Morning Express

22 October 2026

Focus of the Day

Axera Semiconductor		600 HK
New edge AI Products poised to become a new growth driver		Rating: **Buy**
CP: HK$ 20.28	TP: HK$ 37.00↑	Upside: +82.4%
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At the China International Industry Fair (CIIF), Axera unveiled its new AX8860 edge computing product, seizing opportunities in the edge/on-device AI market. The company showcased a comprehensive product portfolio based on the AX8860—ranging from chips and modules to inference cards—designed to support various edge-based inference applications. We believe that the recent emergence of consumer-facing AI agents, such as Meta's Muse, may accelerate the deployment at the edge or on-device AI compute.

Smart vehicle business on track and on-device business computing business may exceed previous expectations.

Raise 2026/27E revenue forecasts: We raise our revenue projections for Axera to RMB0.97/1.95/3.73bn for 2026E/27E/28E respectively. We anticipate that gross margins across the product portfolio will remain relatively stable. We maintain our forecast that the company will achieve positive EBITDA by 2027E and reach overall profitability by 2028. We reiterate our **Buy** rating and have raised our TP to HKD 37, representing a 10x P/S multiple for 2027E.

Global Stock Indices

	Close	1D%	YTD%
HSI	23,652	-0.91	-12.53
HSCEI	7,943	-1.08	-10.89
SH A	3,893	-0.60	-6.45
SH B	292	-1.86	14.95
SZ A	2,328	-0.49	-12.08
SZ B	1,158	-0.33	-8.40
DJIA	52,856	0.69	9.97
S&P 500	7,757	0.58	13.32
Nasdaq	26,703	1.05	14.89
FTSE	10,753	0.19	8.27
CAC	7,922	1.06	-2.80
DAX	25,645	1.35	4.71

Source: FactSet

Key Commodity/Forex Indicators

	Close	3M%	YTD%
Brent	115.22	26.55	89.38
Gold	4,122.40	1.26	-4.70
Silver	57.10	-3.04	-20.68
Copper	14,540.00	4.94	16.28
JPY	158.11	3.11	-0.86
GBP	1.34	0.10	-0.49
EUR	1.12	-1.59	-4.43

bps change		3M	6M
HIBOR	4.58	0.00	0.00
US 10yr yield	5.12	10.57	18.68

Source: FactSet

HSI Technical

HSI	23,651.87
50D MA	24,609.71
200D MA	25,080.05
14D RSI	34.966
Short sell (HK$m)	33,126

Source: FactSet

Analyst certifications, disclosures and disclaimer at the back forms part of this report and must be read.

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BOCOM Research latest reports

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25 Jun	**BOCOM Int'l Research - 2H26 Market Outlook: Riding the Tailwinds**	**BOCOM Int'l Research**
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16 Jun	**New Infrastructure Construction - 2H26 Outlook: Data center sector – Orderly explosive growth**	**Philip Tse, CFA, FRM**
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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**
16 Oct	Global Macro - Rate hike expectations swing sharply amid higher-than-expected inflation — Sep US CPI commentary	Hugh Wang
15 Oct	Global Asset Allocation Monthly: a sharp narrowing in the breadth of global equity gains amid Sep rate hikes	Hugh Wang
6 Oct	Fed's rate hike may pause, rather than end — September US nonfarm payrolls commentary	Hugh Wang
2 Oct	Monthly Picks - October Picks: Rate hike cycle begins; balancing defense and returns in asset allocation	BOCOM Int'l Research
29 Sep	Banking Sector- Listed banks post strong 1H26 results; focus on allocation opportunities in state-owned banks	Tian Jin
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 heighted volatility in July	Hugh Wang
Daily reports		
21 Oct	New edge AI Products poised to become a new growth driver	Dawei Wang, PhD, CFA
20 Oct	Advanced Manufacturing & Mobility Technology - Battery Sector Monthly: Energy storage and overseas demand remain resilient; growing importance of overseas localization	Angus Chan, Joyce Li, PhD, CFA
20 Oct	GenFleet Therapeutics (2595 HK) – Strong KRAS G12D data readouts from China and overseas trials; clearer competitive advantages across indications	Ethan Ding, Gloria Zhuge
20 Oct	Taiwan Semiconductor Manufacturing Co (TSM US) – 2nm new node drives revenue growth to accelerate; Raise TP	Dawei Wang, PhD, CFA
16 Oct	PV Sector - Industry conference clarifies low-price dumping criteria; polysilicon set for sharp output cuts under industry self-regulation	Bob Wen, CPA
16 Oct	Kosmo 3D world data engine launched, Accelerating expansion into Physical AI	Joyce Li, PhD, CFA, Angus Chan
16 Oct	dvanced Manufacturing & Mobility Technology – CIIF 2026: AI accelerates industrial automation upgrades; robot commercialization advances into real-world applications	Angus Chan, Joyce Li, PhD, CFA
15 Oct	Social Financing Monthly: Marginal improvement in corporate credit in September	Tian Jin
13 Oct	Advanced Manufacturing & Mobility Technology – Auto Sector Monthly: Sep sales improved MoM, NEV penetration reached a new high; overseas localization advantages further highlight	Angus Chan, Joyce Li, PhD, CFA
9 Oct	Technology Sector Monthly – Tech stocks rebound; eyes on supply chain shifts driven by the new accelerator product cycle.	Dawei Wang, PhD, CFA
5 Oct	Advanced Manufacturing & Mobility Technology – Sep sales continued to improve MoM, with overseas growth and new models supporting the "Silver Oct"	Angus Chan, Joyce Li, PhD, CFA
30 Sep	Legend Biotech (LEGN US) – Carvykti's therapeutic potential gains further support from multiple new datasets, but near-term pricing pressure leads us to lower our TP	Ethan Ding, Gloria Zhuge
29 Sep	Banking Sector - Listed banks post strong 1H26 results; focus on allocation opportunities in state-owned banks	Tian Jin
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 (3692 HK) - 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

