

# Morning Express

21 July 2021

## Focus of the Day

### Great Wall Motor

**In-line 1H21 alert; sales volume growth still key driver**

CP: HK\$ 27.25

TP: HK\$ 31.50

Angus Chan

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### 2333 HK

 Rating: **Buy**

Upside: +15.6%

Great Wall Motor (GWM) released its preliminary results for 1H21. Total revenue rose 73% YoY to RMB62.1bn, while net profit surged 205% YoY to RMB3.5bn. For 2Q21, revenue was up 32% YoY to RMB31.0bn, while net profit edged up 3.5% YoY.

The robust top-line growth reflected strong sales volume in 2Q21, while the weaker net profit growth was mainly due to change in product mix and margin pressure from raw material price hike and chip shortage in 1H21, in our view.

We expect chip shortage and material prices to continue to weigh on GPM in 2021. However, the sales volume growth of new models will remain the key driver for share price and valuation, in our view.

We maintain **Buy** and TP of HK\$31.50 based on 25x 2021E P/E (unchanged), given strong model pipeline, sales volume growth and earnings outlook.

### Securities Sector

**Robinhood: order flow as top revenue source, wealth management path unclear**

Jingyi Zhang, CFA

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US zero-commission online broker Robinhood has filed a prospectus, expecting an IPO valuation of up to US\$35bn. The company offers trading services for US stocks, options and cryptocurrencies, as well as IPO subscription access, among other services, to US citizens and permanent residents with a legal address in the US or Puerto Rico.

Robinhood focuses on long-tail users with fast growth in funded accounts, but assets under custody (AUC) per customer and ARPU are lower than peers. Revenue is primarily derived from payment for order flows (PFOF), which accounted for 81% of 1Q21 net revenue. The company reported a positive profit (US\$7.45m) for the first time in 2020, but a net loss of US\$1.44bn in 1Q21, primarily due to a slump in the fair value of its convertible bonds and warrants upon interest rate movements. Its 1Q21 non-GAAP EBITDA came to US\$110m, equivalent to 74% of the FY20 level.

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<https://euromoney.com/brokers>

### Global Stock Indices

	Close	1D%	YTD%
HSI	27,259	-0.92	-1.06
HSCEI	9,865	-0.94	-8.14
SH A	3,707	-0.07	1.83
SH B	260	-0.56	6.67
SZ A	2,571	0.18	5.46
SZ B	1,216	-0.01	11.91
DJIA	34,512	1.62	12.76
S&P 500	4,323	1.52	15.10
Nasdaq	14,499	1.57	12.50
FTSE	6,881	0.54	6.51
CAC	6,296	0.00	13.41
DAX	15,216	0.55	10.92

Source: FactSet

### Key Commodity/Forex Indicators

	Close	3M%	YTD%
Brent	68.62	3.08	32.47
Gold	1,808.70	1.77	-4.46
Silver	25.33	-2.14	-4.38
Copper	9,264.50	-1.40	19.67
JPY	109.94	-1.65	-6.09
GBP	1.36	-2.43	-0.42
EUR	1.18	-2.37	-3.87

bps change		3M	6M
HIBOR	0.15	-19.17	-36.58
US 10yr yield	1.21	-22.89	10.36

Source: FactSet

### HSI Technical

HSI	27,259.25
50D MA	28,436.92
200D MA	28,808.75
14D RSI	43.18
Short sell (HK\$m)	20,436

Source: FactSet

### Hao Hong, CFA

Head of Research

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Future growth strategy stresses the further expansion of its client base, while it appears to lack a transition roadmap toward the wealth management business. We consider Robinhood's revenue to be overly dependent on trading, which should bring high volatility in revenue and earnings, and on order flows, while customers' interests are not aligned with its own.

### Healthcare Sector Weekly

**New disease-based payment method to deepen medical insurance reform**

Rating: **Outperform**

Li Zhao, PhD

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**WuXi Bio's** (2269 HK) unaudited attributable profit in 1H21 surged >135% YoY. **Sino Biopharm's** (1177 HK) aprepitant and dexmedetomidine hydrochloride passed the generic consistency evaluation. **CSPC's** (1093 HK) antibody drug conjugate (ADC) SYSA1801 obtained the approval to conduct clinical trials for advanced pancreatic cancer with positive Claudin 18.2 expression. **SH Pharma's** (2607 HK) parecoxib sodium for injection was approved for production. **United Lab's** (3933 HK) insulin aspart and insulin aspart 30 got the drug registration approval.

