

ING Asia Pacific High Dividend Equity Income Fund  
Form N-CSRS  
November 05, 2013

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number: **811-22004**

**ING Asia Pacific High Dividend Equity Income Fund**  
(Exact name of registrant as specified in charter)

**7337 E. Doubletree Ranch Rd., Scottsdale, AZ**  
(Address of principal executive offices)

**85258**  
(Zip code)

**Huey P. Falgout, Jr., 7337 Doubletree Ranch Rd. Scottsdale, AZ 85258**  
(Name and address of agent for service)

**Registrant's telephone number, including area code: 1-800-992-0180**

Date of fiscal year end: **February 28**

Date of reporting period: **August 31, 2013**

**Item 1. Reports to Stockholders.**

The following is a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Act (17 CFR 270.30e-1):

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# Semi-Annual Report

**August 31, 2013**

**ING Asia Pacific High Dividend Equity Income Fund**

E-Delivery Sign-up details inside

This report is submitted for general information to shareholders of the ING Funds. It is not authorized for distribution to prospective shareholders unless accompanied or preceded by a prospectus which includes details regarding the fund's investment objectives, risks, charges, expenses and other information. This information should be read carefully.

**MUTUAL FUNDS**

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TABLE OF CONTENTS

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President's Letter	1
Market Perspective	2
Portfolio Managers' Report	4
Statement of Assets and Liabilities	6
Statement of Operations	7
Statements of Changes in Net Assets	8
Financial Highlights	9
Notes to Financial Statements	10
Summary Portfolio of Investments	20
Shareholder Meeting Information	24
Additional Information	25

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Sign up now for on-line prospectuses, fund reports, and proxy statements. In less than five minutes, you can help reduce paper mail and lower fund costs.

Just go to [www.inginvestment.com](http://www.inginvestment.com), click on the E-Delivery icon from the home page, follow the directions and complete the quick 5 Steps to Enroll.

You will be notified by e-mail when these communications become available on the internet. Documents that are not available on the internet will continue to be sent by mail.

**PROXY VOTING INFORMATION**

A description of the policies and procedures that the Fund uses to determine how to vote proxies related to portfolio securities is available (1) without charge, upon request, by calling Shareholder Services toll-free at (800) 992-0180; (2) on the Fund's website at [www.inginvestment.com](http://www.inginvestment.com) and (3) on the SEC's website at [www.sec.gov](http://www.sec.gov). Information regarding how the Fund voted proxies related to portfolio securities during the most recent 12-month period ended June 30 is available without charge on the Fund's website at [www.inginvestment.com](http://www.inginvestment.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov).

**QUARTERLY PORTFOLIO HOLDINGS**

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. This report contains a summary portfolio of investments for the Fund. The Fund's Forms N-Q are available on the SEC's website at [www.sec.gov](http://www.sec.gov). The Fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. The Fund's Forms N-Q, as well as a complete portfolio of investments, are available without charge upon request from the Fund by calling Shareholder Services toll-free at (800) 992-0180.

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PRESIDENT'S LETTER

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Dear Shareholder,

ING Asia Pacific High Dividend Equity Income Fund (the Fund) is a diversified, closed-end management investment company whose shares are traded on the New York Stock Exchange under the symbol IAE. The Fund's investment objective is total return through a combination of current income, capital gains and capital appreciation.

The Fund seeks to achieve its investment objective by investing primarily in a portfolio of high dividend yielding equity securities of Asia Pacific companies. The Fund also seeks to enhance total returns over a market cycle by selling call options on selected Asia Pacific Indices and/or equity securities of Asia Pacific Companies and/or exchange traded funds.

For the period ended August 31, 2013, the Fund made quarterly distributions totaling \$0.71 per share, all characterized net investment income.

Based on net asset value (NAV), the Fund provided a total return of (10.40)% for the period ended August 31, 2013. This NAV return reflects a decrease in the Fund's NAV from \$15.93 on February 28, 2013 to \$13.58 on August 31, 2013. Based on its share price, the Fund provided a total return of (17.98)% for the period ended August 31, 2013.<sup>(2)</sup> This share price return reflects a decrease in the Fund's share price from \$15.89 on February 28, 2013 to \$12.40 on August 31, 2013.

The global equity markets have witnessed a challenging and turbulent period. Please read the Market Perspective and Portfolio Managers' Report for more information on the market and the Fund's performance.

