



streetTRACKS®

Straits Times Index Fund
Semi-annual Report
31 December 2003

MANAGER'S NOTES

DETAILS OF TOP 10 HOLDINGS OF THE FUND

As at 31 December 2003

	Cost SGD	Market value/ Fair value SGD	Percentage of total net assets %	Percentage of share capital owned %	Dividends received SGD	Dividend cover ratio
United Overseas Bank Limited	56,908,441	58,997,440	15.13	0.33	704,242	1.48
DBS Group Holdings Limited	43,694,341	54,213,674	13.91	0.33	406,740	2.74
Singapore Telecommunications Limited	24,591,414	35,074,439	8.99	0.33	768,216	1.83
Oversea-Chinese Banking Corporation	29,860,719	33,998,278	8.72	0.34	1,683,078	3.31
Singapore Press Holdings Limited	22,121,295	22,030,823	5.65	0.33	727,367	1.01
Singapore Airlines Limited	19,294,221	20,535,917	5.27	0.33	167,250	6.39
Jardine Matheson Holdings Limited	11,841,530	17,844,838	4.58	0.34	156,970	0.90
Venture Corporation Limited	7,462,998	12,008,100	3.08	0.33	0	10.05
Keppel Corporation Limited	7,894,657	11,071,671	2.84	0.33	114,230	3.32
Hongkong Land Holdings Limited	8,352,862	9,999,755	2.56	0.33	120,239	0.36

PERFORMANCE OF THE SCHEME

From To	3-month	6-month	1-year	Annualised since inception
	30 September 03 31 December 03	30 June 03 31 December 03	31 December 02 31 December 03	17 April 02 31 December 03
Fund	8.5%	23.6%	36.0%	3.3%
STI	8.2%	21.9%	31.6%	-0.2%

Notes:

- As stated in the financial statements, units are issued and redeemed through the creation or redemption of an Index Basket in accordance with the Fund's Trust Deed. The Fund does not, therefore, publish a bid price and the Fund's returns have been computed from the Net Asset Values. The net distributions of the Fund have been reinvested on the ex-date of the distribution for the purpose of this return calculation.
- The benchmark returns are stated on a price only basis and do not include dividends. The performance of the Straits Times Index with dividends reinvested is not publicly available.

AMOUNT OF SUBSCRIPTIONS AND REDEMPTIONS

For the six months ended 31 December 2003

Subscriptions: NIL

Redemptions: SGD 3,288,742.05

OTHER INFORMATION

During the reporting period, the fund had no exposure to derivatives, other unit trusts, mutual funds and collective investment schemes and had no borrowings. There are no other material information that will adversely impact the valuation of the fund.



SOFT DOLLAR PRACTICES

The Manager may receive soft dollar commissions/arrangements in respect of the Fund and is subject to the applicable regulatory and industry standards on soft dollars. The soft dollar commissions/arrangements which the Manager may for the time being receive or enter into include specific advice as to the advisability of dealing in or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for clients.

Brokers for the Fund are selected on the basis of the best available terms for execution. As the Manager is a part of the State Street Group which approaches soft dollar on a group wide basis, the benefits received by the Manager through soft dollars may or may not be directly related to the transactions performed for the Fund.

The goods and services received were for the benefit of the Fund. The trades were executed on best available terms, and there was no churning of trades.

INFORMATION ON THE MANAGER

The Manager is State Street Global Advisors Singapore Limited, an indirect wholly-owned subsidiary of State Street Corporation. The Manager will remain manager of the fund until terminated in accordance to the Fund's trust deed. The basis of the Manager's remuneration is set down in the Fund prospectus dated 10 April 2003. As agreed between the Manager and the Trustee, the total combined management fees, trustee fees and other recurring expenses for the Fund are currently set at 0.3% per annum of its net asset value.

street**TRACKS**SM STRAITS TIMES INDEX FUND

INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the six months ended 31 December 2003

