



## Major Market Indicators

	23 Nov	22 Nov	21 Nov
Mkt. Turn.(mn)	96,300	127,200	110,300
Stock Advances	766	602	503
Stock Declines	710	945	1,044
HSI	17,524	17,424	17,656
Change	+99	-232	-337

## HSI Technical Indicators

10-days MA	17,627
50-days MA	17,043
250-days MA	20,858
14-days RSI	55.48
Primary resistance	17,800
Primary support	17,400

## HSCEI Technical Indicators

10-days MA	5,987
50-days MA	5,805
250-days MA	7,219
14-days RSI	54.60
Primary resistance	6,400
Primary support	6,000

## Stock Pick

### CTG Duty- Free (1880)

**Target: \$235**

**Stop loss: \$170**

CTG Duty- Free is the largest travel retail operator in the world. If the mainland aviation industry normalizes, CTG Duty- Free will be the first to benefit. With the company's larger-scale Haikou International Duty Free City opened recently, the company's duty-free business potential in the Hainan market would be further unleashed.

### Tencent (0700)

**Target: \$380**

**Stop loss: \$260**

Tencent announced its results for the third quarter ended September this year, with a net profit of RMB39.943bn, up 1.1% yoy, beating expectations. Net profit on a non-IFRS basis increased by 1.6% to RMB32.254bn. Overall, the worst time was over. All segments recorded improvement on a quarterly basis, and costs have been properly controlled. Future growth continue to be seen in the development of video account services and the overseas expansion of games.

### Budweiser APAC (1876)

**Target: \$26**

**Stop loss: \$19**

Premiumization will remain the long-term growth driver for the Group. In addition, the epidemic prevention measures in the Mainland has be gradually relaxed, the sales performance in Mainland China is expected to improve. Together with the market share gain in the overseas market, the Company is expected to record volume growth and price hike.

## Market Overview

Federal Reserve officials agreed earlier this month that rate hikes should be slowed as soon as possible as they assess the impact of policy on the economy, minutes of their discussions showed on Wednesday. Some members said that “slowing the pace of increase could reduce the risk of instability in the financial system.”

On the economic data front, the U.S. Labor Department on Wednesday showed initial jobless claims rose by 17,000 last week to 240,000, beating expectations of 225,000. Last week's jobless claims were revised by 1,000 to 223,000 from 222,000. Meanwhile, U.S. manufacturing contracted to a 30-month low in November. The manufacturing PMI fell 2.8 points to 47.6, down from 50.4 in October.

Hong Kong Stock Connect had a net outflow of HK\$0.2bn on Wednesday, of which HKEx (388) had the largest net inflow, reaching HK\$0.16bn; followed by Kuaishou (1024). CCB (939) recorded the largest net outflow at HK\$0.19bn, followed by Li Ning (2331).

## Daily Focus

### Xiaomi Group (1810): Turned from profit to loss of Rmb 1.47 bn in the third quarter

- Xiaomi Group (1810) announced its results for the third quarter of 2022. Revenue fell by 9.7% year-on-year to RMB 70.47 bn. In the third quarter, the profit turned to a loss of Rmb1.47 bn; the adjusted net profit was Rmb 2.117 bn, down 59.1% year-on-year, which was better than the market expectation of Rmb 1.98 bn.
- By revenue category, smartphones, which contributed the most revenue (60.3% of total revenue), edged up 0.58% yoy and fell 11.1% yoy, but this factor should have been largely reflected. The performance of other major businesses in the quarter was mixed. Among other segment, internet services performed better and increased by 1.37% quarter-on-quarter, which was mainly driven by the increase in revenue from advertising and gaming businesses, which accounted for about 10% of the total revenue. In addition, other income increased by 63.8%, mainly due to the sale of buildings, which is a non-recurring income.
- This quarter turned from profit to loss, due to factors such as the decline in revenue and the setback in gross profit margin. Also, partially due to the change in the fair value of preferred share investments in the third quarter, which was booked-in RMB 2.4 bn, and the share of certain investee companies in the third quarter with a Rmb 265 mn in losses. Although net profit was recorded after excluding non-recurring factors, the revenue growth of smartphone business is still weak and might need some time to resume the sales performance.

