
DA CHENG MONEY MARKET FUND

(SUB-FUND OF DCI INVESTMENT TRUST)

SEMI-ANNUAL REPORT

FOR THE PERIOD ENDED 30 June 2022





**DCI INVESTMENT TRUST
FOR THE PERIOD ENDED 30 June 2022**

SEMI-ANNUAL REPORT

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**DCI INVESTMENT TRUST
FOR THE PERIOD ENDED 30 June 2022**

MANAGEMENT AND ADMINISTRATION

Directors of the Manager

Mr. Tan Xiaogang
Mr. Xiao Jian
Mr. Wen Zhimin
Mr. Yao Yudong
Ms. Zhao Bing
Ms. Wu Ping

Manager

Da Cheng International Asset Management Company
Limited
Suites 3516 - 3519
Jardine House
1 Connaught Place
Central, Hong Kong

Custodian

Bank of China (Hong Kong) Limited
14/F, Bank of China Tower
1 Garden Road
Hong Kong

Trustee and Registrar

BOCI-Prudential Trustee Limited
Suites 1501-1507 & 1513-1516,
15/F, 1111 King's Road,
Taikoo Shing,
Hong Kong

Legal Counsel to the Manager

Simmons & Simmons
30/F, One Taikoo Place,
979 King's Road,
Hong Kong

Auditor

PricewaterhouseCoopers
22/F, Prince's Building,
Central,
Hong Kong



**REPORT OF THE MANAGER TO THE UNITHOLDERS
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

DA CHENG MONEY MARKET FUND (the “Sub-Fund”) seeks to achieve a return in US Dollars in line with a combination of RMB, HKD and US Dollars money market rates, with primary considerations of both capital security and liquidity. The Sub-Fund aggregates a total asset size of approximately USD 158,357,544.

Market Overview

As the market expected, the U.S. Federal Reserve began its aggressive rate hike campaign in 2022, ending about two years of extremely low-interest rates since March 2020. The Federal Reserve raised the target range for the fed funds rate to 2.25%-2.5% by the end of the first half of 2022.

Recurrent outbreaks of COVID-19, the volatile international environment, and increasing geopolitical tensions, continue to impact global supply chains. Global energy and food prices surged at a fast pace and that has also pushed up global inflation and stayed at a high level, the US CPI for All Urban Consumers increased 9.1 percent YOY to an index level of 296.31, the largest 12-month increase since the period ending November 1981. Inflation challenges may push policy maker to implement a restrictive monetary policy.

As a result, most of the global assets have a negative return in the first half of 2022, S&P 500 down nearly 20%, NASDAQ Composite Index down over 29%, The MSCI ACWI Index down also nearly 20%, Bloomberg Barclays US Agg Total Return Value down over 10%, USD Asia ex-Japan China Index down 9.73%. The 10-Year Treasury yield increased by over 150 bps reached 3% level. 2-Year Treasury yield increased by over 220 bps reached around 2.95%.

Market Outlook

All those factors affecting 2022 first-half performance may also affect the second half of 2022, such as geopolitical tension, rapid rate hike of the Fed, and the resurgence of COVID-19, all these factors may generate a hard environment for the economy for 2022 H2, thus a volatile global market. Furthermore, the market is now concerning about stagflation risk across developed markets may also cause a potential hit to the global economy.

However with the rapid rate hike in 2022 first half, from fix income perspective, some value is back in investment grade bonds, but keeping the duration short will be still a good strategy to achieve a positive return by the 2022 year-end. And strong USD may persist in the second half as the market still expects the Fed fund rate may reach 3.5% by the end of 2022, so we still prefer dollar assets in the second half.

Volatility will be still existed in 2022 H2, and a high-level interest rate environment will provide good value on low risk return, so to invest in assets with short duration, high certainty and risk off will be a top pick in 2022 H2, the money market with short duration is preferable and that may provide a reasonable and sustainable return in 2022.

