

Morning Express

20 July 2021

Focus of the Day

China Pacific Insurance

Expect NBV to grow ~8% YoY in 1H21

CP: HK\$ 22.95

TP: HK\$ 33.00↓

Li Wan, CFA, FRM

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 Rating: **Buy**

Upside: +43.8%

CPIC's life FYP in 1H21 jumped YoY from a low base, but was still lower than that in 1H19. FYP growth slowed QoQ in 2Q21. We expect the proportion of critical illness insurance to decrease YoY in 1H21, leading to a YoY drop in NBM. We estimate NBV to grow 8% in 1H21. Its P&C premium growth surpassed peers' in 1H21, but combined ratio may creep up.

We expect market competition to shift to mid-to-high-end clients. CPIC has been increasingly focusing on fostering a top agent team, with accelerating growth in the number of MDRT agents. It also has a clear and proactive strategy in building continuing care retirement communities, with more supply of beds than most peers. Current valuation of the stock is attractive, given CPIC's sound operation and above-peer dividend payout ratio.

We lower our NBV growth estimate to ~5% in 2021. Based on 0.5x 2021E P/EV, we cut our TP from HK\$40 to HK\$33. Maintain **Buy**.

Transportation & Infrastructure Sector Weekly

SCFI tops 4,000; China trade extends brisk growth

Maggie Wang

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We highlight notable weekly updates for the transportation industry as follows:

Imports & exports: China's trade growth stayed strong in June. Both imports and exports growth beat market expectations.

Container shipping: SCFI rose 3.1% WoW to 4,054.4. Spot freight rates on the major tradelanes remained robust.

FAI: China's FAI jumped 12.6% YoY to RMB25.6trn in 6M21. We expect manufacturing investment to continue to fuel FAI growth in 2H21.

Aviation: China's domestic air passenger demand lost steam in June. We believe domestic passenger traffic is likely to rebound during the summer holiday.

Investment implications: Shares of container shipping companies shed 2.8% WoW on average, but SITC (1308 HK/**Buy**) was up 2.9% WoW. We expect China's continued strong trade with Japan and ASEAN in 2H21 to underpin the stock.

Kindly vote for BOCOM Int'l sales & research teams in the 2021 Asiamoney Brokers Poll at:

<https://euromoney.com/brokers>

Global Stock Indices

	Close	1D%	YTD%
HSI	27,490	-1.64	-0.14
HSCEI	9,959	-1.91	-7.26
SH A	3,709	0.00	1.89
SH B	261	-1.63	7.27
SZ A	2,566	-0.07	5.27
SZ B	1,216	-0.91	11.92
DJIA	33,962	-2.09	10.96
S&P 500	4,258	-1.59	13.38
Nasdaq	14,275	-1.06	10.76
FTSE	6,844	-2.34	5.94
CAC	6,460	0.00	16.37
DAX	15,133	-2.62	10.31

Source: FactSet

Key Commodity/Forex Indicators

	Close	3M%	YTD%
Brent	73.59	9.56	42.07
Gold	1,814.50	2.55	-4.15
Silver	26.11	0.00	-1.43
Copper	9,396.50	-0.20	21.38
JPY	109.38	-1.23	-5.60
GBP	1.37	-2.27	0.00
EUR	1.18	-1.78	-3.51

	bps change	3M	6M
HIBOR	0.16	-22.59	-37.57
US 10yr yield	1.19	-25.52	8.55

Source: FactSet

HSI Technical

HSI	27,489.78
50D MA	28,492.58
200D MA	28,820.40
14D RSI	44.57
Short sell (HK\$m)	20,245

Source: FactSet

Hao Hong, CFA

Head of Research

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COSCO Shipping (1919 HK/**Buy**) has placed a US\$1.5bn order for 10 new container ships, with 6 to be delivered in 2023-24 and 4 in 2025. The total orders on hand of 425,272 TEU account for 14% of the existing fleet. We expect increased proportion of self-owned vessels (from 50% to 64%) to improve cost efficiency in the long term.

