

Major Market Indicators

	20 Mar	19 Mar	18 Mar
Mkt. Turn.(mn)	85,300	90,700	95,800
Stock Advances	832	550	878
Stock Declines	749	1,066	753
HSI	16,543	16,529	16,737
Change	+14	-208	+16

HSI Technical Indicators

10-days MA	16,684
50-days MA	16,173
250-days MA	16,605
14-days RSI	50.84
Primary resistance	16,800
Primary support	16,400

HSCEI Technical Indicators

10-days MA	5,806
50-days MA	5,513
250-days MA	5,668
14-days RSI	55.99
Primary resistance	6,000
Primary support	5,600

Stock Pick
PetroChina (857)
Target: \$7.6
Stop loss: \$5.7

The International Energy Agency (IEA) said global oil markets will be hit by a supply shortage this year rather than a glut as previously forecast, as OPEC+ is likely to continue production cuts in the second half of the year. The IEA also raised its forecast for global demand growth this year to 1.3 million barrels per day, reflecting a stronger U.S. economic outlook and increased fuel demand for container ships bypassing the Red Sea. Global oil demand is expected to reach a record 103.2 million barrels per day this year.

CRRC (1766)
Target: \$5.3
Stop loss: \$3.8

The State Council executive previously considered and approved the Action Plan for the Promotion of the Large-Scale Equipment Renewal and Trade-in of Consumer Goods. Encouraged by policies, the pace of railway equipment renewal and replacement is expected to accelerate, which will benefit the company's long- Recently, CRRC disclosed a RMB14.78bn advanced refurbishment contract of MUs. Judging from the contract amount, the amount of the first advanced refurbishment contract announced this time exceeds that of the whole of last year term revenue growth in its railway equipment business. The newly added EMUs since 2010 are driving the EMU post-maintenance market to grow, and therefore companies like CRRC can be benefitted.

China Mobile (941):
Target: \$74
Stop loss: \$61

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.

Market Overview

The Federal Reserve left interest rates unchanged and stuck to its forecast of three rate cuts. Federal Reserve Chairman Powell pointed out at a press conference that a strong job market will not prevent the Federal Reserve from cutting interest rates. But he said "Nonetheless, we're looking for data that confirm the low readings that we had last year," Powell continued. "And give us a higher degree of confidence that what we saw was really inflation moving sustainably down to 2%."

Hong Kong Stock Connect had a net inflow of HK6.39bn on Wednesday, of which BOC (3988) had the largest net inflow, reaching HK\$0.58bn; followed by Tencent (700). Shenhua (1088) recorded the largest net outflow at HK\$35.9mn, followed by CCB (939).

Daily Focus

China Mobile (941): 4Q23 Result to be announced today

- 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.
- The State Council previously announced that it will further study the inclusion of market value management in the performance assessment of the persons in charge of central SOEs. SOEs responded in affirmation. They vowed to actively carry out value management and value dissemination activities, and will adopt market capitalization management tools on a regular basis to safeguard company value and enhance shareholders' returns. By incorporating market value management into the KPI of state-owned enterprise management, it may promote Chinese telecommunications stocks to continue to increase their dividend payout ratios in the future.
- China Mobile is a pick with high growth visibility and attractive dividends.

China Mobile (941): Info	
Closed price	66.05
FY24 P/E (X)	8.99
FY24 Dividend yield (%)	7.95
52 week high	70.2
52 week low	60.9
14 RSI	44.3

Analyst: Cynthia Tam

Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
Balance (RMB bn)	48.38	74.83	75.87
Balance as % of Quota Amount	93.0	92.0	90.3

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

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
TENCENT	700	528,892,580	272,294,640	801,187,220
BANK OF CHINA	3988	639,526,600	55,807,110	695,333,710
CCB	939	315,646,030	330,117,530	645,763,560
LI AUTO-W	2015	402,772,760	203,571,380	606,344,140
XIAOMI-W	1810	408,010,068	192,721,712	600,731,780
CNOOC	883	370,386,280	211,038,500	581,424,780
CHINA MOBILE	941	319,265,775	250,511,400	569,777,175
MEITUAN-W	3690	328,158,130	236,163,728	564,321,858
CHINA TELECOM	728	280,023,920	194,699,840	474,723,760
ICBC	1398	215,183,100	187,581,630	402,764,730

