

Morning Express

25 September 2026

Focus of the Day

Technology Sector

Increased visibility for 2027E AI growth; consumer AI agents further drive CPU and memory demand

Dawei Wang, PhD, CFA Dawei.wang@bocomgroup.com

Upward revision of 2027 AI accelerator shipments: Based on shipment guidance from major accelerator companies for 2027 and beyond, we raised our full-year shipment forecasts for 2027E and 2028E to 34.51mn and 52.34mn units, respectively (up from 29.05mn and 40.48mn units). We have also raised our forecast for TSMC's year-end CoWoS capacity to 220 and 270 kwpm (up from 200 kwpm and 250,000 kwpm).

META MUSE may usher in the era of consumer AI agents: We believe the adoption of AI agents in the consumer market could further boost demand for CPU and memory chips. Regarding CPUs, we anticipate persistent supply constraints, which remain a primary factor limiting further shipment growth. In the x86 sector, we believe AMD holds a potential product competitive advantage over Intel; AMD's "Venice" data center CPU (based on EPYC 6) is set to launch in the second half of 2026, potentially ahead of Intel's Xeon 7, and is expected to deliver superior performance.

Investment implications: We believe that increased visibility regarding AI accelerator shipments could support a short-term valuation recovery for AI-related chip and hardware companies. We recommend that investors focus on AMD (AMD US / **Buy**) for CPUs and SK Hynix (000660 KS / **Buy**) for memory. We also consider the valuations of large-cap accelerator and foundry companies to be particularly attractive, and recommend focusing on Broadcom (AVGO US/**Buy**), Nvidia (NVDA US/**Buy**), TSMC (TSM US/**Buy**), and SMIC (981 HK /**Buy**).

Global Stock Indices

	Close	1D%	YTD%
HSI	24,761	-0.19	-7.90
HSCEI	8,266	-0.09	-7.27
SH A	4,077	-1.22	-2.03
SH B	303	0.02	19.24
SZ A	2,591	-1.97	-2.16
SZ B	1,159	-0.66	-8.38
DJIA	51,350	-0.31	6.84
S&P 500	7,704	-0.02	12.54
Nasdaq	26,939	0.01	15.91
FTSE	10,680	-0.24	7.54
CAC	8,081	-0.52	-0.84
DAX	25,267	-0.57	3.17

Source: FactSet

Key Commodity/Forex Indicators

	Close	3M%	YTD%
Brent	103.16	39.78	69.56
Gold	4,281.30	7.29	-1.02
Silver	65.19	7.57	-9.45
Copper	14,735.00	11.79	17.84
JPY	158.90	1.83	-1.36
GBP	1.32	0.55	-1.72
EUR	1.14	0.29	-3.15
bps change		3M	6M
HIBOR	4.58	0.00	0.00
US 10yr yield	5.19	17.92	18.40

Source: FactSet

HSI Technical

HSI	24,761.13
50D MA	25,303.29
200D MA	25,225.49
14D RSI	42.303
Short sell (HK\$m)	33,728

