
DA CHENG HONG KONG DOLLAR MONEY MARKET FUND

(SUB-FUND OF DCI INVESTMENT TRUST)

SEMI-ANNUAL REPORT

FOR THE PERIOD ENDED 30 JUNE 2024





**DCI INVESTMENT TRUST
FOR THE PERIOD ENDED 30 JUNE 2024**

SEMI-ANNUAL REPORT

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**DCI INVESTMENT TRUST
FOR THE PERIOD ENDED 30 JUNE 2024**

MANAGEMENT AND ADMINISTRATION

Directors of the Manager

Mr. Tan Xiaogang
Mr. Xiao Jian
Mr. Yao Yudong
Ms. Zhao Bing
Ms. Wu Ping (resigned on 12 August 2024)
Mr. Xu Zijie (appointed on 12 August 2024)

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 HONG KONG DOLLAR MONEY MARKET FUND
(A SUB-FUND OF DCI INVESTMENT TRUST)**

Fund Performance

Da Cheng Hong Kong Money Market Fund (the "Sub-Fund") seeks to achieve a return in HK Dollars in line with a combination MOP, HKD and US Dollars money market rates, with primary considerations of both capital security and liquidity. As of 30 June 2024, the Sub-Fund aggregates a total asset size of approximately HKD 175,455,420

Market Overview

In the first half of 2024, the Federal Reserve kept its interest rate policy unchanged, and the policy rate level remained at the range of 5.25-5.5%. The key to the market's attention and the anchorage of various assets remains the Federal Reserve's interest rate policy and the overall process of U.S. inflation control. In 2024 H1, although the US economy still maintains resilience, but the overall inflation has formed a significant downward trend, the market's focus theme changed from "Higher for longer" to the timing for the Federal Reserve began to cut interest rates and the number of interest rate cuts in 2024 and 2025, according to the overall US macro data, there is a relatively high probability of interest rate cuts in the second half of the year.

In the money market, affected by the expected interest rate cut in the US, the money market interest rate on the dollar side has declined significantly compared with the end of last year, mainly because the capital side has begun to reflect the possible future interest rate cut by the Federal Reserve in advance. Even so, money market rates remain at relatively high levels for nearly two decades. As of the first half of the year, the six-month T Bill in the United States closed at the level of 5.328, and the one-year T Bill closed at the level of 5.118, the yield curve of the money market has inverted, so the appropriate stretch of the money market fund's duration is conducive to locking in the future relatively high interest rate return in advance. Although the probability of interest rate cuts by the Federal Reserve in 2024 is relatively high, the number of interest rate cuts will be a key factor in determining money market interest rates, and it is believed that before the recession of the United States economy, the money market can still provide investors with considerable and stable returns.

The HKD money market continued to benefit from the high interest rate level of the USD in 2024, however with the expectation of rate cuts in 2024H2, the returns of HKD Money Market Fund may be also effected. In 2024H1, HKD 1M HIBOR down from 5.27 to 4.6, -67 bps.

Outlook

According to the current market's latest expectations, in the second half of 2024, the United States will have two interest rate cuts, each time by 25 basis points, Hong Kong money market rates should follow closely after the US rate cuts. The current money market already began to reflect this expectation, the overall return of money market funds compared to the same period last year fell by about 40-50 bps. With the future new US dollar rate reduction cycle, HKD may also following on the reduction cycle, there is a possibility of further declines in money market fund returns. But the probability of reoccurring the super low interest rate environment of 2020-2022 in the near short term, is still relatively low. Therefore, money market funds may also be able to provide relatively high, 3% above, returns in the second half of 2024, however, the overall lower trend becomes a high probability event. The Hong Kong dollar has a chance of staying strong for a short term.

