



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 2021

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

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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.

As the Index is not a futures index, the Product does not follow any predetermined roll-over schedule. 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 2021, the dealing Net Asset Value (“NAV”) per unit of the CSOP NASDAQ-100 Index Daily (-2x) Inverse Product was USD 0.1867 and there were 844,800,000 units outstanding. The total asset under management was approximately USD 157.7 million.

During the period 31 December 2020 to 30 June 2021, the dealing NAV of CSOP NASDAQ-100 Index Daily (-2x) Inverse Product performed -26.98% while the index performed +12.93%. YTD Price return of the HKD counter (stock code 7568) was -27.53%.

Exchange Liquidity

The trading value of the HKD counter (stock code: 7568) remained steadily at an average daily turnover of HKD 21.5 million in June 2021.

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 seven quarterly futures roll.

**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 2021

	30 June 2021 (Unaudited) USD	31 December 2020 (Audited) USD
ASSETS		
CURRENT ASSETS		
Investments	84,128,528	46,243,493
Bank interest receivable	-	47
Other receivable	42,657	31,708
Deposits with broker	48,932,887	22,352,736
Cash and cash equivalents	34,039,709	11,671,383
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Total assets	167,143,781	80,299,367
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LIABILITIES		
CURRENT LIABILITIES		
Derivative financial instruments	9,272,312	4,217,678
Amounts due to brokers	-	1,999,649
Management fee payable	184,229	81,127
Other accounts payable	28,980	27,947
	<hr/>	<hr/>
Total liabilities	9,485,521	6,326,401
	<hr/>	<hr/>
EQUITY		
Net assets attributable to unitholders	157,658,260	73,972,966
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Number of units in issue	844,800,000	289,600,000
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Net asset value per unit	0.1866	0.2554
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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.

**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 2021

	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>USD</i>	Period from 17 September 2019 (date of inception) to 30 June 2020 (Unaudited) <i>USD</i>
INCOME		
Interest income from bank deposits	1,902	4,121
Interest income from deposits with broker	-	11,472
Interest income from bonds	9,705	29,003
Net loss on investments and derivative financial instruments	(38,461,772)	(7,346,029)
Other income	-	31,374
	<hr/>	<hr/>
Total net loss	(38,450,165)	(7,270,059)
	<hr/>	<hr/>
EXPENSES		
Management fee ^{Note 2}	(887,567)	(101,339)
Transaction costs on investments	(33,544)	(6,351)
Audit fee	(938)	(1,218)
Safe custody and bank charges ^{Note 1}	(6,150)	(751)
Legal and other professional fee	-	(117)
License fee	(7,439)	(11,720)
Establishment cost	-	(138,016)
Interest expenses	(49,654)	(2,154)
Other operating expenses	(38,357)	(26,189)
	<hr/>	<hr/>
Total operating expenses	(1,023,649)	(287,855)
	<hr/>	<hr/>
Total comprehensive loss	(39,473,814)	(7,557,914)
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Note 1: During the period ended 30 June 2021 and from 17 September 2019 (date of inception) to 30 June 2020, other than Safe custody and bank charges that was paid to the Trustee/connected person of Trustee, other respective amounts paid to the Trustee/connected person of Trustee were as follows:

	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>USD</i>	Period from 17 September 2019 (date of inception) to 31 December 2020 (Unaudited) <i>USD</i>
Other operating expenses	(9,576)	(16,387)

Note 2: During the period ended 30 June 2021 and from 17 September 2019 (date of inception) to 30 June 2020, 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
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CONDENSED 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 (Unaudited) <i>USD</i>	Period from 17 September 2019 (date of inception) to 30 June 2020 (Unaudited) <i>USD</i>
Net assets attributable to unitholders at the beginning of the period	73,972,966	-
Proceeds on issue of units	131,156,032	25,655,270
Payments on redemption of units	(7,996,924)	(5,916,149)
Net increase from unit transactions	123,159,108	19,739,121
Total comprehensive loss for the period	(39,473,814)	(7,557,914)
Net assets attributable to unitholders at the end of the period	157,658,260	12,181,207

The movement of the redeemable units are as follows:

	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>Units</i>	Period from 17 September 2019 (date of inception) to 30 June 2020 (Unaudited) <i>Units</i>
Number of units in issue at the beginning of the period	289,600,000	-
Units issued	587,200,000	33,600,000
Units redeemed	(32,000,000)	(6,400,000)
Number of units in issue at the end of the period	844,800,000	27,200,000