Source: FactSet

BOCOM Research latest reports

In-depth reports

25 Jun	BOCOM Int'l Research - 2H26 Market Outlook: Riding the Tailwinds	BOCOM Int'l Research
23 Jun	Global Macro – global AI-driven reflation	Weimin Tan
16 Jun	New Infrastructure Construction - 2H26 Outlook: Data center sector – Orderly explosive growth	Philip Tse, CFA, FRM
16 Jun	Advanced Manufacturing & Mobility Technology - Physical AI Enters the Validation Phase – Mobility Leads, Robotics Follows	Angus Chan, Joyce Li, PhD, CFA
16 Jun	Renewable Energy and Utilities Sector - 2H26 Outlook: Focusing on new opportunities in energy storage deployment	Wallace Cheng, Bob Wen, CPA
12 Jun	Healthcare Sector - 2H26 Outlook: awaiting recovery amid volatility; sector divergence may widen; focus on high-beta opportunities	Ethan Ding, Gloria Zhuge
11 Jun	Property Sector - 2H26 outlook: Seeking Alpha in divergence after the inflexion point	Philip Tse, CFA, FRM
9 Jun	Financials Sector - 2H26 Outlook: Solid fundamentals; focus on leading institutions	Tian Jin
8 Jun	Consumer Sector - 2H26 Outlook: modest recovery to persist; barbell strategy anchored in earnings resilience	Cathy Xiao
8 Jun	Technology Sector - 2H26 Outlook: AI to remain the dominant investment theme in 2H26	Dawei Wang, PhD, CFA, Carrie Tong
17 Sep	Fed, ECB and BOJ all enter rate-hiking cycles — September FOMC meeting review	Hugh Wang
14 Sep	To hike or not to hike, that is still the question — Commentary on US August CPI data	Hugh Wang
7 Sep	Global Macro - Strong employment may be only a necessary condition for a rate hike — August US nonfarm payrolls review	Hugh Wang
1 Sep	Monthly Picks - September Picks: Global markets trended upward amid uncertainty, while Hong Kong stocks await positive catalysts in the short term.	BOCOM Int'l Research
31 Aug	Global Macro - A quieter and more uncertain Fed — Commentary on Jackson Hole Symposium	Hugh Wang
25 Aug	Global Macro - Why are long-end US Treasury yields rising? financing demand may be this year's key marginal driver of higher real yields	Hugh Wang
17 Aug	Global Macro - Overall data in line, energy prices remain the key risk—Commentary on US July CPI data	Hugh Wang
17 Aug	Macro Strategy - Monthly market review and outlook: HK stocks lead global markets amid heightened volatility in July	Hugh Wang
12 Aug	Internet Sector- Data & Intelligence - Foundation Model Series (1): From open source to SOTA – Read through of Kimi K3's tech report	Wallace Cheng
7 Aug	Huayan Robotics (1021 HK) - Humanoid robotics industry series (4): A "pick-and-shovels" platform company poised for a re-rating of its core motion control value	Angus Chan, Joyce Li, PhD, CFA
6 Aug	Shenzhen Ldrobot (1236 HK) - Humanoid robotics industry series (4): From perception components to smart lawns, LDRobot's dual growth engines in physical AI	Angus Chan, Joyce Li, PhD, CFA
4 Aug	Advanced Manufacturing & Mobility Technology - New model cycle drives auto market growth in July, with diverging brand performance	Angus Chan, Joyce Li, PhD, CFA

