

**PINEBRIDGE HONG KONG DOLLAR FIXED INCOME FUND**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED**

**30 JUNE 2010**

**(UNAUDITED)**

# **PineBridge Hong Kong Dollar Fixed Income Fund**

## **Reports and Financial Statements For the six months ended 30 June 2010 (Unaudited)**

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## **PineBridge Hong Kong Dollar Fixed Income Fund**

### **Management and Professional Service Details**

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#### **Manager**

PineBridge Investments Hong Kong Limited  
Level 31, Three Pacific Place, 1 Queen's Road East  
Hong Kong

#### **Trustee**

American International Assurance  
Company (Trustee) Limited  
2 Floor, AIA Building, 1 Stubbs Road  
Hong Kong

#### **Administrator and Custodian**

HSBC Provident Fund Trustee (Hong Kong) Limited  
Level 13, 1 Queen's Road Central  
Hong Kong

#### **Auditor**

PricewaterhouseCoopers  
22nd Floor, Prince's Building  
Central  
Hong Kong

#### **Application and Redemption Agents**

HSBC Trustee (Hong Kong) Ltd.  
1 Queen's Road Central  
Hong Kong  
Tel: (852) 2288 6222  
Fax: (852) 2869 6120

#### **Registered Office**

AIA Building  
1 Stubbs Road  
Hong Kong

#### **Legal Advisers**

Deacons  
5th Floor, Alexandra House  
18 Chater Road  
Central, Hong Kong

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Investment Report**  
**For the six months ended 30 June 2010**

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During the period under review, the U.S. equity market as measured by S&P 500 Index fell by 7.57% and the Europe equity markets as measured by MSCI Europe Index dropped by 16.72%. In Japan, the TOPIX Index lost by 7.29%. In Asia, the MSCI AC Far East (excluding Japan and Hong Kong) Index was down by 4.60%. In Hong Kong, the Hang Seng Index dropped by 7.97%. The Greater China equity markets as measured by MSCI AC Golden Dragon Index lost by 7.66%. The bond markets as measured by Citigroup World Broad Investment Grade ex-MBS Index fell by 1.91% while HSBC Hong Kong Bond Index gained 4.54%.

In the 1<sup>st</sup> quarter of 2010, the quarter was a good one for equities in general. The end of the quarter was particularly beneficial for US equities, and the current stock market rally seems to be carrying into the second quarter. Global equities posted strong returns in the first quarter. Emerging markets were the big winners, outperforming developed markets indices by almost two percentage points during that time.

Equity markets rallied in the 2<sup>nd</sup> quarter of 2010, global equity indices gave back about a third of the gains since the market rebound started in March of last year. Developed world indices significantly underperformed their emerging market brethren highlighting the fact that the problems are in our parts of the world and Emerging Markets are becoming the new "safe havens."

In terms of the global market outlook, fears of a double-dip recession will wane and the expansion will continue, albeit at a slower pace. With policy rates at or near record lows in most parts of the world, inventory levels back in balance, housing markets poised for a strong rebound, and household balance sheets slowly healing, we believe we are set to embark on the next stage of this business cycle. This will probably occur by the Spring of next year, with stronger economic growth here in the US and in most other parts of the world. Europe will be lagging, but by addressing its deficit problem, even the Old Continent is creating an environment for more buoyant economic growth in the years ahead.

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Investment Report**  
**As at 30 June 2010**  
**(Unaudited)**