**Industry updates:** The National Healthcare Security Administration (NHSA) issued the "Diagnosis-Intervention Packet (DIP) Healthcare Security Management Regulations (Trial)", requiring sound coordinated management, stronger data governance, set-up of regional budget management, etc.

**Investment implications:** There are more than 200 diagnosis-related groups (DRG) and DIP pilot programs nationwide. We anticipate "same price for the same disease and the same quality" will become the new normal for medical insurance payment in the future, thus helping to limit insurance expenses and guiding the rational allocation of healthcare resources.

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

### Daily reports

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

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	57.15	219,937	-2.72	5.64	65.75	46.05	7.66	6.99	6.52	4.56	0.44
CLP	2 HK	78.05	197,189	-0.57	8.86	80.35	70.50	17.22	16.74	16.37	4.03	1.70
HK & CHINA GAS	3 HK	12.36	230,636	-0.80	12.07	13.01	10.34	38.46	30.25	27.64	2.84	3.34
HSBC	5 HK	42.05	858,913	-4.76	3.19	50.80	4.24	15.30	9.46	8.76	4.18	0.62
POWER ASSETS	6 HK	48.95	104,472	-0.91	16.55	50.50	39.50	17.06	16.00	15.84	5.74	1.23
HANG SENG	11 HK	149.50	285,820	-2.86	11.82	165.20	111.10	18.06	16.80	15.30	3.81	1.53
HENDERSON	12 HK	35.90	173,806	-2.58	18.68	38.55	27.35	11.79	11.82	11.99	4.96	0.53
SHKP	16 HK	113.70	329,478	-2.99	13.70	125.00	91.65	11.36	10.82	10.44	4.30	0.57
NEW WORLD	17 HK	37.05	94,205	-1.46	2.63	42.75	34.90	14.37	12.63	11.75	5.51	0.42
GEG	27 HK	55.80	242,746	-5.50	-7.39	78.25	50.05	N/A	61.65	20.73	0.05	3.57
MTRC	66 HK	45.60	281,686	1.45	5.19	49.00	37.90	62.75	30.31	17.20	2.77	1.55
HLP	101 HK	18.34	82,513	-3.27	-10.32	22.30	18.18	19.96	17.19	15.21	4.20	0.59
GEELY	175 HK	22.90	224,883	-5.95	-13.58	33.80	14.72	35.31	24.56	18.74	1.19	2.76
ALI HEALTH	241 HK	14.28	192,393	-9.28	-37.64	29.90	14.28	270.20	252.25	189.84	0.00	11.78
CITIC LTD	267 HK	7.99	232,431	-3.39	45.54	9.24	5.22	4.21	3.75	3.46	6.70	0.33
WH GROUP	288 HK	6.27	92,465	-3.98	-3.54	7.45	5.95	12.30	9.02	8.12	4.30	1.10
SINOPEC	386 HK	3.56	90,828	-5.32	2.59	4.55	2.97	11.23	5.86	5.65	10.15	0.48
HKEX	388 HK	521.00	659,513	3.17	22.59	567.00	353.80	57.43	45.04	38.67	2.00	12.77
TECHTRONIC	669 HK	131.60	240,824	-2.08	18.99	150.10	80.75	39.23	32.29	27.17	1.23	6.94
COLI	688 HK	17.80	194,801	-2.20	5.58	24.90	15.20	4.36	4.02	3.75	7.44	0.48
TENCENT	700 HK	542.50	5,148,884	-3.98	-3.81	766.50	502.00	27.75	30.71	25.51	0.33	5.16
UNICOM	762 HK	4.17	127,594	0.72	-6.29	6.53	4.11	8.51	7.57	6.71	5.41	0.32
LINK	823 HK	74.60	155,307	-0.67	5.67	78.25	58.20	25.96	25.71	24.51	3.89	0.98
PETROCHINA	857 HK	3.24	68,360	-5.81	35.00	3.91	2.16	28.03	7.00	7.95	6.96	0.41
CNOOC	883 HK	7.84	350,036	-4.74	9.19	10.40	6.55	11.89	4.60	4.44	8.86	0.63
CCB	939 HK	5.46	1,381,557	-2.15	-7.30	6.68	4.98	4.35	4.06	3.80	7.49	0.47
