

Morning Express

22 July 2021

Focus of the Day

Financials Sector

Our take on e-CNY white paper

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The PBoC working group on e-CNY research and development has recently released the white paper “Progress on the Research & Development of e-CNY in China”.

We identify a number of key differences between e-CNY and cryptocurrencies such as bitcoin: e-CNY is the fiat currency issued by the central bank; it enjoys the advantages of both cash and digital payment instruments, as well as the unique edge of programmability; it also adopts a centralized management model and a two-tier operation system.

By our estimation, e-CNY will substitute cash payment and digital payment tools to some extent, as it blends certain advantages of both. Yet, given that it pays no interests at present, while third-party payment companies have ingrained clients in various payment scenarios, we expect e-CNY to take time to further penetrate retail payment scenarios in order to popularize itself.

In the long run, e-CNY will serve as the new retail payment infrastructure that underlies the development of a digital economy, and substantially lift the degrees of precision and automation of monetary policy and regulation.

Renewable Energy Sector Weekly

Carbon price higher than expected as national trading debuts

 Rating: **Market Perform**

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The national carbon trading is open. The closing price of RMB54.4/ton on 21 July was 6.2% higher than that on the first day. Compared to the average transaction price of RMB27.6/ton for the seven carbon trading pilot markets in 2020, the current price is about double, far higher than market expectations.

In 6M21, China’s wind power generation surged 44.6% YoY (30.9% YoY in June). At end-June, cumulative installed capacity of wind power totaled 291.92GW, up 34.7% YoY. 6M21 newly-installed capacity of wind power came to 10.84GW, up 71.5% YoY on a low base.

Jingneng Clean Energy (579 HK) will acquire ~400MW of new energy power plants from Jiaze New Energy (601619 CH) for RMB1.45bn. Silicon leader Daqo New Energy (DQ US/688303 CH) completed its A-share IPO on STAR board,

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<https://euromoney.com/brokers>

Global Stock Indices

	Close	1D%	YTD%
HSI	27,225	-0.23	-1.28
HSCEI	9,831	-0.34	-8.45
SH A	3,734	0.73	2.57
SH B	263	1.23	7.98
SZ A	2,608	1.46	6.99
SZ B	1,240	1.97	14.10
DJIA	34,798	0.83	13.69
S&P 500	4,359	0.82	16.04
Nasdaq	14,632	0.92	13.53
FTSE	6,998	1.70	8.32
CAC	6,347	0.00	14.33
DAX	15,423	1.36	12.42

Source: FactSet

Key Commodity/Forex Indicators

	Close	3M%	YTD%
Brent	69.35	6.17	33.88
Gold	1,810.90	1.04	-4.34
Silver	25.10	-3.15	-5.25
Copper	9,211.00	-1.83	18.98
JPY	110.34	-1.97	-6.43
GBP	1.37	-1.83	0.04
EUR	1.18	-2.00	-3.65
bps change		3M	6M
HIBOR	0.15	-17.64	-37.36
US 10yr yield	1.28	-18.02	16.09

Source: FactSet

HSI Technical

HSI	27,224.58
50D MA	28,370.94
200D MA	28,797.02
14D RSI	42.98
Short sell (HK\$ m)	20,143

Source: FactSet

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planning to expand semiconductor material and polysilicon projects with the proceeds.

For stock picks, we maintain **Buy** for Longyuan Power (916 HK) and Xinyi Energy (3868 HK) as higher-than-expected carbon price benefits renewable power operators.