Da Cheng International Asset Management Company Limited

29 August 2024

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

STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2024

DA CHENG HONG KONG DOLLAR MONEY MARKET FUND

| | 30 June 2024 (Unaudited) HKD | 31 December 2023 (Audited) HKD |
|--|------------------------------------|--------------------------------------|
| Assets | | |
| Prepayments and other assets | 45,644 | - |
| Interest receivable | 502,429 | 568,017 |
| Fixed deposit | 158,479,162 | - |
| Cash and cash equivalents | 16,503,656 | 150,251,955 |
| Total assets | 175,530,891 | 150,819,972 |
| Liabilities | | |
| Management fee payable | 18,767 | 4,282 |
| Trustee fee payable | 14,000 | 9,815 |
| Amount payable on redemption of units | - | - |
| Accrued expenses and other payables | 63,780 | 121,912 |
| Total liabilities | 96,547 | 136,009 |
| Net assets attributable to unitholders (in accordance with IFRSs) | 175,434,344 | 150,683,963 |
| Adjustment for different basis adopted by the sub-Fund in arriving net assets attribute to unitholders | 21,076 | - |
| Net assets attributable to unitholders (in accordance with the Sub-Fund's explanatory memorandum) | 175,455,420 | 150,683,963 |
| Number of Units in Issue | | |
| - HKD Class A | 373,713 | 598,873 |
| - HKD Class E | 4,606,295 | 1,751,701 |
| - HKD Class I | 299 | 299 |
| - HKD Class M | 11,144,205 | 11,784,820 |
| - HKD Class P | 2,042 | 2,042 |
| - USD Class A | 82 | 90 |
| - MOP Class I | 110 | - |
| - MOP Class P | 110 | - |
| - MOP Class R Acc | 110 | - |
| - MOP Class R Dist | 110 | - |
| - MOP Acc Class A | 37,519 | - |
| - MOP Dist Class A | 10 | - |
| - HKD Class R Acc | 201 | - |



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

**STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2024**

Net Asset Value Per Unit

| | | |
|--------------------|-------------|-------------|
| - HKD Class A | 10.8571 | 10.6372 |
| - HKD Class E | 10.7269 | 10.5122 |
| - HKD Class I | 10.7441 | 10.5239 |
| - HKD Class M | 10.9102 | 10.6840 |
| - HKD Class P | 10.6922 | 10.4856 |
| - USD Class A | 10.6879 | 10.4621 |
| - MOP Class I | 10.2641 | - |
| - MOP Class P | 10.1772 | - |
| - MOP Class R Acc | 10.1586 | - |
| - MOP Class R Dist | 10.1649 | - |
| - MOP Acc Class A | 10.0550 | - |
| - MOP Dist Class A | 10.0536 | - |
| - HKD Class R Acc | 10.0392 | - |
| | <hr/> <hr/> | <hr/> <hr/> |

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

**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2024**

DA CHENG HONG KONG DOLLAR MONEY MARKET FUND

| | Period from 1 January 2024 to 30 June 2024 | Period from 1 January 2023 to 31 December 2023 |
|--|---|--|
| Note | (Unaudited) HKD | (audited) HKD |
| Income | | |
| Interest income from bank deposits | 3,732,997 | 6,224,367 |
| Net foreign exchange gains | (7) | (1,366) |
| Sundry income | 650 | - |
| | <u>3,733,640</u> | <u>6,223,001</u> |
| Expenses | | |
| Management fee | 33,756 | 45,994 |
| Trustee fee | 104,242 | 120,170 |
| Transaction handling fees | 8,750 | 24,500 |
| Auditor's remuneration | 65,638 | 126,982 |
| Net foreign exchange losses | - | - |
| Legal and professional fee | 33,406 | 40,861 |
| Other expenses | 7,968 | 13,305 |
| | <u>253,760</u> | <u>371,812</u> |
| Total operating expenses | | |
| | <u>3,479,880</u> | <u>5,851,189</u> |
| Operating profit | | |
| | 3,479,880 | 5,851,189 |
| PROFIT/ (LOSS) AFTER DISTRIBUTIONS AND BEFORE TAX | | |
| | 3,479,880 | 5,851,189 |
| Adjustment for different basis adopted by the sub-Fund in arriving net assets attribute to unitholders | (20,395) | (41,359) |
| | <u>3,459,485</u> | <u>5,809,830</u> |
| Increase in net assets attributable to unitholders | | |
| | <u><u>3,459,485</u></u> | <u><u>5,809,830</u></u> |



