



CSOP LEVERAGED AND INVERSE SERIES  
(An umbrella unit trust established in Hong Kong)

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT**  
**(Stock Code: 07568)**  
**(A sub-fund of CSOP Leveraged and Inverse Series)**

Unaudited Semi-Annual Report  
FOR THE PERIOD ENDED 30 JUNE 2022

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
(A SUB-FUND OF CSOP LEVERAGED AND INVERSE SERIES)**

**CONTENTS**

	<b>Page</b>
Report of the Manager to the Unitholders	1
Condensed Statement of Financial Position	2
Condensed Statement of Comprehensive Income	3
Condensed Statement of Changes in Net Assets Attributable to Unitholders	4
Condensed Statement of Cash Flows	5
Investment Portfolio (Unaudited)	6
Statement of Movements in Investment Portfolio (Unaudited)	7
Details in Respect of Financial Derivative Instruments (Unaudited)	8
Performance Record (Unaudited)	9
Underlying Index Constituent Stock Disclosure (Unaudited)	10
Management and Administration	11

# **CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT (A SUB-FUND OF CSOP LEVERAGED AND INVERSE SERIES)**

## **REPORT OF THE MANAGER TO THE UNITHOLDERS**

### Introduction

The CSOP NASDAQ-100 Index Daily (-2x) Inverse Product (or the “Sub-Fund”), is a sub-fund of the CSOP Leveraged and Inverse Series (the “Trust”), an umbrella unit trust established under Hong Kong law by a trust deed dated 5 July 2016 (the “Trust Deed”) between CSOP Asset Management Limited (the “Manager”) and HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

It was launched on 17 September 2019 and commenced trading in HKD under the stock code 7568 on the Stock Exchange of Hong Kong Limited (the “SEHK”) on 19 September 2019. The Sub-Fund is benchmarked against the NASDAQ-100 Index (the “Index”) and adopts a futures-based replication strategy. The Manager is CSOP Asset Management Limited (the “Manager”). The trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

The CSOP NASDAQ-100 Index Daily (-2x) Inverse Product is a futures-based ETF which invests directly in the nearest quarter futures contracts on the E-mini NASDAQ 100 Futures listed on the Chicago Mercantile Exchange (“NASDAQ-100 Futures”) subject to the rolling strategy discussed below, to obtain the required exposure to the Index and to provide investment results that, before fees and expenses, closely correspond to inverse (-2x) of the Daily performance of the Index.

The Manager will roll the NASDAQ 100 Futures on a quarterly basis. The futures roll for the NASDAQ-100 Futures will be done on a quarterly basis on the Chicago Mercantile Exchange shortly before expiration.

The index is compiled and managed by Nasdaq, Inc (the “Index Provider”). It includes 100 of the largest non-financial companies listed on the NASDAQ Stock Market based on market capitalisation. It is a price return index, meaning that the performance of the Index is calculated on the basis that dividends are not reinvested, it is denominated in USD. The Index operates under clearly defined rules published by the index provider and is a tradable index.

### Sub-Fund Performance

The CSOP NASDAQ-100 Index Daily (-2x) Inverse Product seeks to provide daily investment results, before fees and expenses, which closely correspond to negative 2 times the daily performance of the Index. As of 30 June 2022, the dealing Net Asset Value (“NAV”) per unit of the CSOP NASDAQ-100 Index Daily (-2x) Inverse Product was USD 2.3802 and there were 92,720,000 units outstanding. The total assets under management was approximately USD 220.7 million.

As of 30 June 2022, the dealing NAV of CSOP NASDAQ-100 Index Daily (-2x) Inverse Product performed 68.21% while the index performed -29.51%. Price return of the HKD counter (stock code 7568) was 70.29% during the period.

### Exchange Liquidity

The trading value of the HKD counter (stock code: 7568) of CSOP NASDAQ-100 Index Daily (-2x) Inverse Product remained steadily at an average daily turnover of HKD 108.7 million in June 2022.

### Portfolio Rebalance

The CSOP NASDAQ-100 Index Daily (-2x) Inverse Product adopts futures-based replication strategy to track the Index. Since inception, the Sub-Fund has experienced eleven quarterly futures rolls.

