



Major Market Indicators

	16 Sep	15 Sep	14 Sep
Mkt. Turn.(mn)	123,900	81,900	93,800
Stock Advances	507	691	423
Stock Declines	1,086	830	1,139
HSI	18,762	18,930	18,847
Change	-169	+83	-480

HSI Technical Indicators

10-days MA	19,101
50-days MA	20,008
250-days MA	22,396
14-days RSI	35.69
Primary resistance	19,000
Primary support	18,600

HSCEI Technical Indicators

10-days MA	6,542
50-days MA	6,849
250-days MA	7,815
14-days RSI	37.19
Primary resistance	6,800
Primary support	6,200

Stock Pick

China Overseas Property (2669)

Target: \$10.2

Stop loss: \$8.0

Recently, the easing policy may gradually improve the expectations and confidence of home buyers and effectively increase the sell-through rate. The improvement of the property market will be beneficial to the property management sector. Among the sector, we prefer China Overseas Property, which can rely on the China Overseas, at the same time, its third-party expansion capability is satisfactory, and the management reiterates the FY2021 to 25 CAGR to be at 30%. Overall, its fundamental is better than that of its peers.

Budweiser (1876)

Target: \$28.0

Stop loss: \$21.0

China's total retail sales of consumer goods in August stood at RMB3.63tn, an increase of 5.4% yoy, 2.7 percentage points higher than that in July, indicating that mainland consumption is gradually improving. Although there are still uncertainties, the steady growth of beer as a mass consumer product is expected to be more certain in 2H22. Premiumization will remain the long-term growth driver for the Group. In addition, it is expected that the mainland market will gradually improve in the second half of the year, and the overseas market will continue to record volume growth and price hike.

Anta Sports (2020)

Target: \$120

Stop loss: \$85

ANTA Sports' performance in the 1H22 was better than expected. Its revenue hit another record high, having increased by 13.8% to RMB25.97bn. In addition, management guides "Anta" brand revenue is expecting to increase by 20% in 2H22, "FILA" to grow by double digits, and "other brands" to maintain rapid growth of more than 30%. Management's positive guidance should ease concerns about its growth prospects and inventory levels.

Market Overview

The World Bank has warned that if major central banks raise interest rates too high in the coming months and put pressure on financial markets, it could lead to a "devastating" global recession next year. In addition, three major economic performance announced, the "Industrial Production" and "Retail Sales" announced on Friday increased by 4.2% YoY and 5.4% YoY respectively in August, and the "Investment in Fixed Assets" in January-August increased by 5.8% YoY, both rebounded MoM and better than expected.

Hong Kong Stock Connect had a net inflow of HK\$1.4 bn on Thursday, of which, Tracker Fund (2800) had a net inflow of HK\$1 bn as the largest net flow on Friday, followed by Tencent (0700). Kuaishou-W (1024) recorded the largest net outflow, followed by Yankuang Energy (1171). In addition, Lei Jun, founder of Xiaomi (1810), said in an interview that Xiaomi's "car-making" means "uncomfortable" for the company in the next five to ten years, in fact, the stock price trend of Xiaomi is relatively weak and given the statement by the CEO we expect Xiaomi will stay weak for some period of time.

Daily Focus

Further Real Estate Easing in China may spur the sector

- Onewo is a property management service provider that integrates communities, commercial enterprises and urban spaces with AIoT and BPaaS technologies to form a new business system and achieve another growth model for the enterprise. Even in terms of property management, Onewo actually ranks among the top in terms of market share, ranking first in terms of revenue in 2021, with a market share of 4.28%.
- Different from other property management companies, Onewo has been actively expanding its customer base to attract customers with diverse backgrounds, including different industries, and strive to reduce its dependence on real estate developers. Starting from 2018, it has expanded from real estate property management to providing "urban coordinators" solutions for the management, coordination and service operation of urban space public resources and public facilities.
- In terms of area under management, Onewo residential property services are not dependent to the parent companies and associates. In the 1Q22, affiliates and independent third parties each account for 50%. In 1Q22, the area under management reached 670 mn square meters, an increase of 34.7% from FY20. Among the comprehensive services provided by enterprises and urban spaces, 85% of the area under management comes from third parties. In 1Q22, the area under management increased by 71% compared with FY20 to 135 mn square meters.
- In financial, revenue in the 1Q22 increased by 44% YoY, to Rmb 6.85 bn, which is faster than the 31% growth rate in FY21. In terms of gross profit, it fell from 17% in FY21 to 14.5% 1Q22, compared with peers, the gross profit margin is at low level, so whether the gross profit margin will fall further will be a market concern. In addition, in terms of revenue sources, Onewo has actively diversifying revenue sources, community services dropped from 63.4% in FY19 to 57.1% in 1Q22, and "commercial and urban space" revenue contribution increased from 30.8% to 35.6%. Another unique point of Onewo is that up to 80% of its income comes from independent third parties, and its dependence on Vanke is low.
- In addition, the proportion of AIoT and BPaaS service revenue increased from 5.8% to 7.3%, and remote operation solutions is expecting to help Onewo drive revenue growth in the future.
- As for cornerstone investors, Onewo introduced well-known institutional investors such as Temasek, UBS and China Chengtong etc.
- Onewo is listing at 28 - 32 FY21P/E, valuation ranked among the top compare to peers. Even if Onewo is not affected by the Chinese housing issue as stated in the IPO, but given the less active IPO market activities, and the market turnover remain at low level, we expect the upside potential in a short-run is limit. We suggest neutral.