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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

21 July	Financials Sector - Our take on e-CNY white paper	Li Wan, CFA, FRM
21 July	Great Wall Motor (2333 HK) - In-line 1H21 alert; sales volume growth still key driver	Angus Chan
20 July	Securities Sector - Robinhood: order flow as top revenue source, wealth management path unclear	Jingyi Zhang, CFA, Li Wan, CFA, FRM
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 (TME 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

Source: BOCOM Int'l

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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	56.90	218,975	-2.98	5.18	65.75	46.05	7.56	6.90	6.44	4.62	0.43
CLP	2 HK	78.00	197,063	0.26	8.79	80.35	70.50	17.23	16.75	16.38	4.02	1.70
HK & CHINA GAS	3 HK	12.54	233,995	1.46	13.70	13.01	10.34	38.40	30.20	27.59	2.84	3.34
HSBC	5 HK	42.35	865,041	-3.20	3.93	50.80	4.24	15.05	9.30	8.62	4.25	0.61
POWER ASSETS	6 HK	48.85	104,259	0.10	16.31	50.50	39.50	17.06	16.00	15.84	5.74	1.23
HANG SENG	11 HK	149.30	285,438	-2.29	11.67	165.20	111.10	17.88	16.63	15.15	3.85	1.51
HENDERSON	12 HK	35.90	173,806	-1.64	18.68	38.55	27.35	11.66	11.69	11.86	5.01	0.52
SHKP	16 HK	114.50	331,796	-1.97	14.50	125.00	91.65	11.22	10.69	10.32	4.35	0.57
NEW WORLD	17 HK	37.00	94,078	-1.33	2.49	42.75	34.90	14.37	12.63	11.75	5.51	0.42
GEG	27 HK	55.85	242,963	-4.86	-7.30	78.25	50.05	N/A	88.82	20.23	0.05	3.48
MTRC	66 HK	45.65	281,995	2.24	5.31	49.00	37.90	64.23	31.02	17.61	2.71	1.58
HLP	101 HK	18.44	82,963	-1.28	-9.83	22.30	18.18	19.72	16.98	15.03	4.25	0.59
GEELY	175 HK	23.40	229,793	-3.90	-11.70	33.80	14.72	34.09	23.71	18.09	1.23	2.66
ALI HEALTH	241 HK	14.26	192,124	-6.31	-37.73	29.90	14.26	250.02	233.42	175.67	0.00	10.93
CITIC LTD	267 HK	7.91	230,104	-4.81	44.08	9.24	5.22	4.10	3.65	3.37	6.88	0.32
WH GROUP	288 HK	6.20	91,433	-5.78	-4.62	7.43	5.95	12.22	8.96	8.07	4.32	1.10
SINOPEC	386 HK	3.55	90,573	-5.08	2.31	4.55	2.97	10.91	5.71	5.49	10.45	0.47
HKEX	388 HK	535.00	677,235	2.10	25.88	567.00	353.80	57.32	44.95	38.59	2.01	12.75
TECHTRONIC	669 HK	130.00	237,896	-3.70	17.54	150.10	80.75	38.81	31.94	26.87	1.24	6.87
COLI	688 HK	17.74	194,145	-3.48	5.22	24.15	15.20	4.27	3.94	3.68	7.58	0.47
TENCENT	700 HK	538.00	5,106,174	-4.61	-4.61	766.50	502.00	27.37	30.29	25.17	0.34	5.09
UNICOM	762 HK	4.18	127,900	1.21	-6.07	6.53	4.11	8.48	7.55	6.69	5.42	0.32
LINK	823 HK	74.95	156,035	-0.86	6.16	78.25	58.20	25.98	25.73	24.52	3.89	0.98
PETROCHINA	857 HK	3.22	67,938	-4.45	34.17	3.91	2.16	27.01	6.75	7.66	7.22	0.39
CNOOC	883 HK	7.84	350,036	-3.45	9.19	10.40	6.55	11.67	4.52	4.36	9.03	0.62
CCB	939 HK	5.43	1,373,709	-2.69	-7.81	6.68	4.98	4.29	3.99	3.75	7.59	0.46
