

SSIF ETF I

(An umbrella unit trust established in Hong Kong)

SSIF DCE IRON ORE FUTURES INDEX ETF

Stock Codes: 03047 (HKD Counter) and 09047 (USD Counter)

(A sub-fund of SSIF ETF I)

Unaudited Semi-Annual Report

FOR THE PERIOD ENDED 30 JUNE 2021

SSIF DCE IRON ORE FUTURES INDEX ETF
(A SUB-FUND OF SSIF ETF I)

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SSIF DCE IRON ORE FUTURES INDEX ETF
(A SUB-FUND OF SSIF ETF I)

REPORT OF THE MANAGER TO THE UNITHOLDERS

SSIF ETF I (the "Trust") is an umbrella unit trust established under Hong Kong law by a trust deed dated 24 February 2020 (the "Trust Deed") between Shanxi Securities International Asset Management Limited (the "Manager") and HSBC Institutional Trust Services (Asia) Limited (the "Trustee"). The Trust has one sub-fund which is an exchange traded fund (the "ETF").

SSIF DCE Iron Ore Futures Index ETF

The Units of the SSIF DCE Iron Ore Futures Index ETF (the "Sub-Fund") are listed on The Stock Exchange of Hong Kong Limited and commenced trading in HKD counter under stock code 03047 and USD counter under stock code 09047 on 27 March 2020. The Sub-Fund is a passively managed index tracking ETF under Chapters 8.6 and 8.8 of the Code on Unit Trusts and Mutual Funds and invests in iron ore futures contracts traded on the Dalian Commodity Exchange. The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the DCE Iron Ore Futures Price Index ("Underlying Index"). As at 30 June 2021, net asset value per unit of the Sub-fund (at dealing net asset value) was USD2.5068, and there were 8,400,000 units outstanding. The net asset value was USD 21,057,090.

Led by disruption from international supply and strong demand from China's domestic steel-making industry, iron ore continued to perform well during the second quarter 2021. From the supply side, maintenance-led shutdown from Rio Tinto and shipping backlog from Vale caused supply market to tighten, while daily consumption of iron ore from major steel-makers in China remained at 3 million ton per day. The imbalance of demand and supply, combined with low port inventory, propelled the price of iron ore active contract to rise above 1100 level up to around 1300 in early May. Since then, the price of deformed steel bar dropped precipitously, leading iron ore to correct and oscillate around 1200 level till the quarter end.

Looking forward, we are cautiously optimistic about the price of iron ore. From the demand side, the inventory level in China's major steel makers remains low, while demand from overseas steel manufacturers begins to increase significantly. From the supply side, major suppliers such as Rio Tinto and Vale have re-confirmed the annual production target and the shipping bottlenecks have eased. From macro economy's perspective, global infrastructure investment led by the United States and other countries to stimulate global economy, the gradual reopening from pandemics, as well as abundant liquidities could all positively impact the price of industrial commodities including iron ore for the remainder of the year.

Shanxi Securities International Asset Management Limited
25 August 2021

SSIF DCE IRON ORE FUTURES INDEX ETF
(A SUB-FUND OF SSIF ETF I)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	30 June 2021 <i>USD</i>	31 December 2020 <i>USD</i>
ASSETS		
CURRENT ASSETS		
Investments	6,000,150	-
Derivative financial instruments	547,600	185,382
Bank interest receivable	7	5
Margin deposits with broker	6,424,490	3,175,242
Bank balances	8,381,788	14,473,230
	<hr/>	<hr/>
Total assets	21,354,035	17,833,859
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LIABILITIES		
CURRENT LIABILITIES		
Derivative financial instruments	292,565	-
Management fee payable	21,269	18,711
Trustee fee payable	9,863	10,164
Establishment cost payable	-	60,000
Other accounts payable	17,337	32,842
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Total liabilities	341,034	121,717
	<hr/>	<hr/>
EQUITY		
Net assets attributable to unitholders	21,013,001	17,712,142
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Number of units in issue	8,400,000	9,300,000
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Net assets value per unit	2.5015	1.9045
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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.

SSIF DCE IRON ORE FUTURES INDEX ETF
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STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 June 2021

	Period from 1 January 2021 to 30 June 2021 USD
INCOME	
Interest income from bank deposits	7,855
Net gain on investments and derivative financial instruments	5,537,658
Net foreign currency gain	7,523
	<hr/>
Total net income	5,553,036

EXPENSES	
Management fee ^{Note 2}	(116,519)
Trustee fee ^{Note 1}	(59,507)
Transaction costs on investments	(3,948)
Audit fee	(12,917)
Safe custody and bank charges ^{Note 1}	(567)
Legal and other professional fee	(73)
Other operating expenses ^{Note 1}	(19,501)
Transaction fees paid to trustee ^{Note 1}	(165)
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Total operating expenses	(213,197)

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Total comprehensive income	5,339,839
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^{Note 1:} During the period ended 30 June 2021 trustee fee, safe custody and bank charges and transaction fees paid to trustee were paid to the Trustee or its connected persons, other respective amounts paid to the Trustee or its connected persons were as follows:

	Period from 1 January 2021 to 30 June 2021 USD
Other operating expenses	(4,266)
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^{Note2:} During the period ended 30 June 2021, other than management fee paid to Manager, no other amounts was paid to the Manager or its connected persons.

