



### Major Market Indicators

	8 Sep	7 Sep	6 Sep
Mkt. Turn.(mm)	80,000	86,100	82,200
Stock Advances	581	565	828
Stock Declines	927	971	712
HSI	18,855	19,004	19,203
Change	-190	+158	-23

### HSI Technical Indicators

10-days MA	19,547
50-days MA	20,279
250-days MA	22,537
14-days RSI	31.61
Primary resistance	19,000
Primary support	18,600

### HSCEI Technical Indicators

10-days MA	6,700
50-days MA	6,956
250-days MA	7,872
14-days RSI	33.05
Primary resistance	6,600
Primary support	6,600

## Stock Pick

### CIMC Enric (03899)

**Target: \$10**

**Stop loss: \$8.5**

CIMC Enric announced revenue for 1H22 rose by 12.7% to RMB8.9bn, and Profit attributable to shareholders rose 14.6% to RMB0.43bn, EPS was Rmb 0.22. Moreover, Wins Order of RMB0.5bn for long-distance natural gas pipelines and low-temperature storage tank projects from African customers. As the EU tries to reduce its reliance on Russian pipeline gas, CIMC Enric's clean energy business is expected to benefit from changes in the global energy supply landscape.

### China Construction Bank (0939)

**Target: \$6.20**

**Stop loss: \$4.00**

CCB's interim result was basically in line with expectations, profit before tax was Rmb192.4bn, increase of 4.3%, YoY. With the introduction of measures to stabilize the economy in the second half of the year, consumer demand has been gradually improved. The management of China Construction Bank expects that the growth of consumer loans to improve in 2H22.

### Times Electric (3898)

**Target: \$45.00**

**Stop loss: \$34.60**

Times Electric recorded satisfactory interim result with revenue and net profit grew 23% and 25% yoy. The revenue of emerging business (incl. power semiconductor device and NEV electric drive system business) rose 135%. China continues to release new policies to stimulate the economy, supporting investment in infrastructure construction. Meanwhile the Group has potential to grasp the opportunities of the national carbon neutrality policy.

## Market Overview

Initial claims for state unemployment benefits declined 6,000 to a seasonally adjusted 222,000 for the week ended Sept. 3, the Labor Department said on Thursday, underscoring the robustness of the labor market even as the Federal Reserve raises interest rates.

Hong Kong Stock Connect had a net inflow of HK\$0.05bn on Thursday, of which Tencent (0700) had the largest net inflow, followed by Huaneng Power (0902). HSCEI ETF (2828) recorded the largest net outflow, followed by CNOOC (0883).

## Daily Focus

### Bilibili (9626): Announced second-quarter results, net loss widened to RMB 2.01 billion

- Bilibili (9626) announced its second-quarter results. Revenue increased by 9.2%, YoY to Rmb 4.91 bn, and gross profit margin fell from 22% to 15%. The net loss widened to RMB 2.01 bn, compared with a net loss of RMB 1.12 bn last year, with the loss increasing by 79.5% YoY, and the net loss per share was RMB 5.08.
- In terms of the source of revenue, mobile game revenue performed poorly, fell 15% YoY to Rmb1.05 bn, accounting for 21% of total revenue. This was mainly due to the limited revenue growth momentum in the first half of the year due to the lack of the launch of popular new exclusive games publishing. Another source of income, value-added services, advertising and "e-commerce and others" all recorded growth, up 29%, 10% and 4% respectively.
- Moreover, the average monthly active users reached 305 mn, an increase of 29% YoY, while the average monthly paying users recorded a growth of 32% to approximately 27.5 mn users, thereby driving value-added service revenue (accounting for approximately 43% of total revenue).
- The company stated that the worst impact of the pandemic has passed, and the company is ready to regain its growth momentum and is expecting to improve profit margins, and net revenue in the third quarter to reach 5.6 bn to 5.8 bn yuan, an increase of about 7.6% to 11.4%, YoY.
- In fact, the revenue and net loss in this quarter were also worse than expected. The expansion of losses is expect to lead to a greater selling pressure which to suppress share price. Yesterday, the US stock market fell by 15%, and there is a 13% downside in exchange for Hong Kong dollars(after exchange share price equal to HKD157.7).

Bilibili (9626): Info	
Closed price	181.8
FY22 P/S (X)	2.8
52 week high	710
52 week low	125
14 RSI	44.5

Analyst: Derek Yip

## Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
<b>Balance (RMB bn)</b>	48.94	52.65	82.70
<b>Balance as % of Quota Amount</b>	94.1	101.2	98.5

### Top 10 Most Actively Traded Stocks(SH-HK Connect Southbound)

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TENCENT	700	728,088,700	566,372,100	1,294,460,800
HSCEI ETF	2828	3,328,252	621,493,548	624,821,800
CNOOC	883	229,045,570	220,375,240	449,420,810
HUANENG POWER	902	259,135,120	51,571,600	310,706,720
KUAISHOU-W	1024	24,930,120	203,274,935	228,205,055
MEITUAN-W	3690	134,419,650	81,930,650	216,350,300
CHINA RES POWER	836	99,867,920	91,708,760	191,576,680
CHINA POWER	2380	45,822,940	114,753,728	160,576,668
GEELY AUTO	175	29,608,720	128,280,106	157,888,826
FOSUN PHARMA	2196	90,597,375	66,223,950	156,821,325