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	437,337,860	253,751,996	691,089,856
CNOOC	883	298,121,560	278,402,016	576,523,576
CHINA MOBILE	941	378,989,325	101,287,275	480,276,600
XIAOMI-W	1810	287,971,228	132,503,436	420,474,664
CHINA TELECOM	728	258,006,000	110,508,817	368,514,817
PETROCHINA	857	150,993,240	150,123,120	301,116,360
LI AUTO-W	2015	191,889,510	88,467,240	280,356,750
XPENG-W	9868	140,596,235	128,193,300	268,789,535
MEITUAN-W	3690	85,368,185	175,630,386	260,998,571
CHINA SHENHUA	1088	108,659,150	144,558,893	253,218,043

Sources: HKEx

Other Statistics

Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover(Billion)
TENCENT	700	1.33%	288.80	45.00
TRACKER FUND	2800	0.12%	16.77	42.60
AIA	1299	-2.44%	56.00	35.06
BABA-SW	9988	0.21%	71.25	21.73
MEITUAN-W	3690	-0.45%	88.80	20.98
XIAOMI-W	1810	-2.42%	14.50	19.88
HSCEI ETF	2828	0.21%	58.64	18.00
CSOP HS TECH	3033	0.40%	3.48	17.42
LI AUTO-W	2015	4.54%	133.70	15.68
BYD COMPANY	1211	0.56%	215.00	15.52

Ten Short Sell Stocks

Stock Name	Code	Short Sell Amount	Turnover	Short Sell Ratio
TRACKER FUND	02800.HK	2.68B	4.26B	62.91%
XIAOMI-W	01810.HK	852.81M	1.99B	42.89%
TENCENT	00700.HK	799.16M	4.50B	17.76%
HSCEI ETF	02828.HK	780.30M	1.80B	43.34%
CSOP HS TECH	03033.HK	575.14M	1.74B	33.01%
MEITUAN-W	03690.HK	528.00M	2.10B	25.17%
BANK OF CHINA	03988.HK	521.12M	1.31B	39.64%
LI AUTO-W	02015.HK	432.53M	1.57B	27.58%
BABA-SW	09988.HK	430.83M	2.17B	19.83%
CCB	00939.HK	410.46M	1.29B	31.80%

Source: AA Stocks

Economic Calendars

Date	Country	Event	Survey	Prior	
Mon	Euro Zone	Feb. CPI (YoY)		2.6%	
		Feb CPI (MoM)		0.6%	
		Feb. Core CPI (YoY)		3.1%	
		Jan. Trade Balance SA		13.0b	
	China	Feb. Industrial Productions YTD (YoY)	5.2%		
		Feb. Retail Sales YTD (YoY)	5.3%		
		Feb. Fixed Assets Ex Rural YTD (YoY)	3.2%		
	Hong Kong	China Resources Beer (291), China Tower (788), Tencent Music (1698) Results			
Tue	US	Feb. Building Permits	1,500k	1,470k	
		Feb. Housing Starts	1,430k	1,331k	
	Japan	BOJ Monetary Policy Meeting			
	Hong Kong	Xiaomi (1810), ZTO Express (2057), XPeng (9868) Results			
Wed	China	5-Year Loan Prime Rate	3.95%	3.95%	
		1-Year Loan Prime Rate	3.45%	3.45%	
	Hong Kong	Geely Auto (175), Tencent (700), Kuaishou (1024), Sunny Optical (2382) Results			
Thu	US	FOMC Monetary Meeting (Announce in early morning on 21 Mar in HKT)			
		Initial Jobless Claims (Till Mar 16)		209k	
		Continuing Jobless Claims (Till Mar 9)		1,811k	
		Mar. Philadelphia Fed Business Outlook	-4.0	5.2	
		Mar. S&P Global Manufacturing PMI	51.8	52.2	
		Mar. S&P Global Services PMI	52.0	52.3	
		Feb. Existing Home Sales	3.92m	4.00m	
		FedEx (FDX), Nike (NKE) Results			
		Euro Zone	Mar. HCOB Manufacturing PMI		46.50
			Mar. HCOB Services PMI		50.20
	UK	BOE Monetary Police Meeting			
	Hong Kong	Ping An Insurance(2318) Result			
Fri	Hong Kong	China Shenhua (1088), Zijin Mining (2899) Results			

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