Source: BOCOM Int'l

HSI constituents

Company name	Stock code	Current price (HK$)	Mkt cap (HK$ m)	5D chg (%)	YTD chg (%)	52-week High (HK$)	52-week Low (HK$)	P/E 2025 (x)	P/E 2026E (x)	P/E 2027E (x)	Yield 2026E (%)	P/B 2026E (x)
CMOC	3993 HK	13.65	53,692	-6.57	-29.05	24.78	13.64	12.23	7.49	6.96	4.26	2.31
CATL	3750 HK	364.80	79,636	-17.24	-27.83	779.50	364.80	20.00	15.24	12.52	3.26	3.61
LAOPU GOLD	6181 HK	296.60	42,574	-6.91	-52.01	849.50	287.60	8.90	6.73	6.23	11.48	3.10
MIDEA GROUP	300 HK	93.10	60,594	-0.90	9.59	101.40	78.45	14.24	13.02	12.02	5.67	2.54
XIAOMI CORP	1810 HK	26.80	570,451	0.53	-31.81	46.74	21.42	14.62	23.76	18.39	0.00	2.07
ZTO EXPRESS	2057 HK	157.10	86,052	-0.76	-3.20	204.00	142.60	12.32	9.88	8.71	4.29	1.46
CKH	1 HK	66.25	253,740	0.53	25.12	74.00	50.70	11.38	10.55	9.79	3.82	0.43
CLP	2 HK	76.40	193,021	-0.97	9.77	79.80	65.80	18.45	17.04	16.53	4.25	1.73
HK & CHINA GAS	3 HK	7.24	135,004	0.28	3.21	7.75	6.43	23.97	20.67	20.10	4.84	2.28
HSBC	5 HK	145.80	2,498,283	-2.61	19.12	168.20	102.00	12.35	10.94	9.74	4.52	1.75
POWER ASSETS	6 HK	60.50	128,932	-0.08	9.70	66.30	49.36	20.65	19.45	18.17	4.66	1.26
HENDERSON	12 HK	27.40	132,654	0.74	-2.63	35.44	24.80	21.92	15.90	14.05	4.60	0.41
SHKP	16 HK	107.40	311,222	0.19	13.41	146.20	92.35	14.24	13.61	12.77	3.64	0.49
GALAXY ENT	27 HK	33.00	144,502	-1.61	-13.88	43.90	29.20	13.52	13.36	12.50	5.45	1.67
MTRC	66 HK	32.72	203,302	1.05	9.80	37.54	27.30	12.16	10.32	18.08	4.00	1.00
HLP	101 HK	6.37	33,144	-0.47	-26.02	10.27	6.36	9.80	11.08	10.62	8.16	0.24
GEELY	175 HK	14.52	157,527	-3.26	-18.88	24.98	14.52	7.58	6.15	5.02	4.61	1.18
ALI HEALTH	241 HK	2.94	47,331	-2.33	-41.88	7.78	2.81	17.30	19.63	17.20	0.00	2.38
CITIC LTD	267 HK	12.46	362,465	-3.19	3.32	13.91	10.61	5.28	4.83	4.59	6.13	0.37
BYD ELECTRONICS	285 HK	22.46	50,447	1.91	-33.23	39.24	20.30	N/A	N/A	N/A	N/A	N/A
WH GROUP	288 HK	6.40	82,049	-0.93	-26.24	10.83	6.39	6.68	7.44	7.41	9.02	0.96
CR BEER	291 HK	18.92	61,380	-4.59	-27.84	29.04	18.17	15.48	9.70	9.17	5.96	1.52
OOIL	316 HK	155.80	102,886	-2.99	24.24	176.90	120.10	N/A	N/A	N/A	N/A	N/A
TINGYI	322 HK	12.24	69,002	-1.05	3.82	14.04	9.52	N/A	N/A	N/A	N/A	N/A