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Economic data releases for this week – US

Date	Event	Survey	Prior
20 Jul	Housing starts (m)	1.590	1.572
22 Jul	Existing home sales (m)	5.90	5.80
23 Jul	Manufacturing PMI	61.5	62.1

Source: Bloomberg

Economic data releases for this week – China

Date	Event	Survey	Prior
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Source: Bloomberg

BOCOM Research latest reports

In-depth reports

16 Jul	Banking/Property Sector Insights - Banks and developers finding the way out of property financing curb	Jaclyn Wang, Philip Tse, CFA, FRM, Hannah Han, Evangeline Luo, CFA, CPA
29 Jun	Renewable/Utilities Cross-sector Insights - Carbon Neutrality Series (1): National carbon trading a means to a noble end	Louis Sun, Wallace Cheng, Bob Wen, CPA
18 Jun	Internet/Consumer Cross-sector Insights - "618" highlights brands' sales channel diversification platforms	Connie Gu, CPA, Edward Lui, Yoyo Pang, Brandy Sun
17 Jun	China Macro Review - Quantitative strategy XIV: Investor sentiment in the era of big data	Hanna Cai, Karen Tan
15 Jun	Auto/Internet Cross-sector Insights - Autonomous driving series #1: a fad, or a game changer?	Angus Chan, Connie Gu, CPA, Qibo Chen, CFA, FRM
8 Jun	BOCOM Int'l Research – Outlook 2H21	BOCOM Int'l Research Team
7 Jun	China Market Strategy - Outlook 2H21: Value Still Striking Back	Hao Hong, CFA, Karen Tan, Hanna Cai
25 May	China Market Strategy - The Long Waves in Commodities: Three Centuries of Evidence	Hao Hong, CFA, Karen Tan
18 May	Insurance/Healthcare Cross-sector Insights - Leading insurers to drive LT growth via healthcare forays	Li Wan, CFA, Li Zhao, PhD, John Nie
5 May	China Macro Review - Quantitative Strategy XIII – Huddling in the Most Crowded Place	Karen Tan, Hao Hong, CFA, Hanna Cai
15 Apr	China Market Strategy - Why Chinese Stocks Underperforming in a Recovery? Cues from Bonds	Hao Hong, CFA
29 Mar	China Market Strategy - Value Striking Back	Hao Hong, CFA
15 Mar	Jiumaojiu International (9922 HK) - Initiate with Buy as momentum abounds for Tai Er sauerkraut fish	Yoyo Pang, Edward Lui
10 Mar	Fintech Sector Insights - Risk control separates wheat from chaff, Top Buy 360 Digitech	Hannah Han, Jaclyn Wang
3 Mar	Renewable Energy Sector Insights - Insights series (1) — PV power industry riding on tailwinds of carbon neutrality	Bob Wen, CPA, Louis Sun
22 Feb	Banking Sector Insights - Digital bank series #1 - Internet banks niche and highly profitable	Jaclyn Wang, Hannah Han