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

For the period ended 30 June 2021

	Period from 1 January 2021 to 30 June 2021 (Unaudited) <i>USD</i>	Period from 17 September 2019 (date of inception) to 30 June 2020 (Unaudited) <i>USD</i>
OPERATING ACTIVITIES		
Payments for purchase of investments	(186,547,628)	(42,851,666)
Proceeds from sale of investments	113,255,806	28,633,462
Other fee paid	(10,949)	(3,280)
Interest income from bank deposits received	1,949	4,121
Interest income from deposits with broker received	-	11,472
Interest income from bonds received	9,705	29,003
Management fee paid	(784,465)	(86,603)
Transaction costs paid	(33,544)	(6,351)
Interest paid	(43,819)	(1,339)
Other operating expenses paid	(57,686)	(83,067)
Increase in deposits with broker	(26,580,151)	(3,663,308)
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Net cash used in operating activities	(100,790,782)	(18,017,556)
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FINANCING ACTIVITIES		
Proceeds on issue of units	131,156,032	25,655,270
Payments on redemption of units	(7,996,924)	(5,916,149)
	<hr/>	<hr/>
Net cash generated from financing activities	123,159,108	19,739,121
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Net increase in cash and cash equivalents	22,368,326	1,721,565
Cash and cash equivalents at the beginning of the period	11,671,383	-
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	34,039,709	1,721,565
	<hr/> <hr/>	<hr/> <hr/>
Analysis of balances of cash and cash equivalents		
Bank balances	34,039,709	1,721,565
	<hr/>	<hr/>
	34,039,709	1,721,565
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**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT
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INVESTMENT PORTFOLIO (Unaudited)

As at 30 June 2021

		Fair value USD	% of net assets
Investments and derivative financial instruments (47.48%)			
	<i> Holding</i>		
Listed investment fund (21.73%)			
Hong Kong (21.73%)			
Unlisted Share Class (21.73%)			
CSOP US DOLLAR MONEY MARKET ETF- UNLISTED SHARE CLASS A	33,378,780	34,260,000	21.73
Total listed investment fund		<u>34,260,000</u>	<u>21.73</u>
Quoted debt securities (31.63%)			
United States of America (31.63%)			
US TREASURY BILL ZCP 08 July 2021	7,000,000	6,999,945	4.44
US TREASURY BILL ZCP 15 July 2021	7,244,000	7,243,887	4.60
US TREASURY BILL ZCP 22 July 2021	8,000,000	7,999,790	5.07
US TREASURY BILL ZCP 29 July 2021	8,819,000	8,818,760	5.59
US TREASURY BILL ZCP 05 August 2021	7,664,000	7,663,739	4.86
US TREASURY BILL ZCP 12 August 2021	7,943,000	7,942,582	5.04
US TREASURY BILL ZCP 19 August 2021	3,200,000	3,199,825	2.03
Total debt securities		<u>49,868,528</u>	<u>31.63</u>
Listed Futures contracts (-5.88%)	<i> Expiration Date</i>	<i> Contracts</i>	
United States of America (-5.88%)			
NASDAQ 100 E-MINI 17 September 2021	17 September 2021	(1,080)	(9,272,312.00) (5.88)
Total futures contracts			<u>(9,272,312.00) (5.88)</u>
Total investments and derivative financial instruments		74,856,216	47.48
Other net assets		82,802,044	52.52
Net assets attributable to unitholders as at 30 June 2021		<u>157,658,260</u>	<u>100.00</u>
Total investments and derivative financial instruments, at cost		<u>84,129,805</u>	

