

What's Hot Today:

► Crystal Intl (2232.HK) – 2023 results inline, on the way to recover

-The garment maker's 2H23 revenue -6% YoY, pace of decline narrowed compared with full year (-13% YoY)

-The Mgt said orders are growing by double digit YoY, which would help boosting profitability

Results inline. Crystal 2023 revenue dropped to US\$2,177mn (-13% YoY) and a net profit of US\$164mn (-5% YoY), inline with expectations. The Mgt attributed the demand drop to 1) client's high inventory; 2) low consumption sentiment due to high inflation. In 2H23, the pace of revenue drop has narrowed. In 2H23, its revenue stood at US\$1,168mn (-6% YoY) and a net profit of US\$90mn (-8% YoY). For 2024, the Mgt said that orders are growing by double digit YoY and margin is expected to improve. The company declared a final dividend of 13 HK cents with full year payout of 40%.

GPM improved. Although the sales drop, the company applied multiple cost saving measures to improve margins incl. 1) equipment upgrade, 2) reduce the workforce size. In 2023, Crystal's GPM was 19.2% (+0.6pp YoY), and this momentum continues in 2H23 as 2H23 GPM also increased by 0.6pp YoY or 0.2pp HoH to 19.3%.

Our view: We believe Crystal's financial will recover with the expanding order book. However, due to weak consumption markets in the US and APAC (~76% of its sales), we think the recovery will be a gradual one. The company is trading at 6.5x FY24 P/E and 5.5% yield.

Risks: 1) weaker-than-expected sales

China & HK Indices	CLOSE	1D	YTD
HSI	16,863	1.9%	-1.1%
HSCEI	5,905	1.7%	2.4%
HSCCI	3,559	2.1%	6.2%
CSI300	3,581	-0.1%	4.4%
Shanghai A	3,226	-0.1%	10.5%
Shanghai B	255	-1.3%	10.5%
Shenzhen A	1,887	-0.1%	-1.8%
Shenzhen B	1,089	0.4%	0.8%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	39,781	0.7%	5.6%
S&P 500	5,241	0.3%	9.9%
Nasdaq	16,401	0.2%	9.3%
NIKKEI Index	40,980	0.4%	22.5%
FTSE Index	7,882	1.9%	1.9%
CAC Index	8,179	0.2%	8.4%
DA.X Index	18,179	0.9%	8.5%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	2,181	-0.2%	5.9%
STEEL (US\$/oz.)	2,146	2.2%	-3.5%
SILVER (US\$/oz.)	24	-3.3%	4.1%
CRUDE OIL (US\$/bbl)	81	-9.8%	12.8%
COPPER (US\$/oz.)	8,950	-0.3%	4.6%
ALUMINIUM (US\$/oz.)	2,301	1.4%	-3.5%
PLATINUM (US\$/oz)	908	-0.2%	-8.2%
ZINC (US\$/oz.)	2,524	0.8%	-5.0%
WHEAT (US\$/bu)	546	0.3%	-13.1%
CORN (US\$/bu)	440	0.4%	-9.1%
SUGAR (US\$/lb)	N/A	N/A	
SOYBEAN (US\$/bu)	1,212	0.2%	-7.6%
PVC (US\$/t)	N/A	N/A	11.7%
CRB	286	-0.1%	3.0%
BDI			9.1%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.821	0.921	151.620	0.898	7.200
HKD	0.128		0.118	19.385	11.475	0.921
EUR	1.086	8.494		164.660	1.026	7.821
JPY	0.007	5.159	0.607		0.592	0.047
CHF	1.114	8.715	1.026	168.927		8.021
RMB	0.139	1.086	0.128	21.066	0.125	

