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**DA CHENG MONEY MARKET FUND**

**(SUB-FUND OF DCI INVESTMENT TRUST)**

**SEMI-ANNUAL REPORT**

**FOR THE PERIOD ENDED 30 June 2023**





**DCI INVESTMENT TRUST  
FOR THE PERIOD ENDED 30 June 2023**

**SEMI-ANNUAL REPORT**

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**DCI INVESTMENT TRUST  
FOR THE PERIOD ENDED 30 June 2023**

**MANAGEMENT AND ADMINISTRATION**

**Directors of the Manager**

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

**Trustee and Registrar**

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

**Manager**

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

**Legal Counsel to the Manager**

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

**Custodian**

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

#### **Fund Performance**

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 239,423,473.

#### **Market Overview**

In 1H2023, the Fed maintained rate hikes aim to control the inflation, but the pace of rate hikes was much slower than in 2022 as inflation cooled overall compared to 2022. After three interest rate hikes in the first half of the year, the federal fund's target rate has risen to the range of 5-5.25% in 1H2023. On the US Treasury curve, the 10-Year Treasury yield was down about 3bps to 3.84%; the 5-Year Treasury yield rose by about 15bps to 4.16%, and the 2-Year Treasury yield rose by about 47bps to about 4.9%. The USD Money markets have benefited from rising risk-free rates, sending returns to record highs (making cash deposits can get more than 5% of return) in the past 20 years. The US dollar index kept above 100 and reached 102.9 in 1H2023. US equity markets performed well with the market expectations on rate hikes end and the market starts to bet future rate cuts followed. The S&P 500 gained 15.91% and the NASDAQ Composite gained 32.32%. Bond markets have also benefited from relatively high risk-free rates and a slow rise in interest rates. Bloomberg Barclays US Agg Total Return Value rose 2.09%, while USD Asia ex-Japan China Investment Grade Index rose 3.09%.

#### **Outlook**

The main focus of the market in the 2H2023 remains on the US inflation target, and the key point for the future of interest rates remains dependent on economic data, which have trended down from their high levels since June 2022. This shows that the Federal Reserve's active interest rate hike policies have played a certain inhibitory role in the economy. Therefore, since the beginning of this year, the Federal Reserve has slowed down the pace of interest rate hikes. In the first half of this year, the Federal Reserve raised interest rates three times, each time raising interest rates by 25bps. We noted that the Fed has shown relative restraint in its rate hike strategy this year, mainly thanks to improving economic data. At present, the risk-free rate of the dollar has reached a relatively high restrictive level, which makes the probability of high CPI in 2023 lower. The Fed's main focus now will be to reach the inflation target while avoiding excessive recession, and the second half of 2023 will be critical, and we believe that the pace of rate hikes in the US is nearing an end. The risk-free rate will reach the peak this year, but that doesn't mean rates will fall quickly after reaching the peak. The interest rates may remain high for some time, and money markets can still get benefit and enjoy stable returns in the second half of the year.

**Da Cheng International Asset Management Company Limited**

**28 August 2023**

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

**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT 30 June 2023**

	DA CHENG MONEY MARKET FUND	
	30 June 2023 (Unaudited) USD	31 December 2022 (Audited) USD
<b>Assets</b>		
Investments	25,146,978	21,986,682
Derivatives	21,444	17
Interest receivable	1,589,089	1,728,537
Amount receivable on subscription of units	6,320,124	-
Fixed deposits	178,425,552	146,971,627
Cash and cash equivalents	28,777,357	175,966,738
<b>Total assets</b>	<b>240,280,544</b>	<b>346,653,601</b>
<b>Liabilities</b>		
Derivatives	5	32,548
Management fee payable	64,594	69,211
Trustee fee payable	14,315	21,065
Amount payable on redemption of units	767,082	-
Accrued expenses and other payables	13,500	16,971
Provision for taxation	1,301	-
<b>Total liabilities</b>	<b>860,797</b>	<b>139,795</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<b>239,419,747</b>	<b>346,513,806</b>
Adjustment for different basis adopted by the sub-Fund in arriving net assets attribute to unitholders	3,726	7,391
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<b>239,423,473</b>	<b>346,521,197</b>
<b>Number of Units in Issue</b>		
- USD Class A	9,678,227	14,634,225
- HKD Class A	1,660,956	612,197
- USD Class I	25,407	6,149,347
- HKD Class I	979	979
- USD Class P	11,489,273	9,930,852
- HKD Class P - Hedged	2,019	2,203
- USD Class M	1,015,256	2,287,402
- HKD Class M	50,900	100,000



