



SINGAPORE INDEX
FUND

Semi Annual Report to Unitholders

For the half year ended 31 December 2019

SINGAPORE CONSORTIUM INVESTMENT MANAGEMENT LIMITED

SINGAPORE INDEX FUND

(Constituted under a Trust Deed in the Republic of Singapore)

Semi-Annual Report To Unitholders For The Half Year Ended 31 December 2019

A) Fund Performance

Fund Performance/ Benchmark Returns	3 mth % Growth	6 mth % Growth	1yr % Growth	3 yr Ann Comp Ret	5 yr Ann Comp Ret	10 yr Ann Comp Ret	Since Inception 18 December 1996 Ann Comp Ret
Singapore Index Fund ¹	3.65	-1.52	8.34	6.71	1.84	3.41	4.09
Benchmark ²	3.89	-1.01	9.40	7.71	2.87	4.51	3.69

Note: Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

- 1) The performance returns of the Fund are in Singapore dollars based on a bid-to-bid price with net dividends reinvested.
- 2) The performance returns of the Benchmark is in Singapore dollars with net dividends reinvested. The Benchmark of Singapore Index Fund since inception up to 23 Jan 2001 was the Business Times – Singapore Regional Index. The Benchmark of the Fund since 26 Jan 2001 is the Straits Times Index. The Benchmark was changed due to the change in the investment policy of the Fund to track the Straits Times Index instead of the Business Times - Singapore Regional Index.

Market and Portfolio Review

For the six months ended 31 December 2019:

The last 6 months of 2019 were characterized by a series of on-and-off developments in the US-China trade discussions, with the two nations seemingly coming to an agreement, only for Donald Trump to follow up with threats of further tariffs which then came into effect on 1st September, while China also then reacted with a set of counter-tariffs. However, further escalation in tensions was prevented, as both sides ultimately reached an agreement to hold off further tariffs, also referred to as the “Phase 1” deal. As a result, global equity markets saw a relief rally into the end of 2019, with most equity indices recovering or exceeding the initial sell-off.

The Straits Times Index (“STI”) decreased 3.0% for this period, underperforming most of the major equity indices, as concerns over a muted growth outlook of the Singapore economy outweighed renewed optimism from positive developments in the US-China trade talks. According to advance estimates from the Ministry of Trade and Industry (“MTI”), for the whole of 2019, the Singapore economy grew by 0.7%, a decade-low figure, and considerably lower than the 3.1% growth seen in 2018.

In the second half of 2019, the STI also saw a reshuffling in its index constituents, with the inclusion of two real estate investment trusts ("REITs") from the Mapletree family. The new inclusions are Mapletree Commercial Trust and Mapletree Logistics Trust, which displaced Hutchison Port Holdings Trust and Golden Agri-Resources respectively. Mapletree Commercial Trust is also one of the best performing stocks across this period, with a total return (including dividends) of more than 17%. Conversely, Yangzijiang Shipbuilding Holdings was the worst performer, with a loss of nearly 27% across the same period.

Market Outlook

The International Monetary Fund ("IMF") further revised global growth forecasts for 2019 and 2020 to 2.9% and 3.3%, or a downward revision of 0.1% across both figures from previous forecasts in October, in their latest World Economic Outlook report released in January 2020. The rationale behind their projections was that a number of emerging market economies such as Brazil, India, Mexico, Russia and Turkey continued to face uncertainties surrounding their economic prospects. Notably, India accounted for most of the downward revision, as its domestic demand has decelerated amidst slowing credit growth and increased stress in the non-bank financial sector. Their forecasts also reflected continued monetary easing across both advanced and emerging economies to support growth.

While trade tensions have simmered following the agreement of the "Phase 1" deal, further escalation and associated policies can easily lead to a downward deviation from growth outlook. Furthermore, there are now new uncertainties following the COVID-19 coronavirus outbreak. It is likely that the equity markets will see greater volatility in response to ongoing developments surrounding these events.