SSIF DCE IRON ORE FUTURES INDEX ETF
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the period ended 30 June 2021

	Period from 1 January 2021 to 30 June 2021 <i>USD</i>
Net assets attributable to unitholders at the beginning of the period	17,712,142

Proceeds on issue of units	688,440
Payments on redemption of units	(2,727,420)

Net increase from unit transactions	15,673,162

Total comprehensive income for the period	5,339,839

Net assets attributable to unitholders at the end of the period	21,013,001
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	Period from 1 January 2021 to 30 June 2021 <i>Units</i>
Number of units in issue at the beginning of the period	9,300,000
Units issued	300,000
Units redeemed	(1,200,000)

Number of units in issue at the end of the period	8,400,000
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SSIF DCE IRON ORE FUTURES INDEX ETF
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STATEMENT OF CASH FLOWS

For the period ended 30 June 2021

Period from
1 January 2021
to 30 June 2021
USD

OPERATING ACTIVITIES

Payments for purchase of investments	(6,000,000)
Proceeds from settlement of futures contracts	21,536,355
Payments for settlement of futures contracts	(16,068,500)
Interest income from bank deposits received	7,853
Management fee paid	(113,961)
Trustee fee paid	(59,808)
Transaction costs paid	(3,948)
Payment for auditor's remuneration	(25,520)
Other operating expenses paid	(23,208)
Increase in margin deposits with broker	(3,249,248)
Establishment cost paid	(60,000)

Net cash used in operating activities (4,059,985)

FINANCING ACTIVITIES

Proceeds on issue of units	688,440
Payments on redemption of units	(2,727,420)

Net cash used in financing activities (2,038,980)

Net decrease in cash and cash equivalents (6,098,965)

Cash and cash equivalents at the beginning of period 14,473,230

Effect of foreign exchange rate changes 7,523

Cash and cash equivalents at the end of the period 8,381,788

Analysis of balances of cash and cash equivalents

Bank balances 8,381,788

**SSIF DCE IRON ORE FUTURES INDEX ETF
(A SUB-FUND OF SSIF ETF I)**

INVESTMENT PORTFOLIO (Unaudited)

As at 30 June 2021

	Holdings	Fair value USD	% of net assets
Investments and derivative financial instruments			
Investment			
Unlisted investment funds			
Hong Kong			
E FUND MANAGEMENT HONG KONG CO LTD- E FUND US DOLLAR M/M-I A USD	37,565	4,000,150	19.04
Ireland			
GOLDMAN SACHS ASSET MANAGEMENT GLOBAL SERVICES LTD-GOLDMAN SACHS FUNDS PLC - USD	2,000,000	2,000,000	9.52
Total unlisted investment funds		<u>6,000,150</u>	<u>28.56</u>
Derivative financial instruments			
Listed futures contracts			
	<i>Expiration Date</i>	<i>Contracts</i>	
China			
DCE IRON ORE FUTURE September 2021	14 September 2021	1,167	255,035
Total derivative financial instruments at fair value			<u>255,035</u>
Total investments and derivative financial instruments		6,255,185	29.77
Other net assets		14,757,816	70.23
Net assets attributable to unitholders as at 30 June 2021		<u>21,013,001</u>	<u>100.00</u>
Total investments and derivative financial instruments, at cost		<u>6,000,000</u>	

SSIF DCE IRON ORE FUTURES INDEX ETF
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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited)

For the period ended 30 June 2021

	1 January 2021	Additions	Disposals	30 June 2021
Investments and derivative financial instruments				
Unlisted investment funds				
Hong Kong				
E FUND MANAGEMENT HONG KONG CO				
LTD-E FUND US DOLLAR M/M-I A USD	-	37,565	-	37,565
Ireland				
GOLDMAN SACHS ASSET MANAGEMENT				
GLOBAL SERVICES LTD-GOLDMAN SACHS				
FUNDS PLC - USD	-	2,000,000	-	2,000,000
Listed future contracts				
(number of contracts)				
China				
DCE IRON ORE FUTURE May 2021	1,152	-	1,152	-
DCE IRON ORE FUTURE September 2021	-	1,270	103	1,167

**SSIF DCE IRON ORE FUTURES INDEX ETF
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DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (Unaudited)

As at 30 June 2021

The financial derivative instruments held by the Sub-Fund as at 30 June 2021 are summarised below:

Futures

The details of futures contracts held by the Sub-Fund as at 30 June 2021 are as follows:

Description	Underlying assets	Contract Size	Notional market value USD	Position	Counterparties	Fair value USD
Financial assets:						
DCE IRON ORE FUTURE September 2021	Commodities futures	1,167	20,837,673	Long	Citic Futures Co., Ltd, China Futures Co., Ltd. and Goldman Sachs International	255,035
						<u>255,035</u>
						<u><u>255,035</u></u>

**SSIF DCE IRON ORE FUTURES INDEX ETF
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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 2021	21,057,090	2.5068
31 December 2020	17,762,464	1.9099

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 2021	2.8730	1.8286
31 December 2020 (Since 26 March 2020 (date of commencement of operations))	2.1366	0.9186

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

**SSIF DCE IRON ORE FUTURES INDEX ETF
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MANAGEMENT AND ADMINISTRATION

Manager

Shanxi Securities International Asset Management Limited
Unit A, 29/F, Admiralty Center Tower 1
18 Harcourt Road, Admiralty
Hong Kong

Directors of the Manager

Song Qihu
Yan Wing Yin, William (resigned on 4 June 2021)
Zhang Haimo

Trustee and Registrar

HSBC Institutional Trust Services (Asia) 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

Legal Adviser to the Manager

Deacons
5th Floor, Alexandra House
18 Chater Road
Central
Hong Kong

Auditor

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