Xiaomi Group (1810): Info	
Closed price	9.8
FY23 P/E (X)	25.7
FY23 Dividend yield (%)	-
52 week high	19.8
52 week low	8.3
14 RSI	50.5

Analyst: Derek Yip

## Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
<b>Balance (RMB bn)</b>	48.49	51.67	82.20
<b>Balance as % of Quota Amount</b>	94.5	99.4	97.9

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TENCENT	700	732,050,580	759,160,374	1,491,210,954
MEITUAN-W	3690	499,152,120	545,602,682	1,044,754,802
ICBC	1398	311,092,320	455,791,140	766,883,460
CNOOC	883	173,389,860	312,117,640	485,507,500
KUAISHOU-W	1024	152,289,570	279,662,885	431,952,455
WUXI BIO	2269	177,417,875	206,995,725	384,413,600
COUNTRY GARDEN	2007	180,572,660	149,720,710	330,293,370
CANSINO BIO	6185	166,050,950	145,035,860	311,086,810
CCB	939	57,872,350	250,228,620	308,100,970
LI NING	2331	70,321,300	235,269,500	305,590,800

Sources: HKEx

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TENCENT	700	869,900,680	971,796,967	1,841,697,647
MEITUAN-W	3690	403,709,300	361,485,734	765,195,034
KUAISHOU-W	1024	450,250,885	204,461,501	654,712,386
WUXI BIO	2269	158,185,600	220,769,125	378,954,725
CHINA MOBILE	941	213,866,225	144,574,475	358,440,700
CHINA SHENHUA	1088	63,488,200	224,482,800	287,971,000
HKEX	388	207,978,500	47,414,740	255,393,240
CLOVER BIO-B	2197	122,237,360	132,772,475	255,009,835
CNOOC	883	171,180,160	56,277,780	227,457,940
COUNTRY GARDEN	2007	122,298,640	87,856,363	210,155,003

Sources: HKEx

## Other Statistics

### Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover(Million)
TENCENT	700	1.66%	282.00	65.85
MEITUAN-W	3690	-1.07%	138.40	51.90
BABA-SW	9988	3.15%	75.40	40.73
TRACKER FUND	2800	0.57%	17.62	39.15
KUAISHOU-W	1024	5.67%	53.10	23.38
CSOP HS TECH	3033	1.04%	3.51	17.32
BYD COMPANY	1211	-1.80%	175.00	14.20
JD-SW	9618	3.34%	204.20	14.09
WUXI BIO	2269	-1.43%	48.30	12.49
COUNTRY GARDEN	2007	0.86%	2.35	11.61

Stock Name	Code	Short Selling Turnover	Turnover	Short Selling Ratio
TENCENT	00700.HK	1.17B	6.58B	17.84%
TRACKER FUND	02800.HK	842.65M	3.92B	21.52%
BABA-SW	09988.HK	716.61M	4.07B	17.59%
MEITUAN-W	03690.HK	572.74M	5.19B	11.03%
CSOP HS TECH	03033.HK	505.76M	1.73B	29.20%
AIA	01299.HK	438.04M	1.13B	38.84%
XL2CSOPHSTECH	07226.HK	412.52M	918.52M	44.91%
PING AN	02318.HK	347.99M	965.68M	36.04%
BYD COMPANY	01211.HK	309.76M	1.42B	21.81%
JD-SW	09618.HK	269.66M	1.41B	19.14%

Source: AA Stocks

## Economic Calendars

Date	Country	Event	Survey	Prior	
Mon	China	1-Year Loan Prime Rate	3.65%	3.65%	
		5-Year Loan Prime Rate	4.30%	4.30%	
Tue	US	Dollar Tree (DLTR) Result			
	Hong Kong	Tongcheng Travel (780), Kuaishou (1024), Baidu (9888) Results			
Wed	US	Oct. Durable Good Orders	0.1%	-0.5%	
		Initial Jobless Claims (Till Nov 19)		222k	
		Continuing Jobless Claims (Till Nov 12)		1,507k	
		Nov. S&P Global Manufacturing PMI	50.0	50.4	
		Nov. S&P Global Services PMI	48.0	47.8	
		Nov. University of Michigan Sentiment	55.5	54.7	
		Oct. New Home Sales	576k	603k	
		Nordstorm (JWN) Result			
		Euro Zone	Nov. S&P Global Manufacturing PMI		46.4
			Nov. S&P Global Services PMI		48.6
Thu	US	FOMC Meeting Minutes (Nov 2) (Announce in early morning on 25 Nov in HKT)			
		Market will close (Thanksgiving Day)			
Fri	Hong Kong	Chow Tai Fook (1929), Bosideng Int'l (3998) Results			
		China Gas (384), Meituan (3690) Result			

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