CONTENTS

	Page
Financial Statements	
Statement of Total Return	1
Balance Sheet	2
Statement of Movements in Unitholders' Funds	3
Portfolio Statement	4
Summary of Financial Highlights	7
Notes to the Financial Statements	9

streetTRACKSSM STRAITS TIMES INDEX FUND

STATEMENT OF TOTAL RETURN

For the six months ended 31 December 2003 (Unaudited)

		Six months ended 31 December 2003	Six months ended 31 December 2002
	Notes	\$	\$
INVESTMENT INCOME			
Dividends		7,459,257	3,284,817
Interest		16	19
		<hr/>	<hr/>
		7,459,273	3,284,836
LESS : EXPENSES	3	(515,286)	(538,347)
		<hr/>	<hr/>
NET INVESTMENT INCOME BEFORE INCOME TAX		6,943,987	2,746,489
LESS : INCOME TAX	4	(1,213,969)	(654,276)
		<hr/>	<hr/>
NET INVESTMENT INCOME AFTER INCOME TAX		5,730,018	2,092,213
		<hr/>	<hr/>
NET GAINS OR LOSSES ON VALUE OF INVESTMENTS DURING THE PERIOD			
Net realised losses on investments sold		(230,756)	(222,962)
Net unrealised appreciation/(depreciation) in value of investments		70,270,734	(24,502,706)
Net realised gains/(losses) on foreign exchange		(17,989)	6,441
Net unrealised gains/(losses) on foreign exchange		(2,867)	330
		<hr/>	<hr/>
NET GAINS/(LOSSES) ON VALUE OF INVESTMENTS		70,019,122	(24,718,897)
		<hr/>	<hr/>
TOTAL RETURN/(DEFICIT) FOR THE PERIOD		75,749,140	(22,626,684)
		<hr/>	<hr/>

The accompanying notes form an integral part of these financial statements.

streetTRACKSSM STRAITS TIMES INDEX FUND

BALANCE SHEET

As at 31 December 2003 (Unaudited)

	Notes	As at 31 December 2003 \$	As at 30 June 2003 \$
PORTFOLIO OF INVESTMENTS		388,234,924	321,599,466
CURRENT ASSETS			
Net dividend receivables		9,596	1,474,776
Cash and bank balances		2,106,834	6,476,736
		<hr/>	<hr/>
		2,116,430	7,951,512
LESS			
CURRENT LIABILITIES			
Due to manager		409,235	629,258
Due to unitholders		-	5,746,000
		<hr/>	<hr/>
		409,235	6,375,258
NET CURRENT ASSETS		<hr/>	<hr/>
		1,707,195	1,576,254
NET ASSETS		<hr/>	<hr/>
		389,942,119	323,175,720
UNITHOLDERS' FUNDS		<hr/>	<hr/>
		389,942,119	323,175,720
UNITS IN ISSUE	5	<hr/>	<hr/>
		21,900,000	22,100,000
NET ASSET VALUE PER UNIT		<hr/>	<hr/>
		\$ 17.81	\$ 14.62

The accompanying notes form an integral part of these financial statements.

streetTRACKSSM STRAITS TIMES INDEX FUND

STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

For the six months ended 31 December 2003 (Unaudited)

		Six months ended 31 December 2003	For the financial year ended 30 June 2003
	Notes	\$	\$
OPERATIONS			
Net investment income after income tax		5,730,018	9,007,871
Net gains/(losses) on investments		70,019,122	(1,341,098)
			<hr/>
Net increase/(decrease) in net assets resulting from operations		75,749,140	7,666,773
UNITHOLDERS' CONTRIBUTION/(WITHDRAWALS)			
Creation of units	6	-	299,677,578
Cancellation of units	6	(3,288,742)	(11,946,816)
			<hr/>
Net increase/(decrease) in net assets resulting from net creation and cancellation of units		(3,288,742)	287,730,762
DISTRIBUTION TO UNITHOLDERS			
	7	(5,694,000)	(11,421,000)
			<hr/>
TOTAL INCREASE IN NET ASSETS		66,766,398	283,976,535
NET ASSETS:			
Beginning of year		323,175,721	39,199,185
			<hr/>
End of year		389,942,119	323,175,720
			<hr/>