SINOPEC	386 HK	4.51	106,531	0.11	-3.53	5.66	4.00	14.31	10.99	9.83	6.33	0.55
HKEX	388 HK	372.80	471,219	-0.48	-8.54	444.20	362.20	26.61	23.90	22.73	3.76	7.80
TECHTRONIC	669 HK	131.90	240,280	0.84	46.72	147.90	84.00	25.62	21.01	18.27	2.34	3.99
COLI	688 HK	12.70	139,000	-3.57	3.67	16.51	11.55	9.32	9.92	9.35	3.78	0.30
TENCENT	700 HK	393.80	3,547,480	-5.74	-34.26	657.00	393.80	12.02	11.56	10.96	1.50	2.25
CHINA TELECOM	728 HK	4.45	61,754	-4.51	-17.44	6.04	4.27	10.52	11.95	11.48	6.32	0.74
UNICOM	762 HK	5.37	164,312	-4.36	-30.98	9.85	5.37	6.72	7.86	7.41	7.88	0.37
LINK	823 HK	38.00	99,838	-0.52	9.38	42.28	34.20	13.95	14.98	15.25	6.68	0.66
CR POWER	836 HK	19.20	99,400	-3.18	10.92	21.70	16.66	6.52	8.47	7.79	4.81	0.84
PETROCHINA	857 HK	9.78	206,347	-2.15	16.71	12.03	7.89	9.68	8.18	8.45	6.49	0.91
XINYI GLASS	868 HK	7.91	35,283	-2.47	-4.35	11.67	7.86	10.80	10.81	9.32	5.13	0.74
CNOOC	883 HK	23.92	1,065,397	-0.17	12.30	30.50	19.50	7.92	5.85	6.16	7.52	1.08
CCB	939 HK	9.78	2,637,284	-0.86	27.18	9.98	7.39	N/A	N/A	N/A	N/A	N/A
CHINA MOBILE	941 HK	77.55	1,612,505	-4.20	-5.08	88.85	76.15	10.39	11.16	10.89	7.03	0.98
LONGFOR	960 HK	5.03	34,665	-0.40	-41.30	10.53	4.75	28.51	N/A	30.55	0.00	0.19
XINYI SOLAR	968 HK	1.84	16,759	-4.43	-38.22	4.00	1.84	16.81	50.37	11.76	1.19	0.48
SMIC	981 HK	49.96	300,475	-4.66	-30.08	89.40	49.96	79.59	35.37	28.04	0.00	2.21
LENOVO	992 HK	26.00	333,476	-7.34	180.78	37.58	8.64	N/A	N/A	N/A	N/A	N/A
KUAISHOU	1024 HK	28.04	101,112	-4.30	-56.15	82.95	28.04	5.49	16.70	14.04	0.00	1.20
CK INFRA	1038 HK	67.60	170,326	-0.52	17.36	68.10	50.55	20.61	6.73	18.97	3.93	1.12
HENGAN	1044 HK	19.54	22,575	-1.31	-29.96	29.52	19.20	7.47	8.25	7.70	8.42	0.85
SHENHUA	1088 HK	40.22	135,842	-5.45	3.66	49.30	38.44	12.54	11.93	12.05	6.43	1.68
CSPC	1093 HK	8.70	99,686	-2.03	3.20	10.69	6.65	21.79	9.86	14.52	4.73	2.16
SINOPHARM	1099 HK	15.67	21,026	-0.32	-19.39	21.96	14.70	N/A	N/A	N/A	N/A	N/A
CR LAND	1109 HK	30.24	215,640	-2.64	11.18	38.40	27.12	8.17	8.52	8.22	4.18	0.61
CKA	1113 HK	45.08	157,770	1.30	14.65	52.20	37.86	13.18	11.62	12.49	4.15	0.39
HANG SENG INDEX		**23,651.87**	**30,929,226**	**-2.21**	**-7.72**	**27,968.09**	**22,671.86**	**15.70**	**16.84**	**11.57**	**3.72**	**1.85**