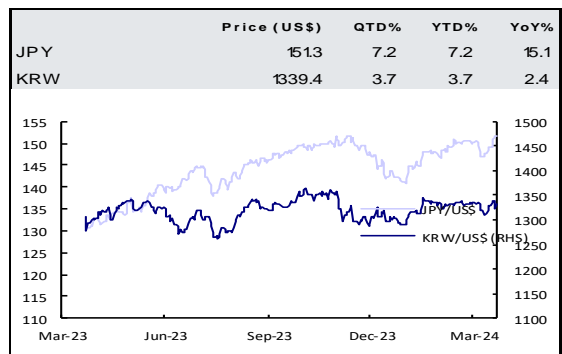
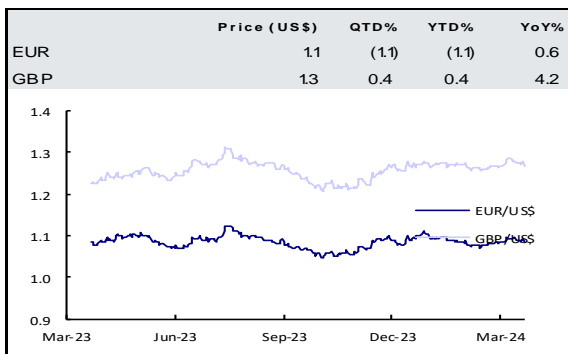
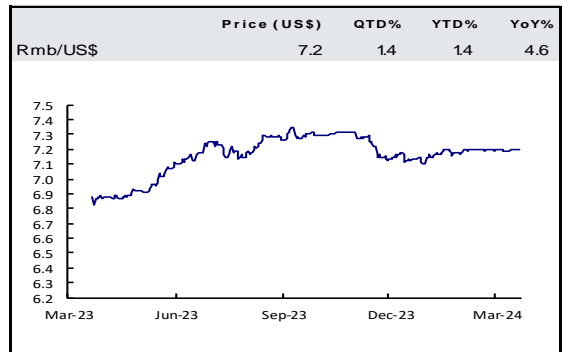
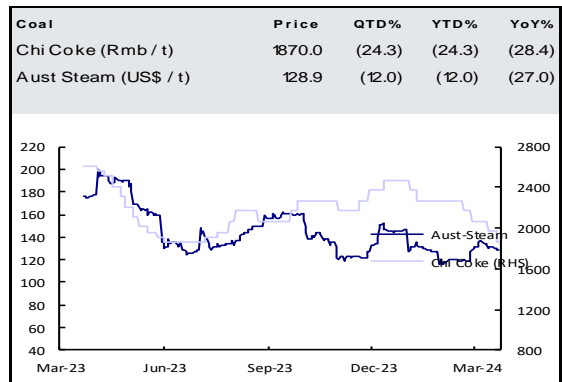
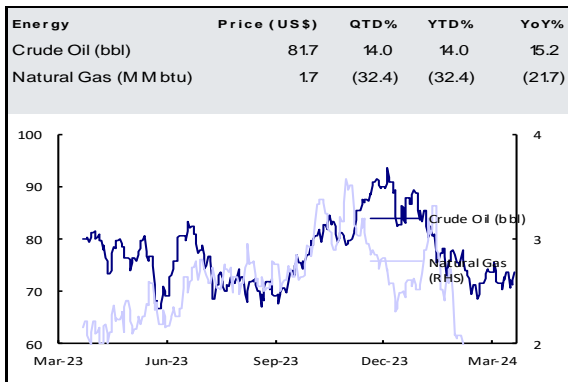
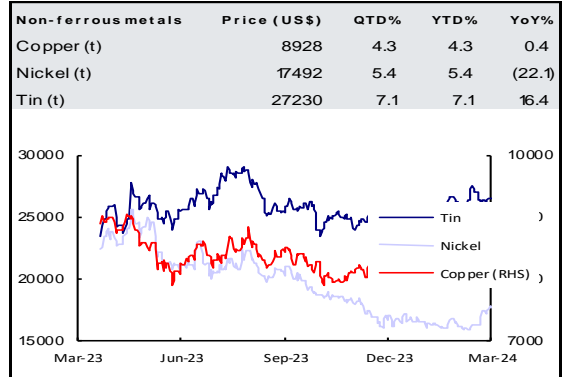
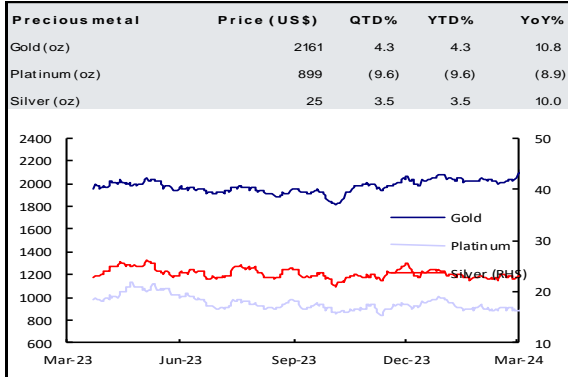
Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece		N/A
Ireland	83	-2.4%
Italy	139	-0.6%
Portugal	207	-0.0%
Spain	108	0.3%
VIX	12	-10.3%
Source: Bloomberg		