CHINA MOBILE	941 HK	48.20	986,919	0.31	9.05	59.85	41.50	7.67	7.44	7.16	7.12	0.69
LONGFOR	960 HK	41.75	245,813	-0.83	-8.04	53.45	37.45	10.44	9.40	8.01	4.76	1.72
XINYI SOLAR	968 HK	15.38	136,715	-1.66	-24.05	22.10	8.15	28.20	25.16	24.38	1.87	4.66
CK INFRA	1038 HK	45.70	115,146	-3.08	9.72	49.90	36.15	15.77	12.73	12.18	5.42	1.01
HENGAN	1044 HK	47.75	56,228	-4.98	-13.02	71.00	47.15	10.18	11.24	10.52	5.77	2.27
CSPC	1093 HK	10.68	127,675	-4.30	34.68	12.46	7.16	20.88	20.48	17.33	1.44	4.08
CR LAND	1109 HK	30.60	218,207	-4.08	-4.38	40.80	30.10	7.66	6.81	6.08	5.34	0.83
CKA	1113 HK	53.20	193,838	-1.75	33.67	55.10	35.90	10.19	9.09	8.46	3.84	0.52
SBP	1177 HK	7.05	132,406	-3.03	-6.00	10.88	6.65	36.05	23.89	24.89	1.12	5.28
BYD	1211 HK	206.00	710,306	-3.65	1.38	278.40	70.15	118.16	99.26	69.76	0.09	7.06
AIA	1299 HK	93.20	1,124,724	-2.97	-1.89	108.90	69.35	24.93	21.76	19.00	1.59	2.13
ICBC	1398 HK	4.41	1,904,856	-1.56	-12.33	5.60	3.99	4.32	4.07	3.83	7.54	0.46
XIAOMI	1810 HK	27.60	563,758	2.41	-16.87	35.30	14.64	27.61	28.06	24.29	0.00	4.07
BUDWEISER APAC	1876 HK	24.20	320,490	-0.62	-5.47	29.15	21.85	73.82	41.44	34.53	0.97	3.65
SANDS	1928 HK	29.25	236,721	-5.49	-14.10	40.20	27.00	N/A	86.75	17.87	0.00	17.00
WHARF REIC	1997 HK	44.20	134,201	-2.75	9.54	48.85	27.30	18.07	17.30	15.52	3.67	0.65
COUNTRY GARDEN	2007 HK	8.08	175,870	-3.58	-24.63	11.26	8.08	4.33	4.05	3.58	7.53	0.74
AAC TECH	2018 HK	49.05	59,277	-6.93	13.02	62.95	38.40	33.41	20.58	16.79	1.03	2.18
ANTA	2020 HK	183.70	495,165	-2.80	49.47	189.70	70.75	80.33	51.74	40.31	0.63	13.84
WUXI BIO	2269 HK	138.00	578,285	0.22	34.24	145.60	47.90	291.17	182.10	123.46	0.00	20.34
SHENZHOU	2313 HK	166.60	250,436	-4.85	9.61	207.60	90.85	40.73	33.09	27.26	1.56	6.73
PING AN	2318 HK	71.60	1,287,402	-1.98	-24.63	103.10	70.45	7.47	7.19	6.19	3.97	1.26
MENGNIU	2319 HK	43.90	172,870	-0.68	-6.20	52.00	34.25	40.51	27.74	22.43	0.99	3.83
SUNNY OPTICAL	2382 HK	223.00	243,978	-1.24	31.41	245.40	114.50	41.59	34.52	27.54	0.57	9.36
BOCHK	2388 HK	25.10	265,377	-2.52	6.81	29.55	20.30	10.12	9.64	8.77	5.17	0.88
CHINA LIFE	2628 HK	13.58	874,794	-3.00	-20.58	20.15	13.58	6.48	5.76	5.07	6.24	0.66
BOCOM	3328 HK	4.53	158,604	-2.37	10.49	5.25	3.66	3.88	3.70	3.42	8.84	0.36
MEITUAN	3690 HK	275.20	1,408,476	-5.23	-6.59	451.40	185.00	295.43	N/A	1,486.66	0.00	15.07
BOC	3988 HK	2.71	994,544	-2.17	2.26	3.16	2.37	3.75	3.43	3.20	8.90	0.35
CG SERVICES	6098 HK	74.35	239,925	-5.11	41.75	85.20	41.80	65.98	46.67	31.88	0.53	7.76
HAIDILAO	6862 HK	44.80	244,563	-1.21	-24.96	83.55	34.00	N/A	N/A	N/A	N/A	N/A
ALIBABA	9988 HK	202.80	4,395,771	-3.70	-12.81	307.40	195.50	20.67	21.52	17.23	0.00	3.32
<b>HANG SENG INDEX</b>		<b>27,259.25</b>	<b>26,569,126</b>	<b>-2.63</b>	<b>0.10</b>	<b>31,084.94</b>	<b>23,235.42</b>	<b>41.70</b>	<b>25.69</b>	<b>85.50</b>	<b>2.86</b>	<b>4.05</b>