Daily reports

19 July	China Pacific Insurance (2601 HK) - Expect NBV to grow ~8% yoy in 1H21	Li Wan, CFA, FRM
19 July	China Macro Review - Data monitor: RRR cut in place, interbank liquidity eased	Hanna Cai, Karen Tan
19 July	Internet Sector - Innovation is key under tightened scrutiny	Connie Gu, CPA, Brandy Sun, Li Zhao, CFA
16 July	Tian Lun Gas (1600 HK) - Tapping hydrogen/renewable energy with Zhuhai Port	Wallace Cheng
16 July	Internet Sector - Potential ecosystem open-up to bring competition back to basics	Connie Gu, CPA, Brandy Sun, Li Zhao, CFA
15 July	China Resources Gas (1193 HK) - Upgrade to Buy on strong YoY recovery	Wallace Cheng
14 July	iQIYI Inc (IQ US) - iQIYI leads in self-produced contents; Maintain Buy	Connie Gu, CPA, Brandy Sun, Li Zhao, CFA
13 Jul	NetEase Inc (NTES US) - 2Q21E games stable; positive test results for new titles	Brandy Sun, Connie Gu, CPA, Li Zhao, CFA
13 Jul	JD.com Inc (JD US) - Supply chain edges bolster omni-channel value; CGB a longer-term driver	Brandy Sun, Connie Gu, CPA, Li Zhao, CFA
13 Jul	Tencent Music Entertainment (TIME US) - Stronger synergies and monetization potential after restructuring	Connie Gu, CPA, Brandy Sun, Li Zhao, CFA
12 Jul	China Macro Review - Data monitor: CPI and PPI edged down; PBoC cut reserve ratio	Hanna Cai, Karen Tan
12 Jul	Banking Sector - RRR cut to lower cost and stabilize pricing; earnings rebound to continue	Jaclyn Wang, Hannah Han
9 Jul	Alibaba Group (BABA US) - 1QFY22 earnings preview: strategic investment continues	Connie Gu, CPA, Brandy Sun, Li Zhao, CFA, Qibo Chen, CFA, FRM
9 Jul	Orient Overseas Int'l (316 HK) - Extended peak season points to a year of superior profits	Maggie Wang
9 Jul	360 DigiTech Inc (QFIN US) - Minor impact on 3Q results from app removal	Hannah Han, Jaclyn Wang
9 Jul	Anta Sports (2020 HK) - "Lead to Win" strategy set to drive next growth phase	Edward Lui, Yoyo Pang
6 Jul	WuXi Biologics (2269 HK) - New oncology policy favors industry in long run	Li Zhao, PhD, John Nie
6 Jul	Securities Sector - Client acquisition & monetization key to wealth management transition	Jingyi Zhang, CFA, Li Wan, CFA, FRM
5 Jul	Akeso Inc (9926 HK) - PD-1 new indication upcoming, bsAb combo trial approved	Li Zhao, PhD, John Nie
5 Jul	China Macro Review - Data monitor: material prices down; liquidity looser at month start	Hanna Cai, Karen Tan

Source: BOCOM Int'l

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Morning Express
HSI constituents