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
(A SUB-FUND OF CSOP LEVERAGED AND INVERSE SERIES)**

**CONDENSED STATEMENT OF FINANCIAL POSITION**

*As at 30 June 2022*

	30 June 2022 (Unaudited) <i>USD</i>	31 December 2021 (Audited) <i>USD</i>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Investments	50,400,330	52,464,111
Bank interest receivable	4,864	755
Deposits with broker	71,363,338	71,438,169
Cash and cash equivalents	103,821,101	124,492,641
	<hr/>	<hr/>
<b>Total assets</b>	225,589,633	248,395,676
	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Derivative financial instruments	4,561,420	7,686,050
Management fee payable	258,743	291,922
Other accounts payable	78,528	84,437
	<hr/>	<hr/>
<b>Total liabilities</b>	4,898,691	8,062,409
	<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>		
<b>Net assets attributable to unitholders</b>	220,690,942	240,333,267
	<hr/> <hr/>	<hr/> <hr/>
<b>Number of units in issue</b>	92,720,000	1,699,200,000
	<hr/> <hr/>	<hr/> <hr/>
<b>Net asset value per unit</b>	2.3802	0.1414
	<hr/> <hr/>	<hr/> <hr/>

Note: Semi-Annual reports have applied the same accounting policies and methods of computation as are applied in the annual reports of the Sub-Fund.

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
(A SUB-FUND OF CSOP LEVERAGED AND INVERSE SERIES)**

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

*For the period ended 30 June 2022*

	Period from 1 January 2022 to 30 June 2022 (Unaudited) USD	Period from 1 January 2021 to 30 June 2021 (Unaudited) USD
<b>INCOME</b>		
Interest income from bank deposits	31,524	1,902
Interest income from deposits with broker	65,711	-
Interest income from bonds	-	9,705
Net gain/loss on investments and derivative financial instruments	159,026,524	(38,461,772)
<b>Total net income/(loss)</b>	<u>159,123,759</u>	<u>(38,450,165)</u>
<b>EXPENSES</b>		
Management fee <sup>Note 2</sup>	(1,881,100)	(888,317)
Transaction costs on investments	(75,545)	(33,544)
Audit fee	(5,164)	(938)
Bank charges <sup>Note 1</sup>	(25)	(20)
License fee	(131,892)	(7,439)
Interest expenses	(41,670)	(49,654)
Other operating expenses <sup>Note 1</sup>	(17,131)	(43,737)
<b>Total operating expenses</b>	<u>(2,152,527)</u>	<u>(1,023,649)</u>
<b>Total comprehensive income/(loss)</b>	<u><u>156,971,232</u></u>	<u><u>(39,473,814)</u></u>

Note 1: During the period ended 30 June 2022 and 2021, respective amounts paid to the Trustee/connected person of Trustee were as follows:

	Period from 1 January 2022 to 30 June 2022 (Unaudited) USD	Period from 1 January 2021 to 30 June 2021 (Unaudited) USD
Bank charges	(25)	-
Other operating expenses	(9,258)	(9,576)

Note 2: During the period ended 30 June 2022 and 2021, other than Management fees that paid to the Manager, no other amounts paid to the Manager/connected person of Manager.

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
(A SUB-FUND OF CSOP LEVERAGED AND INVERSE SERIES)**

**CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

*For the period ended 30 June 2022*

	Period from 1 January 2022 to 30 June 2022 (Unaudited) <i>USD</i>	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>USD</i>
<b>Net assets attributable to unitholders at the beginning of the period</b>	240,333,267	73,972,966
Proceeds on issue of units	163,957,723	131,156,032
Payments on redemption of units	(340,571,280)	(7,996,924)
<b>Net (decrease)/increase from unit transactions</b>	(176,613,557)	123,159,108
Total comprehensive income/(loss) for the period	156,971,232	(39,473,814)
<b>Net assets attributable to unitholders at the end of the period</b>	220,690,942	157,658,260

The movement of the redeemable units are as follows:

	Period from 1 January 2022 to 30 June 2022 (Unaudited) <i>Units</i>	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>Units</i>
Number of units in issue at the beginning of the period	1,699,200,000	289,600,000
Units issued	384,800,000	587,200,000
Units redeemed	(696,000,000)	(32,000,000)
Unit consolidation (Note)	(1,295,280,000)	-
Number of units in issue at the end of the period	92,720,000	844,800,000

Note: Pursuant to the change of the Unit Consolidation Announcement dated 25 February 2022, effective from 21 March 2022, the management has determined that each of the existing ten units in the Sub-Fund be consolidated into one unit.