Source: FactSet

HSCEI constituents

Company name	Stock code	Closing price (HK$)	Mkt cap (HK$ m)	5D chg (%)	YTD chg (%)	52-week High (HK$)	52-week Low (HK$)	P/E 2025 (x)	P/E 2026E (x)	P/E 2027E (x)	Yield 2026E (%)	P/B 2026E (x)
KE HOLDINGS	2423 HK	46.46	146,251	-2.11	11.95	51.95	35.94	15.81	15.42	13.85	2.17	1.96
XIAOMI CORP	1810 HK	26.80	570,451	0.53	-31.81	46.74	21.42	14.62	23.76	18.39	0.00	2.07
YUM CHINA	9987-HK	349.20	119,587	-0.80	-5.26	450.00	313.80	17.81	14.98	13.37	2.61	2.80
ZTO EXPRESS	2057 HK	157.10	86,052	-0.76	-3.20	204.00	142.60	12.32	9.88	8.71	4.29	1.46
GEELY	175 HK	14.52	157,527	-3.26	-18.88	24.98	14.52	7.58	6.15	5.02	4.61	1.18
CITIC LTD	267 HK	12.46	362,465	-3.19	3.32	13.91	10.61	5.28	4.83	4.59	6.13	0.37
SINOPEC	386 HK	4.51	106,531	0.11	-3.53	5.66	4.00	14.31	10.99	9.83	6.33	0.55
COLI	688 HK	12.70	139,000	-3.57	3.67	16.51	11.55	9.32	9.92	9.35	3.78	0.30
TENCENT	700 HK	393.80	3,547,480	-5.74	-34.26	657.00	393.80	12.02	11.56	10.96	1.50	2.25
UNICOM	762 HK	5.37	164,312	-4.36	-30.98	9.85	5.37	6.72	7.86	7.41	7.88	0.37
PETROCHINA	857 HK	9.78	206,347	-2.15	16.71	12.03	7.89	9.68	8.18	8.45	6.49	0.91
CNOOC	883 HK	23.92	1,065,397	-0.17	12.30	30.50	19.50	7.92	5.85	6.16	7.52	1.08
CCB	939 HK	9.78	2,637,284	-0.86	27.18	9.98	7.39	N/A	N/A	N/A	N/A	N/A
CHINA MOBILE	941 HK	77.55	1,612,505	-4.20	-5.08	88.85	76.15	10.39	11.16	10.89	7.03	0.98
SMIC	981 HK	49.96	300,475	-4.66	-30.08	89.40	49.96	79.59	35.37	28.04	0.00	2.21
LENOVO	992 HK	26.00	333,476	-7.34	180.78	37.58	8.64	N/A	N/A	N/A	N/A	N/A
KUAISHOU	1024 HK	28.04	101,112	-4.30	-56.15	82.95	28.04	5.49	16.70	14.04	0.00	1.20
SHENHUA	1088 HK	40.22	135,842	-5.45	3.66	49.30	38.44	12.54	11.93	12.05	6.43	1.68
CSPC	1093 HK	8.70	99,686	-2.03	3.20	10.69	6.65	21.79	9.86	14.52	4.73	2.16
CR LAND	1109 HK	30.24	215,640	-2.64	11.18	38.40	27.12	8.17	8.52	8.22	4.18	0.61
BYD	1211 HK	71.15	591,748	-3.53	-25.38	113.20	71.15	16.91	14.25	10.95	0.85	1.98
ABC	1288 HK	6.73	2,941,455	-0.22	16.35	6.80	5.13	N/A	N/A	N/A	N/A	N/A
CHINA HONGQIAO	1378 HK	18.92	185,783	-3.67	-42.00	40.22	18.92	6.75	4.63	4.67	13.73	1.05
ICBC	1398 HK	7.45	3,323,695	-1.84	18.44	7.71	5.96	N/A	N/A	N/A	N/A	N/A
PSBC	1658 HK	5.61	552,987	1.63	5.36	5.73	4.54	N/A	N/A	N/A	N/A	N/A
INNOVENT	1801 HK	89.10	155,651	0.06	16.85	109.80	72.95	161.33	55.31	36.28	0.00	6.05
LI AUTO	2015 HK	45.82	157,939	2.37	-29.34	86.90	42.40	35.71	N/A	51.23	0.00	1.21