Company name	Stock code	Current price (HK\$)	Mkt cap (HK\$ m)	5D chg (%)	YTD chg (%)	-----52-week-----		-----P/E-----			Yield 2021E (%)	P/B 2021E (x)
						High (HK\$)	Low (HK\$)	2020 (x)	2021E (x)	2022E (x)		
CKH	1 HK	57.90	222,823	0.00	7.02	65.75	46.05	7.66	6.99	6.52	4.56	0.44
CLP	2 HK	78.00	197,063	0.71	8.79	80.35	70.50	17.22	16.74	16.37	4.03	1.70
HK & CHINA GAS	3 HK	12.38	231,010	0.98	12.25	13.01	10.34	38.46	30.25	27.64	2.84	3.34
HSBC	5 HK	42.75	873,212	-3.61	4.91	50.80	4.24	15.30	9.46	8.76	4.18	0.62
POWER ASSETS	6 HK	48.95	104,472	0.31	16.55	50.50	39.50	17.06	16.00	15.84	5.74	1.23
HANG SENG	11 HK	151.00	288,688	-2.01	12.94	165.20	111.10	18.06	16.80	15.30	3.81	1.53
HENDERSON	12 HK	36.30	175,742	0.14	20.00	38.55	27.35	11.79	11.82	11.99	4.96	0.53
SHKP	16 HK	115.10	333,534	0.17	15.10	125.00	91.65	11.36	10.82	10.44	4.30	0.57
NEW WORLD	17 HK	37.05	94,205	-0.13	2.63	42.75	34.90	14.37	12.63	11.75	5.51	0.42
GEG	27 HK	57.65	250,794	-1.96	-4.32	78.25	50.05	N/A	61.65	20.73	0.05	3.57
MTRC	66 HK	44.55	275,200	-0.45	2.77	49.00	37.90	62.75	30.31	17.20	2.77	1.55
HLP	101 HK	18.56	83,503	-1.38	-9.24	22.30	18.18	19.96	17.19	15.21	4.20	0.59
GEELY	175 HK	23.70	232,739	-4.24	-10.57	33.80	14.72	35.31	24.56	18.74	1.19	2.76
ALI HEALTH	241 HK	15.42	207,753	-3.02	-32.66	29.90	14.74	270.20	252.25	189.84	0.00	11.78
CITIC LTD	267 HK	8.21	238,831	0.74	49.54	9.24	5.22	4.21	3.75	3.46	6.70	0.33
WH GROUP	288 HK	6.31	93,055	-2.47	-2.92	7.45	5.95	12.30	9.02	8.12	4.30	1.10
SINOPEC	386 HK	3.66	93,379	-2.92	5.48	4.55	2.97	11.23	5.86	5.65	10.15	0.48
HKEX	388 HK	522.00	660,779	2.96	22.82	567.00	346.00	57.43	45.04	38.67	2.00	12.77
TECHTRONIC	669 HK	133.00	243,386	-0.75	20.25	150.10	80.75	39.23	32.29	27.17	1.23	6.94
COLI	688 HK	18.14	198,522	1.80	7.59	24.90	15.20	4.36	4.02	3.75	7.44	0.48
TENCENT	700 HK	549.50	5,215,321	-1.26	-2.57	766.50	502.00	27.75	30.71	25.51	0.33	5.16
UNICOM	762 HK	4.18	127,900	0.00	-6.07	6.53	4.11	8.51	7.57	6.71	5.41	0.32
LINK	823 HK	74.55	155,203	0.20	5.59	78.25	58.20	25.96	25.71	24.51	3.89	0.98
PETROCHINA	857 HK	3.36	70,892	-1.75	40.00	3.91	2.16	28.03	7.00	7.95	6.96	0.41
CNOOC	883 HK	7.98	356,287	-3.86	11.14	10.40	6.55	11.89	4.60	4.44	8.86	0.63
CCB	939 HK	5.53	1,398,846	1.28	-6.11	6.68	4.98	4.35	4.06	3.80	7.49	0.47
CHINA MOBILE	941 HK	48.45	992,038	1.25	9.62	59.85	41.50	7.67	7.44	7.16	7.12	0.69
LONGFOR	960 HK	41.80	246,108	0.60	-7.93	53.45	37.45	10.44	9.40	8.01	4.76	1.72
XINYI SOLAR	968 HK	15.60	138,670	0.26	-22.96	22.10	8.12	28.20	25.16	24.38	1.87	4.66