Daily reports

24 Sep	Technology Sector - Increased Visibility for 2027 AI Growth; Consumer AI Agents Further Drive CPU and Memory Demand	Dawei Wang, PhD, CFA
23 Sep	Hansoh Pharmaceutical (3692HK) - B7-H3 ADC shined at WCLC with compelling data; New wave of product launches approaches; Raise TP	Ethan Ding, Gloria Zhuge
21 Sep	Social Financing Monthly: 8M26 Direct financing accounted for over half of the total for the first time	Tian Jin
16 Sep	Huatai Securities (6886 HK) - Earnings growth accelerated further in 1H26; Raise TP and reiterate Buy	Tian Jin
16 Sep	Advanced Manufacturing & Mobility Technology - Battery Sector Monthly: Energy storage demand and production schedules remain robust; watch downside risks to unit profitability	Angus Chan, Joyce Li, PhD, CFA
16 Sep	1H26 loss narrowed; Encouraging early data from KRAS G12D lung cancer trial; Multiple clinical catalysts ahead	Ethan Ding, Gloria Zhuge
14 Sep	Antengene Corp (6996 HK) - Profitability achieved in 1H26; Value realization of differentiated CLDN18.2 ADC and TCE platform poised to accelerate	Ethan Ding, Gloria Zhuge
11 Sep	Technology Sector Monthly - Tech stocks see a modest rebound, market divergence likely to persist	Dawei Wang, PhD, CFA, Carrie Tong
10 Sep	China International Capital Corp (3908 HK) - Net profit attributable to the parent company rose nearly 90% YoY; Raise TP and reiterate Buy	Tian Jin
9 Sep	Advanced Manufacturing & Mobility Technology - Aug auto market rebounds MoM, NEV penetration reaches a new high; positive on "Golden Sep and Silver Oct"	Angus Chan, Joyce Li, PhD, CFA
7 Sep	China Resources Land (1109 HK) - Increased profit contribution from recurring business further highlights company's leading position advantages; maintain Buy	Philip Tse, CFA, FRM
4 Sep	Broadcom Inc. (AVGO US) - AI related revenue could double in two consecutive years, maintain Buy	Dawei Wang, PhD, CFA, Carrie Tong
3 Sep	Healthcare Sector - 1H26 Review: Innovation Continued to Drive Strong Growth; Previously Stifled Segments Recovered; Earnings Outlook Turning More Optimistic	Ethan Ding, Gloria Zhuge
3 Sep	Akeso Inc (9926 HK) - 1H26 sales remained robust; global development of Ivonescimab and early-stage R&D to unlock vast global value	Ethan Ding, Gloria Zhuge
2 Sep	SUNeVision Holdings (1686 HK) - Results met expectations, major contract confirmed demand; Maintain BUY	Philip Tse, CFA, FRM
2 Sep	Advanced Manufacturing & Mobility Technology - August sales continued to improve MoM, with new model cycle supporting the "Golden September and Silver October"	Angus Chan, Joyce Li, PhD, CFA
2 Sep	NIO Inc (9866 HK) - 2Q26 profitability improves ahead of revenue; softer 3Q15 growth outlook; trim TP	Angus Chan, Joyce Li, PhD, CFA
2 Sep	Maxscend (300782 CH) - Awaiting industry turnaround, maintain Neutral	Dawei Wang, PhD, CFA, Carrie Tong
2 Sep	China Life Insurance (2628 HK) - Net profit attributable to the parent company surged 228% YoY; Raise TP	Tian Jin
2 Sep	China Overseas Property (2669 HK) - Margin faced interim pressure, increased dividend payout ratio; Maintain BUY	Philip Tse, CFA, FRM
1 Sep	Innovent Biologics (1801 HK) - Strong growth in 1H26; revenue expected to nearly double by 2030, with global breakthroughs ahead; lift TP	Ethan Ding, Gloria Zhuge
1 Sep	Asymchem Laboratories (6821 HK) - Emerging business remained strong in 1H26; order conversion expected to re-accelerate growth in 2H26; lift TP	Ethan Ding, Gloria Zhuge
1 Sep	GCL Technology (3800 HK) - Earnings miss; LFP to become new growth driver; Polysilicon price recovery expected under policy constraints	Bob Wen, CPA