**INVESTMENT PORTFOLIO**

**LISTED/QUOTED INVESTMENTS**

HONG KONG DOLLAR	Nominal Value HK\$	Market Value HK\$	% of Net Assets
<b><u>BONDS</u></b>			
AUST & NZ BANKING GROUP 2.01% 2APR2012	5,000,000	5,086,000	1.23%
AUST & NZ BANKING GROUP 4.75% 9NOV2012	10,000,000	10,746,000	2.59%
BANK OF IRELAND 4.48% 2MAY2012 SER MTN	1,000,000	1,025,800	0.25%
BANK OF IRELAND 4.835% 25AUG2011 EMTN	1,000,000	1,023,700	0.25%
BANK OF SCOTLAND PLC 4.2% 6MAY2015 EMTN	4,000,000	4,134,400	1.00%
BANK OF SCOTLAND PLC 4.45% 30JAN2012	1,000,000	1,037,000	0.25%
BEAR STEARNS CO INC 5.055% 22DEC2015	2,000,000	2,207,400	0.53%
BK NEDERLANDSE GEMEENTEN 5.6% 24JUL2012	2,000,000	2,171,400	0.52%
CENTRAL AMERICAN BANK 4.8% 3NOV2011 EMTN	5,000,000	5,215,500	1.26%
CHEUNG KONG BD FIN LTD 3.48% 22APR2013	1,000,000	1,050,400	0.25%
CHEUNG KONG BOND FIN LTD 4.4% 20APR2015	2,000,000	2,169,400	0.52%
CITIGP GLOBAL MARKETS 4.08% EMTN 16DEC14	1,000,000	1,020,600	0.25%
CLP POWER HK FIN LTD 4.38% 11JAN2017	2,000,000	2,181,600	0.53%
CLP POWER HK FIN LTD 4.75% 18JAN2016	10,000,000	11,101,000	2.67%
CLP POWER HK FINANCING LTD 4.28% 3NOV14	3,000,000	3,248,700	0.78%
COMMONWEALTH BANK OF AUS 4.06% 29NOV2010	1,000,000	1,011,900	0.24%
COMMONWEALTH BK OF AUS 3.905% 24DEC2010	5,000,000	5,066,000	1.22%
COMMONWEALTH BK OF AUS 4.57% 26JUN2013	10,000,000	10,794,000	2.60%
COMMONWEALTH BK OF AUST 2.21% 11JAN2013	3,000,000	3,045,000	0.73%
COMMONWEALTH BK OF AUST 4.05% 8MAR2012	2,000,000	2,092,200	0.50%
DEXIA CREDIT LOCAL DE FRANCE 4.05% 7MAR11	1,000,000	1,010,000	0.24%
DNB NOR BANK ASA 3.99% 22MAY2013 EMTN	2,000,000	2,111,600	0.51%
EUROFIMA 4.18% EMTN 8JUN2015	14,500,000	15,965,950	3.85%
EXPORT-IMPORT BK KOREA 4.25% 15JUN2012	5,000,000	5,311,000	1.28%
EXPORT-IMPORT BK OF KOREA 4.6% 27JUN2011	1,000,000	1,029,500	0.25%
GENERAL ELECTRIC CAP 4.72% 26SEP2011	9,000,000	9,303,300	2.24%
HK (GOVT OF) 05Y1212 2.66% 17DEC2012	10,000,000	10,433,000	2.51%
HK (GOVT OF) 05Y1312 1.67% 19DEC2013	10,000,000	10,169,000	2.45%
HONG KONG (GOVT) 05Y1412 1.69% 22DEC2014	10,000,000	10,113,000	2.44%
HONG KONG (GOVT) 05Y1503 1.75% 23MAR2015	10,000,000	10,121,000	2.44%
HK AIRPORT AUTHORITY 2.2% 9APR2014	20,000,000	20,408,000	4.92%
HK MORTGAGE CO 4.55% 23SEP2015	1,000,000	1,112,700	0.27%
HONG KONG ELECTRIC FIN 4.13% MTN 24NOV14	2,000,000	2,165,200	0.52%
HONG KONG ELECTRIC FIN 4.15% MTN 13MAY15	4,000,000	4,339,600	1.05%
HONG KONG MTG CORP 3.1% 8APR2013 MTN	3,000,000	3,135,600	0.76%
HONG KONG MTG CORP 4.82% 8OCT2014 MTN	4,000,000	4,469,600	1.08%
HONG KONG MTG CORP 5.03% 19FEB2013	2,000,000	2,187,200	0.53%
HONGKONG ELECTRIC FIN 3.7% 30SEP2024	2,000,000	2,132,000	0.51%
HYSAN (MTN) LTD 5.38% 2SEP2020 EMTN	2,000,000	2,173,000	0.52%
JOHN HANCOCK GLB FUND II 4.67% 17MAR14	3,000,000	3,244,200	0.78%
KOWLOON-CANTON RAILWAY 4.65% 10JUN2013	14,000,000	15,303,400	3.69%
KOWLOON-CANTON RAILWAY 4.8% 6JUN2013	4,000,000	4,392,800	1.06%
MERRILL LYNCH & CO INC 4.9% EMTN 8SEP14	2,000,000	2,112,400	0.51%