CK INFRA	1038 HK	45.90	115,650	-0.97	10.20	49.90	36.15	15.77	12.73	12.18	5.42	1.01
HENGAN	1044 HK	47.15	55,521	-8.98	-14.12	71.00	47.15	10.18	11.24	10.52	5.77	2.27
CSPC	1093 HK	10.80	129,110	-0.74	36.19	12.46	7.16	20.88	20.48	17.33	1.44	4.08
CR LAND	1109 HK	31.05	221,416	-0.16	-2.97	40.80	30.10	7.66	6.81	6.08	5.34	0.83
CKA	1113 HK	53.40	194,567	0.85	34.17	55.10	35.90	10.19	9.09	8.46	3.84	0.52
SBP	1177 HK	7.16	134,472	-0.56	-4.53	10.88	6.65	36.05	23.89	24.89	1.12	5.28
BYD	1211 HK	208.20	704,940	-5.79	2.46	278.40	70.15	118.16	99.26	69.76	0.09	7.06
AIA	1299 HK	93.00	1,122,310	-2.36	-2.11	108.90	69.35	24.93	21.76	19.00	1.59	2.13
ICBC	1398 HK	4.45	1,914,791	0.91	-11.53	5.60	3.99	4.32	4.07	3.83	7.54	0.46
XIAOMI	1810 HK	28.10	573,971	3.50	-15.36	35.30	14.64	27.61	28.06	24.29	0.00	4.07
BUDWEISER APAC	1876 HK	24.15	319,828	-1.83	-5.66	29.15	21.85	73.82	41.44	34.53	0.97	3.65
SANDS	1928 HK	30.10	243,601	-2.59	-11.60	40.20	27.00	N/A	86.75	17.87	0.00	17.00
WHARF REIC	1997 HK	44.45	134,960	-0.78	10.16	48.85	27.30	18.07	17.30	15.52	3.67	0.65
COUNTRY GARDEN	2007 HK	8.15	177,393	-0.97	-23.97	11.26	8.15	4.33	4.05	3.58	7.53	0.74
AAC TECH	2018 HK	50.05	60,485	-5.12	15.32	62.95	38.40	33.41	20.58	16.79	1.03	2.18
ANTA	2020 HK	184.80	498,130	-0.43	50.37	189.70	70.50	80.33	51.74	40.31	0.63	13.84
WUXI BIO	2269 HK	139.60	584,990	-0.14	35.80	145.60	47.90	291.17	182.10	123.46	0.00	20.34
SHENZHOU	2313 HK	166.00	249,535	-3.77	9.21	207.60	90.85	40.73	33.09	27.26	1.56	6.73
PING AN	2318 HK	72.45	1,305,214	2.84	-23.74	103.10	70.45	7.47	7.19	6.19	3.97	1.26
MENGNIU	2319 HK	43.55	171,492	-2.35	-6.94	52.00	34.25	40.51	27.74	22.43	0.99	3.83
SUNNY OPTICAL	2382 HK	222.20	243,102	-1.77	30.94	245.40	114.50	41.59	34.52	27.54	0.57	9.36
BOCHK	2388 HK	25.35	268,020	0.20	7.87	29.55	20.30	10.12	9.64	8.77	5.17	0.88
CHINA LIFE	2628 HK	13.74	881,226	-0.29	-19.65	20.15	13.74	6.48	5.76	5.07	6.24	0.66
BOCOM	3328 HK	4.61	161,405	0.66	12.44	5.25	3.66	3.88	3.70	3.42	8.84	0.36
MEITUAN	3690 HK	276.20	1,413,594	-4.76	-6.25	451.40	185.00	295.43	N/A	1,486.66	0.00	15.07
BOC	3988 HK	2.74	997,052	0.00	3.40	3.16	2.37	3.75	3.43	3.20	8.90	0.35
CG SERVICES	6098 HK	77.20	249,122	2.59	47.19	85.20	41.80	65.98	46.67	31.88	0.53	7.76
HAIDILAO	6862 HK	43.30	236,375	-8.36	-27.47	83.55	33.20	N/A	N/A	N/A	N/A	N/A
ALIBABA	9988 HK	202.60	4,391,436	-1.84	-12.90	307.40	195.50	20.67	21.52	17.23	0.00	3.32
HANG SENG INDEX		27,489.78	26,772,310	-1.07	0.95	31,084.94	23,235.42	41.73	25.78	85.28	2.86	4.05