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
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**CONDENSED STATEMENT OF CASH FLOWS**

*For the period ended 30 June 2022*

	Period from 1 January 2022 to 30 June 2022 (Unaudited) <i>USD</i>	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>USD</i>
<b>OPERATING ACTIVITIES</b>		
Payments for purchase of investments	(11,178,000)	(186,547,628)
Proceeds from sale of investments	169,143,675	113,255,806
Other income received	-	(10,949)
Interest income from bank deposits received	27,415	1,949
Interest income from deposits with broker received	65,711	-
Interest income from bonds received	-	9,705
Management fee paid	(1,914,279)	(785,350)
Transaction costs paid	(75,545)	(33,544)
Interest paid	(56,926)	(43,819)
Other operating expenses paid	(144,865)	(56,801)
Increase/(decrease) in deposits with broker	74,831	(26,580,151)
	<hr/>	<hr/>
<b>Net cash generated from/(used in) operating activities</b>	155,942,017	(100,790,782)
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<b>FINANCING ACTIVITIES</b>		
Proceeds on issue of units	163,957,723	131,156,032
Payments on redemption of units	(340,571,280)	(7,996,924)
	<hr/>	<hr/>
<b>Net cash (used in)/generated from financing activities</b>	(176,613,557)	123,159,108
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Net (decrease)/increase in cash and cash equivalents	(20,671,540)	22,368,326
Cash and cash equivalents at the beginning of the period	124,492,641	11,671,383
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the period</b>	103,821,101	34,039,709
	<hr/> <hr/>	<hr/> <hr/>
<b>Analysis of balances of cash and cash equivalents</b>		
Bank balances	87,237,912	34,039,709
Short-term bank deposits	16,583,189	-
	<hr/>	<hr/>
	103,821,101	34,039,709
	<hr/> <hr/>	<hr/> <hr/>

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
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**INVESTMENT PORTFOLIO (Unaudited)**

*As at 30 June 2022*

		<b>Fair value USD</b>	<b>% of net assets</b>
<b>Investments and derivative financial instruments (20.77%)</b>			
	<i> Holding</i>		
<b>Listed investment fund (22.84%)</b>			
<b>Hong Kong (22.84%)</b>			
<b>Unlisted Share Class (22.84%)</b>			
CSOP US DOLLAR MONEY MARKET ETF- UNLISTED SHARE CLASS A	48,984,673	50,400,330	22.84
Total listed investment fund		<u>50,400,330</u>	<u>22.84</u>
<b>Listed Futures contracts (-2.07%)</b>	<i> Expiration Date</i>	<i> Contracts</i>	
<b>United States of America (-2.07%)</b>			
NASDAQ 100 E-MINI 16 September 2022	16 September 2022	(1,928)	(2.07)
Total futures contracts		<u>(4,561,420)</u>	<u>(2.07)</u>
Total investments and derivative financial instruments		45,838,910	20.77
Other net assets		174,852,032	79.23
Net assets attributable to unitholders as at 30 June 2022		<u>220,690,942</u>	<u>100.00</u>
Total investments and derivative financial instruments, at cost		<u>50,278,555</u>	



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**STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)**

*For the period ended 30 June 2022*

	<b>1 January 2022</b>	<b>Additions</b>	<b>Holdings Corporate actions</b>	<b>Disposals</b>	<b>30 June 2022</b>
<b>Investments</b>					
<b>Listed investment fund</b>					
<b>Unlisted Share Class</b>					
CSOP US DOLLAR MONEY MARKET ETF-UNLISTED SHARE CLASS A	51,109,704	10,886,248	-	13,011,279	48,984,673
<b>Listed futures contracts</b>					
NASDAQ 100 E-MINI 18 March 2022	(1,469)	6,607	-	5,138	-
NASDAQ 100 E-MINI 17 June 2022	-	7,003	-	7,003	-
NASDAQ 100 E-MINI 16 September 2022	-	1,163	-	3,091	(1,928)