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

**STATEMENT OF FINANCIAL POSITION (UNAUDITED)  
AS AT 30 June 2023**

**Net Asset Value Per Unit**

- USD Class A	10.7004	10.4401
- HKD Class A	10.7064	10.3954
- USD Class I	10.8869	10.6194
- HKD Class I	10.5778	10.2636
- USD Class P	10.6418	10.4086
- HKD Class P - Hedged	10.4300	10.2905
- USD Class M	10.8139	10.5455
- HKD Class M	10.3090	10.0046
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**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 2023 TO 30 June 2023**

DA CHENG MONEY MARKET FUND			
		Period from 1 January 2023 to 30 June 2023	Period from 1 January 2022 to 31 December 2022
	Note	(Unaudited) USD	(audited) USD
<b>Income</b>			
Interest income from bank deposits		6,781,146	4,793,598
Interest income from investments		258,252	105,043
Net gains/(losses) on investments and derivatives		293,890	195,591
Net foreign exchange gain/ losses		49,186	(11,663)
Other income		101	74
<b>Total investment income</b>		<b>7,382,575</b>	<b>5,082,643</b>
<b>Expenses</b>			
Management fee		384,305	418,613
Trustee fee		107,653	143,686
Custodian fee		1,969	1,076
Preliminary expenses		3,555	6,225
Transaction costs		10,078	15,000
Auditors' remuneration		13,673	1,172
Other expenses	1	2,020	3,347
<b>Total operating expenses</b>		<b>523,253</b>	<b>589,119</b>
<b>Profit before tax</b>		<b>6,859,322</b>	<b>4,493,524</b>
Taxation		-	(29,520)
<b>Profit after tax</b>		<b>6,859,322</b>	<b>4,464,004</b>
Adjustment for different basis adopted by the sub-Fund in arriving net assets attribute to unitholders		(3,665)	(7,392)
<b>Increase in net assets attributable to unitholders</b>		<b>6,855,657</b>	<b>4,456,612</b>

**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 2023 TO 30 June 2023**

	Period from 1 January 2023 to 30 June 2023	Period from 1 January 2022 to 31 December 2022
	(Unaudited)	(audited)
	USD	USD
<b>Net assets attributable to unitholders at the beginning of the period</b>	346,521,197	130,823,528
--Proceeds on issue of units	324,442,177	687,083,057
--Payments on redemption of units	(438,395,558)	(475,842,000)
<b>Net increase from unit transactions</b>	(113,953,381)	211,241,057
<b>Increase in net assets attributable to unitholders</b>	6,855,657	4,456,612
<b>Net assets attributable to unitholders at the end of the period</b>	239,423,473	346,521,197

**2023**

	USD Class A	HKD Class A	USD Class I	USD Class P
<b>Number of units in issue at the beginning of the period</b>	14,634,225	612,197	6,149,347	9,930,852
Units issued	3,604,247	4,285,009	-	22,170,543
Units redeemed	(8,560,245)	(3,236,250)	(6,123,940)	(20,612,122)
<b>Number of units in issue at the end of the period</b>	9,678,227	1,660,956	25,407	11,489,273

**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 2023 TO 30 June 2023**

	2023			
	HKD Class P (Hedged)	USD Class M	HKD Class I	HKD Class M
<b>Number of units in issue at the beginning of the period</b>	2,203	2,287,402	979	100,000
Units issued	-	4,417,173	-	-
Units redeemed	(184)	(5,689,319)	-	(49,100)
<b>Number of units in issue at the end of the period</b>	<u>2,019</u>	<u>1,015,256</u>	<u>979</u>	<u>50,900</u>

	2022				
	USD Class A	HKD Class A	USD Class I	USD Class P	HKD Class P (Hedged)
<b>Number of units in issue at the beginning of the period</b>	1,898,107	1,977,258	667,953	9,891,793	4,056
Units issued	25,397,575	4,509,365	5,687,547	32,613,345	293
Units redeemed	(12,661,457)	(5,874,426)	(206,153)	(32,574,286)	(2,146)
<b>Number of units in issue at the end of the period</b>	<u>14,634,225</u>	<u>612,197</u>	<u>6,149,347</u>	<u>9,930,852</u>	<u>2,203</u>

	2022		
	USD Class M	HKD Class I	HKD Class M
<b>Number of units in issue at the beginning of the period</b>	50,872	-	-
Units issued	2,246,785	979	100,000
Units redeemed	(10,255)	-	-
<b>Number of units in issue at the end of the period</b>	<u>2,287,402</u>	<u>979</u>	<u>100,000</u>



