



### Major Market Indicators

	14 Sep	13 Sep	9 Sep
Mkt. Turn.(mm)	93,800	95,000	92,300
Stock Advances	423	775	1,147
Stock Declines	1,139	799	473
HSI	18,847	19,327	19,362
Change	-480	-35	+508

### HSI Technical Indicators

10-days MA	19,287
50-days MA	20,119
250-days MA	22,454
14-days RSI	36.08
Primary resistance	19,000
Primary support	18,600

### HSCEI Technical Indicators

10-days MA	6,609
50-days MA	6,892
250-days MA	7,838
14-days RSI	38.24
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

While the U.S. consumer price index (CPI) rose more than expected in August, data released by the U.S. Labor Department on Wednesday (14th) showed that the producer price index (PPI) cooled. On an annual basis, it increased by 8.7%, which was lower than the market expectation of 8.8% and July's 9.8%. It has fallen for two consecutive months, which is the lowest growth rate since August 2021. The decline in energy costs is the main reason for the decline in PPI in August. However, the core PPI in August still rose 0.4% month-on-month, slightly higher than analysts' expectations.

Hong Kong Stock Connect had a net inflow of HK\$4.96bn on Wednesday, of which Tracker Fund (2800) had the largest net inflow, followed by CNOOC (0883). Kuaishou (1024) recorded the largest net outflow, followed by Geely (0175). The State Administration of Taxation and the Ministry of Finance announced that China will continue to defer tax payments for smaller manufacturers as part of efforts to revive economic activity.

## Daily Focus

### Japan may lift travel restrictions, future relaxation of quarantine measures in Hong Kong might improve the boost travel demand

- Japanese media reported that the Japanese government is considering ceasing the travel restriction measures. Referring to the cancellation of the single-day entry limit of 50,000 visitor in October at earliest and considering the exemption of short-term visas for releasing personal travel restrictions, and the discussion will soon to announce next week at earliest.
- Other than to the lifting of the ban on overseas epidemic prevention measures, the exchange rate of the JPY/HKD fell to 0.055, a drop of about 19%, Year to date, which will further enhance the citizen eagerness to travel to Japan.
- Cathay Pacific announced that it carried 219,000 passengers in July, up 306% year-on-year, but still down 93% from the same period before the pandemic in 2019. In terms of passenger load rate, it increased by 6.3 percentage points, Mom, to 73.3%. The passenger load rate in Northeast Asia (including Japan) is only 28%, the lowest among other region.
- However, Hong Kong still requires several days of hotel quarantine, and the implementation of the "3+4" quarantine arrangement which the travel demand cannot be fully reflected. The subsequent relaxation of quarantine measures, in conjunction with the lifting of restrictions overseas, which will help to stimulate travel demand and for the airline to improve their passenger load rate. From the airlines perspective, this also gives confidence to increase passenger load capacity, as the travel demand expected to resume in the future.
- Cathay Pacific (293) has seen support at the 100-day Moving average since March, investors may consider to accumulate near the 100-day MA.

Cathay Pacific(293): Info	
Closed price	8.59
FY22 P/B(X)	0.96
FY22 Dividend Yield (%)	-
52 week high	8.98
52 week low	6.11
14 RSI	57.4

Analyst: Derek Yip

## Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
<b>Balance (RMB bn)</b>	52.31	50.90	78.09
<b>Balance as % of Quota Amount</b>	100.6	97.9	93.0

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TENCENT	700	597,643,900	504,791,920	1,102,435,820
CNOOC	883	767,410,320	108,144,780	875,555,100
WUXIBIO	2269	476,345,800	132,034,650	608,380,450
MEITUAN-W	3690	278,424,510	204,230,210	482,654,720
LI AUTO-W	2015	231,198,410	74,857,890	306,056,300
GOME RETAIL	493	177,951,256	45,353,978	223,305,234
XIAOMI-W	1810	167,194,920	38,081,204	205,276,124
CICC	3908	126,779,560	61,352,728	188,132,288
CHINA MOBILE	941	90,927,475	84,205,650	175,133,125
GEELY AUTO	175	26,270,740	112,879,600	139,150,340

Sources: HKEx

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TRACKER FUND	2800	1,274,526,420	107,385	1,274,633,805
KOOLEARN	1797	390,726,875	330,296,200	721,023,075
WUXIBIO	2269	468,316,125	41,734,175	510,050,300
TENCENT	700	255,096,560	151,858,680	406,955,240
CNOOC	883	288,970,910	103,514,420	392,485,330
LI AUTO-W	2015	168,871,760	105,505,270	274,377,030
CHINA MOBILE	941	104,527,675	134,625,850	239,153,525
BYD COMPANY	1211	118,027,100	120,935,100	238,962,200
GOME RETAIL	493	148,169,546	64,593,630	212,763,176
KUAISHOU-W	1024	48,542,910	150,075,180	198,618,090

Sources: HKEx

## Other Statistics

### Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover (Million)
TRACKER FUND	2800	-2.35%	19.50	61.86
TENCENT	700	-1.71%	299.60	54.08
WUXIBIO	2269	-4.87%	50.80	35.96
BABA-SW	9988	-4.50%	87.10	30.83
HSCEI ETF	2828	-2.56%	66.34	27.25
JD-SW	9618	-4.20%	223.60	25.98
MEITUAN-W	3690	-2.25%	173.80	20.63
CNOOC	883	2.21%	10.16	18.29
AIA	1299	-2.72%	71.50	18.17
BYD COMPANY	1211	-3.51%	220.00	14.40

## Ten Short Sell Stocks

Stock Name	Code	Short Selling Turnover	Turnover	Short Selling Ratio
TRACKER FUND	02800.HK	4.18B	6.19B	67.63%
HSCEI ETF	02828.HK	1.93B	2.73B	70.79%
BABA-SW	09988.HK	882.28M	3.08B	28.62%
TENCENT	00700.HK	841.31M	5.41B	15.56%
MEITUAN-W	03690.HK	627.23M	2.06B	30.40%
JD-SW	09618.HK	614.06M	2.60B	23.64%
BYD COMPANY	01211.HK	447.43M	1.44B	31.08%
TECHTRONIC IND	00669.HK	359.53M	928.46M	38.72%
XL2CSOPHSTECH	07226.HK	334.87M	566.31M	59.13%
FL2 CSOP HSI	07200.HK	332.53M	486.77M	68.31%

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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