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Investment Report**  
**As at 30 June 2010**  
**(Unaudited)**

**INVESTMENT PORTFOLIO (CONTINUED)**

**LISTED/QUOTED INVESTMENTS**

<b>HONG KONG DOLLAR</b>	<b>Nominal Value HK\$</b>	<b>Market Value HK\$</b>	<b>% of Net Assets</b>
<b><u>BONDS (CONTINUED)</u></b>			
MTR CORP (C.I.) 4.28% 6JUL2020 EMTN	5,000,000	5,625,000	1.35%
MTR CORP (C.I.) 4.9% 25JUN2018	8,500,000	9,887,200	2.38%
NORDIC INVESTMENT BANK 5% 30NOV2012	20,000,000	21,888,000	5.27%
PACIFIC LIFE FUNDING LLC 5% 31JUL2014	16,000,000	17,572,800	4.23%
QUEBEC, PROVINCE OF 4.3% 2FEB2012 EMTN	2,000,000	2,094,400	0.50%
RABOBANK NEDERLAND 4.98% 3SEP2019	5,000,000	5,701,500	1.37%
ROYAL BANK OF CANADA 4.5% 22MAR2012 EMTN	7,000,000	7,403,900	1.78%
SNS BANK NEDERLAND 4.44% 30JUL2010	14,000,000	14,022,400	3.38%
SUN HUNG KAI PROP (CAP) 2.65% 17FEB2012	10,000,000	10,228,000	2.46%
SUN HUNG KAI PROP (CAP) 4.65% 19JAN2016	2,000,000	2,218,800	0.53%
SUN HUNG KAI PROP (CAP) 4.88% 30SEP2015	1,000,000	1,116,200	0.27%
SUN HUNG KAI PROP (CAP) 5.75% 18JUL2012	3,000,000	3,266,100	0.79%
SWIRE PACIFIC MTN FIN 4.08% 28JUL2011	1,000,000	1,030,900	0.25%
SWIRE PACIFIC MTN FIN 4.236% 24SEP2018	5,000,000	5,260,000	1.27%
SWIRE PACIFIC MTN FIN 4.93% 28MAR2013	10,000,000	10,829,000	2.61%
URBAN RENEWAL AUTHORITY 2.08% 27JUL2012	10,000,000	10,203,000	2.46%
WESTPAC BANKING CORP 4.4% 26AUG2010 EMTN	4,000,000	4,019,600	0.97%
WESTPAC BANKING CORP 4.55% 22JAN2020	2,000,000	2,127,000	0.51%
WESTPAC BANKING CORP 6.65% 18JAN2011	7,000,000	7,207,200	1.74%
WESTPAC BANKING SER EMTN 4.5% 30AUG2012	1,000,000	1,064,800	0.26%
<b>BONDS (TOTAL)</b>		<b>360,936,850</b>	<b>86.96%</b>
<b><u>CERTIFICATES OF DEPOSIT</u></b>			
BAYER LANDESBK GIRO 6.7% CD 2FEB2011	2,000,000	2,059,200	0.50%
BAYER LANDESBK GIRO 6.9% CD 10APR2012	5,000,000	5,459,500	1.31%
BAYERISCHE LANDESBK GIRO 6.62%CD 10JAN11	7,000,000	7,182,700	1.73%
DBS BK HONG KONG LTD 3.95% CD 20JAN2020	2,000,000	2,162,000	0.52%
DEUTSCHE BANK AG (HK) 5.14% CD 18OCT2010	5,000,000	5,052,500	1.22%
RABOBANK NEDERLD HK 4% FXCD 21JUN12	15,000,000	15,822,000	3.81%
<b>CERTIFICATES OF DEPOSIT (TOTAL)</b>		<b>37,737,900</b>	<b>9.09%</b>
<b>TOTAL INVESTMENTS*</b>		<b>398,674,750</b>	<b>96.05%</b>
<b>TOTAL INVESTMENTS, AT COST*</b>		<b>385,799,437</b>	