CHINA MOBILE	941 HK	48.80	999,204	1.56	10.41	59.85	41.50	7.62	7.40	7.12	7.17	0.69
LONGFOR	960 HK	42.25	248,757	0.96	-6.94	53.45	37.45	10.42	9.38	7.99	4.77	1.71
XINYI SOLAR	968 HK	15.12	134,404	-1.31	-25.33	22.10	8.15	27.80	24.81	24.03	1.90	4.59
CK INFRA	1038 HK	45.75	115,272	-1.19	9.84	49.90	36.15	15.70	12.68	12.12	5.45	1.01
HENGAN	1044 HK	48.45	57,052	-0.51	-11.75	71.00	47.15	10.30	11.37	10.64	5.70	2.30
CSPC	1093 HK	10.66	127,436	-2.20	34.43	12.46	7.16	20.63	20.23	17.12	1.46	4.03
CR LAND	1109 HK	30.50	217,494	-4.09	-4.69	40.80	30.10	7.55	6.71	5.99	5.42	0.82
CKA	1113 HK	53.00	193,110	-1.30	33.17	55.10	35.90	10.15	9.05	8.43	3.85	0.52
SBP	1177 HK	6.99	131,279	-1.41	-6.80	10.88	6.65	35.47	23.51	24.49	1.14	5.20
BYD	1211 HK	218.60	753,768	2.92	7.58	278.40	70.15	116.82	98.13	68.97	0.09	6.98
AIA	1299 HK	93.70	1,130,758	-2.55	-1.37	108.90	69.35	24.98	21.80	19.03	1.58	2.13
ICBC	1398 HK	4.39	1,897,868	-2.01	-12.72	5.60	3.99	4.27	4.03	3.79	7.62	0.45
XIAOMI	1810 HK	26.85	548,438	-4.96	-19.13	35.30	14.64	27.10	27.65	23.72	0.00	4.00
BUDWEISER APAC	1876 HK	24.35	322,477	-0.61	-4.88	29.15	21.85	73.95	41.51	34.59	0.96	3.66
SANDS	1928 HK	29.40	237,935	-3.92	-13.66	40.20	27.00	N/A	75.26	17.92	0.00	16.93
WHARF REIC	1997 HK	44.70	135,719	-0.56	10.78	48.85	27.30	17.97	17.20	15.43	3.69	0.65
COUNTRY GARDEN	2007 HK	8.08	175,870	-2.53	-24.63	11.26	8.08	4.29	4.01	3.55	7.61	0.73
AAC TECH	2018 HK	49.95	60,365	-3.66	15.09	62.95	38.40	32.71	20.15	16.44	1.05	2.13
ANTA	2020 HK	179.50	483,844	-3.75	46.05	189.70	70.75	79.79	51.39	40.04	0.63	13.75
WUXI BIO	2269 HK	131.80	552,304	-5.79	28.21	145.60	47.90	287.60	179.87	121.94	0.00	20.09
SHENZHOU	2313 HK	170.00	255,547	2.04	11.84	207.60	90.85	40.85	33.18	27.34	1.55	6.75
PING AN	2318 HK	71.00	1,278,630	-3.27	-25.26	103.10	70.45	7.37	7.10	6.11	4.02	1.25
MENGNIU	2319 HK	44.40	174,839	1.02	-5.13	52.00	34.25	40.80	27.94	22.59	0.98	3.86
SUNNY OPTICAL	2382 HK	237.20	259,513	4.96	39.78	245.40	114.50	41.70	34.62	27.62	0.57	9.39
BOCHK	2388 HK	24.95	263,791	-2.35	6.17	29.55	20.30	10.02	9.54	8.69	5.22	0.87
CHINA LIFE	2628 HK	13.50	873,318	-3.71	-21.05	20.15	13.50	6.40	5.69	5.01	6.32	0.65
BOCOM	3328 HK	4.53	158,604	-2.79	10.49	5.25	3.66	3.81	3.63	3.34	9.00	0.35
MEITUAN	3690 HK	270.20	1,382,886	-7.08	-8.28	451.40	185.00	294.12	N/A	1,480.09	0.00	15.00
BOC	3988 HK	2.71	995,157	-1.81	2.26	3.16	2.37	3.70	3.39	3.16	9.19	0.35
CG SERVICES	6098 HK	72.70	234,601	-6.62	38.61	85.20	41.80	63.49	44.91	30.68	0.55	7.47
HAIDILAO	6862 HK	42.80	233,645	-4.46	-28.31	83.55	34.00	N/A	N/A	N/A	N/A	N/A
ALIBABA	9988 HK	203.00	4,400,106	-3.06	-12.73	307.40	195.50	20.69	21.55	17.28	0.00	3.32
HANG SENG INDEX		27,224.58	26,518,412	-2.79	-0.02	31,084.94	23,235.42	41.00	25.59	83.81	2.90	4.00