The latest forecast from Monetary Authority of Singapore ("MAS") projects Singapore's GDP growth at -0.5 to 1.5% in 2020, with growth expected to come in at around 0.5%, the mid-point of the forecast range. This is in view of the COVID-19 outbreak that can affect the Singapore economy through multiple channels. The manufacturing sector and trade-related services sectors such as wholesale trade are expected to be impacted by weaker growth outlook in key final demand markets, notably China. Falling tourist numbers will also affect related sectors such as hospitality and transport. Finally, a decline in domestic consumption in Singapore due to a cut back on shopping and dining will adversely impact retail and food services segments. On the other hand, there are positive signs emerging from the construction sector, which is expected to show steady growth given a rebound in construction demand, as well as the information and communications sector due to continued demand by enterprises for IT solutions.

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B) Investments at fair value and as a percentage of net asset value ("NAV") as at 31 December 2019 under review classified by

i)	Country	Fair Value \$	Percentage of net assets attributable to unitholders
			%
	Quoted Equities		
	China	330,288	0.81
	Hong Kong	4,806,965	11.83
	Singapore	34,291,526	84.41
	Thailand	1,199,186	2.95
		40,627,965	100.00
	Portfolio of investments	40,627,965	100.00
	Other net liabilities	(1,671)	#
	Net assets attributable to unitholders	40,626,294	100.00
ii)	Industry	Fair Value \$	Percentage of net assets attributable to unitholders
			%
	Quoted Equities		
	Communication Services	3,961,290	9.75
	Consumer Discretionary	1,144,469	2.82
	Consumer Staples	2,423,584	5.96
	Financials	17,546,287	43.19
	Industrials	7,677,391	18.89
	Information Technology	262,440	0.65
	Real Estate	7,612,504	18.74
		40,627,965	100.00
	Portfolio of investments	40,627,965	100.00
	Other net liabilities	(1,671)	#
	Net assets attributable to unitholders	40,626,294	100.00

denotes amount less than 0.01%

B) Investments at fair value and as a percentage of NAV as at 31 December 2019 under review classified by (continued)

iii) Asset Class	Fair value at 31 Dec 2019 \$	Percentage of net assets attributable to unitholders at 31 Dec 2019 %	Percentage of net assets attributable to unitholders at 31 Dec 2018 %
Quoted Equities	40,627,965	100.00	100.09
Other net liabilities	(1,671)	#	(0.09)
Net assets attributable to unitholders	40,626,294	100.00	100.00

iv) **Credit rating of debt securities**

Not Applicable

denotes amount less than 0.01%

C) Top Ten Holdings

The top ten holdings as at 31 December 2019 and 31 December 2018

10 largest holdings at 31 December 2019

	Fair Value \$	Percentage of net assets attributable to unitholders %
DBS Group Holdings Limited	6,443,266	15.86
Oversea-Chinese Banking Corporation	5,287,463	13.01
United Overseas Bank Limited	4,800,202	11.82
Singapore Telecommunications Limited	3,476,458	8.56
Jardine Matheson Holdings Limited	2,196,598	5.41
Keppel Corporation Limited	1,426,101	3.51
CapitaLand Limited	1,302,750	3.21
Hongkong Land Holdings Limited	1,254,861	3.09
Ascendas Real Estate Investment Trust	1,234,926	3.04
Thai Beverages PCL	1,199,186	2.95

C) Top Ten Holdings (Continued)

10 largest holdings at 31 December 2018

	Fair Value \$	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Limited	5,898,028	15.42
Oversea-Chinese Banking Corporation	5,209,934	13.62
United Overseas Bank Limited	4,392,059	11.48
Singapore Telecommunications Limited	3,034,279	7.93
Jardine Matheson Holdings Limited	2,783,102	7.28
Hongkong Land Holdings Limited	1,393,654	3.64
Jardine Strategic Holdings Limited	1,265,904	3.31
Keppel Corporation Limited	1,156,291	3.02
CapitaLand Limited	1,080,414	2.82
Ascendas Real Estate Investment Trust	905,154	2.37

D) Exposure to Derivatives

- i) Fair value of derivative contracts and as a percentage of NAV as at 31 December 2019
Not applicable
- ii) Net gain/(loss) on derivative contracts realised during the half year ended 31 December 2019
Not applicable
- iii) Net gain/(loss) on outstanding derivative contracts marked to market as at 31 December 2019
Not applicable