The accompanying notes form an integral part of these financial statements.

streetTRACKSSM STRAITS TIMES INDEX FUND

PORTFOLIO STATEMENT

As at 31 December 2003 (Unaudited)

	Holdings at 31 December 2003	Market Value at 31 December 2003 \$	Percentage of total net assets at 31 December 2003 %	Percentage of total net assets at 30 June 2003 %
SINGAPORE - QUOTED EQUITIES				
BY INDUSTRY				
FINANCE				
DBS Group Holdings Limited	3,688,005	54,213,674	13.91	
Great Eastern Holdings Limited	551,755	5,903,778	1.51	
Oversea-Chinese Banking Corporation	2,809,775	33,998,278	8.72	
Singapore Exchange Limited	3,256,973	5,504,284	1.41	
United Overseas Bank Limited	4,469,503	58,997,440	15.13	
		158,617,454	40.68	41.13
MANUFACTURING				
Chartered Semiconductor Manufacturing Limited	3,352,882	5,800,486	1.49	
Creative Technology Limited	176,735	3,163,556	0.81	
Elec & Eltek International Company Limited	268,726	1,198,314	0.31	
Fraser & Neave Limited	578,625	7,290,675	1.87	
GES International Limited	1,690,909	1,200,545	0.31	
People's Food Holdings Ltd	947,969	1,128,083	0.29	
SembCorp Marine Limited	1,900,116	1,881,115	0.48	
Singapore Press Holdings Limited	1,165,652	22,030,823	5.65	
ST Assembly Test Services Limited	1,080,475	2,290,607	0.59	
Venture Corporation Limited	600,405	12,008,100	3.08	
Want Want Holdings Limited	1,917,878	3,101,017	0.80	
		61,093,321	15.68	15.80
HOTELS/RESTAURANTS				
Overseas Union Enterprise Limited	265,441	1,844,815	0.47	0.58
PROPERTIES				
CapitaLand Limited	2,947,512	4,568,644	1.17	
City Developments Limited	1,383,080	8,367,634	2.15	
Hongkong Land Holdings Limited	3,456,057	9,999,755	2.56	
Keppel Land Limited	1,068,808	1,688,717	0.43	
Singapore Land Limited	415,876	1,655,186	0.42	
United Overseas Land Limited	1,135,980	2,181,082	0.56	
Wing Tai Holdings Limited	1,230,280	1,021,132	0.26	
		29,482,150	7.55	7.32

The accompanying notes form an integral part of these financial statements.

streetTRACKSSM STRAITS TIMES INDEX FUND

PORTFOLIO STATEMENT

As at 31 December 2003 (Unaudited) (continued)

	Holdings at 31 December 2003	Market Value at 31 December 2003 \$	Percentage of total net assets at 31 December 2003 %	Percentage of total net assets at 30 June 2003 %
SINGAPORE - QUOTED EQUITIES				
BY INDUSTRY				
MULTI-INDUSTRY				
Haw Par Corp Limited	0	0	0.00	
Keppel Corporation Limited	1,815,028	11,071,671	2.84	
NatSteel Limited	687,203	1,511,847	0.39	
SembCorp Industries Limited	3,047,079	3,839,320	0.98	
Singapore Technologies Engineering Limited	4,344,774	8,863,339	2.27	
		<hr/> 25,286,177	6.48	7.20
SERVICES				
Datacraft Asia Ltd	777,652	1,667,690	0.43	
Parkway Holdings Limited	1,927,034	1,878,858	0.48	
		<hr/> 3,546,548	0.91	0.90
COMMERCE				
Cycle & Carriage Limited	489,193	2,837,319	0.73	
Dairy Farm International Holdings Limited	1,380,108	4,016,694	1.03	
Jardine Matheson Holdings Limited	1,152,157	17,844,838	4.58	
Jardine Strategic Holdings Limited	1,401,702	9,781,357	2.51	
		<hr/> 34,480,208	8.85	7.55
TRANSPORTATION/STORAGE/COMMUNICATION				
Comfortdelgro Corp Limited	5,792,182	4,720,628	1.21	
Mobileone Limited	2,108,121	3,162,182	0.81	
Neptune Orient Lines Limited	3,095,720	6,686,755	1.71	
SembCorp Logistics Limited	713,879	1,427,758	0.37	
Singapore Airlines Limited	1,833,564	20,535,917	5.27	
Singapore Telecommunications Limited	17,895,122	35,074,439	8.99	
SMRT Corporation Limited	1,756,462	1,053,877	0.27	
Total Access Communication Public Company Limited	396,899	1,222,695	0.31	
		<hr/> 73,884,251	18.94	19.03
PORTFOLIO OF INVESTMENTS				
		388,234,924	99.56	99.51
CASH AND OTHER NET ASSETS				
		1,707,195	0.44	0.49
NET ASSETS				
		<hr/> 389,942,119	100.00	100.00