\* Investments are accounted for on a trade date basis.

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Investment Report**  
**For the six months ended 30 June 2010**  
**(Unaudited)**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO**

	Nominal Value			30 June 2010 HKS
	1 January 2010 HKS	Additions HKS	Deductions HKS	
<b>LISTED/QUOTED INVESTMENTS</b>				
<b>HONG KONG DOLLAR</b>				
<b>BONDS</b>				
AUST & NZ BANK 3.3% 21JAN2010 EMTN	5,000,000	-	(5,000,000)	-
AUST & NZ BANKING GROUP 2.01% 2APR2012	5,000,000	-	-	5,000,000
AUST & NZ BANKING GROUP 4.75% 9NOV2012	10,000,000	-	-	10,000,000
BANK OF IRELAND 4.48% 2MAY2012 SER MTN	1,000,000	-	-	1,000,000
BANK OF IRELAND 4.835% 25AUG2011 EMTN	1,000,000	-	-	1,000,000
BANK OF SCOTLAND 3.885% 30JUN2010 EMTN	7,000,000	-	(7,000,000)	-
BANK OF SCOTLAND PLC 4.2% 6MAY2015 EMTN	4,000,000	-	-	4,000,000
BANK OF SCOTLAND PLC 4.45% 30JAN2012	1,000,000	-	-	1,000,000
BEAR STEARNS CO INC 5.055% 22DEC2015	2,000,000	-	-	2,000,000
BK NEDERLANDSE GEMEENTEN 5.6% 24JUL2012	2,000,000	-	-	2,000,000
CAISSE CENTRALE DU CREDIT 4.1% 19JAN2010	3,000,000	-	(3,000,000)	-
CENTRAL AMERICAN BANK 4.8% 3NOV2011 EMTN	5,000,000	-	-	5,000,000
CHEUNG KONG BD FIN LTD 3.48% 22APR2013	1,000,000	-	-	1,000,000
CHEUNG KONG BOND FIN LTD 4.4% 20APR2015	2,000,000	-	-	2,000,000
CHEUNG KONG FIN CAYMAN 8.38% 12JAN2010	8,000,000	-	(8,000,000)	-
CITIGP GLOBAL MARKETS 4.08% EMTN 16DEC14	1,000,000	-	-	1,000,000
CLP POWER HK FIN LTD 4.38% 11JAN2017	2,000,000	-	-	2,000,000
CLP POWER HK FIN LTD 4.75% 18JAN2016	10,000,000	-	-	10,000,000
CLP POWER HK FINANCING LTD 4.28% 3NOV14	3,000,000	-	-	3,000,000
COMMONWEALTH BANK OF AUS 4.06% 29NOV2010	1,000,000	-	-	1,000,000
COMMONWEALTH BK OF AUS 3.905% 24DEC2010	5,000,000	-	-	5,000,000
COMMONWEALTH BK OF AUS 4.57% 26JUN2013	10,000,000	-	-	10,000,000
COMMONWEALTH BK OF AUST 2.21% 11JAN2013	-	3,000,000	-	3,000,000
COMMONWEALTH BK OF AUST 4.05% 8MAR2012	2,000,000	-	-	2,000,000
DEXIA CREDIT LOCAL DE FRANCE 4.05% 7MAR11	1,000,000	-	-	1,000,000
DNB NOR BANK ASA 3.99% 22MAY2013 EMTN	2,000,000	-	-	2,000,000
DNB NORBANK ASA 3.31% EMTN 21JAN2010	22,000,000	-	(22,000,000)	-
EUROFIMA 4.18% EMTN 8JUN2015	14,500,000	-	-	14,500,000
EXPORT-IMPORT BK KOREA 4.25% 15JUN2012	5,000,000	-	-	5,000,000
EXPORT-IMPORT BK OF KOREA 4.6% 27JUN2011	1,000,000	-	-	1,000,000
EXPORT-IMPORT BK OF KOREA 5.1% 22FEB2010	15,000,000	-	(15,000,000)	-
GENERAL ELECTRIC CAP 4.72% 26SEP2011	9,000,000	-	-	9,000,000
HK (GOVT OF) 05Y1212 2.66% 17DEC2012	-	10,000,000	-	10,000,000
HK (GOVT OF) 05Y1312 1.67% 19DEC2013	-	10,000,000	-	10,000,000
HONG KONG (GOVT) 05Y1412 1.69% 22DEC2014	-	10,000,000	-	10,000,000
HONG KONG (GOVT) 05Y1503 1.75% 23MAR2015	-	10,000,000	-	10,000,000
HK AIRPORT AUTHORITY 2.2% 9APR2014	20,000,000	-	-	20,000,000
HK MORTGAGE CO 4.55% 23SEP2015	1,000,000	-	-	1,000,000
HONG KONG ELECTRIC FIN 4.13% MTN 24NOV14	2,000,000	-	-	2,000,000
HONG KONG ELECTRIC FIN 4.15% MTN 13MAY15	4,000,000	-	-	4,000,000
HONG KONG MTG CORP 3.1% 8APR2013 MTN	3,000,000	-	-	3,000,000
HONG KONG MTG CORP 4.82% 8OCT2014 MTN	4,000,000	-	-	4,000,000