Source: FactSet

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Morning Express**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	23.40	229,793	-3.90	-11.70	33.80	14.72	34.09	23.71	18.09	1.23	2.66
ALI HEALTH	241 HK	14.26	192,124	-6.31	-37.73	29.90	14.26	250.02	233.42	175.67	0.00	10.93
CITIC LTD	267 HK	7.91	230,104	-4.81	44.08	9.24	5.22	4.10	3.65	3.37	6.88	0.32
CR BEER	291 HK	67.70	219,631	0.00	-5.18	75.40	45.80	88.30	49.06	37.10	0.83	7.84
CGH	384 HK	23.75	132,603	-3.06	-22.89	33.50	20.75	13.64	11.94	10.83	2.29	2.41
SINOPEC	386 HK	3.55	90,573	-5.08	2.31	4.55	2.97	10.91	5.71	5.49	10.45	0.47
COLI	688 HK	17.74	194,145	-3.48	5.22	24.15	15.20	4.27	3.94	3.68	7.58	0.47
TENCENT	700 HK	538.00	5,106,174	-4.61	-4.61	766.50	502.00	27.37	30.29	25.17	0.34	5.09
SHIMAO	813 HK	16.92	59,797	-6.83	-31.50	37.50	16.92	4.06	3.61	3.18	11.12	0.51
CNOOC	883 HK	7.84	350,036	-3.45	9.19	10.40	6.55	11.67	4.52	4.36	9.03	0.62
CONCH	914 HK	38.90	50,554	-1.39	-19.88	61.05	38.35	5.17	4.89	5.00	6.54	0.92
CCB	939 HK	5.43	1,373,709	-2.69	-7.81	6.68	4.98	4.29	3.99	3.75	7.59	0.46
CHINA MOBILE	941 HK	48.80	999,204	1.56	10.41	59.85	41.50	7.62	7.40	7.12	7.17	0.69
LONGFOR	960 HK	42.25	248,757	0.96	-6.94	53.45	37.45	10.42	9.38	7.99	4.77	1.71
SMIC	981 HK	21.15	126,109	-4.73	-4.30	32.75	17.28	24.97	30.52	32.44	0.00	1.36
KUAI SHOU	1024 HK	135.70	460,555	-10.13	-54.77	415.00	135.70	N/A	N/A	N/A	N/A	N/A
CSPC	1093 HK	10.66	127,436	-2.20	34.43	12.46	7.16	20.63	20.23	17.12	1.46	4.03
CR LAND	1109 HK	30.50	217,494	-4.09	-4.69	40.80	30.10	7.55	6.71	5.99	5.42	0.82
SBP	1177 HK	6.99	131,279	-1.41	-6.80	10.88	6.65	35.47	23.51	24.49	1.14	5.20
BYD	1211 HK	218.60	753,768	2.92	7.58	278.40	70.15	116.82	98.13	68.97	0.09	6.98
ABC	1288 HK	2.61	1,225,272	-2.25	-8.10	3.25	2.40	3.72	3.49	3.32	8.99	0.38
ICBC	1398 HK	4.39	1,897,868	-2.01	-12.72	5.60	3.99	4.27	4.03	3.79	7.62	0.45
PSBC	1658 HK	4.99	531,486	-0.80	13.93	6.21	3.08	5.88	5.50	5.01	5.75	0.62
XIAOMI	1810 HK	26.85	548,438	-4.96	-19.13	35.30	14.64	27.10	27.65	23.72	0.00	4.00
SUNAC CHINA	1918 HK	23.05	107,765	-7.43	-19.55	36.70	22.45	2.82	2.59	2.36	9.08	0.57
COUNTRY GARDEN	2007 HK	8.08	175,870	-2.53	-24.63	11.26	8.08	4.29	4.01	3.55	7.61	0.73