Source: BOCOM Int'l

HSI constituents

Company name	Stock code	Current price (HK\$)	Mkt cap (HK\$ m)	5D chg (%)	YTD chg (%)	-----52-week-----		-----P/E-----			Yield	P/B
						High (HK\$)	Low (HK\$)	2025 (x)	2026E (x)	2027E (x)	2026E (%)	2026E (x)
CMOC	3993 HK	15.08	59,317	-3.89	-21.62	24.78	13.97	14.09	8.65	8.07	3.88	2.67
CATL	3750 HK	492.80	107,578	-2.80	-2.51	779.50	465.00	28.04	21.23	16.98	2.37	5.05
LAOPU GOLD	6181 HK	345.40	49,579	-9.82	-44.11	849.50	287.60	10.65	7.97	7.37	9.97	3.71
MIDEA GROUP	300 HK	96.65	62,905	-2.67	13.77	101.40	78.45	14.75	13.48	12.36	5.58	2.63
XIAOMI CORP	1810 HK	26.58	562,299	0.68	-32.37	59.45	21.42	14.35	23.44	17.93	0.00	2.01
ZTO EXPRESS	2057 HK	156.20	85,559	-4.17	-3.76	204.00	142.40	12.12	9.75	8.62	4.42	1.43
CKH	1 HK	68.10	260,826	0.29	28.61	74.00	49.70	11.62	10.63	9.99	3.77	0.44
CLP	2 HK	77.40	195,547	-0.06	11.21	79.80	64.45	18.67	17.11	16.58	4.20	1.75
HK & CHINA GAS	3 HK	7.18	133,978	1.27	2.43	7.75	6.43	23.48	20.24	19.68	4.94	2.23
HSBC	5 HK	156.90	2,693,032	-2.91	28.19	168.20	100.90	13.51	11.93	10.70	4.18	1.91
POWER ASSETS	6 HK	60.00	127,867	0.25	8.79	66.30	49.12	20.41	20.13	18.00	4.72	1.25
HENDERSON	12 HK	26.30	127,329	1.31	-6.54	35.44	24.80	21.04	15.26	13.49	4.79	0.39
SHKP	16 HK	108.20	313,540	0.46	14.26	146.20	91.05	14.47	13.83	12.98	3.58	0.50
GALAXY ENT	27 HK	32.02	140,211	-1.84	-16.44	43.90	29.20	13.20	13.00	12.20	5.59	1.62
MTRC	66 HK	32.58	202,433	-1.21	9.33	37.54	26.24	12.13	10.30	18.03	4.01	1.00
HLP	101 HK	6.53	33,976	-1.06	-24.16	10.27	6.53	10.11	11.33	10.95	7.91	0.25
GEELY	175 HK	15.77	171,089	-1.07	-11.90	24.98	15.13	8.27	6.72	5.52	4.23	1.28
ALI HEALTH	241 HK	2.83	45,557	-7.83	-44.06	7.78	2.83	16.79	18.36	16.16	0.00	2.31
CITIC LTD	267 HK	13.09	380,792	0.38	8.54	13.91	10.61	5.56	5.10	4.84	5.81	0.40
BYD ELECTRONICS	285 HK	22.86	51,346	-3.87	-32.05	44.08	20.30	N/A	N/A	N/A	N/A	N/A
WH GROUP	288 HK	6.55	84,038	-0.83	-24.45	10.83	6.39	6.73	6.97	6.85	9.50	0.96
CR BEER	291 HK	18.71	60,699	2.69	-28.64	29.04	18.17	15.30	9.44	8.97	6.16	1.50
OOIL	316 HK	143.80	94,961	-1.71	14.67	176.90	120.10	N/A	N/A	N/A	N/A	N/A
TINGYI	322 HK	11.50	64,830	-1.88	-2.46	14.04	9.52	N/A	N/A	N/A	N/A	N/A