Onewo [2602.HK]-IPO Brief	
Industry sector	Property Management Services
Issue price (HK\$)	47.1 - 52.7
Total share offer size (HK\$ mn)	55 - 61.5
2021 P/E (x)	28.4 - 31.8
Sponsor	CITIC, CITI, Goldman Sachs
Dealing of shares	29 Sept

Analyst: Derek Yip

Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
Balance (RMB bn)	51.77	53.26	81.53
Balance as % of Quota Amount	99.6	102.4	97.1

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TENCENT	700	544,831,720	201,459,740	746,291,460
KUAISHOU-W	1024	143,484,815	160,677,160	304,161,975
MEITUAN-W	3690	111,823,290	178,881,700	290,704,990
WUXI BIO	2269	79,137,750	191,687,050	270,824,800
XIAOMI-W	1810	169,237,160	93,186,400	262,423,560
CHINA SHENHUA	1088	110,114,750	108,203,550	218,318,300
CNOOC	883	135,979,220	82,181,440	218,160,660
SMIC	981	74,353,970	134,983,940	209,337,910
LI AUTO-W	2015	98,093,290	100,321,945	198,415,235
CHINA OVERSEAS	688	134,804,225	40,009,025	174,813,250

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	1,001,897,975	165,440	1,002,063,415
KOOLEARN	1797	457,127,625	415,505,425	872,633,050
KUAISHOU-W	1024	113,293,910	556,613,259	669,907,169
CNOOC	883	291,159,460	247,585,480	538,744,940
TENCENT	700	292,796,720	241,576,125	534,372,845
YANKUANG ENERGY	1171	145,335,900	347,332,500	492,668,400
MEITUAN-W	3690	150,600,860	176,500,324	327,101,184
CHINA MOBILE	941	142,175,375	171,425,375	313,600,750
CHINA SHENHUA	1088	92,679,525	204,470,350	297,149,875
HKEX	388	14,176,680	195,074,960	209,251,640

Sources: HKEx

Other Statistics

Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover(Million)
TENCENT	700	-2.27%	293.20	73.62
YUM CHINA-S	9987	-5.80%	392.80	58.54
TRACKER FUND	2800	-0.82%	19.40	41.95
ZTO EXPRESS-SW	2057	1.21%	218.40	37.20
BABA-SW	9988	-1.48%	86.80	34.28
NTESS-S	9999	-1.71%	132.20	27.88
MEITUAN-W	3690	-2.00%	171.90	26.47
AIA	1299	-0.42%	71.20	21.99
KUAISHOU-W	1024	-7.43%	57.30	20.82
WUXI BIO	2269	-4.25%	51.85	18.74

Ten Short Sell Stocks

Stock Name	Code	Short Selling Turnover	Turnover	Short Selling Ratio
TRACKER FUND	02800.HK	3.21B	4.19B	76.56%
ZTO EXPRESS-SW	02057.HK	1.14B	3.72B	30.61%
HSCEI ETF	02828.HK	1.10B	1.70B	64.36%
NTES-S	09999.HK	974.86M	2.79B	34.96%
TENCENT	00700.HK	561.20M	7.36B	7.62%
BABA-SW	09988.HK	560.07M	3.43B	16.34%
YUM CHINA-S	09987.HK	369.36M	5.85B	6.31%
XIAOMI-W	01810.HK	369.35M	1.28B	28.77%
MEITUAN-W	03690.HK	341.38M	2.65B	12.90%
CSOP HS TECH	03033.HK	337.77M	690.21M	48.94%

Source: AA Stocks

Economic Calendars

Date	Country	Event	Survey	Prior
Tue	US	Aug. Building Permits	1,621k	1,685k
		Aug. Housing Starts	1,460k	1,446k
Wed	US	Aug. Existing Home Sales	4.70m	4.81m
		FOMC Monetary Meeting (Announce in early morning on 22 Sep in HKT)		
Thu	US	Initial Jobless Claims (Till Sep 17)		213k
		Continuing Jobless Claims (Till Sep 10)		1,403k
		Costco (COST) Result		
	Japan	BOJ Monetary Policy Meeting		
	Hong Kong	Trip.com (9961) Result		
Fri	US	Sep. S&P Global Manufacturing PMI	51.3	51.5
		Sep. S&P Global Services PMI	45.0	43.7
	Euro Zone	Sep. S&P Global Manufacturing PMI	49.1	49.6
		Sep. S&P Global Services PMI	49.2	49.8

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