At ING our mission is to help you grow, protect and enjoy your wealth. We seek to assist you and your financial advisor by offering a range of global investment solutions. We invite you to visit our website at [www.inginvestment.com](http://www.inginvestment.com). Here you will find information on our products and services, including current market data and fund statistics on our open- and closed-end funds. You will see that we offer a broad variety of equity, fixed income and multi-asset funds that aim to fulfill a variety of investor needs.

We thank you for trusting ING Funds with your investment assets, and we look forward to serving you in the months and years ahead.

Sincerely,

Shaun Mathews  
President and Chief Executive Officer  
ING Funds  
October 5, 2013

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The views expressed in the President's Letter reflect those of the President as of the date of the letter. Any such views are subject to change at any time based upon market or other conditions and ING Funds disclaims any responsibility to update such views. These views may not be relied on as investment advice and because investment decisions for an ING Fund are based on numerous factors, may not be relied on as an indication of investment intent on behalf of any ING Fund. Reference to specific company securities should not be construed as recommendations or investment advice. International investing does pose special risks including currency fluctuation, economic and political risks not found in investments that are solely domestic.

**For more complete information, or to obtain a prospectus for any ING Fund, please call your Investment Professional or the fund's Shareholder Service Department at (800) 992-0180 or log on to [www.inginvestment.com](http://www.inginvestment.com). The prospectus should be read carefully before investing. Consider the fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this information and other information about the fund. Check with your Investment Professional to determine which funds are available for sale within their firm. Not all funds are available for sale at all firms.**

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- (1) Total investment return at net asset value has been calculated assuming a purchase at net asset value at the beginning of each period and a sale at net asset value at the end of each period and assumes reinvestment of dividends, capital gain distributions and return of capital distributions/allocations, if any, in accordance with the provisions of the Fund's dividend reinvestment plan.
- (2) Total investment return at market value measures the change in the market value of your investment assuming reinvestment of dividends, capital gain distributions, and return of capital distributions/allocations, if any, in accordance with the provisions of the Fund's dividend reinvestment plan.

## Edgar Filing: ING Asia Pacific High Dividend Equity Income Fund - Form N-CSRS

### MARKET PERSPECTIVE: SIX MONTHS ENDED AUGUST 31, 2013

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By the end of the first month of our new fiscal year, global equities, in the form of the MSCI World Index<sup>SM</sup> measured in local currencies including net reinvested dividends ( the Index ) had already surged 9.79% in 2013. But there was plenty of skepticism. Stock markets were only rising, it was argued, because of central banks' ultra-loose monetary policy. This kept interest rates so low that many investors who would normally favor fixed income investments had turned to stocks. Others countered that interest rates might be low, but they would stay that way into the medium term. So capital values should be fairly safe and inflation isn't an issue. Such arguments would be tested in the months through August, by which point the Index had added another 7.15%. (The MSCI World Index<sup>SM</sup> returned 6.12% for the six-months ended August 31, 2013, measured in U.S. dollars.)

In the U.S., with sentiment cushioned by the Federal Reserve's \$85 billion of monthly Treasury and mortgage-backed securities purchases, investors continued to puzzle at an economic recovery that was undeniable but unimpressive.

And any illusions about the ultimate source of investor confidence in this environment were shattered on May 22 and again on June 19, when Federal Reserve Chairman Bernanke attempted to prepare markets for the beginning of the end of quantitative easing, perhaps sooner than expected. He tried to make the point that the tapering of bond purchases by the Federal Reserve would be a reason for markets to feel upbeat, as it would only happen when conditions had substantially improved. In the meantime don't be too worried.

Markets didn't buy it. Bond yields soared and by June 24, the Index had given back 8%, leading nervous central bankers the world over, in the last days of June, to assure all who would listen that easy money was here for a long time. Not only were markets being heavily influenced by central bankers; evidently central bankers were more than a little sensitive to their effect on markets.

Soothed by these and later words of comfort in July, investors drove the Index to a new high for the year on August 2, only to retreat by about 4% by month-end. Nervousness crept in again as reports of falling unemployment to 7.4% and rising gross domestic product ( GDP ) to 2.5% made the early end to quantitative easing all but certain in the minds of many. But was the economy really ready? The 30-year mortgage rate rose by over 1% after early May and in July new home sales plunged 13.4% from June. Retailers Walmart, Macy's and Kohl's all lowered expectations for the rest of 2013. Personal incomes and spending were barely rising by the end of August. Finally the imminent threat of military engagement in the Middle East raised oil prices and dampened sentiment.