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

**INVESTMENT PORTFOLIO (UNAUDITED)  
AS AT 30 June 2023**

	<b>Holdings</b>	<b>Market Value USD</b>	<b>% of Net Asset</b>
<b>Listed/Quoted Investments</b>			
<b>Quoted Debt Securities</b>			
<b>BRITISH VIRGIN ISLAND</b>			
CICC HONG KONG FINANCE 2016 MTN LTD 1.75% S/A 10AUG2023	3,000,000	2,987,040	1.25
EASTERN CREATION II INVESTMENT HLDGS LTD 1% S/A 10SEP2023	1,300,000	1,288,066	0.54
		<u>4,275,106</u>	<u>1.79</u>
<b>CAYMAN</b>			
CCBL CAYMAN 1 CORP LTD 3M L+1.25% Q 12JUL2023	1,800,000	1,800,144	0.75
		<u>1,800,144</u>	<u>0.75</u>
<b>CHINA</b>			
INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/SINGAPORE 1% S/A 9SEP2023	1,000,000	991,510	0.41
		<u>991,510</u>	<u>0.41</u>
<b>LUXEMBOURG</b>			
SPIC LUXEMBOURG LATIN AMERICA RENEWABLE ENERGY INVESTMENT CO SARL 4.65% S/A 30OCT2023	2,000,000	1,990,920	0.83
		<u>1,990,920</u>	<u>0.83</u>
<b>SINGAPORE</b>			
BOC AVIATION LTD 2.75% S/A 02DEC2023	2,000,000	1,972,880	0.82
		<u>1,972,880</u>	<u>0.82</u>
Total quoted debt securities		11,030,560	4.60
<b>Unlisted/Quoted investment</b>			
<b>Quoted Debt Securities</b>			
<b>HONG KONG</b>			
BOCOM LEASING MANAGEMENT HONG KONG CO LTD 5.5% A 7MAR2024	2,000,000	1,991,960	0.83
		<u>1,991,960</u>	<u>0.83</u>
<b>Collective Investment Schemes</b>			
<b>HONG KONG</b>			
DA CHENG HONG KONG DOLLAR MONEY MARKET FUND-CL M HKD	9,102,841	12,124,458	5.06
		<u>12,124,458</u>	<u>5.06</u>

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

**INVESTMENT PORTFOLIO (UNAUDITED)  
AS AT 30 June 2023**

	<b>Holdings</b>	<b>Market Value HKD</b>	<b>% of Net Asset</b>
Total unquoted debt securities		14,116,418	5.89
Forward Currency Contracts			
HKD/USD		-5	0.00
USD/HKD		21,444	0.01
Total forward foreign exchange contracts		21,439	0.01
Total investment		25,168,417	10.50
Other net assets		214,255,056	89.50
Total net assets as at 30 June 2023		<u>239,423,473</u>	100.00
Total investments, at cost		<u>24,873,257</u>	

	<b>Days</b>		
Portfolio weighted average maturity in days		36.84	
Portfolio weighted average life in days		36.84	
		<b>Market Value USD</b>	<b>% of net asset</b>
Daily liquid assets		30,366,446	12.68
Weekly liquid assets		55,513,424	23.19

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

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

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)**  
**FOR THE PERIOD FROM 1 January 2023 TO 30 June 2023**

	1 January 2023	Additions	Bonus /Dividends	Deductions	30 June 2023
<b>Listed/Quoted Equities</b>					
<b>AUSTRALIA</b>					
CNOOC CURTIS FUNDING NO 1 PTY LTD 4.5% S/A 03OCT2023 REGS	-	3,250,000	-	(3,250,000)	-
<b>BRITISH VIRGIN ISLAND</b>					
CHINA HUADIAN OVERSEAS DEVELOPMENT 2018 LTD 3.875% S/A 17MAY2023	-	1,000,000	-	(1,000,000)	-
CICC HONG KONG FINANCE 2016 MTN LTD 1.75% S/A 10AUG2023	-	3,000,000	-	-	3,000,000
CNPC GENERAL CAPITAL LTD 3.4% S/A 16APR2023 REGS	-	3,000,000	-	(3,000,000)	-
EASTERN CREATION II INVESTMENT HLDGS LTD 1% S/A 10SEP2023	-	1,300,000	-	-	1,300,000
SINOPEC CAPITAL 2013 LTD 3.125% S/A 24APR2023 REGS	-	3,450,000	-	(3,450,000)	-
STATE GRID OVERSEAS INVESTMENT 2013 LTD 3.125% S/A 22MAY2023 REGS	-	8,100,000	-	(8,100,000)	-
<b>CAYMAN</b>					
ALIBABA GROUP HLDG LTD 2.8% S/A 06JUN2023	-	1,000,000	-	1,000,000)	-
CCBL CAYMAN 1 CORP LTD 3M L+1.25% Q 12JUL2023	-	1,800,000	-	-	1,800,000
<b>CHINA</b>					
INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/SINGAPORE 1% S/A 9SEP2023	-	1,000,000	-	-	1,000,000
<b>HONG KONG</b>					
CNAC HK FINBRIDGE CO LTD 4.625% S/A 14MAR2023	-	4,000,000	-	(4,000,000)	-
<b>LUXEMBOURG</b>					
SPIC LUXEMBOURG LATIN AMERICA RENEWABLE ENERGY INVESTMENT CO SARL 4.65% S/A 30OCT2023	-	2,000,000	-	-	2,000,000
<b>SINGAPORE</b>					
BOC AVIATION LTD 2.75% S/A 02DEC2023	-	3,000,000	-	(1,000,000)	2,000,000