Latest Research Reports		
Date	Company	Analyst
29/02/2024	Xinyi Solar (968.HK)	Research Department
29/02/2024	Xinyi Energy (3868.HK)	Research Department
26/02/2024	Conant Optical (2276.HK)	Research Department
05/01/2024	Aeon Credit (900 HK)	Ensley Liu
13/10/2023	Aeon Credit (900 HK)	Howard Wong
17/04/2023	Xtep International (1368 HK)	Eason Cui
14/04/2023	Perfect Medical (1830 HK)	Research Department
03/04/2023	Meidong Auto (1268 HK)	Eason Cui
31/03/2023	Prosperous Industrial (1731 HK)	Research Department
28/03/2023	Yongda (3669 HK)	Eason Cui
17/03/2023	361 Degrees (1361 HK)	Eason Cui
13/03/2023	DONGFANG ELECTRIC (1072 HK)	Eason Cui
01/03/2023	Xinyi Energy (3868 HK)	Eason Cui
28/02/2023	Xinyi Glass (868 HK)	Ken Li
13/02/2023	Auto monthly update	Eason Cui
10/02/2023	Yuexiu Property (123 HK)	Ken Li
18/01/2023	Yongda (3669 HK)	Eason Cui
17/01/2023	Xtep (1368 HK)	Eason Cui
04/01/2023	Auto monthly update	Eason Cui
02/12/2022	Perfect Medical (1830 HK)	Research Department
01/12/2022	XPeng (9868 HK)	Eason Cui

Kingsway coverage list

Name	Ticker	Market Cap (HK\$m)	Price (HK\$)	1D (%)	Rec.	TP (HK\$)	Upside (%)	PER (X)*			Dividend FY2	Absolute performance			Latest update date
								Hist	FY1	FY2		5D%	1M%	3M%	
HANG SENG INDEX	HSI		16,863.10	1.9				8.9	8.8	7.6	4.5%	(0.6)	0.7	3.2	
HANG SENG CHINA ENT IND	HSCEI		5,905.27	1.7				8.2	8.0	6.9	4.1%	(0.0)	2.5	7.6	
CSI 300 INDEX	SHSZ300		3,581.09	(0.1)				13.3	13.2	10.0	2.9%	0.5	2.7	7.3	
FUYAO GLASS	3606 HK	113,801	37.95	(2.6)	LONG	41.50	9.4	16.2	14.2	12.1	4.5%	(7.7)	(0.3)	1.2	1-Sep-20
BEUR	3718 HK	1,778	0.50	1.0	LONG	1.80	260.0	5.8	4.8	3.7	7.4%	(2.0)	(2.0)	6.4	30-Mar-21
BINJIANG SERVICES	3316 HK	4,749	17.18	1.7	LONG	23.50	36.8	10.9	8.3	6.5	8.8%	2.1	5.5	10.1	N/A
BYDE	285 HK	68,948	30.60	3.6	NEUTRAL	17.60	(42.5)	23.2	16.6	12.4	1.2%	1.0	2.0	(10.0)	N/A
CHINA LILANG	1234 HK	5,820	4.86	6.8	LONG	5.32	9.5	10.1	8.7	7.8	8.4%	9.2	16.0	17.4	N/A
CHINASOFT INTL	354 HK	15,175	5.22	(1.1)	LONG	12.80	145.2	25.4	16.3	12.4	1.0%	(2.1)	2.6	(10.3)	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	4,733	4.82	0.0	LONG	8.70	80.5	9.5	7.2	6.1	4.6%	1.7	11.6	38.5	26-Feb-20
DUIBA GROUP	1753 HK	334	0.31	(1.6)	LONG	5.55	1690.3	7.8	N/A**	N/A**	N/A**	14.8	12.7	12.7	N/A
EDVANTAGE GROUP	382 HK	3,014	2.64	(0.8)	LONG	4.50	70.5	4.3	3.8	3.4	8.1%	0.0	7.8	10.5	3-May-22
EVERGREEN PG	1962 HK	325	0.50	2.1	LONG	1.75	253.5	4.6	N/A**	N/A**	N/A**	(2.9)	(2.9)	(1.0)	26-Jan-21
HUAHONG SEMI	1347 HK	36,842	16.50	(0.5)	NEUTRAL	26.30	59.4	10.2	27.0	12.3	0.0%	(2.1)	0.7	(7.8)	29-Jul-21
KINGDEE INTL	268 HK	35,252	9.81	2.2	NEUTRAL	17.62	79.6	N/A**	N/A**	115.8	0.0%	9.4	22.6	(9.0)	20-Aug-20
MEIDONG AUTO	1268 HK	4,200	3.12	(6.0)	LONG	19.76	533.3	17.0	28.4	8.1	5.7%	0.0	(2.5)	(26.2)	3-Apr-23
MINGYUAN CLOUD	909 HK	5,167	2.66	2.7	NEUTRAL	28.00	952.6	N/A**	N/A**	81.6	0.6%	13.2	9.9	(1.8)	N/A
PLOVER BAY TECH	1523 HK	2,674	2.43	0.0	LONG	1.70	(30.0)	12.2	10.4	9.1	1.2%	3.8	5.4	26.7	6-Aug-20
POU SHENG INTL	3813 HK	3,675	0.69	(1.4)	LONG	2.80	305.8	6.7	5.2	4.4	7.4%	3.0	13.1	1.5	16-Nov-20
Q TECH	1478 HK	3,897	3.29	0.9	NEUTRAL	4.97	51.1	136.4	26.1	10.8	0.5%	0.3	3.8	(21.9)	10-Aug-22
SUNNY OPTICAL	2382 HK	51,384	46.85	(13.2)	LONG	160.80	243.2	42.8	20.6	15.3	1.1%	(11.5)	(8.0)	(33.2)	17-Aug-22
TRYLY INTL	732 HK	2,371	0.75	1.4	LONG	2.80	273.3	N/A**	N/A**	N/A**	N/A**	0.0	8.7	4.2	8-Apr-21
XINYI ENERGY	3868 HK	9,578	1.16	0.0	LONG	1.62	39.7	9.2	7.8	6.9	7.2%	1.8	2.7	(15.3)	29-Feb-24
XINYI GLASS	868 HK	37,201	8.81	0.7	LONG	18.60	111.1	6.8	6.4	6.5	7.7%	(4.4)	16.4	5.3	28-Feb-23
XINYI SOLAR	968 HK	56,271	6.32	(1.7)	LONG	7.20	13.9	13.4	10.7	8.4	5.5%	1.1	57.6	51.6	29-Feb-24
XTEP INTL	1368 HK	12,917	4.89	(3.0)	LONG	11.91	143.6	11.0	9.7	8.4	5.7%	6.1	12.2	10.6	17-Apr-23
YONGDA AUTO	3669 HK	4,973	2.58	(0.4)	LONG	6.73	160.9	4.0	5.5	4.1	8.6%	4.5	17.3	(6.9)	28-Mar-23
YUEXU PROPERTY	123 HK	18,799	4.67	3.1	LONG	13.00	178.4	3.2	4.0	3.8	9.4%	(9.7)	(14.9)	(24.6)	10-Feb-23
WEIMOB	2013 HK	6,148	2.20	0.9	LONG	14.40	554.5	N/A**	N/A**	2025.3	0.0%	1.9	10.0	(18.2)	25-Nov-21

