

## What's Hot Today:

### ▶ 361 Degrees (1361.HK): 1Q24 operation data update

361 Degrees saw its core brand/kids brand offline sales increased by high teens /20-25% YoY during 1Q24 while e-commerce sales grew 20-25% YoY, both better than expected.

**Core brand:** Although consumption sentiment was low in Q1, its core brand still achieved a high teen growth in revenue during the period, better than peers. The Mgt attributed the solid performance to 1) product mix improvement, 2) channel expansion. The company also highlighted its success in basketball products (+40% YoY in Q1) by collaboration with NBA star players.

**Kids brand:** The growth momentum in kids brand continued in 1Q24 by delivering a 20-25% YoY growth. We think the growth is sustainable backed by 1) first mover advantage and 2) value for money products.

**Our view:** As Chinese consumers are shifting towards value for money products, this will likely benefit 361 Degrees. We believe its outstanding performance will continue given that 1) strong brand image post Asian Games, 2) a store network target growth of 100+ net opening for both core and kid brands, 3) rapid development of e-commerce. We have a "LONG" rating and 12-month target price of HK\$5.90.

**Risks:** 1) slower-than-expected sportswear growth; 2) weaker-than-expected economy (Research Department)

China & HK Indices	CLOSE	1D	YTD
HSI	17,095	-0.3%	0.3%
HSCEI	6,003	-0.2%	4.1%
HSOCC	3,532	0.3%	5.4%
CSI300	3,504	-0.0%	2.1%
Shanghai A	3,181	0.2%	11.8%
Shanghai B	258	0.2%	11.8%
Shenzhen A	1,800	0.1%	-6.3%
Shenzhen B	1,081	0.1%	0.0%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	38,459	-0.0%	2.0%
S&P 500	5,199	0.7%	9.0%
Nasdaq	16,442	1.7%	9.5%
NIKKEI Index	39,611	0.4%	18.4%
FTSE Index	7,923	-0.5%	2.5%
CAC Index	8,023	-0.3%	6.4%
DA X Index	17,954	-0.8%	7.2%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	2,372	1.6%	15.6%
STEEL (US\$/oz.)	2,166	-1.5%	-2.6%
SILVER (US\$/oz.)	28	1.8%	20.0%
CRUDE OIL (US\$/bbl)	85	-5.4%	19.3%
COPPER (US\$/oz.)	9,342	-0.8%	9.1%
ALUMINIUM (US\$/oz.)	2,454	-0.2%	2.9%
PLATINUM (US\$/oz)	983	1.9%	-0.4%
ZINC (US\$/oz.)	2,758	1.8%	3.8%
WHEAT (US\$/bu)	551	-1.2%	-12.1%
CORN (US\$/bu)	441	-1.1%	-11.0%
SUGAR (US\$/lb)	N/A	N/A	
SOYBEAN (US\$/bu)	1,172	-0.5%	-10.9%
PVC (US\$/t)	N/A	N/A	14.8%
CRB	295	-0.4%	3.0%
BDI			-19.3%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.838	0.932	153.270	0.910	7.237
HKD	0.128		0.119	19.556	11.610	0.923
EUR	1.073	8.407		164.400	1.025	7.763
JPY	0.007	5.114	0.608		0.593	0.047
CHF	1.099	8.613	1.025	168.431		7.953
RMB	0.138	1.083	0.129	21.171	0.126	

Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece		N/A
Ireland		83
Italy		139
Portugal		207
Spain		108
VIX		14