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

For the period ended 30 June 2021

	1 January 2021	Additions	Holdings Corporate actions	Disposals	30 June 2021
Investments					
Listed investment fund					
Listed Share Class					
CSOP US DOLLAR MONEY MARKET ETF	17,000	277,000	-	294,000	-
Unlisted Share Class					
CSOP US DOLLAR MONEY MARKET ETF-UNLISTED SHARE CLASS A	-	33,378,800	-	-	33,378,800
Quoted debt securities					
TREASURY BILL UCP 18 February 2021	2,150,000	-	-	2,150,000	-
TREASURY BILL UCP 08 April 2021	-	4,870,000	-	4,870,000	-
TREASURY BILL ZCP 04 February 2021	3,930,000	-	-	3,930,000	-
TREASURY BILL ZCP 25 February 2021	4,160,000	-	-	4,160,000	-
TREASURY BILL ZCP 04 March 2021	2,973,000	-	-	2,973,000	-
TREASURY BILL ZCP 06 May 2021	-	6,660,000	-	6,660,000	-
US TREASURY BILL ZCPI 11 February 2021	3,100,000	-	-	3,100,000	-
US TREASURY BILL ZCPI 11 March 2021	4,190,000	-	-	4,190,000	-
US TREASURY BILL ZCPI 18 March 2021	4,690,000	-	-	4,690,000	-
US TREASURY BILL ZCP 07 January 2021	3,850,000	-	-	3,850,000	-
US TREASURY BILL ZCP 14 January 2021	3,480,000	-	-	3,480,000	-
US TREASURY BILL ZCP 21 January 2021	3,390,000	-	-	3,390,000	-
US TREASURY BILL ZCP 28 January 2021	3,970,000	-	-	3,970,000	-
US TREASURY BILL ZCP 25 March 2021	2,620,000	1,180,000	-	3,800,000	-
US TREASURY BILL ZCP 01 April 2021	2,000,000	2,390,000	-	4,390,000	-
US TREASURY BILL ZCP 15 April 2021	-	3,320,000	-	3,320,000	-

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STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (Unaudited) (Continued)
For the period ended 30 June 2021

	1 January 2021	Additions	Holdings Corporate actions	Disposals	30 June 2021
Quoted debt securities (Continued)					
US TREASURY BILL ZCP 22 April 2021	-	8,430,000	-	8,430,000	-
US TREASURY BILL ZCP 29 April 2021	-	5,550,000	-	5,550,000	-
US TREASURY BILL ZCP 13 May 2021	-	5,060,000	-	5,060,000	-
US TREASURY BILL ZCP 20 May 2021	-	6,200,000	-	6,200,000	-
US TREASURY BILL ZCP 27 May 2021	-	6,950,000	-	6,950,000	-
US TREASURY BILL ZCP 03 June 2021	-	4,800,000	-	4,800,000	-
US TREASURY BILL ZCP 10 June 2021	-	6,470,000	-	6,470,000	-
US TREASURY BILL ZCP 17 June 2021	-	4,860,000	-	4,860,000	-
US TREASURY BILL ZCP 24 June 2021	-	5,260,000	-	5,260,000	-
US TREASURY BILL ZCP 08 July 2021	-	7,000,000	-	-	7,000,000
US TREASURY BILL ZCP 15 July 2021	-	7,244,000	-	-	7,244,000
US TREASURY BILL ZCP 22 July 2021	-	8,000,000	-	-	8,000,000
US TREASURY BILL ZCP 29 July 2021	-	8,819,000	-	-	8,819,000
US TREASURY BILL ZCP 05 August 2021	-	7,664,000	-	-	7,664,000
US TREASURY BILL ZCP 12 August 2021	-	7,943,000	-	-	7,943,000
US TREASURY BILL ZCP 19 August 2021	-	3,200,000	-	-	3,200,000
Listed futures contracts					
NASDAQ 100 E-MINI 19 March 2021	(574)	1,791	1,217	-	-
NASDAQ 100 E-MINI 18 June 2021	-	2,039	2,039	-	-
NASDAQ 100 E-MINI 17 September 2021	-	176	1,256	-	(1,080)

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT
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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 contracts

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

Description	Underlying assets	Position	Counterparty	Fair value <i>USD</i>
Financial liabilities :				
NASDAQ 100 E-MINI 17 September 2021	NASDAQ-100 Index	Short	UBS	(9,272,312)
				<hr/>
				(9,272,312)
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**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 2021	157,735,854	0.1867
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 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.*

**CSOP NASDAQ-100 INDEX DAILY (-2X) INVERSE PRODUCT
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UNDERLYING INDEX CONSTITUENT STOCK DISCLOSURE (Unaudited)

There was one security (31 December 2020: Nil) 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 2021.

	Fair Value <i>USD</i>	% of assets
As at 30 June 2021		
Hong Kong		
CSOP US DOLLAR MONEY MARKET ETF-UNLISTED SHARE CLASS A	34,260,000	21.73

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 2020 and 31 December 2020.

For the period ended 30 June 2021, the NASDAQ-100 Index increased by 12.93% (for the period from 19 September 2019 (first trading date) to 31 December 2020: increased by 63.38%) while the net asset value per unit of the Sub-Fund decreased by 26.94% (for the period from 19 September 2019 (first trading date) to 31 December 2020: decreased by 74.46%).

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

MANAGEMENT AND ADMINISTRATION

Manager

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Custodian

The Hongkong and Shanghai Banking Corporation Limited
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Directors of the Manager

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