The accompanying notes form an integral part of these financial statements.

streetTRACKSSM STRAITS TIMES INDEX FUND

PORTFOLIO STATEMENT

As at 31 December 2003 (Unaudited) (continued)

	Market Value at 31 December 2003 \$	Percentage of total net assets at 31 December 2003 %	Percentage of total net assets at 30 June 2003 %
DISTRIBUTION OF INVESTMENTS			
<i>a) By country of Incorporation</i>			
Singapore	344,241,502	88.28	89.56
Hong Kong	41,642,644	10.68	9.37
Thailand	1,222,695	0.31	0.29
China	1,128,083	0.29	0.29
PORTFOLIO OF INVESTMENTS	388,234,924	99.56	99.51
<i>b) By Asset Class</i>			
Equities	388,234,924	99.56	99.51
Cash and other net assets	1,707,195	0.44	0.49
	389,942,119	100.00	100.00

The accompanying notes form an integral part of these financial statements.

streetTRACKSSM STRAITS TIMES INDEX FUND

SUMMARY OF FINANCIAL HIGHLIGHTS

For the six months ended 31 December 2003 (Unaudited)

PER UNIT DATA

	Six months ended 31 December 2003 \$	Six months ended 31 December 2002 \$
Net asset value at beginning of period	14.62	15.68
Income from investment operations		Six months
Net investment income	0.26	0.13
Net realised and unrealised losses on investments	3.19	(2.05)
Total from investment operations	3.45	(1.92)
Less : distribution	(0.26)	(0.25)
	17.81	13.51
Total Return	3.45	(1.44)

SUPPLEMENTAL DATA AND RATIOS

	Six months ended 31 December 2003	ended 31 December 2002
Net assets at end of period	\$389,942,119	\$306,681,269
Ratio of expenses to weighted average net assets ^{b c}	0.28%	0.38%
Ratio of net investment income to weighted average net assets ^b	3.09%	1.78%
Portfolio turnover rate ^a	0.74%	0.51%

^a In accordance with the Fund's Trust Deed, units are issued through a creation of an Index Basket. For each creation Unit (comprising 100,000 units), the Fund receives an Index Basket consisting of constituent shares plus or minus a cash payment as determined by the Manager on a daily basis. For the purpose of computation of the portfolio turnover rate, the value of the Index Baskets received is not considered as part of purchases.

^b Annualised ratios.

^c The expense ratio is computed from the annualized expenses for the period and includes a non-recurring amount relating to preliminary expenses written off in the period to 31 December 2002 in accordance with the Fund's accounting policies. Excluding this non-recurring amount, the expense ratio for the period to 31 December 2002 based on recurring expenses is 0.30%.

The expense ratio does not include brokerage and other transaction costs, foreign exchange gains/losses and tax deducted at source or arising out of income received.