The securities and currencies of a number of emerging markets were hit particularly hard by the prospective demise of quantitative easing, especially those with current account deficits and stumbling growth, like Turkey, Brazil, Indonesia and India. Quantitative easing had caused vast monetary flows to flood into these markets in search of better returns, in many cases using money borrowed cheaply in U.S. dollars. Talk of the end of the program started the inevitable reversal. In U.S. fixed income markets, the Barclays U.S. Aggregate Bond Index ( Barclays Aggregate ) of investment grade bonds fell 2.61% in the six months through August as an end to quantitative easing presaged weakness in longer dated issues. Sub-indices with the shortest durations held on to positive returns, but the Barclays Long Term U.S. Treasury sub-index dropped 8.12%. The Barclays U.S. Corporate Investment Grade Bond sub-index lost 3.17%. But the (separate) Barclays High Yield Bond 2% Issuer Constrained Composite Index (not a part of the Barclays Aggregate) gained 0.84%.

U.S. equities, represented by the S&P 500® Index including dividends, rose 8.95%, albeit down 4.5% from its August 2 record closing high. The consumer discretionary sector did best with a gain of 14.55%, followed by health care 14.39%. The worst performers were the telecommunications sector 0.30% and previously in-favor utilities 1.58%. Operating earnings per share for S&P 500® companies set a record in the second quarter of 2013. But could this last given that the share of profits in national income was historically high?

In currency markets the dollar fell 1.25% against the euro during the six months and 2.20% against the pound, on better economic news from Europe and, some commentators argued, as sales of longer dated U.S. dollar-denominated bonds was partly reinvested in other currencies. But the dollar advanced 6.06% on the yen on confidence that the new Japanese government's policy to weaken the yen would succeed.

In international markets, the MSCI Japan® Index jumped 14.63%. Encouragingly GDP grew at 2.6% annualized in the second quarter of 2013 after 3.8% in the first. Core consumer prices started rising again, necessary to get consumers and companies spending again. Diluting this better news however, capital spending was still falling while prices were only rising because of energy costs. The MSCI Europe ex UK® Index rose 5.06%, the euro zone at last reporting slim GDP growth after six straight quarterly declines. The numbers of unemployed edged down in June and July, but not enough to dent the record rate of 12.1%. Closely watched purchasing managers' indices indicated expansion in August for the first time since January 2012. The MSCI UK® Index added only 3.11%, weighed down by weak Materials and Banking sectors. GDP in the first quarter of 2013 reclaimed the fourth quarter's 0.3% loss before recording 0.7% in the second quarter. Purchasing managers' indices, retail sales, industrial production and consumer confidence were showing clear improvement as August ended.

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**Past performance does not guarantee future results. The performance quoted represents past performance. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. The Fund's performance is subject to change since the period's end and may be lower or higher than the performance data shown. Please call (800) 992-0180 or log on to [www.inginvestment.com](http://www.inginvestment.com) to obtain performance data current to the most recent month end.**

*Market Perspective reflects the views of ING's Chief Investment Risk Officer only through the end of the period, and is subject to change based on market and other conditions.*



## BENCHMARK DESCRIPTIONS

Index	Description
Barclays U.S. Aggregate Bond Index	An unmanaged index of publicly issued investment grade U.S. Government, mortgage-backed, asset-backed and corporate debt securities.
Barclays U.S. Corporate Investment Grade Bond Index	An unmanaged index consisting of publicly issued, fixed rate, nonconvertible, investment grade debt securities.
Barclays High Yield Bond 2% Issuer Constrained Composite Index	An unmanaged index that includes all fixed-income securities having a maximum quality rating of Ba1, a minimum amount outstanding of \$150 million, and at least one year to maturity.
Barclays Long Term U.S. Treasury Index	The Index includes all publicly issued, U.S. Treasury securities that have a remaining maturity of 10 or more years, are rated investment grade, and have \$250 million or more of outstanding face value.
MSCI All Country Asia Pacific ex-Japan® Index	A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of Asia, excluding Japan. As of January 2009 the index consisted of the following 10 developed and emerging market country indices: China, Hong Kong, India, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan, and Thailand.
MSCI Europe ex UK® Index	A free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe, excluding the UK.
MSCI Japan® Index	A free float-adjusted market capitalization index that is designed to measure developed market equity performance in Japan.
MSCI UK® Index	A free float-adjusted market capitalization index that is designed to measure developed market equity performance in the UK.
MSCI World Index <sup>SM</sup>	An unmanaged index that measures the performance of over 1,400 securities listed on exchanges in the U.S., Europe, Canada, Australia, New Zealand and the Far East.
S&P 500® Index	An unmanaged index that measures the performance of securities of approximately 500 large-capitalization companies whose securities are traded on major U.S. stock markets.

