) VAR 20/08/2024	200,000	-	-
<i>Malaysia</i>			
MALAYAN BANKING BERHAD (REG S)			
VAR 29/10/2026	400,000	-	-
<i>Singapore</i>			
OVERSEA-CHINESE BANKING CORP			
LTD SER EMTN (BR) VAR 15/11/2022	250,000	-	-
UNITED OVERSEAS BANK LTD EMTN (REG S) VAR 19/09/2024	200,000	-	-
UNITED OVERSEAS BANK LTD SER EMTN (REG S) (REG) VAR 16/09/2026	400,000	-	-
<i>Thailand</i>			
KRUNG THAI BANK PCL (REG) VAR			
PERP	300,000	-	-
<i>United Kingdom</i>			
HSBC HOLDINGS PLC (REG) VAR			
29/12/2049	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 2016

Derivatives	Portfolio holdings		Bonus/ Split
	Additions	Disposals	
(III) Derivatives			
Futures			
US LONG BOND (CBT) 21/09/2015	1	-	-
US LONG BOND (CBT) 21/12/2015	1	1	-
US ULTRA BOND CBT FUT 21/09/2016	4	-	-
US ULTRA BOND CBT MAR16 BOND 21/03/2016	2	2	-
US ULTRA BOND JUN16 FUT 21/06/2016	4	4	-
US ULTRA BOND (CBT) SEP15 FUT 21/09/2015	-	1	-
US ULTRA BOND (CBT) DEC15 21/12/2015	2	2	-
US 10YR NOTE (CBT)MAR16 FUT 21/03/2016	21	21	-
US 10YR NOTE (CBT) JUN 16 21/06/2016	45	45	-
US 10YR NOTE (CBT) SEP15 FUT 21/09/2015	27	15	-
US 10YR NOTE (CBT) FUT SEP 16 21/09/2016	6	26	-
US 10YR NOTE (CBT) DEC15 FUT 21/12/2015	40	40	-
US 2YR NOTE (CBT) MAR16 31/03/2016	16	16	-
US 2YR NOTE (CBT) JUN16 FUT 30/06/2016	25	25	-
US 2YR NOTE (CBT) SEP15 FUT 30/09/2015	6	21	-
US 2YR NOTE (CBT) FUT SEP 16 30/09/2016	13	-	-
US 2YR NOTE (CBT) DEC15 FUT 31/12/2015	19	19	-
US 5YR NOTE (CBT) FUT 30/09/2016	-	13	-
US 5YR NOTE FUT (CBT) JUN16 FUT 30/06/2016	20	20	-
US 5YR NOTE (CBT) SEP15 FUT 30/09/2015	18	10	-
US 5YR NOTE (CBT) MAR16 FUT 31/03/2016	18	18	-
US 5YR NOTE (CBT) DEC15 FUT 31/12/2015	14	14	-
Rights			
Taiwan			
DELTA ELECTRONICS INC RTS (NOV2015) 25/12/2015	-	9,294	9,294

**FIRST STATE UMBRELLA FUNDS
FIRST STATE ASIAN BRIDGE FUND
GENERAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2016**

Manager	First State Investments (Hong Kong) Limited 25th Floor, One Exchange Square 8 Connaught Place Central Hong Kong
Directors of the Manager	Chris Turpin Joe Fernandes (appointed with effect from 24 February 2016) Michael Stapleton Ng Hui Lin (resigned with effect from 24 February 2016) Todd Prado (resigned with effect from 24 February 2016)
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

First State Investments (Hong Kong) Limited

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* The SFC has not reviewed the contents of this website.