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
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**DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (Unaudited)**

*As at 30 June 2022*

The financial derivative instruments held by the Sub-Fund as at 30 June 2022 are summarised below:

**Futures contracts**

The details of futures contract held by the Sub-Fund as at 30 June 2022 are as follows:

<b>Description</b>	<b>Underlying assets</b>	<b>Position</b>	<b>Counterparty</b>	<b>Fair value <i>USD</i></b>
Financial liabilities:				
NASDAQ 100 E-MINI 16 September 2022	NASDAQ-100 Index	Short	BNP PARIBAS	(4,561,420)
				<hr/>
				(4,561,420)
				<hr/> <hr/>

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
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**PERFORMANCE RECORD (Unaudited)**

**Net asset value**

	Dealing net asset value of the Sub-Fund* <i>USD</i>	Dealing net asset value per unit <i>USD</i>
At the end of financial period dated		
30 June 2022	220,744,431	2.3808
31 December 2021	240,398,710	0.1415
31 December 2020	74,062,514	0.2557

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

	Highest net asset value per unit <i>USD</i>	Lowest net asset value per unit <i>USD</i>
Financial period ended		
30 June 2022	2.5657	1.3861**
31 December 2021	0.2719	0.1864
31 December 2020 (Since 17 September 2019 (date of inception))	1.0953	0.2557

*\*The dealing net asset value of the Sub-Fund disclosed is calculated in accordance with the Trust's Prospectus.*

**\*\*Pursuant to the change of the Unit Consolidation Announcement dated 25 February 2022, effective from 21 March 2022, the management has determined that each of the existing ten units in the Sub-Fund be consolidated into one unit. The net assets value per unit disclosed was adjusted to reflect the units consolidation.**

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**UNDERLYING INDEX CONSTITUENT STOCK DISCLOSURE (Unaudited)**

There was one security (31 December 2021: 1) which is a collective investment scheme authorized by the SFC that individually accounted for more than 10% but less than 30% of the net asset value of the Sub-Fund as at 30 June 2022.

	Fair Value <i>USD</i>	% of assets
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**As at 30 June 2022**

**Hong Kong**

CSOP US DOLLAR MONEY MARKET ETF-UNLISTED SHARE CLASS A	50,400,330	22.84
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**As at 31 December 2021**

**Hong Kong**

CSOP US DOLLAR MONEY MARKET ETF-UNLISTED SHARE CLASS A	52,464,111	21.83
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There was no government security that individually accounted for more than 10% but less than 30% of the net asset value of the Sub-Fund as at 30 June 2022 and 31 December 2021.

For the period ended 30 June 2022, the NASDAQ-100 Index decreased by 29.51% (31 December 2021: increased by 26.63%) while the net asset value per unit of the Sub-Fund increased by 68.21% (31 December 2021: decreased by 44.64%).

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT  
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**MANAGEMENT AND ADMINISTRATION**

**Manager**

CSOP Asset Management Limited  
Suite 2801-2803 & 3303-3304, Two Exchange Square  
8 Connaught Place  
Central  
Hong Kong

**Trustee and Registrar**

HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Hong Kong

**Custodian**

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Hong Kong

**Service Agent**

HK Conversion Agency Services Limited  
1st Floor, One & Two Exchange Square  
8 Connaught Place  
Central, Hong Kong

**Listing Agent**

Altus Capital Limited  
21 Wing Wo Street  
Central, Hong Kong

**Directors of the Manager**

Chen Ding  
Gaobo Zhang  
Xiaosong Yang  
Xiuyan Liu (resigned on 17 June 2022)  
Yi Zhou  
Yundong Zhu (appointed on 17 June 2022)  
Zhiwei Liu  
Zhongping Cai

**Legal Counsel to the Manager**

Simmons & Simmons  
30th Floor, One Taikoo Place  
979 King's Road  
Hong Kong

**Auditor**

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor  
22/ F, Prince's Building  
Central  
Hong Kong



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