ANTA	2020 HK	75.45	209,079	-3.21	-6.33	88.30	67.55	13.38	11.61	11.16	3.79	2.38
SHENZHOU	2313 HK	36.70	55,154	-1.71	-40.03	72.10	33.48	8.05	10.46	8.80	5.78	1.20
PING AN	2318 HK	49.18	1,007,624	-1.74	-24.51	73.45	49.18	5.63	5.05	4.69	6.93	0.70
PICC P&C	2328 HK	14.88	102,661	-2.23	-9.05	19.37	13.96	6.98	6.49	6.36	5.73	0.91
CHINA LIFE	2628 HK	23.10	1,002,130	-2.20	-15.63	35.52	23.02	3.61	3.50	3.42	4.83	0.84
ZIJIN MINING	2899 HK	30.70	183,857	-3.94	-13.91	46.14	27.40	13.68	8.54	7.42	3.64	2.76
BOCOM	3328 HK	8.47	296,551	-0.12	31.32	8.63	6.39	6.67	6.85	6.55	4.86	0.53
MEITUAN	3690 HK	74.70	417,828	-1.32	-27.69	106.10	64.25	N/A	276.39	17.09	0.00	2.57
HANSOH PHARM	3692 HK	34.38	208,437	8.32	-4.71	43.36	28.56	31.46	27.05	25.49	1.35	4.43
CMB	3968 HK	52.85	1,267,519	-0.75	0.09	53.95	43.86	N/A	N/A	N/A	N/A	N/A
BOC	3988 HK	6.10	2,303,195	-0.65	36.77	6.27	4.32	N/A	N/A	N/A	N/A	N/A
BEONE MEDICINES	6160 HK	231.40	350,797	2.84	29.06	231.40	155.40	146.21	50.64	36.73	0.00	8.11
JD HEALTH	6618 HK	38.92	124,173	0.93	-29.87	69.65	31.98	19.72	17.59	14.97	0.00	1.57
JD.COM	9618 HK	102.70	247,027	-3.20	-7.97	131.80	96.00	10.17	8.14	6.33	4.04	1.02
NONGFU SPRING	9633 HK	41.04	206,386	-0.39	-12.38	56.10	38.40	24.75	21.83	N/A	3.19	8.48
HORIZON ROBOTICS	9660 HK	4.49	52,635	-2.31	-53.40	10.82	4.16	N/A	N/A	N/A	N/A	N/A
XPENG	9868 HK	36.98	57,966	-1.28	-53.40	108.50	36.28	N/A	N/A	N/A	0.00	2.18
BAIDU	9888 HK	77.70	171,681	-2.20	-40.91	160.50	77.70	10.18	14.07	11.82	0.00	0.64
AKESO	9926 HK	92.80	87,101	1.64	-17.88	151.00	82.95	N/A	N/A	92.91	0.00	8.18
TRIP.COM	9961 HK	312.80	203,189	-0.70	-43.54	609.00	296.00	6.00	10.52	9.75	0.00	0.99
ALIBABA	9988 HK	103.70	2,063,837	-4.69	-27.38	173.60	89.50	26.84	16.22	11.68	1.07	1.45
POP MART	9992 HK	129.80	171,409	-8.72	-30.85	269.80	129.80	11.49	14.58	12.37	1.73	4.88
NETEASE	9999 HK	194.50	619,407	-1.62	-9.37	230.60	170.50	14.83	13.57	11.63	2.69	2.89
HANG SENG CHINA ENT INDX		**7,943.41**	**26,733,290**	**-2.27**	**-10.89**	**9,599.06**	**7,460.84**	**15.23**	**18.21**	**11.23**	**3.35**	**1.77**

Source: FactSet

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Rating System

Analyst Stock Rating:	Analyst Industry Views:
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.	**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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