Sources: HKEx

### Top 10 Most Actively Traded Stocks(SZ-HK Connect Southbound)

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
KOOLEARN	1797	757,405,700	685,168,425	1,442,574,125
TENCENT	700	540,977,220	279,351,526	820,328,746
CNOOC	883	291,729,450	440,985,140	732,714,590
HSCEI ETF	2828	52,844	405,061,944	405,114,788
CHINA RES POWER	836	204,576,040	79,143,760	283,719,800
CHINA SHENHUA	1088	85,885,175	151,298,200	237,183,375
MEITUAN-W	3690	118,593,000	103,714,307	222,307,307
KUAISHOU-W	1024	147,438,750	62,805,010	210,243,760
GCL TECH	3800	61,473,300	114,353,820	175,827,120
YANKUANG ENERGY	1171	38,502,300	129,080,328	167,582,628

Sources: HKEx

## Other Statistics

### Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover (Million)
TENCENT	700	-3.15%	301.80	71.63
BABA-SW	9988	-0.23%	87.20	29.47
HSCEI ETF	2828	-0.93%	65.98	28.36
TRACKER FUND	2800	-0.97%	19.48	20.22
MEITUAN-W	3690	-0.35%	171.50	15.85
CNOOC	883	-3.63%	9.57	14.42
KOOLEARN	1797	-0.44%	33.80	14.26
BYD COMPANY	1211	-3.05%	216.20	13.35
AIA	1299	-1.37%	72.05	12.38
JD-SW	9618	0.60%	235.20	10.80

## Ten Short Sell Stocks

Stock Name	Code	Short Selling Turnover	Turnover	Short Selling Ratio
TENCENT	00700.HK	1.86B	7.16B	25.92%
HSCEI ETF	02828.HK	1.10B	2.84B	38.83%
TRACKER FUND	02800.HK	894.42M	2.02B	44.24%
BABA-SW	09988.HK	741.23M	2.95B	25.15%
MEITUAN-W	03690.HK	479.17M	1.58B	30.23%
JD-SW	09618.HK	388.38M	1.08B	35.97%
GEELY AUTO	00175.HK	277.11M	766.55M	36.15%
BYD COMPANY	01211.HK	274.56M	1.33B	20.57%
AIA	01299.HK	268.26M	1.24B	21.66%
CSOP HS TECH	03033.HK	220.75M	421.90M	52.32%

Source: AA Stocks

## Economic Calendars

Date	Country	Event	Survey	Prior
Mon	US	Market will close (Labor Day)		
	Euro Zone	Aug. S&P Global Services PMI		50.2
		Jul. Retail Sales (MoM)		-1.2%
	China	Aug. Caixin Services PMI	54.0	55.5
Tue	US	Aug. S&P Global Services PMI	44.2	44.1
		Aug. ISM Services Index	55.2	56.7
Wed	US	Jul. Trade Balance	-\$70.1b	\$79.6b
	Euro Zone	2Q. GDP (QoQ)	0.6%	0.6%
		2Q. GDP (YoY)	3.9%	3.9%
	China	Aug. Imports and Exports		
	Hong Kong	Brilliance China (1114), NIO (9866) Results		
Thu	US	U.S. Federal Reserve Releases Beige Book		
		Initial Jobless Claims (Till Sep 3)		232k
		Continuing Jobless Claims (Till Aug 27)		1,438k
	Euro Zone	ECB Monetary Policy Meeting		
	Hong Kong	Sun Hung Kai (16), Bilibili (9626) Results		
Fri	China	Aug. PPI (YoY)	3.2%	4.2%
		Aug. CPI (YoY)	2.8%	2.7%

All the above named KGI analyst(s) is SFC licensed person accredited to KGI Asia Ltd to carry on the relevant regulated activities. Each of them and/or his/her associate(s) does not have any financial interest in the respectively covered stock, issuer and/or new listing applicant.

**Disclaimer** Some of KGI Asia Ltd. equity research and earnings estimates are available electronically on KGIEWORLD.COM. Please contact your KGI representative for information. The information and opinions in this report are those of KGI Asia Ltd. internal research activity. KGI Asia Ltd. does not make any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information and opinions contained in this report. The information and opinions contained in this report are subject to change without any notice. No person accepts any liability whatsoever for any loss however arising from any use of this report or its contents. This report is not to be construed as an invitation or offer to buy or sell securities and/or to participate in any investment activity. This report is being supplied solely for informational purposes and may not be reproduced or published (in whole or in part) for any purpose without the prior written consent of KGI Asia Ltd.. Members of the KGI group and their affiliates may provide services to any companies and affiliates of such companies mentioned herein. Members of the KGI group, their affiliates and their directors, officers and employees may from time to time have a position in any securities mentioned herein.