SINOPEC	386 HK	4.49	106,058	-0.55	-3.96	5.66	4.00	14.18	10.86	9.75	6.31	0.55
HKEX	388 HK	393.40	497,258	1.39	-3.48	456.80	362.20	28.25	25.09	24.13	3.56	8.29
TECHTRONIC	669 HK	128.50	234,263	0.08	42.94	147.90	84.00	25.16	20.64	17.95	2.40	3.89
COLI	688 HK	12.58	137,687	3.11	2.69	16.51	11.55	9.32	9.92	9.32	3.78	0.30
TENCENT	700 HK	438.40	3,950,335	4.63	-26.81	677.50	411.80	13.53	12.96	12.14	1.32	2.53
CHINA TELECOM	728 HK	4.41	61,199	-0.56	-18.18	6.04	4.27	10.46	11.70	11.41	6.49	0.74
UNICOM	762 HK	5.58	170,737	-2.62	-28.28	9.85	5.50	7.07	8.16	7.77	7.64	0.39
LINK	823 HK	37.52	98,577	1.35	8.00	42.28	34.20	13.84	14.87	15.13	6.74	0.65
CR POWER	836 HK	19.06	98,675	0.90	10.11	21.70	16.66	6.39	8.19	7.90	5.09	0.83
PETROCHINA	857 HK	9.62	202,866	1.32	14.74	12.03	7.08	9.30	7.84	8.16	6.87	0.87
XINYI GLASS	868 HK	8.03	35,552	-3.77	-2.90	11.67	8.03	11.16	11.56	9.48	4.60	0.77
CNOOC	883 HK	23.84	1,061,834	1.02	11.92	30.50	18.50	7.77	5.73	6.08	7.67	1.06
CCB	939 HK	9.68	2,599,264	0.94	25.88	9.89	7.28	N/A	N/A	N/A	N/A	N/A
CHINA MOBILE	941 HK	78.90	1,639,889	-0.19	-3.43	88.85	76.15	10.61	11.25	10.90	6.97	1.00
LONGFOR	960 HK	5.46	37,739	-3.96	-36.27	11.88	5.25	32.26	N/A	24.82	0.00	0.21
XINYI SOLAR	968 HK	1.94	17,700	-5.38	-34.85	4.00	1.94	18.18	56.29	12.67	1.02	0.52
SMIC	981 HK	63.80	383,714	-2.07	-10.71	91.05	50.70	101.67	45.19	36.20	0.00	2.83
LENOVO	992 HK	36.02	446,817	-4.15	288.98	37.58	8.64	N/A	N/A	N/A	N/A	N/A
KUAISHOU	1024 HK	30.50	110,572	-0.78	-52.31	91.85	29.66	6.05	18.56	15.53	0.00	1.33
CK INFRA	1038 HK	65.70	165,538	0.46	14.06	67.35	50.55	19.89	6.54	18.53	4.06	1.10
HENGAN	1044 HK	20.02	23,130	1.62	-28.24	29.52	19.70	7.65	8.45	7.85	8.22	0.87
SHENHUA	1088 HK	44.66	150,838	0.45	15.10	49.30	36.88	14.00	13.29	13.48	5.79	1.84
CSPC	1093 HK	9.34	107,019	4.59	10.79	10.69	6.65	24.28	11.04	16.18	3.84	2.41
SINOPHARM	1099 HK	14.91	20,006	-0.73	-23.30	21.96	14.91	N/A	N/A	N/A	N/A	N/A
CR LAND	1109 HK	29.06	207,225	1.47	6.84	38.40	27.12	8.04	8.39	8.08	4.15	0.60
CKA	1113 HK	46.18	161,620	0.00	17.45	52.20	36.22	13.60	11.99	12.89	4.02	0.40
HANG SENG INDEX		24,761.13	31,807,090	0.04	-3.39	27,968.09	22,671.86	16.89	17.20	12.14	3.51	1.97