E) Investments in other unit trusts, mutual funds and collective investment schemes as at 31 December 2019

	Fair value \$	Percentage of net assets attributable to unitholders %
Ascendas Real Estate Investment Trust	1,234,926	3.04
CapitaLand Commercial Trust	676,799	1.67
CapitaLand Mall Trust	791,505	1.95
Mapletree Commercial Trust	717,000	1.76
Mapletree Logistics Trust	348,000	0.86

F) Amount and percentage of borrowings to NAV as at 31 December 2019

Not applicable

G) Amount of subscriptions and redemptions for the period 01 July 2019 to 31 December 2019

Total amount of subscriptions	SGD	–
Total amount of redemptions	SGD	530,370

H) Amount of related party transactions for the period 01 July 2019 to 31 December 2019

	31 December 2019 \$
Accounting and valuation fee expense charged by a related company of the Trustee	6,536
Transaction fee expense charged by the Trustee and its related company	330
Custody fee expense charged by a related company of the Trustee	9,173
Registrar fee expense charged by a related company of the Trustee	7,619

I) Expense Ratios

31 December 2019	1.00%
31 December 2018	1.04%

Note: The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at 31 December 2019 was based on total operating expenses of \$402,762 (2018: \$433,185) divided by the average net asset value of \$40,435,539 (2018: \$41,480,454) past 12 months. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gain/loss, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.

J) Turnover ratios

31 December 2019	2.70%
31 December 2018	2.18%

Note: The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, being sales of \$1,091,459 (2018: purchases of \$861,037) divided by the average daily net asset value of \$40,421,139 (2018: \$39,477,268) for the period under review.

K) Other material information

There is no material information that will adversely impact the valuation of the Fund.

L) Supplemental information on underlying sub-funds where the scheme invests more than 30% of its deposited property in another scheme

Not applicable

M) Soft dollar commissions/arrangements received by the Manager

Under the Code, the Manager may receive soft dollar commissions or arrangements when such commissions or arrangements can reasonably be expected to assist in providing investment advice to the customer, when best execution is carried out for the transaction, and provided the Manager does not enter into unnecessary trades to achieve a sufficient volume of transactions to qualify for soft dollars.

The soft dollar commissions / arrangements which the Manager may receive or enter into are limited to the following kinds of services: specific advice as to the advisability of dealing in, or of the value of any investments; research and advisory services; economic and political analysis; portfolio analysis including valuation and portfolio measurements; market analysis; data and quotation services; computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and custodial services in relation to the investments managed for clients.

The receipt of goods and services such as travel, accommodation and entertainment that does not meet the conditions above is prohibited.

The Manager confirms that they are fully compliant with the Code and other relevant industry standards.

N) Where the scheme offers pre-determined payouts, an explanation on the calculation of the actual payouts received by participants and any significant deviation from the pre-determined payouts

Not applicable

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STATEMENT OF TOTAL RETURN*For the half year ended 31 December 2019 (Unaudited)*

	31 December 2019	31 December 2018
	\$	\$
Income		
Dividends	800,965	792,595
Interest on cash and bank balances	16	8
	800,981	792,603
Less: Expenses		
Audit fee	12,332	11,926
Bank charges	–	82
Custody fees	9,173	9,329
Management fees	136,159	133,065
Printing expenses	462	4,192
Professional fees	11,421	9,042
Registrar fees	18,214	17,754
Trustee fees	15,250	14,903
Accounting and valuation fees	6,536	6,387
Transaction cost	1,940	2,708
Miscellaneous expenses*	1,913	(78)
	213,400	209,310
Net income	587,581	583,293
Net loss on value of investments		
Net loss on investments	(1,209,965)	(2,497,307)
Net foreign exchange loss	(117)	(2,707)
	(1,210,082)	(2,500,014)
Total deficit for the period before income tax	(622,501)	(1,916,721)
Less: Income tax	(10,154)	(8,502)
Total deficit for the period	(632,655)	(1,925,223)

* Miscellaneous expenses includes GST rebate

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STATEMENT OF FINANCIAL POSITION

As at 31 December 2019 (Unaudited)