DCI INVESTMENT TRUST
DA CHENG HONG KONG DOLLAR 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 2024 TO 30 JUNE 2024

| | Period from 1 January 2024 to 30 June 2024 | Period from 1 January 2023 to 31 December 2023 |
|--|--|---|
| | (Unaudited) | (audited) |
| | HKD | HKD |
| Net assets attributable to unitholders at the beginning of the period | 150,725,434 | 114,041,572 |
| --Proceeds on issue of units | 77,005,553 | 297,027,434 |
| --Payments on redemption of units | (55,735,055) | (266,153,402) |
| Net increase from unit transactions | <u>21,270,498</u> | <u>30,874,032</u> |
| Increase in net assets attributable to unitholders | <u>3,459,485</u> | <u>5,809,830</u> |
| Net assets attributable to unitholders at the end of the period | <u>175,455,417</u> | <u>150,725,434</u> |

| | HKD | 2024 HKD | HKD | HKD | HKD | HKD | USD |
|--|-----------|-------------|---------|-------------|---------|---------|-----|
| | Class A | Class E | Class I | Class M | Class P | Class A | |
| Number of units in issue at the beginning of the period | 598,873 | 1,751,700 | 299 | 11,784,821 | 2,042 | 90 | |
| Units issued | 215,129 | 5,217,262 | - | 1,755,210 | - | - | |
| Units redeemed | (440,289) | (2,362,668) | - | (2,395,825) | - | (8) | |
| Number of units in issue at the end of the period | 373,713 | 4,606,294 | 299 | 11,144,206 | 2,042 | 82 | |

**DCI INVESTMENT TRUST
DA CHENG HONG KONG DOLLAR 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 2024 TO 30 JUNE 2024**

| | MOP Class I | MOP Class P | 2024 MOP Class R Acc | MOP Class R Dist | MOP Acc Class A Units | MOP Dist Class A Units | HKD Acc Class R Units |
|--|----------------|------------------------|-------------------------------|------------------------|-----------------------------|---------------------------------|--------------------------------|
| Number of units in issue at the beginning of the period | - | - | - | - | - | - | - |
| Units issued | 110 | 110 | 2,281 | 110 | 37,519 | 10 | 201 |
| Units redeemed | - | - | (2,170) | - | - | - | - |
| Number of units in issue at the end of the period | 110 | 110 | 111 | 110 | 37,519 | 10 | 201 |
| | | | | | | | |
| | HKD Class A | 2023 HKD Class E | HKD Class I | HKD Class M | HKD Class P | USD Class A | |
| Number of units in issue at the beginning of the period | 1,088,816 | 4,471 | 299 | 9,978,581 | 2,042 | 4,370 | |
| Units issued | 23,707,552 | 2,185,522 | - | 2,887,085 | 10 | 353 | |
| Units redeemed | (24,197,495) | (438,293) | - | (1,080,845) | (10) | (4,633) | |
| Number of units in issue at the end of the period | 598,873 | 1,751,700 | 299 | 11,784,821 | 2,042 | 90 | |
| | | | | | | | |
| | MOP Class I | MOP Class P | 2023 MOP Class R Acc | MOP Class R Dist | MOP Acc Class A Units | MOP Dist Class A Units | HKD Acc Class R Units |
| Number of units in issue at the beginning of the period | - | - | - | - | - | - | - |
| Units issued | - | - | - | - | - | - | - |
| Units redeemed | - | - | - | - | - | - | - |
| Number of units in issue at the end of the period | - | - | - | - | - | - | - |



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

**INVESTMENT PORTFOLIO (UNAUDITED)
AS AT 30 JUNE 2024**

| | Days | | |
|---|-------------|-----------------------------|-----------------------|
| Portfolio weighted average maturity in days | 28.02 | | |
| Portfolio weighted average life in days | 28.02 | | |
| | | Market Value HKD | % of Net Asset |
| Daily liquid assets | | 175,485,247 | 100.02 |
| Weekly liquid assets | | 175,485,247 | 100.02 |

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

**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)
FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2024**

| | 1 January 2024 | Additions | Bonus /Dividends | Deductions | 30 June 2024 |
|--|-----------------------|------------------|-----------------------------|-------------------|-------------------------|
|--|-----------------------|------------------|-----------------------------|-------------------|-------------------------|

Listed/Quoted Equities

Nil



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

PERFORMANCE RECORD (UNAUDITED)
AS AT 30 JUNE 2024

Net asset value

Net asset value per unit

| At the end of the financial period ended | Net asset value | Class A -HKD | Class E -HKD | Class I - HKD | Class M - HKD |
|---|------------------------|---------------------|---------------------|----------------------|----------------------|
| | (in HKD) | | | | |
| 30 June 2024 | 175,455,419 | 10.8571 | 10.7269 | 10.7441 | 10.9102 |
| 31 December 2023 | 150,683,963 | 10.6372 | 10.5122 | 10.5239 | 10.6840 |
| 31 December 2022 | 114,041,572 | 10.2357 | 10.1204 | 10.1212 | 10.2704 |