Source: FactSet

HSCEI constituents

Company name	Stock code	Closing price (HK\$)	Mkt cap (HK\$ m)	5D chg (%)	YTD chg (%)	-----52-week----- High (HK\$) Low (HK\$)		-----P/E----- 2025 (x) 2026E (x) 2027E (x)			Yield 2026E (%)	P/B 2026E (x)
KE HOLDINGS	2423 HK	43.26	136,977	0.42	4.24	52.65	35.94	14.76	14.39	12.93	2.42	1.80
XIAOMI CORP	1810 HK	26.58	562,299	0.68	-32.37	59.45	21.42	14.35	23.44	17.93	0.00	2.01
YUM CHINA	9987-HK	322.00	110,272	-0.68	-12.64	450.00	316.20	16.55	13.94	12.46	2.80	2.60
ZTO EXPRESS	2057 HK	156.20	85,559	-4.17	-3.76	204.00	142.40	12.12	9.75	8.62	4.42	1.43
GEELY	175 HK	15.77	171,089	-1.07	-11.90	24.98	15.13	8.27	6.72	5.52	4.23	1.28
CITIC LTD	267 HK	13.09	380,792	0.38	8.54	13.91	10.61	5.56	5.10	4.84	5.81	0.40
SINOPEC	386 HK	4.49	106,058	-0.55	-3.96	5.66	4.00	14.18	10.86	9.75	6.31	0.55
COLI	688 HK	12.58	137,687	3.11	2.69	16.51	11.55	9.32	9.92	9.32	3.78	0.30
TENCENT	700 HK	438.40	3,950,335	4.63	-26.81	677.50	411.80	13.53	12.96	12.14	1.32	2.53
UNICOM	762 HK	5.58	170,737	-2.62	-28.28	9.85	5.50	7.07	8.16	7.77	7.64	0.39
PETROCHINA	857 HK	9.62	202,866	1.32	14.74	12.03	7.08	9.30	7.84	8.16	6.87	0.87
CNOOC	883 HK	23.84	1,061,834	1.02	11.92	30.50	18.50	7.77	5.73	6.08	7.67	1.06
CCB	939 HK	9.68	2,599,264	0.94	25.88	9.89	7.28	N/A	N/A	N/A	N/A	N/A
CHINA MOBILE	941 HK	78.90	1,639,889	-0.19	-3.43	88.85	76.15	10.61	11.25	10.90	6.97	1.00
SMIC	981 HK	63.80	383,714	-2.07	-10.71	91.05	50.70	101.67	45.19	36.20	0.00	2.83
LENOVO	992 HK	36.02	446,817	-4.15	288.98	37.58	8.64	N/A	N/A	N/A	N/A	N/A
KUAISHOU	1024 HK	30.50	110,572	-0.78	-52.31	91.85	29.66	6.05	18.56	15.53	0.00	1.33
SHENHUA	1088 HK	44.66	150,838	0.45	15.10	49.30	36.88	14.00	13.29	13.48	5.79	1.84
CSPC	1093 HK	9.34	107,019	4.59	10.79	10.69	6.65	24.28	11.04	16.18	3.84	2.41
CR LAND	1109 HK	29.06	207,225	1.47	6.84	38.40	27.12	8.04	8.39	8.08	4.15	0.60
BYD	1211 HK	79.50	635,756	-2.45	-16.62	113.90	72.45	19.19	16.09	12.42	0.75	2.24
ABC	1288 HK	6.61	2,768,260	4.92	14.36	6.61	5.09	N/A	N/A	N/A	N/A	N/A
CHINA HONGQIAO	1378 HK	20.82	204,440	-5.88	-36.17	40.22	20.00	7.64	5.29	5.28	12.03	1.19
ICBC	1398 HK	7.66	3,228,445	2.13	21.78	7.70	5.60	N/A	N/A	N/A	N/A	N/A
PSBC	1658 HK	5.42	526,044	0.37	1.88	5.73	4.54	N/A	N/A	N/A	N/A	N/A