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

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)**  
**FOR THE PERIOD FROM 1 January 2023 TO 30 June 2023**

	01 January 2023	Additions	Bonus/Di vidends	Deductions	30 June 2023
<b>Unlisted/Quoted investment</b>					
<b>Quoted Debt Securities</b>					
<b>HONG KONG</b>					
BOCOM LEASING MANAGEMENT HONG KONG CO LTD 5.5% A 7MAR2024	-	2,000,000	-	-	2,000,000
<b>MACAU</b>					
INDUSTRIAL & COMMERCIAL BANK OF CHINA MACAU LTD 5.43% A 09MAR2023 FXCD	10,000,000	-	-	(10,000,000)	-
<b>Collective Investment Schemes</b>					
<b>HONG KONG</b>					
DA CHENG HONG KONG DOLLAR MONEY MARKET FUND-CL M HKD	9,102,841	-	-	-	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 2023**

**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	Net asset value per unit	Net asset value per unit
		USD Class A	HKD Class A	HKD Class A - Hedged	USD Class I	HKD Class I	USD Class P	HKD Class P - Hedged	USD Class M	HKD Class M
For the financial period ended 30 June 2023	239,423,473	10.7004	10.7064	N/A	10.8869	10.5778	10.6418	10.4300	10.8139	10.3090
31 December 2022	346,521,197	10.4401	10.3954	N/A	10.6194	10.2636	10.4086	10.2905	10.5455	10.0046
31 December 2021	130,823,528	10.2472	10.2026	N/A	10.4180	N/A	10.2404	10.1807	10.3403	N/A
31 December 2020	254,121,215	10.2156	10.0979	N/A	10.3807	N/A	10.2293	10.1819	10.2982	N/A

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

**PERFORMANCE RECORD (UNAUDITED)**

**AS AT 30 June 2023**

**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 Redempti on price per unit HKD (Dealing NAV)	Highest issue price per unit USD (Dealing NAV)	Lowest Redempti on price per unit USD (Dealing NAV)	Highest issue price per unit HKD (Dealing NAV)	Lowest Redempti on price per unit HKD (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 2023	10.7004	10.4433	N/A	N/A	10.7064	10.4148	10.8869	10.6227	10.5778	10.2828
31 December 2022	10.4401	10.2474	N/A	N/A	10.4008	10.1871	10.6177	10.4182	10.2672	10.1936
31 December 2021	10.2472	10.2164	N/A	N/A	10.2093	10.0987	10.4180	10.3816	N/A	N/A
31 December 2020	10.2156	10.0780	10.1119	10.0344	10.0993	9.9911	10.3807	10.2357	10.2175	10.1755
31 December 2019 (Since inception)	10.0765	10.0000	10.0306	9.9943	N/A	N/A	10.2342	10.0000	10.1956	10.0000

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

**PERFORMANCE RECORD (UNAUDITED)**

**AS AT 30 June 2023**

**Highest and lowest net asset value per unit**

	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)	Highest issue price per unit HKD (Dealing NAV)	Lowest Redempti on price per unit HKD (Dealing NAV)
	Class P - Hedged	Class P - Hedged	Class P	Class P	Class M	Class M	Class M	Class M
For the financial period ended								
30 June 2023	10.4300	10.2930	10.6418	10.4114	10.8139	10.5488	10.3090	10.0234
31 December 2022	10.2905	10.1773	10.4086	10.2404	10.5455	10.3406	10.0085	9.9365
31 December 2021	10.1858	10.1800	10.2404	10.2299	10.3403	10.2291	N/A	N/A
31 December 2020	10.1819	10.0792	10.2293	10.1354	10.2982	10.1493	N/A	N/A
31 December 2019 (Since inception)	10.0762	10.0000	10.1341	10.0000	10.1477	10.0000	N/A	N/A

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

**Notes to the financial statements (Unaudited)  
FOR THE PERIOD FROM 1 January 2023 TO 30 June 2023**

**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 2022, as described in Note 2 of the annual financial statements.

Note 1: During the period ended 30 June 2023 and 31 December 2022, the other expenses(bank charges) paid to its connected person of Trustee were as follows:

	30/06/2023	31/12/2022
Bank of China (Hong Kong) Limited	1,485	1,612
Bank of China (Macau) Limited	32	32