



## Major Market Indicators

	18 Jan	17 Jan	16 Jan
Mkt. Turn.(mn)	107,400	130,500	84,400
Stock Advances	938	254	427
Stock Declines	619	1,510	1,166
HSI	15,392	15,277	15,866
Change	+115	-589	-350

## HSI Technical Indicators

10-days MA	15,377
50-days MA	15,423
250-days MA	16,135
14-days RSI	51.64
Primary resistance	15,600
Primary support	15,200

## HSCEI Technical Indicators

10-days MA	5,165
50-days MA	5,184
250-days MA	5,442
14-days RSI	52.00
Primary resistance	5,400
Primary support	5,000

## Stock Pick

### China Mobile (941)

**Target: \$74**

**Stop loss: \$56**

With a continuously rising share of revenue contribution from digital transformation, the revenue structure of China Mobile has become more balanced and robust, and the momentum of sustainable growth has been enhanced. Having a moderate growth in capital expenditure, its net profit margin is expected to rise steadily. China Mobile is a pick with high growth visibility and attractive dividends.

### Chow Tai Fook (1929)

**Target: \$15**

**Stop loss: \$10.3**

During the Third Quarter, the Retail Sales Value grew by 46.1% yoy. Both Mainland China and Hong Kong and Macau were benefitted from festive demand and a favourable comparison base. SSSG in both markets demonstrated a positive trend. The group pointed out that lower-tier cities have seen significant growth, and the primary strategic goal in the short term is still to improve the profitability of single stores

### 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

On Thursday, the 10-year U.S. Treasury yield climbed to 4.14% as the latest jobs data showed the labor market remained tight. The U.S. Department of Labor announced on Thursday that 187,000 people filed for unemployment benefits for the first time in the week ended January 13, a decrease of 16,000 from the previous week and lower than the consensus estimate of 208,000 by economists. Data showed continued strength in the job market, which could push up wage pressures and inflation, undermining expectations that the Federal Reserve would cut interest rates in March.

Hong Kong Stock Connect had a net inflow of HK\$0.585bn on Thursday, of which Tencent (700) had the largest net inflow, reaching HK\$0.38bn; followed by Meituan (3690). Tracker Fund (2800) recorded the largest net outflow at HK\$2.03bn, followed by HSCEI ETF (2828).

## Daily Focus

### CKI (1038): Core business diversified globally; dividend yield attractive

- 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.

CKI (1038): Info	
Closed price	44.05
FY24 P/E (X)	13.23
FY24 Dividend yield (%)	5.88
52 week high	47.30
52 week low	35.20
14 RSI	60.55

- The Group's financial position continued to be strong in 2023, with cash on hand of HKD12 billion and a net debt to net total capital of 9% as at 30th June, 2023. The company, together with other strategic partners within the CK Group, including CK Asset and Power Assets, who are also very solid in their financials, are well placed to capitalize on investment opportunities, whether in its existing industries or new ones, as they arise around the global.
- The Company has declared an interim dividend for 2023 of HK\$0.71 per share (2022: HK\$0.70 per share), representing 1.4% growth over the corresponding period in 2022. The stock's DPS has risen modestly every year, which is somewhat attractive given that the interest rate hike cycle will soon be over.

Analyst: Cynthia Tam

## Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
<b>Balance (RMB bn)</b>	50.13	53.02	91.79
<b>Balance as % of Quota Amount</b>	96.4	102.0	97.4

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TENCENT	700	645,800,540	448,736,626	1,094,537,166
TRACKER FUND	2800	9,075,075	931,544,910	940,619,985
MEITUAN-W	3690	481,088,690	275,124,153	756,212,843
CHINA MOBILE	941	213,851,450	273,305,900	487,157,350
CNOOC	883	193,178,700	186,866,240	380,044,940
CCB	939	174,071,920	196,360,963	370,432,883
SMIC	981	187,582,620	166,395,160	353,977,780
XIAOMI-W	1810	144,638,864	97,627,748	242,266,612
CM BANK	3968	138,877,225	98,523,750	237,400,975
XPENG-W	9868	93,750,265	139,366,630	233,116,895

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	3,109,065	1,108,083,835	1,111,192,900
TENCENT	700	483,790,560	299,511,420	783,301,980
MEITUAN-W	3690	293,751,355	174,768,498	468,519,853
CHINA MOBILE	941	301,413,300	128,403,100	429,816,400
HSCEI ETF	2828	1,834,712	318,739,668	320,574,380
SMIC	981	120,344,410	184,465,920	304,810,330
CNOOC	883	133,787,100	159,164,200	292,951,300
CHINA SHENHUA	1088	177,220,975	58,336,700	235,557,675
CITIC SEC	6030	218,515,040	1,194,650	219,709,690
XIAOMI-W	1810	117,864,116	79,899,912	197,764,028

Sources: HKEx

## Other Statistics

### Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover(Billion)
TRACKER FUND	2800	0.84%	15.53	10.770
TENCENT	700	1.09%	277.60	6.776
MEITUAN-W	3690	1.53%	69.80	4.197
BABA-SW	9988	1.52%	66.65	3.843
HSCEI ETF	2828	0.81%	52.32	3.513
AIA	1299	-0.59%	59.25	2.288
CSOP HS TECH	3033	0.52%	3.11	1.973
BYD COMPANY	1211	0.56%	196.40	1.696
XIAOMI-W	1810	1.37%	13.32	1.478
CCB	939	0.69%	4.37	1.469

## Ten Short Sell Stocks

Stock Name	Code	Short Sell Amount	Turnover	Short Sell Ratio
TRACKER FUND	02800.HK	1.73B	10.77B	16.09%
TENCENT	00700.HK	1.33B	6.78B	19.69%
MEITUAN-W	03690.HK	775.43M	4.20B	18.48%
XL2CSOPHSTECH	07226.HK	637.68M	1.17B	54.37%
CSOP HS TECH	03033.HK	586.60M	1.97B	29.73%
BABA-SW	09988.HK	575.74M	3.84B	14.98%
BYD COMPANY	01211.HK	557.66M	1.70B	32.88%
CCB	00939.HK	545.99M	1.47B	37.16%
HSBC HOLDINGS	00005.HK	502.59M	1.15B	43.86%
XIAOMI-W	01810.HK	387.78M	1.48B	26.23%

Source: AA Stocks

## Economic Calendars

Date	Country	Event	Survey	Prior
Mon	US	Market will close (Dr. Martin Luther King Jr. Day)		
	Euro Zone	Nov. Industrial Production SA (MoM)		-0.7%
		Nov. Trade Balance SA		10.9b
Wed	US	Dec. Retail Sales (MoM)	0.4%	0.3%
		Dec. Retail Sales Ex Auto (MoM)	0.2%	0.2%
		Dec. Industrial Production (MoM)	-0.1%	0.2%
		Nov. Business Production (MoM)	-0.1%	-0.1%
	China	Q2. GDP (YoY)	5.2%	4.9%
		Dec. Industrial Production (YoY)	6.6%	6.6%
		Dec. Fixed Assets Ex Rural YTD (YoY)	2.9%	2.9%
		Dec. Retail Sales (YoY)	8.0%	10.1%
Thu	US	Dec. Building Permits	1,480k	1,467k
		Jan. Philadelphia Fed Business Outlook	-6.5	-12.8
		Dec. Housing Starts	1,415k	1,560k
Fri	US	Initial Jobless Claims (Till Jan 13)		202k
		Continuing Jobless Claims (Till Jan 6)		1,834k
		Jan. University of Michigan Sentiment	68.0	69.7
		Dec. Existing Home Sales	3.84m	3.82m

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