INNOVENT	1801 HK	99.80	174,136	3.31	30.89	109.80	72.95	188.11	64.49	42.18	0.00	7.04
LI AUTO	2015 HK	46.76	157,972	-1.68	-27.90	102.00	45.08	34.81	N/A	52.31	0.00	1.21
ANTA	2020 HK	71.95	199,381	0.35	-10.68	93.50	67.55	12.79	10.98	10.64	3.81	2.27
SHENZHOU	2313 HK	34.36	51,637	-1.94	-43.86	72.10	34.36	7.66	9.90	8.37	6.07	1.14
PING AN	2318 HK	53.25	1,060,482	0.09	-18.27	73.45	50.55	6.14	5.47	5.11	6.48	0.76
PICC P&C	2328 HK	16.75	115,563	0.06	2.38	19.37	13.96	7.93	7.37	7.11	5.10	1.03
CHINA LIFE	2628 HK	29.44	1,130,648	0.20	7.52	35.52	21.24	4.66	4.48	4.42	3.82	1.07
ZIJIN MINING	2899 HK	32.72	195,955	-4.16	-8.24	46.14	27.40	15.03	9.40	8.37	3.32	3.03
BOCOM	3328 HK	8.29	290,074	1.78	28.45	8.29	6.39	6.50	6.64	6.38	4.99	0.51
MEITUAN	3690 HK	72.25	404,334	-1.30	-30.06	106.10	64.25	N/A	270.82	16.74	0.00	2.52
HANSOH PHARM	3692 HK	33.86	205,292	-1.28	-6.15	43.36	28.56	32.12	27.67	26.48	1.32	4.52
CMB	3968 HK	51.20	1,216,769	0.00	-3.03	53.70	43.86	N/A	N/A	N/A	N/A	N/A
BOC	3988 HK	6.04	2,136,926	0.92	35.43	6.09	4.16	N/A	N/A	N/A	N/A	N/A
BEONE MEDICINES	6160 HK	215.20	326,429	1.22	20.02	229.00	155.40	137.86	48.34	34.78	0.00	7.65
JD HEALTH	6618 HK	35.80	114,219	-1.32	-35.50	69.65	31.98	18.31	16.28	13.86	0.00	1.47
JD.COM	9618 HK	105.60	254,003	0.57	-5.38	142.80	96.00	10.51	8.20	6.43	3.88	1.05
NONGFU SPRING	9633 HK	39.12	196,639	1.35	-16.48	56.10	38.60	23.62	20.83	N/A	3.34	8.09
HORIZON ROBOTICS	9660 HK	4.84	56,969	-1.48	-49.80	11.57	4.16	N/A	N/A	N/A	N/A	N/A
XPENG	9868 HK	40.22	63,034	-4.33	-49.31	108.50	40.22	N/A	N/A	169.92	0.00	2.38
BAIDU	9888 HK	86.30	190,683	-1.03	-34.37	160.50	86.30	11.60	15.83	13.20	0.00	0.73
AKESO	9926 HK	93.90	86,385	3.76	-16.90	151.00	82.95	N/A	N/A	86.84	0.00	8.67
TRIP.COM	9961 HK	313.40	203,578	-1.88	-43.43	609.00	305.20	6.20	10.99	10.08	0.00	1.02
ALIBABA	9988 HK	110.00	2,187,350	0.64	-22.97	185.10	89.50	28.42	17.44	12.38	0.99	1.56
POP MART	9992 HK	151.10	199,573	-2.58	-19.50	288.20	141.80	13.66	16.82	14.55	1.49	5.78
NETEASE	9999 HK	186.60	594,248	1.63	-13.05	240.40	170.50	14.05	12.75	10.94	2.84	2.74
HANG SENG CHINA ENT INDX		8,266.01	27,131,401	0.49	-7.27	9,724.38	7,460.84	16.29	18.32	12.23	3.15	1.88