Net asset value per unit

| At the end of the financial period ended | Class P -HKD | Class A- USD | Class I -MOP | Class P -MOP | Class R- MOP (Acc) |
|---|---------------------|---------------------|---------------------|---------------------|---------------------------|
| 30 June 2024 | 10.6922 | 10.6879 | 10.2641 | 10.1772 | 10.1586 |
| 31 December 2023 | 10.4856 | 10.4621 | - | - | - |
| 31 December 2022 | 10.1095 | 10.0881 | - | - | - |

Net asset value per unit

| At the end of the financial period ended | Class R -MOP (Dist) | Class A -MO P(Acc) | Class A- MOP (Dist) | Class R - HKD (Acc) |
|---|----------------------------|---------------------------|----------------------------|----------------------------|
| 30 June 2024 | 10.1649 | 10.0550 | 10.0536 | 10.0392 |
| 31 December 2023 | - | - | - | - |
| 31 December 2022 | - | - | - | - |

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

**PERFORMANCE RECORD (UNAUDITED)
AS AT 30 JUNE 2024**

Highest and lowest net asset value per unit

| | Highest subscription price per unit | Lowest redemption price per unit |
|--|--|-------------------------------------|
| Financial period ended 30 June 2024 | | |
| HKD Class A (in HKD) | HKD10.8571 | HKD10.6398 |
| HKD Class E (in HKD) | HKD10.7269 | HKD10.5147 |
| HKD Class I (in HKD) | HKD10.7741 | HKD10.5265 |
| HKD Class M (in HKD) | HKD10.9102 | HKD10.6866 |
| HKD Class P (in HKD) | HKD10.6922 | HKD10.4880 |
| USD Class A (in USD) | USD10.6879 | USD10.4667 |
| MOP Class I (in MOP) | MOP10.2641 | MOP10.0712 |
| MOP Class P (in MOP) | MOP10.1772 | MOP10.0000 |
| MOP Class R Acc (in MOP) | MOP10.1586 | MOP10.0000 |
| MOP Class R Dist (in MOP) | MOP10.1649 | MOP10.0000 |
| MOP Acc Class A Units (in MOP) | MOP10.0550 | MOP10.0000 |
| MOP Dist Class A Units (in MOP) | MOP10.0536 | MOP10.0000 |
| HKD Acc Class R Units (in HKD) | HKD10.0392 | HKD 9.9900 |

| | Highest subscription price per unit | Lowest redemption price per unit |
|--|--|-------------------------------------|
| Financial period ended 31 December 2023 | | |
| HKD Class A (in HKD) | HKD 10.6342 | HKD 10.2392 |
| HKD Class E (in HKD) | HKD 10.5092 | HKD 10.1238 |
| HKD Class I (in HKD) | HKD 10.5209 | HKD 10.1247 |
| HKD Class M (in HKD) | HKD 10.6808 | HKD 10.2740 |
| HKD Class P (in HKD) | HKD 10.4826 | HKD 10.1128 |
| USD Class A (in USD) | HKD 10.4591 | HKD 10.0759 |

| | Highest subscription price per unit | Lowest redemption price per unit |
|--|--|-------------------------------------|
| Financial period ended 31 December 2022 | | |
| HKD Class A (in HKD) | HKD10.2345 | HKD10.1133 |
| HKD Class E (in HKD) | HKD10.1192 | HKD10.0039 |
| HKD Class I (in HKD) | HKD10.1200 | HKD10.0237 |
| HKD Class M (in HKD) | HKD10.2691 | HKD10.1376 |
| HKD Class P (in HKD) | HKD10.1084 | HKD10.0044 |
| USD Class A (in USD) | USD10.0989 | USD 9.9051 |
| USD Class A (in USD) | HKD10.2345 | HKD10.1133 |



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

Notes to the financial statements (Unaudited)

FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2024

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 2023, as described in Note 2 of the annual financial statements.

Note 1: During the period ended 30 June 2024 and 31 December 2023, the other expenses (bank charges) paid to its connected person of Trustee were as follows:

| | For the period from 1 January 2024 to 30 June 2024 | For the year ended 31 December 2023 |
|-----------------------------------|--|--|
| | HKD | HKD |
| Bank of China (Hong Kong) Limited | 600 | 600 |