ING ASIA PACIFIC HIGH DIVIDEND  
EQUITY INCOME FUND

PORTFOLIO MANAGERS REPORT

<b>Geographic Diversification as of August 31, 2013</b> <i>(as a percentage of net assets)</i>	
China	21.3%
Australia	20.9%
South Korea	15.5%
Taiwan	10.2%
India	6.7%
Hong Kong	5.9%
Malaysia	4.6%
Indonesia	4.5%
United Kingdom	2.6%
Singapore	2.5%
Countries between 1.3% - 1.4%^	4.0%
Assets in Excess of Other Liabilities	1.3%
Net Assets	100.0%

ING Asia Pacific High Dividend Equity Income Fund (the Fund) is a diversified, closed-end fund with the investment objective of total return through a combination of current income, capital gains and capital appreciation.

The Fund seeks to achieve its investment objective by investing primarily in a portfolio of dividend yielding equity securities of Asia Pacific companies. For purposes of the Fund's investments, issuers in Asia Pacific countries are those that meet one or more of the following factors: (i) whose principal securities trading markets are in Asia Pacific countries; (ii) that derive at least 50% of their total revenue or profit from either goods produced or sold, investments made or services performed in Asia Pacific countries; (iii) that have at least 50% of their assets in Asia Pacific countries; or (iv) that are organized under the laws of, or with principal offices in, Asia Pacific countries.

The Fund also seeks to enhance returns over a market cycle by selling call options on selected Asia Pacific Indices and/or equity securities of Asia Pacific companies and/or exchange traded funds (ETFs).

**Portfolio Management:** The Fund is managed by Manu Vandenbulck, Robert Davis, Nicholas Simar, Willem van Dommelen and Edwin Cuppen, Portfolio Managers of ING Investment Management Advisors B.V. the Sub-Adviser.

**Equity Portfolio Construction and Option Strategy:** Under normal market conditions, the Fund will seek to achieve its investment objective by investing at least 80% of its Managed Assets in dividend producing equity securities of, or derivatives having economic characteristics similar to the equity securities of Asia Pacific Companies that are listed and traded principally on Asia Pacific exchanges. The Sub-Adviser seeks to construct a portfolio with a weighted average gross dividend yield that exceeds the dividend yield of the MSCI All Country Asia Pacific ex-Japan® Index.

The Fund will invest in approximately 60 to 120 equity securities and will select securities through a bottom-up process that is based upon quantitative screening and fundamental analysis. Quantitative screening narrows the investable universe by focusing on primarily two criteria, liquidity and dividend yield. Screens are employed based on market capitalization, dividend yield and average daily volumes thresholds. The screening process reduces the number of names that undergo further bottom-up analysis. Fundamental factors are used to evaluate dividend sustainability, valuation and growth prospects in order to identify the highest conviction stocks from the investable universe. During this process, stocks are reviewed in detail for cash flow strength, capital structure, capital expenditures and operating margins.

