

## Major Market Indicators

	3 Jan	2 Jan	29 Dec
Mkt. Turn.(mn)	79,269	76,600	75,200
Stock Advances	603	603	1,089
Stock Declines	983	983	577
HSI	16,646	16,788	17,047
Change	-142	-258	+4

## HSI Technical Indicators

10-days MA	16,686
50-days MA	17,075
250-days MA	19,031
14-days RSI	46.7
Primary resistance	17,200
Primary support	16,400

## HSCEI Technical Indicators

10-days MA	5,638
50-days MA	5,838
250-days MA	6,478
14-days RSI	45.2
Primary resistance	5,900
Primary support	5,400

## Stock Pick

### China Shenhua (1088)

**Target: \$31**

**Stop loss: \$23**

The company's earlier guidance of coal production was 309 million tons. Based on the production of 296 million tons in the first eleven months of 2023, it is believed that it will be able to achieve the full-year coal production target. When the weather gets colder in winter, the demand of coal will increase and provide a support for the coal price.

### SPDR Gold ETF (2840)

**Target: \$1660**

**Stop loss: \$1250**

As U.S. inflation and the labor market cools, the market expects interest rate cuts to begin as early as 1H24. In addition, the U.S. fiscal and trade deficits has become increasingly serious after 2022, making the U.S. dollar prone to weakening relative to other major currencies around the world. When the United States begin to cut interest rates, and the interest rate spread get narrower, gold may have more upside.

### CKI (1038)

**Target: \$50**

**Stop loss: \$37**

The Group has diversified investments in Energy Infrastructure, Transportation Infrastructure, Water Infrastructure, Waste Management, Waste-to-energy, Household Infrastructure and Infrastructure Related Businesses. Its investments and operations span Hong Kong, Mainland China, the United Kingdom, Continental Europe, Australia, New Zealand, Canada and the United States. Most of the profit of the Company comes from overseas, and therefore can benefit from the USD softness when the rate hike cycle ends. In addition, financial costs can also be reduced if interest rates are cut next year. The Group currently has HKD12bn cash and is therefore well positioned to look for new opportunities.

## Market Overview

Minutes of the meeting released on Wednesday showed that Fed officials concluded in December that a rate cut was likely in 2024, although they did not appear to disclose the specific timing of the rate cut. "In discussing the policy outlook, participants viewed the policy rate as likely at or near its peak for this tightening cycle, though they noted that the actual policy path will depend on how the economy evolves," the minutes said. At the same time, the minutes noted an "unusually elevated degree of uncertainty" about the policy path. Several members said it may be necessary to keep the funds rate at a higher level if inflation does not cooperate, while others noted that further rate hikes were possible depending on how the situation develops.

Hong Kong Stock Connect had a net inflow of HK\$6.8bn on Thursday, of which Tracker Fund (2800) had the largest net inflow, reaching HK\$4.2bn; followed by HSCEI ETF (2828). GreatWall (2333) recorded the largest net outflow at HK\$0.17bn, followed by SMIC (981).

### Trip.com (9961): both domestic and foreign travel demand remains resilient

- Ctrip reported that the number of New Year's holiday travel bookings in Mainland China surged 168% year-on-year, while the number of outbound travel orders leapfrogged 388%. In terms of travel spending in high-end resort hotels and self-booked tours, the average per capita spending of tourists soared by varying degrees.
- Trip.com's 3Q23 revenue was RMB13.75bn, up 99.4% yoy and 22.1% qoq. Revenue from accommodation reservation was RMB5.59bn, a yoy increase of 92.4%. Transportation ticketing revenue was RMB5.37bn, a yoy increase of 104.6%. Both benefiting from the significant recovery of the tourism market.
- Adjusted net profit was RMB4.89bn, up 3.7 times yoy and 42.6% qoq. The third quarter spans the summer vacation period, which is the traditional peak tourism season, therefore recorded strong growth. Domestic tourism business continues to recover, with domestic hotel bookings increased by more than 70% compared to the pre- covid level for the same period in 2019. The outbound hotel and air reservations recovered to around 80% of the pre-COVID level for the same period in 2019, rising from the 60% in the previous quarter, and recorded a faster- than- peers recovery rate. As international flights gradually resume, Trip.com will continue to benefit from the industry recovery.
- Recent platform data shows that both domestic and foreign travel demand remains resilient, bringing momentum to the stock price.