ANTA	2020 HK	179.50	483,844	-3.75	46.05	189.70	70.75	79.79	51.39	40.04	0.63	13.75
SHENZHOU	2313 HK	170.00	255,547	2.04	11.84	207.60	90.85	40.85	33.18	27.34	1.55	6.75
PING AN	2318 HK	71.00	1,278,630	-3.27	-25.26	103.10	70.45	7.37	7.10	6.11	4.02	1.25
MENGNIU	2319 HK	44.40	174,839	1.02	-5.13	52.00	34.25	40.80	27.94	22.59	0.98	3.86
SUNNY OPTICAL	2382 HK	237.20	259,513	4.96	39.78	245.40	114.50	41.70	34.62	27.62	0.57	9.39
CPIC	2601 HK	22.35	290,873	-4.49	-26.36	41.45	21.20	7.15	6.68	5.92	6.93	0.77
CHINA LIFE	2628 HK	13.50	873,318	-3.71	-21.05	20.15	13.50	6.40	5.69	5.01	6.32	0.65
ENN	2688 HK	162.80	183,500	1.62	43.06	163.50	80.65	24.14	20.81	18.45	1.76	4.27
BOCOM	3328 HK	4.53	158,604	-2.79	10.49	5.25	3.66	3.81	3.63	3.34	9.00	0.35
EVERGRANDE	3333 HK	7.24	95,910	-26.12	-51.41	22.40	7.24	10.07	4.62	3.78	7.89	0.49
MEITUAN	3690 HK	270.20	1,382,886	-7.08	-8.28	451.40	185.00	294.12	N/A	1,480.09	0.00	15.00
HANSOH PHARM	3692 HK	30.05	177,967	-6.39	-20.08	45.45	28.95	60.34	48.10	38.14	0.42	7.74
CMB	3968 HK	62.65	1,517,496	-3.32	27.86	71.75	35.75	13.87	11.92	10.43	2.72	1.84
BOC	3988 HK	2.71	995,157	-1.81	2.26	3.16	2.37	3.70	3.39	3.16	9.19	0.35
CG SERVICES	6098 HK	72.70	234,601	-6.62	38.61	85.20	41.80	63.49	44.91	30.68	0.55	7.47
CHINA FEIHE	6186 HK	17.28	154,090	2.13	-4.85	24.85	14.80	17.40	16.99	14.27	1.97	5.59
JD HEALTH	6618 HK	102.90	327,672	2.29	-31.40	195.00	98.30	N/A	447.09	292.92	0.00	6.79
EVERGRANDE SERVICES	6666 HK	6.68	72,216	-14.03	-25.28	19.10	6.68	22.25	14.60	9.54	1.42	4.36
HAILILAO	6862 HK	42.80	233,645	-4.46	-28.31	83.55	34.00	N/A	N/A	N/A	N/A	N/A
JD.COM	9618 HK	286.20	754,108	-3.96	-16.32	416.80	234.80	45.60	51.15	32.39	0.00	3.53
NONGFU SPRING	9633 HK	44.25	222,784	-0.34	-19.40	66.60	33.10	78.24	67.88	57.63	0.53	20.72
BAIDU	9888 HK	172.10	390,485	-4.02	-31.71	252.00	171.90	17.95	17.65	15.37	0.00	1.63
ALIBABA	9988 HK	203.00	4,400,106	-3.06	-12.73	307.40	195.50	20.69	21.55	17.28	0.00	3.32
NETEASE	9999 HK	174.80	551,629	-1.63	18.43	206.00	131.40	33.11	26.79	22.77	0.93	5.06
HANG SENG CHINA ENT INDX		9,831.02	27,201,952	-3.17	-8.45	12,228.63	9,281.52	35.60	27.54	84.32	2.93	3.73

Source: FactSet

22 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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