The accompanying notes form an integral part of these financial statements.

streetTRACKSSM STRAITS TIMES INDEX FUND

SUMMARY OF FINANCIAL HIGHLIGHTS

For the six months ended 31 December 2003 (Unaudited)

AS AT 31 DECEMBER 2003

	Market Value at 31 December 2003 \$	Percentage of total net assets at 31 December 2003 %
10 LARGEST HOLDINGS AT BALANCE SHEET DATE		
United Overseas Bank Limited	58,997,440	15.13
DBS Group Holdings Limited	54,213,674	13.91
Singapore Telecommunications Limited	35,074,439	8.99
Oversea-Chinese Banking Corporation	33,998,278	8.72
Singapore Press Holdings Limited	22,030,823	5.65
Singapore Airlines Limited	20,535,917	5.27
Jardine Matheson Holdings Limited	17,844,838	4.58
Venture Corporation Limited	12,008,100	3.08
Keppel Corporation Limited	11,071,671	2.84
Hongkong Land Holdings Limited	9,999,755	2.56
	275,774,935	70.73

AS AT 31 DECEMBER 2002

	Market Value at 31 December 2002 \$	Percentage of total net assets at 31 December 2002 %
10 LARGEST HOLDINGS AT BALANCE SHEET DATE		
United Overseas Bank Limited	56,824,080	18.53
DBS Group Holdings Limited	43,672,420	14.23
Oversea-Chinese Banking Corporation	29,167,057	9.51
Singapore Telecommunications Limited	23,908,496	7.80
Singapore Press Holdings Limited	22,815,356	7.44
Singapore Airlines Limited	20,158,362	6.57
Jardine Matheson Holdings Limited	13,506,526	4.40
Hongkong Land Holdings Limited	8,923,891	2.91
Singapore Technologies Engineering Limited	7,720,700	2.52
Venture Corporation Limited	7,705,687	2.51
	234,402,575	76.42

The accompanying notes form an integral part of these financial statements.

streetTRACKSSM STRAITS TIMES INDEX FUND

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2003

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

streetTRACKSSM Straits Times Index Fund (the "Fund") is a Singapore-domiciled fund constituted by a Trust Deed dated 10 April 2003 (amending and restating Trust Deed dated 26 March 2002) between State Street Global Advisors Singapore Limited and DBS Trustee Limited. The Deed is governed by the laws of the Republic of Singapore. The Fund is also listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and is included under the Central Provident Fund ("CPF") Investment Scheme.

The investment objective of the fund is to replicate as closely as possible, before expenses, the performance of the Straits Times Index.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements, expressed in Singapore dollars, are prepared in accordance with the historical cost convention, modified by the revaluation of investments at market value, and in accordance with the Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountant of Singapore and the Trust Deed.

The same accounting policies and methods of computation have been followed in these financial statements as compared with the financial statements for the financial period ended 30 June 2003.

(b) Recognition of income

Dividend income is taken up gross in the financial statements in the accounting period in which it is declared payable. Bank interest and other income are recognised on an accrual basis.

(c) Investments

Investments are stated at their market values prevailing at the date of the Balance Sheet. Market value is based on the last transacted price at that date. The difference between the market value and the original cost is transferred to the Statement of Total Return. Realised gains and losses on disposal of investments are computed on the basis of the difference between identified cost using FIFO and selling price and are taken up in the Statement of Total Return.

streetTRACKSSM STRAITS TIMES INDEX FUND

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2003

(d) Foreign currencies

Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange ruling at the date of the Balance Sheet. Transactions during the year are converted into Singapore dollars at the rates of exchange ruling on the transactions dates. Differences on exchange are included in the Statement of Total Return.

3. EXPENSES

As agreed between the Manager and the Trustee, the total combined management fees, trustee fees and other recurring expenses for the Fund are set at 0.3% per annum of its net asset value.