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Investment Report**  
**For the six months ended 30 June 2010**  
**(Unaudited)**

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)**

	Nominal Value			30 June 2010 HKS
	1 January 2010 HKS	Additions HKS	Deductions HKS	
<b>LISTED/QUOTED INVESTMENTS</b>				
<b>HONG KONG DOLLAR</b>				
<b><u>BONDS (CONTINUED)</u></b>				
HONG KONG MTG CORP 5.03% 19FEB2013	2,000,000	-	-	2,000,000
HONGKONG ELECTRIC FIN 3.7% 30SEP2024	-	2,000,000	-	2,000,000
HONGKONG ELECTRIC FIN 4.32% 24JAN2012	2,000,000	-	(2,000,000)	-
HSH NORDBANK AG 4.01% 16MAR2010 EMTN	8,000,000	-	(8,000,000)	-
HYSAN (MTN) LTD 5.38% 2SEP2020 EMTN	2,000,000	-	-	2,000,000
JOHN HANCOCK GLB FUND II 4.67% 17MAR14	3,000,000	-	-	3,000,000
KOWLOON-CANTON RAILWAY 4.65% 10JUN2013	14,000,000	-	-	14,000,000
KOWLOON-CANTON RAILWAY 4.8% 6JUN2013	4,000,000	-	-	4,000,000
MERRILL LYNCH & CO INC 4.9% EMTN 8SEP14	2,000,000	-	-	2,000,000
MTR CORP (C.I.) 4.28% 6JUL2020 EMTN	5,000,000	-	-	5,000,000
MTR CORP (C.I.) 4.9% 25JUN2018	8,500,000	-	-	8,500,000
MTR CORP (C.I.) LTD 4.106% 13AUG2010	5,000,000	-	(5,000,000)	-
NORDIC INVESTMENT BANK 5% 30NOV2012	20,000,000	-	-	20,000,000
PACIFIC LIFE FUNDING LLC 5% 31JUL2014	16,000,000	-	-	16,000,000
QUEBEC, PROVINCE OF 4.3% 2FEB2012 EMTN	2,000,000	-	-	2,000,000
RABOBANK NEDERLAND 4.98% 3SEP2019	5,000,000	-	-	5,000,000
ROYAL BANK OF CANADA 4.5% 22MAR2012 EMTN	7,000,000	-	-	7,000,000
SNS BANK NEDERLAND 4.44% 30JUL2010	14,000,000	-	-	14,000,000
SUN HUNG KAI PROP (CAP) 2.65% 17FEB2012	10,000,000	-	-	10,000,000
SUN HUNG KAI PROP (CAP) 4.65% 19JAN2016	2,000,000	-	-	2,000,000
SUN HUNG KAI PROP (CAP) 4.88% 30SEP2015	1,000,000	-	-	1,000,000
SUN HUNG KAI PROP (CAP) 5.75% 18JUL2012	3,000,000	-	-	3,000,000
SWIRE PACIFIC MTN FIN 4.08% 28JUL2011	1,000,000	-	-	1,000,000
SWIRE PACIFIC MTN FIN 4.236% 24SEP2018	5,000,000	-	-	5,000,000
SWIRE PACIFIC MTN FIN 4.93% 28MAR2013	10,000,000	-	-	10,000,000