Source: FactSet

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**HSCEI constituents**

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						High (HK\$)	Low (HK\$)	2020 (x)	2021E (x)	2022E (x)		
GEELY	175 HK	22.90	224,883	-5.95	-13.58	33.80	14.72	35.31	24.56	18.74	1.19	2.76
ALI HEALTH	241 HK	14.28	192,393	-9.28	-37.64	29.90	14.28	270.20	252.25	189.84	0.00	11.78
CITIC LTD	267 HK	7.99	232,431	-3.39	45.54	9.24	5.22	4.21	3.75	3.46	6.70	0.33
CR BEER	291 HK	68.85	223,362	1.47	-3.57	75.40	45.80	86.64	48.67	36.40	0.83	7.77
CGH	384 HK	24.00	133,999	-3.23	-22.08	33.50	20.75	13.92	12.19	10.99	2.24	2.46
SINOPEC	386 HK	3.56	90,828	-5.32	2.59	4.55	2.97	11.23	5.86	5.65	10.15	0.48
COLI	688 HK	17.80	194,801	-2.20	5.58	24.90	15.20	4.36	4.02	3.75	7.44	0.48
TENCENT	700 HK	542.50	5,148,884	-3.98	-3.81	766.50	502.00	27.75	30.71	25.51	0.33	5.16
SHIMAO	813 HK	17.12	60,504	-6.96	-30.69	37.50	17.12	4.22	3.76	3.31	10.69	0.53
CNOOC	883 HK	7.84	350,036	-4.74	9.19	10.40	6.55	11.89	4.60	4.44	8.86	0.63
CONCH	914 HK	38.85	50,489	-2.51	-19.98	61.05	38.35	5.12	4.84	4.95	6.60	0.92
CCB	939 HK	5.46	1,381,557	-2.15	-7.30	6.68	4.98	4.35	4.06	3.80	7.49	0.47
CHINA MOBILE	941 HK	48.20	986,919	0.31	9.05	59.85	41.50	7.67	7.44	7.16	7.12	0.69
LONGFOR	960 HK	41.75	245,813	-0.83	-8.04	53.45	37.45	10.44	9.40	8.01	4.76	1.72
SMIC	981 HK	21.35	127,301	-5.53	-3.39	32.75	17.28	25.04	30.60	32.53	0.00	1.36
KUAI SHOU	1024 HK	138.80	471,076	-10.34	-53.73	415.00	138.80	N/A	N/A	N/A	N/A	N/A
CSPC	1093 HK	10.68	127,675	-4.30	34.68	12.46	7.16	20.88	20.48	17.33	1.44	4.08
CR LAND	1109 HK	30.60	218,207	-4.08	-4.38	40.80	30.10	7.66	6.81	6.08	5.34	0.83
SBP	1177 HK	7.05	132,406	-3.03	-6.00	10.88	6.65	36.05	23.89	24.89	1.12	5.28
BYD	1211 HK	206.00	710,306	-3.65	1.38	278.40	70.15	118.16	99.26	69.76	0.09	7.06
ABC	1288 HK	2.63	1,228,799	-1.87	-7.39	3.25	2.40	3.75	3.52	3.34	8.91	0.38
ICBC	1398 HK	4.41	1,904,856	-1.56	-12.33	5.60	3.99	4.32	4.07	3.83	7.54	0.46
PSBC	1658 HK	5.01	533,276	0.20	14.38	6.21	3.08	5.93	5.54	5.05	5.70	0.63
XIAOMI	1810 HK	27.60	563,758	2.41	-16.87	35.30	14.64	27.61	28.06	24.29	0.00	4.07
SUNAC CHINA	1918 HK	22.45	104,960	-11.09	-21.64	38.25	22.45	3.01	2.77	2.52	8.51	0.61
COUNTRY GARDEN	2007 HK	8.08	175,870	-3.58	-24.63	11.26	8.08	4.33	4.05	3.58	7.53	0.74
ANTA	2020 HK	183.70	495,165	-2.80	49.47	189.70	70.75	80.33	51.74	40.31	0.63	13.84