4. INCOME TAX

	Six months ended 31 December 2003 \$	Six months ended 31 December 2002 \$
Singapore income tax (note a)	1,213,969	654,276
Overseas income tax (note b)	0	0
Total income tax	1,213,969	654,276

(a) The Fund is included in the CPF Investment Scheme and its income is not taxable in Singapore except for tax deducted at source from Singapore sourced dividends.

(b) The overseas taxation represents tax withheld on foreign sourced dividends.

5. UNITS IN ISSUE

	Six months ended 31 December 2003	Year ended 30 June 2003
Units at beginning of the period	22,100,000	2,500,000
Units created	0	20,500,000
Units cancelled	(200,000)	(900,000)
Units at end of the period	21,900,000	22,100,000

streetTRACKSSM STRAITS TIMES INDEX FUND

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 31 December 2003

6. CREATION/CANCELLATION OF UNITS

Included in the creation/cancellation of units balance are income equalization amounts of S\$0.00 (30 June 2003: \$4,673,304) and \$48,094 (30 June 2003: \$196,620) respectively which represents the amount imputed in the issue price or redemption proceeds (as the case may be) of the units issued or redeemed. This amount comprises the net undistributed dividends and other income received and held or receivable by the Fund up to the date of the issue or redemption.

7. DISTRIBUTION

For the six months ended 31 December 2003, the fund has declared a dividend distribution of \$0.26 per unit, net of tax at 22%, totaling S\$5,694,000 which was paid on 04 December 2003.

It is anticipated that distributions will be made twice a year and that the amount of the distribution will approximate the yield on the Straits Times Index.

8. RELATED PARTY DISCLOSURES

(a) The Manager and the Trustee of the Fund are State Street Global Advisors Singapore Limited and DBS Trustee Limited respectively. State Street Global Advisors is a subsidiary of State Street Corporation. DBS Trustee Limited is a subsidiary of The Development Bank of Singapore Limited. Management and trustee fees paid or payable by the Fund are shown in the Statement of Total Return and on terms set out in the Trust Deed.

(b) The cash balance of the Fund is held in current accounts as follows:

	31 December 2003
	\$
Bank balance held at DBS Bank	1,925,507.72
Bank balance held at State Street Bank and Trust Co.	181,326.65
	<hr/>
	2,106,834.37

9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year's presentation.

The Prospectus in respect of the offer of the units (the “Units”) in the streetTRACKS Straits Times Index Fund (the “Fund”) is available and may be obtained upon request, subject to availability, from State Street Global Advisors Singapore Limited (“SSgA”). Investors should read the Prospectus before deciding whether to acquire Units in the Fund. The value of Units and the income from them may fall as well as rise. Units in the Fund are not obligations of, deposits in, or guaranteed by, SSgA or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Past performance figures are not necessarily indicative of future performance of the Fund.

Investors have no right to request SSgA to redeem their Units while the Units are listed. It is intended that holders of Units may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The Units are not in any way sponsored, endorsed, sold, or promoted by SPH Data Services Pte Ltd or Singapore Press Holdings Ltd (collectively, the “Index Sponsor”), and the Index Sponsor bears no liability in connection with the administration, marketing or trading of the Units. No warranty or representation or guarantee of any kind whatsoever relating to the Straits Times Index (the “STI”) or the Units is given by the Index Sponsor. The Index Sponsor is entitled to all intellectual property rights in the STI.

Each of Singapore Exchange Securities Trading Limited, its subsidiaries, related corporations, and holding company, and their respective directors or employees, and any other party involved in, or related to, making or compiling the STI (together, the “Relevant Persons”) makes no guarantee, warranty, representation or undertaking, express or implied, as to the accuracy, correctness, timeliness, completeness, originality, satisfactory quality, merchantability or fitness for any particular purpose of any of the values of the STI, the indicative optimum portfolio value of the Units, or any information or data included in or referable to such values. Investing in the Units involves risks, which in any case, are disclaimed by the Relevant Persons and described more fully in the Prospectus. The Units are also subject to the terms and conditions (and disclaimers by the Relevant Persons) set out in the Trust Deed constituting the Units.



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