URBAN RENEWAL AUTHORITY 2.08% 27JUL2012	10,000,000	-	-	10,000,000
WESTPAC BANKING CORP 4.4% 26AUG2010 EMTN	4,000,000	-	-	4,000,000
WESTPAC BANKING CORP 4.55% 22JAN2020	-	2,000,000	-	2,000,000
WESTPAC BANKING CORP 6.65% 18JAN2011	7,000,000	-	-	7,000,000
WESTPAC BANKING SER EMTN 4.5% 30AUG2012	1,000,000	-	-	1,000,000
<b><u>CERTIFICATES OF DEPOSIT</u></b>				
BAYER LANDESBK GIRO 6.7% CD 2FEB2011	2,000,000	-	-	2,000,000
BAYER LANDESBK GIRO 6.9% CD 10APR2012	5,000,000	-	-	5,000,000
BAYERISCHE LANDESBK GIRO 6.62%CD 10JAN11	7,000,000	-	-	7,000,000
DBS BK HONG KONG LTD 3.95% CD 20JAN2020	-	2,000,000	-	2,000,000
DEUTSCHE BANK AG (HK) 5.14% CD 18OCT2010	10,000,000	-	(5,000,000)	5,000,000
RABOBANK NEDERLD HK 4% FXCD 21JUN12	15,000,000	-	-	15,000,000

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Investment Report**  
**For the six months ended 30 June 2010**  
**(Unaudited)**

PineBridge Hong Kong Dollar Fixed Income Fund (the "Fund") (formerly known as AIG Hong Kong Dollar Fixed Income Fund) is a unit trust governed by its Trust Deed dated 10 August 1998, as amended. The Fund is managed in accordance with the distinct investment policy. There have been no changes to the investment policy during the period.

**Investment objectives and policies**

The Fund is a fixed income fund that seeks to provide investors with a stable source of high recurring income through a managed portfolio of bonds and other income yielding securities. The Fund's objective is to provide security of capital as well as a comparatively high level of income by investing in a range of capital and money market fixed and floating rate instruments, either denominated in Hong Kong dollars or, if they are not denominated in Hong Kong dollars, the currency exposure shall be hedged back into Hong Kong dollars in order to ensure that the Fund has an effective exposure of 100 per cent to the Hong Kong dollars.