Source: FactSet

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HSCEI constituents

Company name	Stock code	Closing price (HK\$)	Mkt cap (HK\$ m)	5D chg (%)	YTD chg (%)	-----52-week-----		-----P/E-----			Yield 2021E (%)	P/B 2021E (x)
						High (HK\$)	Low (HK\$)	2020 (x)	2021E (x)	2022E (x)		
GEELY	175 HK	23.70	232,739	-4.24	-10.57	33.80	14.72	35.31	24.56	18.74	1.19	2.76
ALI HEALTH	241 HK	15.42	207,753	-3.02	-32.66	29.90	14.74	270.20	252.25	189.84	0.00	11.78
CITIC LTD	267 HK	8.21	238,831	0.74	49.54	9.24	5.22	4.21	3.75	3.46	6.70	0.33
CR BEER	291 HK	67.50	218,982	-1.10	-5.46	75.40	45.80	86.64	48.67	36.40	0.83	7.77
CGH	384 HK	24.50	136,791	1.66	-20.45	33.50	20.75	13.92	12.19	10.99	2.24	2.46
SINOPEC	386 HK	3.66	93,379	-2.92	5.48	4.55	2.97	11.23	5.86	5.65	10.15	0.48
COLI	688 HK	18.14	198,522	1.80	7.59	24.90	15.20	4.36	4.02	3.75	7.44	0.48
TENCENT	700 HK	549.50	5,215,321	-1.26	-2.57	766.50	502.00	27.75	30.71	25.51	0.33	5.16
SHIMAO	813 HK	17.80	62,908	-1.00	-27.94	37.50	17.80	4.22	3.76	3.31	10.69	0.53
CNOOC	883 HK	7.98	356,287	-3.86	11.14	10.40	6.55	11.89	4.60	4.44	8.86	0.63
CONCH	914 HK	38.45	49,970	-0.90	-20.80	61.05	38.35	5.12	4.84	4.95	6.60	0.92
CCB	939 HK	5.53	1,398,846	1.28	-6.11	6.68	4.98	4.35	4.06	3.80	7.49	0.47
CHINA MOBILE	941 HK	48.45	992,038	1.25	9.62	59.85	41.50	7.67	7.44	7.16	7.12	0.69
LONGFOR	960 HK	41.80	246,108	0.60	-7.93	53.45	37.45	10.44	9.40	8.01	4.76	1.72
SMIC	981 HK	21.40	127,599	-6.35	-3.17	32.75	17.28	25.04	30.60	32.53	0.00	1.36
KUAISHOU	1024 HK	142.30	482,955	-11.28	-52.57	415.00	142.30	N/A	N/A	N/A	N/A	N/A
CSPC	1093 HK	10.80	129,110	-0.74	36.19	12.46	7.16	20.88	20.48	17.33	1.44	4.08
CR LAND	1109 HK	31.05	221,416	-0.16	-2.97	40.80	30.10	7.66	6.81	6.08	5.34	0.83
SBP	1177 HK	7.16	134,472	-0.56	-4.53	10.88	6.65	36.05	23.89	24.89	1.12	5.28
BYD	1211 HK	208.20	704,940	-5.79	2.46	278.40	70.15	118.16	99.26	69.76	0.09	7.06
ABC	1288 HK	2.65	1,229,414	0.00	-6.69	3.25	2.40	3.75	3.52	3.34	8.91	0.38
ICBC	1398 HK	4.45	1,914,791	0.91	-11.53	5.60	3.99	4.32	4.07	3.83	7.54	0.46
PSBC	1658 HK	5.05	545,372	6.77	15.30	6.21	3.08	5.93	5.54	5.05	5.70	0.63
XIAOMI	1810 HK	28.10	573,971	3.50	-15.36	35.30	14.64	27.61	28.06	24.29	0.00	4.07
SUNAC CHINA	1918 HK	23.95	111,973	-0.62	-16.40	38.25	23.95	3.01	2.77	2.52	8.51	0.61
COUNTRY GARDEN	2007 HK	8.15	177,393	-0.97	-23.97	11.26	8.15	4.33	4.05	3.58	7.53	0.74
ANTA	2020 HK	184.80	498,130	-0.43	50.37	189.70	70.50	80.33	51.74	40.31	0.63	13.84
SHENZHOU	2313 HK	166.00	249,535	-3.77	9.21	207.60	90.85	40.73	33.09	27.26	1.56	6.73
PING AN	2318 HK	72.45	1,305,214	2.84	-23.74	103.10	70.45	7.47	7.19	6.19	3.97	1.26
MENGNIU	2319 HK	43.55	171,492	-2.35	-6.94	52.00	34.25	40.51	27.74	22.43	0.99	3.83
SUNNY OPTICAL	2382 HK	222.20	243,102	-1.77	30.94	245.40	114.50	41.59	34.52	27.54	0.57	9.36
CPIC	2601 HK	22.95	294,653	1.32	-24.38	41.45	21.20	7.28	6.80	6.03	6.81	0.79
CHINA LIFE	2628 HK	13.74	881,226	-0.29	-19.65	20.15	13.74	6.48	5.76	5.07	6.24	0.66