SHENZHOU	2313 HK	166.60	250,436	-4.85	9.61	207.60	90.85	40.73	33.09	27.26	1.56	6.73
PING AN	2318 HK	71.60	1,287,402	-1.98	-24.63	103.10	70.45	7.47	7.19	6.19	3.97	1.26
MENGNIU	2319 HK	43.90	172,870	-0.68	-6.20	52.00	34.25	40.51	27.74	22.43	0.99	3.83
SUNNY OPTICAL	2382 HK	223.00	243,978	-1.24	31.41	245.40	114.50	41.59	34.52	27.54	0.57	9.36
CPIC	2601 HK	22.55	289,112	-3.22	-25.70	41.45	21.20	7.28	6.80	6.03	6.81	0.79
CHINA LIFE	2628 HK	13.58	874,794	-3.00	-20.58	20.15	13.58	6.48	5.76	5.07	6.24	0.66
ENN	2688 HK	161.30	181,572	-1.35	41.74	163.50	80.65	24.16	20.80	18.51	1.76	4.27
BOCOM	3328 HK	4.53	158,604	-2.37	10.49	5.25	3.66	3.88	3.70	3.42	8.84	0.36
EVERGRANDE	3333 HK	7.37	97,632	-17.65	-50.54	22.45	7.37	11.23	5.15	4.21	7.08	0.55
MEITUAN	3690 HK	275.20	1,408,476	-5.23	-6.59	451.40	185.00	295.43	N/A	1,486.66	0.00	15.07
HANSOH PHARM	3692 HK	31.85	188,627	-0.62	-15.29	45.45	28.95	60.96	48.59	38.53	0.41	7.82
CMB	3968 HK	63.05	1,523,543	-2.70	28.67	71.75	35.75	14.04	12.07	10.56	2.69	1.87
BOC	3988 HK	2.71	994,544	-2.17	2.26	3.16	2.37	3.75	3.43	3.20	8.90	0.35
CG SERVICES	6098 HK	74.35	239,925	-5.11	41.75	85.20	41.80	65.98	46.67	31.88	0.53	7.76
CHINA FEIHE	6186 HK	17.12	152,663	1.66	-5.73	24.85	14.80	16.89	16.49	13.85	2.03	5.43
JD HEALTH	6618 HK	101.90	324,487	-1.07	-32.07	195.00	98.30	N/A	452.71	166.65	0.00	6.87
EVERGRANDE SERVICES	6666 HK	6.74	72,865	-13.59	-24.61	19.10	6.73	22.24	14.59	9.53	1.42	4.35
HAILILAO	6862 HK	44.80	244,563	-1.21	-24.96	83.55	34.00	N/A	N/A	N/A	N/A	N/A
JD.COM	9618 HK	287.80	758,324	-3.10	-15.85	416.80	234.80	45.88	49.07	32.60	0.00	3.55
NONGFU SPRING	9633 HK	45.05	226,812	0.33	-17.94	66.60	33.10	76.74	66.19	56.60	0.54	19.97
BAIDU	9888 HK	171.90	390,031	-3.75	-31.79	252.00	171.90	18.02	17.71	15.43	0.00	1.63
ALIBABA	9988 HK	202.80	4,395,771	-3.70	-12.81	307.40	195.50	20.67	21.52	17.23	0.00	3.32
NETEASE	9999 HK	174.70	551,313	-0.68	18.36	206.00	131.40	33.01	26.71	22.71	0.94	5.05
<b>HANG SENG CHINA ENT INDX</b>		<b>9,864.57</b>	<b>27,291,950</b>	<b>-3.04</b>	<b>-8.14</b>	<b>12,228.63</b>	<b>9,281.52</b>	<b>36.05</b>	<b>27.67</b>	<b>84.24</b>	<b>2.89</b>	<b>3.77</b>

Source: FactSet

21 July 2021

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**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**.

21 July 2021

## Morning Express

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