



### Major Market Indicators

	13 Sep	9 Sep	8 Sep
Mkt. Turn.(mm)	95,000	92,300	80,000
Stock Advances	775	1,147	581
Stock Declines	799	473	927
HSI	19,327	19,362	18,855
Change	-35	+508	-190

### HSI Technical Indicators

10-days MA	19,397
50-days MA	20,179
250-days MA	22,484
14-days RSI	42.76
Primary resistance	19,600
Primary support	19,200

### HSCEI Technical Indicators

10-days MA	6,646
50-days MA	6,915
250-days MA	7,850
14-days RSI	44.50
Primary resistance	6,800
Primary support	6,400

## 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 Overseas (0688)

**Target: \$26.00**

**Stop loss: \$20.00**

With the lower-than- expected inflation in August, the central government has the opportunity to further increase easing measures, including stimulating housing demand. The contracted sales of China Overseas in August amounted to RMB22.5bn, fell 10.1%, yet remained outperformed its peers. With the background of state-owned enterprises, the company has a higher financing ability and a stronger balance sheet when compared to its peers, and therefore be able to seize the opportunity of industry reshuffle.

### 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

The consumer price index (CPI) data in August was more serious than expected, and the market was worried that the pace of Fed rate hikes could not be slowed down. The VIX index rose 3.4 points or 14.2% to 27.27.

Hong Kong Stock Connect had a net inflow of HK\$2.18bn on Tuesday, of which WuXi Biologics (2269) had the largest net inflow, followed by Meituan (3690). Kuaishou (1024) recorded the largest net outflow, followed by Geely (0175). Biden's new executive order has a negative impact on the CXO sector, and the actual impact will not become clear until the White House announces further details, but investors should be cautious.

## Daily Focus

### Wuxi Biologics (2269): High volatility with uncertain downside risks

- Biden signed a new executive order on Monday to expand U.S. biomanufacturing and encourage companies to conduct biotechnology production and research in the United States. The goal is obviously similar to the previous regulation of Chinese chips, which is to promote the development of domestic high-tech industries and reduce dependence on China.
- This executive order involves the biotechnology industry. Investors should avoid CXO stocks. In fact, the related sectors became extremely volatile since the deterioration of Sino-US relations.
- According to the White House, the National Biotechnology and Biomanufacturing Initiative Summit will be on Wednesday. A series of new investments and resource allocations will be announced to enable the United States to fully utilize the potential of biotechnology and biomanufacturing to advance the President's executive order.
- WuXi Biologics (02269) has 54.1% of its revenue from North America in the first half of 2022. The impact of this new executive order will only become clear until the White House announces further details, but no matter what, the sector is currently too risky, investors should be cautious.

Wuxi Biologics (2269): Info	
Closed price	53.4
FY22 P/E(X)	42.2
FY22 Dividend yield (%)	0.0
52 week high	127.3
52 week low	40.3
14 RSI	26.6

Analyst: Tommy Kung

## Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
<b>Balance (RMB bn)</b>	48.74	48.94	80.81
<b>Balance as % of Quota Amount</b>	93.7	94.1	96.1

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
WUXIBIO	2269	781,159,350	509,501,975	1,290,661,325
MEITUAN-W	3690	443,757,230	103,326,700	547,083,930
TENCENT	700	324,297,480	211,458,033	535,755,513
CNOOC	883	269,363,450	61,704,600	331,068,050
CHINA MOBILE	941	242,638,225	24,088,675	266,726,900
BYD COMPANY	1211	159,460,900	105,593,400	265,054,300
LI AUTO-W	2015	62,963,150	154,974,190	217,937,340
KUAISHOU-W	1024	70,827,710	139,703,730	210,531,440
CHINA SHENHUA	1088	122,877,575	74,218,550	197,096,125
WUXI APTEC	2359	141,916,085	53,950,715	195,866,800

Sources: HKEx

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
WUXIBIO	2269	752,135,700	519,988,834	1,272,124,534
KOOLEARN	1797	443,827,925	583,185,025	1,027,012,950
CHINA MOBILE	941	161,827,125	240,122,650	401,949,775
TENCENT	700	174,415,120	164,011,500	338,426,620
MEITUAN-W	3690	210,645,560	95,709,018	306,354,578
LI AUTO-W	2015	173,433,520	120,385,370	293,818,890
KUAISHOU-W	1024	45,251,970	189,107,465	234,359,435
GREENTOWN CHINA	3900	202,033,980	9,505,700	211,539,680
GELY AUTO	175	28,627,820	171,788,320	200,416,140
TRACKER FUND	2800	162,331,480	230,890	162,562,370

Sources: HKEx

## Other Statistics

### Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover (Million)
WUXIBIO	2269	-19.94%	53.40	59.64
TENCENT	700	-0.72%	304.80	52.62
BABA-SW	9988	1.56%	91.20	37.81
TRACKER FUND	2800	-0.15%	19.97	24.80
MEITUAN-W	3690	-1.17%	177.80	23.61
JD-SW	9618	-4.11%	233.40	19.78
BYD COMPANY	1211	2.89%	228.00	18.48
AIA	1299	-1.67%	73.50	17.57
CHINA MOBILE	941	1.37%	52.00	15.61
HSCEI ETF	2828	0.15%	68.08	13.83

## Ten Short Sell Stocks

Stock Name	Code	Short Selling Turnover	Turnover	Short Selling Ratio
TENCENT	00700.HK	970.30M	5.26B	18.44%
CSOP HS TECH	03033.HK	811.92M	1.13B	72.04%
TRACKER FUND	02800.HK	740.95M	2.48B	29.88%
BABA-SW	09988.HK	728.27M	3.78B	19.26%
WUXI BIO	02269.HK	676.02M	5.96B	11.33%
MEITUAN-W	03690.HK	656.54M	2.36B	27.81%
BYD COMPANY	01211.HK	371.69M	1.85B	20.11%
JD-SW	09618.HK	348.18M	1.98B	17.60%
HSCEI ETF	02828.HK	344.65M	1.38B	24.92%
TECHTRONIC IND	00669.HK	295.22M	592.64M	49.81%

Source: AA Stocks

## Economic Calendars

Date	Country	Event	Survey	Prior
Mon	China	Market will close (Mid-Autumn Festival)		
	Hong Kong	Market will close (The day following the Chinese Mid-Autumn Festival)		
		HK Stock Connect Closed		
Tue	US	Aug. CPI (MoM)	-0.1%	0.0%
		Aug. CPI Ex Food and Energy (MoM)	0.3%	0.3%
		Aug. CPI (YoY)	8.1%	8.5%
Wed	US	Aug. PPI (MoM)	0.0%	-0.5%
		Aug. PPI Ex Food and Energy (MoM)	0.3%	0.2%
	Euro Zone	Jul. Industrial Production (MoM)	-0.7%	0.7%
Thu	US	Initial Jobless Claims (Till Sep 10)		222k
		Continuing Jobless Claims (Till Sep 3)		1,473k
		Aug. Retail Sales Ex Auto (MoM)	0.0%	0.4%
		Sep. Philadelphia Fed Manufacturing Index	2.0	6.2
		Aug. Industrial Production (MoM)	0.2%	0.6%
	Euro Zone	Jul. Trade Balance		-24.6b
	UK	BOE Monetary Policy Meeting		
Fri	US	Sep. University of Michigan Sentiment	59.3	58.2
	Euro Zone	Aug. CPI (YoY)	9.1%	9.1%
	China	Aug. Industrial Production (YoY)	3.8%	3.8%

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