Da Cheng International Asset Management Company Limited

30 August 2022

**DCI INVESTMENT TRUST
 DA CHENG MONEY MARKET FUND
 (A SUB-FUND OF DCI INVESTMENT TRUST)**
**STATEMENT OF FINANCIAL POSITION (UNAUDITED)
 AS AT 30 June 2022**

	DA CHENG MONEY MARKET FUND	
	30 June 2022 (Unaudited) USD	31 December 2021 (Audited) USD
Assets		
Current Assets		
Investments	14,474,961	11,833,877
Derivatives	8,912	12,516
Interest receivable	269,474	74,985
Amount receivable on subscription of units	3,097,979	805,664
Prepayments and other assets	884	-
Cash and cash equivalents	141,763,321	119,029,988
Total assets	159,615,531	131,757,030
Liabilities		
Derivatives	2,392	3,093
Management fee payable	29,704	28,935
Trustee fee payable	8,925	9,933
Amount payable on redemption of units	1,218,975	-
Amount payable on purchase of investments	-	890,704
Accrued expenses and other payables	8,068	15,240
Provision for taxation	1,040	380
Total liabilities	1,269,104	948,285
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	158,346,427	130,808,745
Adjustment for different basis adopted by the sub-	11,117	14,783
Fund in arriving net assets attribute to unitholders	158,357,544	130,823,528
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	158,357,544	130,823,528
Number of Units in Issue		
- USD Class A	2,550,444	1,898,107
- HKD Class A	391,330	1,977,258
- USD Class P	12,107,445	9,891,793
- HKD Class P (Hedged)	2,019	4,056
- USD Class I	655,388	667,953
- USD Class M	50,677	50,872



**DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 June 2022**

Net Asset Value Per Unit

USD Class A

- USD Class A	10.2791	10.2472
- HKD Class A	10.2985	10.2026
- USD Class P	10.2621	10.2404
- HKD Class P (Hedged)	10.1853	10.1807
- USD Class I	10.4530	10.4180
- USD Class M	10.3777	10.3403

**DCI INVESTMENT TRUST
 DA CHENG MONEY MARKET FUND
 (A SUB-FUND OF DCI INVESTMENT TRUST)**
**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 FOR THE PERIOD FROM 1 January 2022 TO 30 June 2022**

DA CHENG MONEY MARKET FUND		
	Period from 1 January 2022 to 30 June 2022	Period from 1 January 2021 to 31 December 2021
	(Unaudited) USD	(audited) USD
Note		
Income		
Interest income from bank deposits	500,903	823,205
Interest income from investments	29,335	576,717
Net gains/(losses) on investments and derivatives	28,757	(227,109)
Net foreign exchange losses	(11,300)	(740)
Other Income	35	34
Total investment income	<u>547,730</u>	<u>1,172,107</u>
Expenses		
Management fee	156,773	543,828
Trustee fee	48,166	171,765
Custodian fee	463	5,965
Transaction handling fees	2,160	6,735
Auditor's remuneration	7,438	15,500
Legal and other professional fees	282	1,645
Other expenses	1 828	1,832
Total operating expenses	<u>216,110</u>	<u>747,270</u>
Profit before tax	331,620	424,837
Taxation	(5,611)	(7,122)
Profit after tax	326,009	410,324
Adjustment for different basis adopted by the sub-Fund in arriving net assets attribute to unitholders	(3,665)	(7,391)
Increase in net assets attributable to unitholders	<u><u>322,344</u></u>	<u><u>410,324</u></u>



DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)
FOR THE PERIOD FROM 1 January 2022 TO 30 June 2022

	Period from 1 January 2022 to 30 June 2022 (Unaudited)	Period from 1 January 2021 to 31 December 2021 (audited)
	USD	USD
Net assets attributable to unitholders at the beginning of the period	130,823,528	254,121,215
--Proceeds on issue of units	235,910,709	1,140,861,763
--Payments on redemption of units	(208,699,037)	(1,264,569,774)
Net decrease from unit transactions	27,211,672	(123,708,011)
Increase in net assets attributable to unitholders	322,344	410,324
Net assets attributable to unitholders at the end of the period	158,357,544	130,823,528

2022

	USD Class A	HKD Class A	USD Class I	USD Class P
Number of units in issue at the beginning of the period	1,898,107	1,977,258	667,953	9,891,793
Units issued	3,663,775	791,207	-	19,250,704
Units redeemed	(3,011,438)	(2,377,135)	(12,565)	(17,035,052)
Number of units in issue at the end of the period	2,550,444	391,330	655,388	12,107,445

**DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)
FOR THE PERIOD FROM 1 January 2022 TO 30 June 2022**

	2022		2021				
	HKD Class P (Hedged)	USD Class M	USD Class A	HKD Class A	USD Class I	USD Class P	HKD Class P (Hedged)
Number of units in issue at the beginning of the period	4,056	50,872	854,036	1,202,612	2,574,857	20,865,603	6,126
Units issued	-	-	10,013,180	1,998,947	-	100,680,577	-
Units redeemed	(2,037)	(195)	(8,969,109)	(1,224,301)	(1,906,904)	(111,654,387)	(2,070)
Number of units in issue at the end of the period	<u>2,019</u>	<u>50,677</u>	<u>1,898,107</u>	<u>1,977,258</u>	<u>667,953</u>	<u>9,891,793</u>	<u>4,056</u>
	2021						
	USD Class M						
Number of units in issue at the beginning of the period	354,667						
Units issued	504,693						
Units redeemed	(808,488)						
Number of units in issue at the end of the period	<u>50,872</u>						



**DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 June 2022**

	Holdings	Market Value USD	% of Net Asset
Listed/Quoted Investments			
Quoted Debt Securities			
BRITISH VIRGIN ISLAND			
HANHUI INTL LTD 4.37% S/A 22AUG2022	500,000	505,590	0.32
INDUSTRIAL INVESTMENT OVERSEAS LTD 2.3% S/A 10AUG2022	1,000,000	998,890	0.63
		<u>1,499,480</u>	<u>0.95</u>
HONG KONG			
HONG KONG INTL QINGDAO CO LTD 4.25% S/A 04DEC2022	200,000	200,388	0.13
HONGKONG INTL QINGDAO CO LTD 3.9% S/A 11NOV2022	1,000,000	1,000,770	0.63
		<u>1,201,158</u>	<u>0.76</u>
Total quoted debt securities		2,700,638	1.71
Unlisted/Quoted investment			
Collective Investment Schemes			
HONG KONG			
DA CHENG HONG KONG DOLLAR MONEY MARKET FUND-CL M HKD	9,012,841	11,774,323	7.44
		<u>11,774,323</u>	<u>7.44</u>
Forward Currency Contracts			
HKD/USD		(4)	0.00
USD/HKD		8,912	0.00
USD/HKD		(2,388)	0.00
Total forward foreign exchange contracts		<u>6,520</u>	<u>0.00</u>
Total investment		14,481,481	9.15
Other net assets		<u>143,876,063</u>	<u>90.85</u>



**DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 June 2022**

Total net assets as at 30 June 2022	158,357,544	100.00
	<u>158,357,544</u>	
Total investments, at cost	14,573.967	
	<u>14,573.967</u>	
	Days	
Portfolio weighted average maturity in days	48.84	
Portfolio weighted average life in days	48.84	
	Market Value USD	% of net asset
Daily liquid assets	142,032,795	89.69
Weekly liquid assets	156,507,756	98.83

The counterparty of Forward Currency Contracts are Bank of China (Hong Kong) Limited.



**DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)
FOR THE PERIOD FROM 1 January 2022 TO 30 June 2022**

	1 January 2022	Additions	Bonus /Dividends	Deductions	30 June 2022
Listed/Quoted Debt Securities					
BRITISH VIRGIN ISLAND					
CHANG DEVELOPMENT INTL LTD 3.9% S/A 12SEP2022	0	400,000	0	(400,000)	0
CHOUZHOU INTL INVESTMENT LTD 4.5% S/A 30MAY2022	0	1,500,000	0	(1,500,000)	0
HANHUI INTL LTD 4.37% S/A 22AUG2022	0	500,000	0	0	500,000
INDUSTRIAL INVESTMENT OVERSEAS LTD 2.3% S/A 10AUG2022	0	1,000,000	0	0	1,000,000
TALENT YIELD INVESTMENTS LTD 4.5% S/A 25APR2022 REGS	0	300,000	0	(300,000)	0
CHINA					
CNPC GENERAL CAPITAL LTD 3.95% S/A 19APR2022 REGS	0	450,000	0	(450,000)	0
XIAN MUNICIPAL INFRASTRUCTURE CONSTRUCTION INVESTMENT GROUP CO LTD 4% S/A 24JUN2022	0	690,000	0	(690,000)	0
HONG KONG					
HONG KONG INTL QINGDAO CO LTD 4.25% S/A 04DEC2022	0	200,000	0	0	200,000
HONGKONG INTL QINGDAO CO LTD 3.9% S/A 11NOV2022	0	1,000,000	0	0	1,000,000
Unlisted/Quoted Equities					
Collective Investment Schemes					
DA CHENG HONG KONG DOLLAR MONEY MARKET FUND-CL M HKD	9,102,841	0	0	0	9,102,841



**DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**PERFORMANCE RECORD (UNAUDITED)
AS AT 30 June 2022**

Net asset value

	Net asset value of the Sub-Fund USD	Net asset value per unit	Net asset value per unit	Net asset value per unit	Net asset value per unit	Net asset value per unit	Net asset value per unit	Net asset value per unit
		USD	HKD	HKD	USD	USD	HKD	USD
		Class A	Class A	Class A - Hedged	Class I	Class P	Class P - Hedged	Class M
For the financial period ended								
30 June 2022	158,357,544	10.2791	10.2985	N/A	10.4530	10.2621	10.1853	10.3777
31 December 2021	130,823,528	10.2472	10.2026	N/A	10.4180	10.2404	10.1807	10.3403
31 December 2020	263,840,787	10.2156	10.0979	N/A	10.3807	10.2293	10.1819	10.2982
31 December 2019	263,840,787	10.0765	N/A	10.0306	10.2342	10.1341	10.0761	10.1477



**DCI INVESTMENT TRUST
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**PERFORMANCE RECORD (UNAUDITED)
AS AT 30 June 2022**

Highest and lowest net asset value per unit

	Highest issue price per unit USD (Dealing NAV)	Lowest Redemption price per unit USD (Dealing NAV)	Highest issue price per unit HKD (Dealing NAV)	Lowest Redemption price per unit HKD (Dealing NAV)	Highest issue price per unit HKD (Dealing NAV)	Lowest Redemption price per unit HKD (Dealing NAV)	Highest issue price per unit HKD (Dealing NAV)	Lowest Redemption price per unit HKD (Dealing NAV)	Highest issue price per unit USD (Dealing NAV)	Lowest Redemption price per unit USD (Dealing NAV)
	Class A	Class A	Class A - Hedged	Class A - Hedged	Class A	Class A	Class I	Class I	Class I	Class I
For the financial period ended										
30 June 2022	10.2791	10.2474	N/A	N/A	10.2997	10.1871	N/A	N/A	10.4530	10.4182
31 December 2021	10.2472	10.2164	N/A	N/A	10.2093	10.0987	N/A	N/A	10.4180	10.3816
31 December 2020	10.2156	10.0780	10.1119	10.0344	10.0993	9.9911	10.2175	10.1755	10.3807	10.2357
31 December 2019 (Since inception)	10.0765	10.0000	10.0306	9.9943	N/A	N/A	10.1956	10.0000	10.2342	10.0000

**DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

**PERFORMANCE RECORD (UNAUDITED)
AS AT 30 June 2022**

	Highest issue price per unit HKD (Dealing NAV)	Lowest Redemption price per unit HKD (Dealing NAV)	Highest issue price per unit USD (Dealing NAV)	Lowest Redemption price per unit USD (Dealing NAV)	Highest issue price per unit USD (Dealing NAV)	Lowest Redempti on price per unit USD (Dealing NAV)
	Class P - Hedged	Class P - Hedged	Class P	Class P	Class M	Class M
For the financial period ended						
30 June 2022	10.1863	10.1773	10.2621	10.2404	10.3777	10.3406
31 December 2021	10.1858	10.1800	10.2404	10.2299	10.3403	10.2991
31 December 2020	10.1819	10.0792	10.2293	10.1354	10.2982	10.1493
31 December 2019 (Since inception)	10.0762	10.0000	10.1341	10.0000	10.1477	10.0000



**DCI INVESTMENT TRUST
DA CHENG MONEY MARKET FUND
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Notes to the financial statements (Unaudited)

Basis of preparation and accounting policies

The unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) and the relevant disclosure provisions specified in Appendix E of the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong (“SFC”).

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in Note 2 of the annual financial statements.

Note 1: During the period ended 30 June 2022 and 31 December 2021, the other expenses(bank charges) paid to its connected person of Trustee were as follows:

	30/06/2022	31/12/2021
Bank of China (Hong Kong) Limited	308	1,038