Source: FactSet

BOCOM International

9/F, Man Yee Building, 68 Des Voeux Road Central, Central, Hong Kong
Main: (852) 3766 1899 Fax: (852) 2107 4662

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**.

Analyst certification

The authors of this report, hereby declare that: (i) all of the views expressed in this report accurately reflect their personal views about any and all of the subject securities or issuers; and (ii) no part of any of their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report; (iii) no insider information/ non-public price-sensitive information in relation to the subject securities or issuers which may influence the recommendations were being received by the authors.

The authors of this report further confirm that (i) neither they nor their respective associates (as defined in the Code of Conduct issued by the Hong Kong Securities and Futures Commission) have dealt in or traded in any securities in respect of the companies covered in this research report within 30 calendar days before the date of issue of the report; (ii) neither they nor their respective associates serve as an officer in respect of the companies covered in this research report (which includes in the case of a REIT, an officer of the management company of such REIT; and in the case of any other entity, an officer or its equivalent counterpart of the entity who is responsible for the management of the company); and (iii) neither they nor their respective associates have any financial interests in relation to the securities in respect of the companies covered in this report. "Associate" refers to (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or a discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst under paragraph 16.2(b) of the Code of Conduct for Persons Licensed by or Registered with the SFC.

Disclosure of relevant business relationships and financial interests

BOCOM International Securities Limited and/or its affiliated companies, has investment banking relationship with Bank of Communications, Guolian Securities Co. Ltd., BOCOM International Holdings Company Limited, Sichuan Energy Investment Development Co., Ltd, Light Year Holdings Limited, Wuhan Youji Holdings Ltd., Sincere Watch (Hong Kong) Limited, Limited, Deepexi Technology Co., Ltd., Shandong Kuailv Technology Development Co., Ltd., Guangzhou Innogen Pharmaceutical Group Co., Ltd., GenFleet Therapeutics (Shanghai) Inc., CF PharmTech, Inc., Wuhan Ammunition Life-tech Co., Ltd., Shanghai Zhida Technology Development Co., Ltd., Shanghai Synyi Medical Technology Co., Ltd., Sharetronic Data Technology Co., Ltd., Shanghai Bao Pharmaceuticals Co., Ltd., Shenzhen Xunce Technology Co., Ltd., Knowledge Atlas Technology Joint Stock Company Limited, Tojoy Shared Smart Enterprise Services Co., Ltd., Hongxing Coldchain (Hunan) Co., Ltd., Axera Semiconductor Co., Ltd, Muyuan Foods Co., Ltd., Nsing Technologies Inc., Fortunetone Technology Co., Ltd., Ningbo Physis Technology Co., Ltd., Artificial Intelligent Interconnection Technology Co., Ltd, Shenzhen Zhaowei Machinery & Electronics Co., Ltd., Estun Automation Co., Ltd., Shanghai Innovatech Information Technology Co., Ltd., UISEE Technologies (Beijing) Co., Ltd., Beijing DeepZero Technology Co., Ltd., Yangtuo Holdings Inc. and Transwarp Technology (Shanghai) Co., Ltd within the preceding 12 months.

BOCOM International Securities Limited and/or its group of companies currently holds more than 1% of the equity securities of Orient Securities Company Limited and Everbright Securities Company Limited.

Disclaimer

By accepting this report (which includes any attachment hereto), the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth below and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of law.

This report is strictly confidential and is for private circulation only to clients of BOCOM International Securities Ltd. This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of BOCOM International Securities Ltd.

BOCOM International Securities Ltd, its affiliates and related companies, their directors, associates, connected parties and/or employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be interested in, any such securities. Further, BOCOM International Securities Ltd, its affiliates and its related companies may do and seek to do business with the company(ies) covered in this report and may from time to time act as market maker or have assumed an underwriting commitment in securities of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking, advisory, underwriting, financing or other services for or relating to such company(ies) as well as solicit such investment, advisory, financing or other services from any entity mentioned in this report. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

The information contained in this report is prepared from data and sources believed to be correct and reliable at the time of issue of this report. This report does not purport to contain all the information that a prospective investor may require and may be subject to late delivery, interruption and interception. BOCOM International Securities Ltd does not make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information and opinion contained in this report and accordingly, neither BOCOM International Securities Ltd nor any of its affiliates nor its related persons shall be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

This report is general in nature and has been prepared for information purposes only. It is intended for circulation amongst BOCOM International Securities Ltd's clients generally and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. The information and opinions in this report are not and should not be construed or considered as an offer, recommendation or solicitation to buy or sell the subject securities, related investments or other financial instruments thereof.

The views, recommendations, advice and opinions in this report may not necessarily reflect those of BOCOM International Securities Ltd or any of its affiliates, and are subject to change without notice. BOCOM International Securities Ltd has no obligation to update its opinion or the information in this report.

Investors are advised to make their own independent evaluation of the information contained in this research report, consider their own individual investment objectives, financial situation and particular needs and consult their own professional and financial advisers as to the legal, business, financial, tax and other aspects before participating in any transaction in respect of the securities of company(ies) covered in this report. The securities of such company(ies) may not be eligible for sale in all jurisdictions or to all categories of investors.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to any law, regulation, rule or other registration or licensing requirement. The intended recipients of this report do not include investors who are physically located in Chinese Mainland. The recipient hereof undertakes to inform BOCOM International Securities Ltd as soon as possible if the recipient knows that accepting or distribution of this report may constitute non-compliance of any law, regulation or rule of the domestic jurisdiction.

BOCOM International Securities Ltd is a subsidiary of Bank of Communications Co Ltd.