ENN	2688 HK	161.30	181,572	6.05	41.74	163.50	80.65	24.16	20.80	18.51	1.76	4.27
BOCOM	3328 HK	4.61	161,405	0.66	12.44	5.25	3.66	3.88	3.70	3.42	8.84	0.36
EVERGRANDE	3333 HK	8.21	108,760	-7.86	-44.90	22.45	8.21	11.23	5.15	4.21	7.08	0.55
MEITUAN	3690 HK	276.20	1,413,594	-4.76	-6.25	451.40	185.00	295.43	N/A	1,486.66	0.00	15.07
HANSO PHARM	3692 HK	32.15	190,404	-0.31	-14.49	45.45	28.95	60.96	48.59	38.53	0.41	7.82
CMB	3968 HK	63.80	1,549,735	3.40	30.20	71.75	35.75	14.04	12.07	10.56	2.69	1.87
BOC	3988 HK	2.74	997,052	0.00	3.40	3.16	2.37	3.75	3.43	3.20	8.90	0.35
CG SERVICES	6098 HK	77.20	249,122	2.59	47.19	85.20	41.80	65.98	46.67	31.88	0.53	7.76
CHINA FEIHE	6186 HK	16.60	148,026	-1.07	-8.59	24.85	14.80	16.89	16.49	13.85	2.03	5.43
JD HEALTH	6618 HK	103.10	328,309	-2.92	-31.27	195.00	98.30	N/A	452.71	166.65	0.00	6.87
EVERGRANDE SERVICES	6666 HK	6.73	72,757	-12.48	-24.72	19.10	6.73	22.24	14.59	9.53	1.42	4.35
HAILILAO	6862 HK	43.30	236,375	-8.36	-27.47	83.55	33.20	N/A	N/A	N/A	N/A	N/A
JD.COM	9618 HK	289.60	763,067	-2.10	-15.32	416.80	234.80	45.88	49.07	32.60	0.00	3.55
NONGFU SPRING	9633 HK	44.15	222,281	-0.90	-19.58	66.60	33.10	76.74	66.19	56.60	0.54	19.97
BAIDU	9888 HK	172.50	391,392	-3.90	-31.55	252.00	172.50	18.02	17.71	15.43	0.00	1.63
ALIBABA	9988 HK	202.60	4,391,436	-1.84	-12.90	307.40	195.50	20.67	21.52	17.23	0.00	3.32
NETEASE	9999 HK	174.20	549,735	-0.74	18.02	206.00	131.40	33.01	26.71	22.71	0.94	5.05
HANG SENG CHINA ENT INDX		9,958.56	27,514,858	-1.06	-7.26	12,228.63	9,281.52	36.04	27.74	83.98	2.89	3.76

Source: FactSet

20 July 2021

Morning Express

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Rating System

Analyst Stock Rating:

Buy: The stock's total return is expected to **exceed** that of the corresponding industry over the next 12 months.

Neutral: The stock's total return is expected to be **in line with** that of the corresponding industry over the next 12 months.

Sell: The stock's total return is expected to be **below** that of the corresponding industry over the next 12 months.

Not-Rated: The analyst **does not have conviction** regarding the outlook of the stock's total return relative to that of the corresponding industry over the next 12 months.

Analyst Industry Views:

Outperform: The analyst expects the industry coverage universe to be **attractive** relative to the relevant broad market benchmark over the next 12 months.

Market perform: The analyst expects the industry coverage universe to be **in line with** the relevant broad market benchmark over the next 12 months.

Underperform: The analyst expects the industry coverage universe to be **unattractive** relative to the relevant broad market benchmark over the next 12 months.

Broad market benchmark for Hong Kong is the **Hang Seng Composite Index**, for China A-shares is the **MSCI China A Index**, for US-listed Chinese companies is **S&P US Listed China 50 (USD) Index**.

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