**Top Ten Holdings**  
**as of August 31, 2013**  
*(as a percentage of net assets)*

Westpac Banking Corp.	2.0%
China Communications Services Corp., Ltd.	1.4%
POSCO	1.4%
Samsung Electronics Co., Ltd. PRF Shares	1.4%
Jiangsu Expressway Co. Ltd.	1.4%
Shanghai Industrial Holdings Ltd.	1.4%
Industrial and Commercial Bank of China Ltd.	1.4%
Wynn Macau Ltd.	1.4%
CTBC Financial Holding Co. Ltd	1.4%
Zhejiang Expressway Co., Ltd.	1.4%

***Portfolio holdings are subject to change daily.***

The Fund also employs a strategy of writing call options on selected Asia Pacific indices and/or equity securities of Asia Pacific companies and/or ETFs, with the underlying value of such calls generally representing 0% to 50% of the value of its holdings in equity securities. The Fund seeks to generate gains from the call writing strategy over a market cycle to supplement the dividend yield of its underlying portfolio. Call options will be written (sold) usually at-the money, out-of-the-money or near-the-money and can be written both in exchange-listed option markets and over-the-counter markets with major international banks, broker-dealers and financial institutions. The Fund seeks to maintain written call options positions on selected international, regional or country indices and/or equity securities of Asia Pacific companies and/or ETFs whose price movements, taken in the aggregate, are correlated with the price movements of the Fund's portfolio.

**Performance:** Based on net asset value ( NAV ) as of August 31, 2013, the Fund provided a total return of (10.40)% for the period. This NAV return reflects a decrease in its NAV from \$15.93 on February 28, 2013 to \$13.58 on August 31, 2013. Based on its share price as of August 31, 2013, the Fund provided a total return of (17.98)% for the period. This share price return reflects a decrease in its share price from \$15.89 on February 28, 2013 to \$12.40 on August 31, 2013. To reflect the strategic emphasis of the Fund, the equity portfolio uses the MSCI AC Asia Pacific ex-Japan® Index as a reference index. The MSCI All Country Asia Pacific ex-Japan® Index (a market weighted equity index without any style tilt and without call option writing) returned (7.87)% for the reporting period. For the period ended August 31, 2013, the Fund made quarterly distributions totaling \$0.71 per share, all characterized net investment income. As of August 31, 2013, the fund had 12,651,007 shares outstanding.

ING ASIA PACIFIC HIGH DIVIDEND  
EQUITY INCOME FUND

PORTFOLIO MANAGERS REPORT

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**Portfolio Specifics:** Asia Pacific (ex Japan) stocks struggled during the reporting period. Investor pessimism towards Chinese economic growth, and fears that the U.S. Federal Reserve (the Fed) tapering of quantitative easing would dry up liquidity, were the main factors behind a sell-off of the region's stocks. Indonesia (-25.8%) was the hardest hit; Malaysia (+1.6%) and Taiwan (+1.1%), fared significantly better despite Chinese growth concerns. The period wasn't completely gloomy as optimism returned towards the end of the period after Chinese export and industrial production growth surprised on the positive side. There was currency turmoil for India (-18.0%), Indonesia (-25.8%), Thailand (-20.0%) and The Philippines (-16.4%), as markets predicted that Fed tapering would put downward pressure on currencies of countries with current account deficits. India partially recovered after the central bank opened a special foreign-currency swap line for India's state-owned oil companies to source their U.S. dollar requirements, instead of using the spot U.S. dollar market.

**Equity Portfolio:** The equity portfolio of the strategy underperformed the reference index. Stock picking in India was the main detractor as fears surrounding Fed tapering in the United States, and the corresponding currency depreciation, hurt the cyclical positions in the portfolio. The power equipment manufacturer Bharat Heavy Electricals Ltd. and the financial company Oriental Bank of Commerce Ltd. were the worst detractors at the stock level. Stock picking in Australia, China and Hong Kong also detracted significantly. In contrast, our stock picking in Taiwan, Indonesia and Korea selections contributed to results. The top contributors in the portfolio were Powertech Technology Inc., the Taiwanese technology company involved in services related to integrated circuits, and Hyundai Motor Company.

Country allocation was positive: the negative effects from our overweight positioning in India and Indonesia were offset by our overweight in Malaysia and underweights in Thailand and Australia. Utilities and industrials were the main overweights, while expensive consumer staples and information technology stocks were under-represented. From a country perspective the Fund's largest underweight was Australia and its main overweight was India.