	30 June 2010	30 June 2009	30 June 2008
	HK\$	HK\$	HK\$
<b>Investments and investment income</b>			
Total value of investments	398,674,750	528,895,000	354,354,950
Interest on bank deposits	15,703	5,190	43,649
Interest on investments	8,102,134	10,400,530	8,240,972
Net foreign currency losses	(25)	(11)	(15)
Net income excluding capital appreciation / (depreciation)	6,779,716	8,630,604	7,272,396
Net appreciation / (depreciation) of investments			
- realized and unrealized	5,701,999	(14,245,250)	(6,827,500)

**Performance table**

**Net asset value**

	Total net asset value HK\$	Net asset value per unit HK\$	Number of units in issue Units
30 June 2010 - Standard units	214,430,686	16.34	13,123,537
30 June 2010 - Provident Fund units	200,647,446	17.31	11,589,910
31 December 2009 - Standard units	242,602,614	15.92	15,234,109
31 December 2009 - Provident Fund units	206,641,299	16.75	12,335,451
31 December 2008 - Standard units	302,327,985	15.85	19,068,631
31 December 2008 - Provident Fund units	207,023,191	16.56	12,500,137

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Investment Report**  
**For the six months ended 30 June 2010**  
**(Unaudited)**

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**Performance table (continued)**

**Performance record for the past 10 years**

	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Investment return (Note 2) %
30 June 2010 - Standard units	16.34	15.88	2.60
30 June 2010 - Provident Fund units	17.32	16.70	3.35
31 December 2009 - Standard units	16.11	15.44	0.44
31 December 2009 - Provident Fund units	16.93	16.20	1.15
31 December 2008 - Standard units	15.89	14.69	6.73
31 December 2008 - Provident Fund units	16.59	15.34	7.18
31 December 2007 - Standard units	14.86	13.87	4.84
31 December 2007 - Provident Fund units	15.46	14.41	5.41
31 December 2006 - Standard units	14.18	13.36	5.07
31 December 2006 - Provident Fund units	14.67	13.78	5.66
31 December 2005 - Standard units	13.73	13.22	(1.65)
31 December 2005 - Provident Fund units	14.01	13.53	(0.90)
31 December 2004 - Standard units	13.73	13.07	3.42
31 December 2004 - Provident Fund units	14.01	13.29	4.12
31 December 2003 - Standard units	13.27	12.77	3.31
31 December 2003 - Provident Fund units	13.45	12.86	4.03
31 December 2002 - Standard units	12.84	11.85	8.31
31 December 2002 - Provident Fund units	12.93	11.86	8.94
31 December 2001 - Standard units	12.14	11.00	7.93
31 December 2001 - Provident Fund units	12.16	11.01	7.99
31 December 2000 - Standard units	10.99	10.10	10.00
31 December 2000 - Provident Fund units (Note 1)	10.99	10.77	1.99

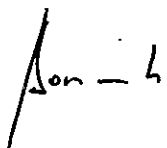
Note 1: The Fund started to issue Provident Fund units on 4 December 2000.

Note 2: The investment return is calculated by comparing the net asset value per unit at the period end against the net asset value per unit at the beginning of the year except for the first year where the initial subscription price per unit is used. The Fund was launched on 1 January 1999

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Statement of Net Assets**  
**As at 30 June 2010**  
**(Unaudited)**

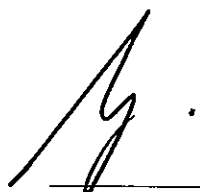
	30 June 2010 HK\$	31 December 2009 HK\$
<b>Assets</b>		
<b>Current assets</b>		
Investments	398,674,750	423,458,200
Interest receivable on investments	4,719,018	6,823,409
Bank interest receivable	61	-
Amounts receivable on subscription	1,299,099	1,195,150
Cash and cash equivalents	12,539,022	25,765,514
<b>Total assets</b>	<u>417,231,950</u>	<u>457,242,273</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Amounts payable on redemption	1,859,951	7,576,055
Accounts payable and accrued expenses	293,867	422,305
<b>Liabilities (excluding net assets attributable to unitholders)</b>	<u>2,153,818</u>	<u>7,998,360</u>
<b>Net assets attributable to unitholders</b>	<u>415,078,132</u>	<u>449,243,913</u>