	31 December 2019	30 June 2019
	\$	\$
Assets		
Portfolio of investments	40,627,965	41,278,993
Receivables	70,148	–
Cash and bank balances	58,117	657,429
Total Assets	40,756,230	41,936,422
Liabilities		
Payables	129,936	147,103
Total Liabilities	129,936	147,103
Equity		
Net assets attributable to unitholders	40,626,294	41,789,319

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STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the half year ended 31 December 2019 (Unaudited)

	31 December 2019	30 June 2019
	\$	\$
Net assets attributable to unitholders at the beginning of the financial period/year	41,789,319	40,760,460
Operations		
Change in net assets attributable to unitholders resulting from operations	(632,655)	1,893,649
Unitholders' withdrawals		
Cancellation of units	(530,370)	(864,790)
Change in net assets attributable to unitholders resulting from cancellation of units	(530,370)	(864,790)
Total (decrease)/increase in net assets attributable to unitholders	(1,163,025)	1,028,859
Net assets attributable to unitholders at the end of the financial period/year	40,626,294	41,789,319

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STATEMENT OF PORTFOLIO

As at 31 December 2019 (Unaudited)

	Holdings at 31 December 2019	Fair value at 31 December 2019 \$	Percentage of net assets attributable to unitholders at 31 December 2019 %
By Industry - (Primary)*			
Quoted Equities			
Communication Services			
Singapore Press Holdings Limited	222,400	484,832	1.19
Singapore Telecommunications Limited	1,031,590	3,476,458	8.56
Total		3,961,290	9.75
Consumer Discretionary			
Genting Singapore Limited	793,600	730,112	1.80
Jardine Cycle & Carriage Limited	13,766	414,357	1.02
Total		1,144,469	2.82
Consumer Staples			
Dairy Farm International Holdings Limited	41,900	321,706	0.79
Thai Beverages PCL	1,347,400	1,199,186	2.95
Wilmar International Limited	219,100	902,692	2.22
Total		2,423,584	5.96
Financials			
DBS Group Holdings Limited	248,967	6,443,266	15.86
Oversea-Chinese Banking Corporation	481,554	5,287,463	13.01
Singapore Exchange Limited	114,600	1,015,356	2.50
United Overseas Bank Limited	181,757	4,800,202	11.82
Total		17,546,287	43.19

* The classification by industry sector is based upon Global Industry Classification Standard (GICS) developed by Morgan Stanley Capital International (MSCI).

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STATEMENT OF PORTFOLIO

As at 31 December 2019 (Unaudited)

	Holdings at 31 December 2019	Fair value at 31 December 2019 \$	Percentage of net assets attributable to unitholders at 31 December 2019 %
By Industry - (Primary)* (continued)			
Quoted Equities			
Industrials			
ComfortDelgro Corporation Limited	286,000	680,680	1.68
Jardine Matheson Holdings Limited	29,381	2,196,598	5.41
Jardine Strategic Holdings Limited	25,084	1,033,800	2.54
Keppel Corporation Limited	210,650	1,426,101	3.51
SATS Limited	47,400	239,844	0.59
Sembcorp Industries Limited	126,740	290,234	0.71
Singapore Airlines Limited	71,040	642,202	1.58
Singapore Technologies Engineering	212,600	837,644	2.06
Yangzijiang Shipbuilding Holdings Limited	294,900	330,288	0.81
Total		7,677,391	18.89
Information Technology			
Venture Corporation Limited	16,200	262,440	0.65

* The classification by industry sector is based upon Global Industry Classification Standard (GICS) developed by Morgan Stanley Capital International (MSCI).