**Option Portfolio:** During the reporting period call options were written against Asian/Pacific indices (ASX, KOSPI 200, TWSE and Hang Seng). The option portfolio consists of a basket of short-dated index options with a low tracking error to the shared reference index of the international equity portfolio, the MSCI All Country Asia Pacific ex-Japan Index. The actual composition of the option basket may be adjusted to capitalize on the relative attractiveness of volatility premiums and market trading opportunities. The options were generally sold having a maturity in the range of four to five weeks. The coverage ratio for the Asian Pacific portfolio was approximately 25%. Options were sold generally at-the-money and implemented in the over-the-counter market to enable the Fund managers to profit from its flexibility, liquidity and opportunities. From March until the end of August, both ASX and the TWSE were slightly up, while the KOSPI 200 and the Hang Seng indexes showed negative returns. All relevant markets witnessed an increase of implied volatility, making future premium collection more attractive. During the reporting period, the premiums collected by writing calls were almost perfectly matched by the amounts that were settled at expiry of the options. Overall, our option portfolio had a marginally positive impact on performance.

**Current Strategy and Outlook:** As a consequence of the underperformance of Asia Pacific ex-Japan stocks, we believe valuations are at attractive levels and potentially offer a margin of safety. Longer term, we think these Asia Pacific markets will be dominant forces for global growth as their domestic consumption levels continue to increase. Stimulus and reform across the region should also benefit its stocks. The current dividend yield on Asia Pacific ex-Japan equities, 3.0%, is significantly higher than the U.S. (2.1%) and Japan (1.9%). In our view, equity investors can benefit from diversification into the Asia-Pacific region, where dividend growth is supported by low levels of company debt coupled with high profitability.

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*Portfolio holdings and characteristics are subject to change and may not be representative of current holdings and characteristics. The outlook for this Fund is based only on the outlook of its portfolio managers through the end of this period, and may differ from that presented for other ING Funds. Performance data represents past performance and is no guarantee of future results. Past performance is not indicative of future results. The indices do not reflect fees, brokerage commissions, taxes or other expenses of investing. Investors cannot invest directly in an index.*

## STATEMENT OF ASSETS AND LIABILITIES AS OF AUGUST 31, 2013 (UNAUDITED)

<b>ASSETS:</b>	
Investments in securities at fair value*	\$ 169,458,360
Cash	2,657,578
Foreign currencies at value**	328,350
Receivables:	
Investment securities sold	134,646
Dividends	572,375
Prepaid expenses	316
Total assets	173,151,625
<b>LIABILITIES:</b>	
Payable for investment securities purchased	64,084
Payable for investment management fees	170,782
Payable for administrative service fees	14,851
Payable for trustee fees	2,308
Other accrued expenses and liabilities	125,723
Written options, at fair value^	1,030,670
Total liabilities	1,408,418
<b>NET ASSETS</b>	<b>\$ 171,743,207</b>
<b>NET ASSETS WERE COMPRISED OF:</b>	
Paid-in capital	\$ 209,653,666
Distributions in excess of net investment income	(627,118)
Accumulated net realized loss	(20,576,488)
Net unrealized depreciation	(16,706,853)
<b>NET ASSETS</b>	<b>\$ 171,743,207</b>
* Cost of investments in securities	\$ 185,767,396
** Cost of foreign currencies	\$ 332,249
^ Premiums received on written options	\$ 638,518
Net assets	\$ 171,743,207
Shares authorized	unlimited
Par value	\$ 0.010
Shares outstanding	12,651,007
Net asset value	\$ 13.58

See Accompanying Notes to Financial Statements

STATEMENT OF OPERATIONS FOR THE SIX MONTHS ENDED AUGUST 31, 2013 (UNAUDITED)

**INVESTMENT INCOME:**

Dividends, net of foreign taxes withheld*	\$ 4,349,853
Total investment income	4,349,853

**EXPENSES:**

Investment management fees	1,086,908
Transfer agent fees	12,856
Administrative service fees	94,513
Shareholder reporting expense	20,816
Professional fees	28,846
Custody and accounting expense	100,124
Trustee fees	3,676
Miscellaneous expense	15,563
Total expenses	1,363,302
Net investment income	2,986,551

**REALIZED AND UNREALIZED GAIN (LOSS):**

Net realized gain (loss) on:	
Investments (net of Indian capital gains tax withheld <sup>1</sup> )	10,548,276
Foreign currency related transactions	(134,132)
Written options	(69,440)
Net realized gain	10,344,704
Net change in unrealized appreciation (depreciation) on:	
Investments	(34,644,988)
Foreign currency related transactions	(5,757)
Written options	524,917
Net change in unrealized appreciation (depreciation)	(34,125,828)
Net realized and unrealized loss	&nbsp;