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Initial Jobless Claims	WoW		21-Mar-24
Existing Home Sales	MoM		21-Mar-24
New home Sales	MoM		25-Mar-24
Durable Goods Orders	MoM		26-Mar-24
Consumer Confidence	MoM		26-Mar-24
GDP	QoQ		28-Mar-24
Wholesale Inventories	MoM		29-Mar-24
Personal Income & Spending	MoM		29-Mar-24
ISM Manufacturing PMI	MoM		1-Apr-24
Factory Orders	MoM		2-Apr-24
Trade Balance	MoM		4-Apr-24
Employment Report	MoM		5-Apr-24
CPI	MoM		10-Apr-24
PPI	MoM		11-Apr-24
Business Inventories	MoM		15-Apr-24
Retail Sales	MoM		15-Apr-24
Housing Starts / Building Permits	MoM		16-Apr-24
Industrial Production	MoM		16-Apr-24
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		31-Mar-24
Foreign Exchange Reserves	QoQ		7-Apr-24
Money Supply - M2	MoM		9-Apr-24
PPI	MoM		11-Apr-24
CPI	MoM		11-Apr-24
Trade Balance	MoM		12-Apr-24
Retail Sales	MoM		16-Apr-24
Industrial Production	MoM		16-Apr-24
GDP	YoY		16-Apr-24

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Trade Balance	MoM		26-Mar-24
Money Supply - M2	MoM		28-Mar-24
Retail Sales	MoM		3-Apr-24
PMI	MoM		5-Apr-24
Foreign Currency Reserve	MoM		9-Apr-24
Unemployment Rate	MoM		18-Apr-24
CPI	MoM		23-Apr-24
GDP	QoQ		2-May-24
Producer Prices Index	QoQ		14-Jun-24
Industrial Production	QoQ		14-Jun-24
Composite Interest Rate	MoM		

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