Trip.com (9961): Info	
Closed price	281.6
FY24 P/E (X)	15.29
FY24 Dividend yield (%)	0.00
52 week high	330.2
52 week low	240.6
14 RSI	65.86

Analyst: Cynthia Tam

## Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
<b>Balance (RMB bn)</b>	37.5	38.5	76.0
<b>Balance as % of Quota Amount</b>	89.3	91.9	90.6

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TRACKER FUND	2800	1,577,412,755	1,132,255	1,578,545,010
TENCENT	700	858,360,220	593,843,180	1,452,203,400
MEITUAN-W	3690	362,813,335	151,093,964	513,907,299
CHINA MOBILE	941	382,381,575	90,924,900	473,306,475
CNOOC	883	342,468,140	103,262,460	445,730,600
XIAOMI-W	1810	237,485,636	131,540,716	369,026,352
CSOP HS TECH	3033	323,449,315	10,439,986	333,889,301
CHINA SHENHUA	1088	213,016,800	73,154,600	286,171,400
LI NING	2331	209,584,940	71,469,060	281,054,000
YANKUANG ENERGY	1171	119,951,280	81,566,986	201,518,266

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	2,646,935,900	519,735	2,647,455,635
TENCENT	700	223,293,660	522,199,315	745,492,975
HSCEI ETF	2828	646,562,084	5,654,392	652,216,476
CNOOC	883	128,733,560	308,632,460	437,366,020
XIAOMI-W	1810	153,213,448	180,992,836	334,206,284
MEITUAN-W	3690	96,016,780	215,083,373	311,100,153
CHINA MOBILE	941	161,800,525	123,741,900	285,542,425
GWMOTOR	2333	54,749,815	226,085,075	280,834,890
SMIC	981	75,240,580	205,181,580	280,422,160
CSOP HS TECH	3033	229,589,847	14,309,450	243,899,297

Sources: HKEx

## Other Statistics

### Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover(Billion)
TRACKER FUND	2800	-0.89%	16.79	7.643
TENCENT	700	1.35%	300.60	6.085
BABA-SW	9988	-1.87%	73.30	2.741
CSOP HS TECH	3033	-2.02%	3.58	1.971
XIAOMI-W	1810	-3.23%	14.98	1.695
MEITUAN-W	3690	-1.76%	78.00	1.641
BYD COMPANY	1211	0.57%	210.60	1.589
HSCEI ETF	2828	-0.80%	57.02	1.515
NTES-S	9999	0.96%	147.50	1.215
CHINA MOBILE	941	-0.39%	64.00	1.053

## Ten Short Sell Stocks

Stock Name	Code	Short Sell Amount	Turnover	Short Sell Ratio
TRACKER FUND	02800.HK	5.64B	7.64B	73.75%
CSOP HS TECH	03033.HK	1.36B	1.97B	69.09%
HSCEI ETF	02828.HK	895.95M	1.52B	59.13%
BYD COMPANY	01211.HK	769.23M	1.59B	48.41%
BABA-SW	09988.HK	717.09M	2.74B	26.16%
TENCENT	00700.HK	489.95M	6.09B	8.05%
XIAOMI-W	01810.HK	470.25M	1.70B	27.74%
XL2CSOPHSTECH	07226.HK	367.87M	641.14M	57.38%
LI AUTO-W	02015.HK	256.60M	880.78M	29.13%
SUNNY OPTICAL	02382.HK	228.58M	612.60M	37.31%

Source: AA Stocks

## Economic Calendars

Date	Country	Event	Survey	Prior
Mon	US	Market will close (New Year's Day)		
	China	Market will close (New Year's Day)		
	Hong Kong	Market will close (New Year's Day)		
		HK Stock Connect closed		
Tue	China	Dec. Caixin Manufacturing PMI	50.3	50.7
Wed	US	Dec. ISM Manufacturing	47.2	46.7
		Nov. JOLTS Job Openings	8,850k	8,733k
Thu	US	FOMC Meeting Minutes (Dec 13) (Announce in early morning on Jan 4 in HKT)		
		Initial Jobless Claims (Till Dec 30)		218k
		Continuing Jobless Claims (Till Dec 23)		1,875k
		Dec. ADP Employment Change	113k	103k
	China	Dec. Caixin Services PMI	51.6	51.5
Fri	US	Dec. Change in Nonfarm Payrolls	168k	199k
		Dec. Underemployment Rate	3.8%	3.7%
		Dec. Average Hourly Earnings (MoM)	0.3%	0.4%
	Euro Zone	Dec. CPI (YoY)	3.0%	2.4%

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