On behalf of  
 American International Assurance  
 Company (Trustee) Limited



Director

On behalf of  
 PineBridge Investments  
 Hong Kong Limited



Director

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Statement of Comprehensive Income**  
**For the six months ended 30 June 2010**  
**(Unaudited)**

	30 June 2010	30 June 2009
	HK\$	HK\$
<b>Income</b>		
Interest on bank deposits	15,703	5,190
Interest on investments	8,102,134	10,400,530
Net gains / (losses) on investments	5,701,999	(14,245,250)
Net foreign currency losses	(25)	(11)
<b>Total investment income / (loss)</b>	<u>13,819,811</u>	<u>(3,839,541)</u>
<b>Expenses</b>		
Management fee	826,632	1,207,870
Trustee's fee	106,776	138,062
Custodian and administration fees (Note)	258,196	305,189
Audit fee	67,231	57,096
Other expenses (Note)	79,261	66,888
<b>Total operating expenses</b>	<u>1,338,096</u>	<u>1,775,105</u>
<b>Increase / (decrease) in net assets attributable to unitholders from operations</b>	<u>12,481,715</u>	<u>(5,614,646)</u>

Note: Certain comparative figures have been adjusted to conform with current period's presentation.

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Statement of Changes in Net Assets Attributable to Unitholders**  
**For the six months ended 30 June 2010**  
**(Unaudited)**

	30 June 2010 HK\$	30 June 2009 HK\$
<b>Net assets attributable to unitholders at 1 January</b>	<u>449,243,913</u>	<u>509,351,176</u>
Proceeds from issue of 5,325,114 (30 June 2009: 15,854,233) units	86,598,802	252,800,678
Payments on redemption of 8,181,227 (30 June 2009: 12,943,268) units	(133,246,298)	(204,487,661)
<b>Net (decrease) / increase from unit transactions</b>	<u>(46,647,496)</u>	<u>48,313,017</u>
Increase / (decrease) in net assets attributable to unitholders from operations	12,481,715	(5,614,646)
<b>Net assets attributable to unitholders at 30 June</b>	<u>415,078,132</u>	<u>552,049,547</u>

**PineBridge Hong Kong Dollar Fixed Income Fund**  
**Statement of Cash Flows**  
**For the six months ended 30 June 2010**  
**(Unaudited)**

	30 June 2010 HK\$	30 June 2009 HK\$
<b>Cash flows from operating activities</b>		
Increase / (decrease) in net assets attributable to unitholders from operations	12,481,715	(5,614,646)
Adjustment for:		
Interest on investments	(8,102,134)	(10,400,530)
Interest on bank deposits	(15,703)	(5,190)
Operating profit / (loss) before working capital changes	4,363,878	(16,020,366)
Net decrease / (increase) in investments	24,783,450	(77,339,550)
Net decrease in accounts payable and accrued expenses	(128,438)	(3,951)
Cash generated from / (used in) operations	29,018,890	(93,363,867)
Interest on investments received	10,206,525	10,054,462
Interest on bank deposits received	15,642	5,246
<b>Net cash generated from / (used in) operating activities</b>	<b>39,241,057</b>	<b>(83,304,159)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of units	86,494,853	257,403,644
Payments on redemption of units	(138,962,402)	(203,581,298)
<b>Net cash (used in) / generated from financing activities</b>	<b>(52,467,549)</b>	<b>53,822,346</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(13,226,492)</b>	<b>(29,481,813)</b>
Cash and cash equivalents at the beginning of the period	25,765,514	44,684,722
<b>Cash and cash equivalents at the end of the period</b>	<b>12,539,022</b>	<b>15,202,909</b>
<b>Analysis of balance of cash and cash equivalents</b>		
Cash at banks	12,539,022	15,202,909