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STATEMENT OF PORTFOLIO

As at 31 December 2019 (Unaudited)

	Holdings at 31 December 2019	Fair value at 31 December 2019 \$	Percentage of net assets attributable to unitholders at 31 December 2019 %
By Industry - (Primary)* (continued)			
Quoted Equities			
Real Estate			
Ascendas Real Estate Investment Trust	415,800	1,234,926	3.04
CapitaLand Commercial Trust	340,100	676,799	1.67
CapitaLand Limited	347,400	1,302,750	3.21
CapitaLand Mall Trust	321,750	791,505	1.95
City Developments Limited	65,380	715,911	1.76
Hongkong Land Holdings Limited	162,300	1,254,861	3.09
Mapletree Commercial Trust	300,000	717,000	1.76
Mapletree Logistics Trust	200,000	348,000	0.86
UOL Group Limited	68,600	570,752	1.40
Total		7,612,504	18.74
Portfolio of investments		40,627,965	100.00
Other net liabilities		(1,671)	#
Net assets attributable to unitholders		40,626,294	100.00

* The classification by industry sector is based upon Global Industry Classification Standard (GICS) developed by Morgan Stanley Capital International (MSCI).

denotes amount less than 0.01%

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STATEMENT OF PORTFOLIO

As at 31 December 2019 (Unaudited)

	Percentage of net assets attributable to unitholders at 31 December 2019 \$	Percentage of net assets attributable to unitholders at 30 June 2019 %
By Industry (Primary)* (Summary)		
Quoted Equities		
Communication Services	9.75	9.94
Consumer Discretionary	2.82	2.94
Consumer Staples	5.96	6.66
Financials	43.19	41.31
Industrials	18.89	21.10
Information Technology	0.65	1.41
Real Estate	18.74	15.42
Portfolio of investments	100.00	98.78
Other net assets	#	1.22
Net assets attributable to unitholders	100.00	100.00

* The classification by industry sector is based upon Global Industry Classification Standard (GICS) developed by Morgan Stanley Capital International (MSCI).

denotes amount less than 0.01%

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STATEMENT OF PORTFOLIO*As at 31 December 2019 (Unaudited)*

	Fair value at 31 December 2019 \$	Percentage of net assets attributable to unitholders at 31 December 2019 %	Percentage of net assets attributable to unitholders at 30 June 2019 %
By Geography - Secondary*			
Quoted Equities			
China	330,288	0.81	1.08
Hong Kong	4,806,965	11.83	13.39
Singapore	34,291,526	84.41	81.64
Thailand	1,199,186	2.95	2.67
Portfolio of investments	40,627,965	100.00	98.78
Other net (liabilities)/assets	(1,671)	#	1.22
Net assets attributable to unitholders	40,626,294	100.00	100.00

* The geography classification is based on country of domicile of the investee companies.

denotes amount less than 0.01%

Details Of Top 10 Holdings

	As at 31 December 2019			
	Cost SGD	Percentage of net assets attributable to unitholders %	Dividends received SGD	Dividend cover ratio*
DBS Group Holdings Limited	3,197,550	15.86	149,380	1.79
Oversea-Chinese Banking Corporation	3,451,062	13.01	117,324	2.46
United Overseas Bank Limited	2,424,891	11.82	99,966	1.95
Singapore Telecommunications Limited	3,034,742	8.56	180,528	1.08
Jardine Matheson Holdings Limited	2,466,985	5.41	17,779	1.38
Keppel Corporation Limited	1,133,528	3.51	16,852	4.74
CapitaLand Limited	1,020,681	3.21	–	3.53
Hongkong Land Holdings Limited	893,609	3.09	13,492	1.79
Ascendas Real Estate Investment Trust	995,883	3.04	19,973	1.04
Thai Beverages PCL	845,113	2.95	–	1.93

* Dividend cover ratio is the ratio of the company's net profit attributable to ordinary shareholders over the dividend payout as published in the latest annual report.

Summary Of Investment Portfolio	31 December 2019 Cost / Fair Value SGD	31 December 2018 Cost / Fair Value SGD
Investments:		
Cost	31,411,408	31,804,134
Unrealised gain on investments	9,216,557	6,478,496
Net Book Value	40,627,965	38,282,630

Information On The Particulars Of The Investment Manager

The investment manager of the Singapore Index Fund is Singapore Consortium Investment Management Limited which is located at 51 Cuppage Road, #10-04, Singapore 229469. As at date of announcement, the Manager also manages Global Investments Limited, a mutual fund company listed on the Main Board of the Singapore Exchange Securities Trading Limited.

These financial statements have been approved by the Board of Directors of Singapore Consortium Investment Management Limited pursuant to a resolution of the Board passed on 27 February 2020.

Manager

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Company Reg No. 199607548K

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