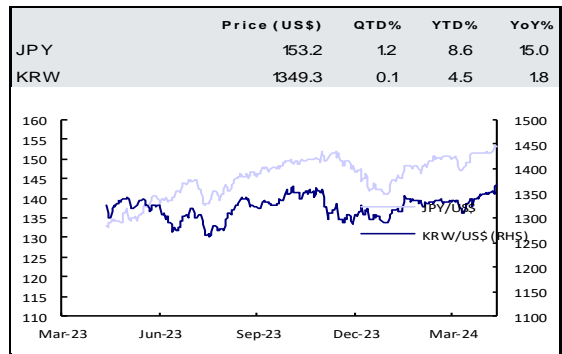
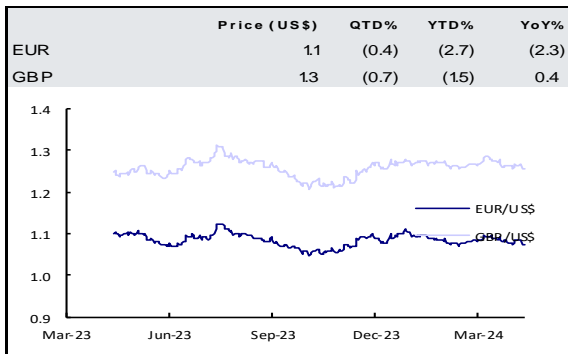
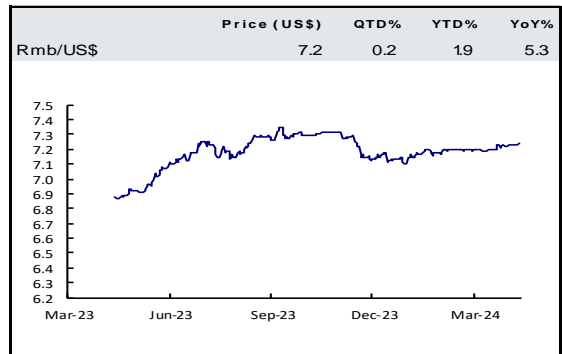
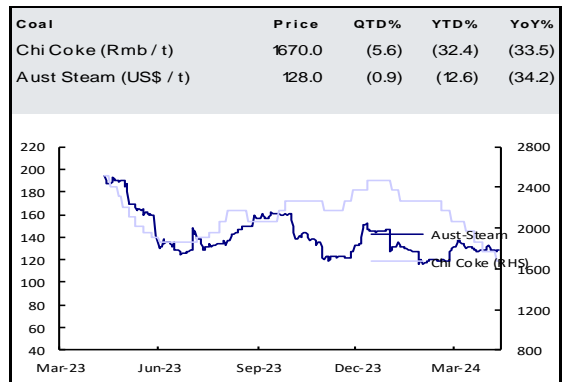
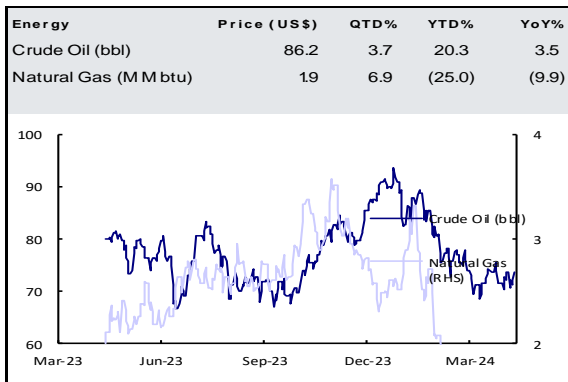
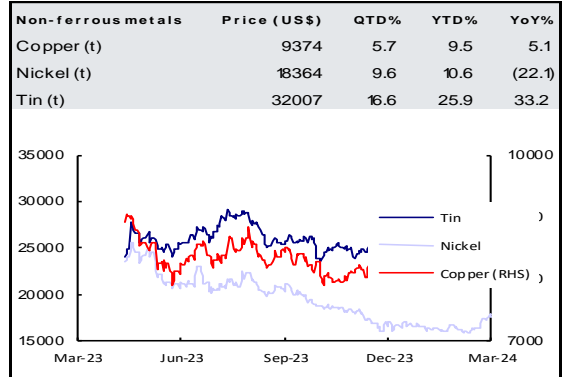
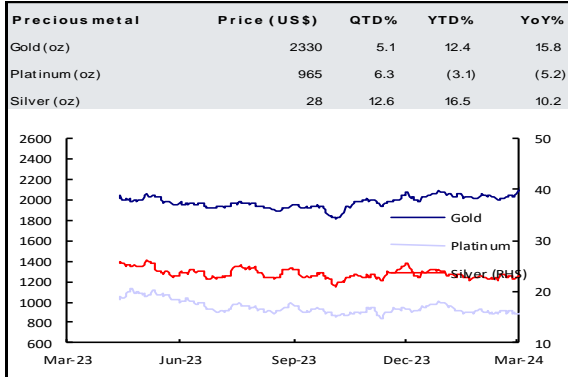
Source: Bloomberg

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		17,095.03	(0.3)				9.0	8.5	7.9	4.5%	2.2	0.0	5.2	
HANG SENG CHINA ENT IND	HSCEI		6,003.97	(0.2)				8.1	7.8	7.1	4.3%	2.2	0.9	9.5	
CSI 300 INDEX	SHSZ300		3,504.24	(0.0)				13.3	13.3	10.1	3.0%	(2.1)	(2.6)	6.7	
FUYAO GLASS	3606 HK	121,888	40.50	(0.5)	LONG	41.50	2.5	17.3	15.1	12.9	4.2%	0.0	(2.3)	3.6	1-Sep-20
BEUR	3718 HK	1,725	0.49	1.0	LONG	1.80	271.1	6.1	5.1	4.2	7.6%	(3.0)	(3.0)	(14.9)	30-Mar-21
BINJIANG SERVICES	3316 HK	4,787	17.32	1.6	LONG	23.50	35.7	9.0	7.2	5.9	9.6%	(0.7)	0.1	6.4	N/A
BYDE	285 HK	62,076	27.55	(1.4)	NEUTRAL	17.60	(36.1)	14.2	10.8	8.6	2.4%	0.0	(10.4)	(21.2)	N/A
CHINA LILANG	1234 HK	5,892	4.92	(1.4)	LONG	5.32	8.1	10.3	8.9	7.9	8.3%	(3.1)	15.2	15.0	N/A
CHINASOFT INTL	354 HK	13,983	4.81	0.0	LONG	12.80	166.1	17.1	12.5	9.9	1.9%	5.7	(10.3)	(6.4)	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	4,782	4.87	(0.4)	LONG	8.70	78.6	9.1	7.8	7.0	4.3%	(0.6)	4.7	23.3	26-Feb-20
DUIBA GROUP	1753 HK	345	0.32	1.6	LONG	5.55	1634.4	10.2	N/A**	N/A**	N/A**	6.7	14.3	30.6	N/A
EDVANTAGE GROUP	382 HK	2,763	2.42	(1.2)	LONG	4.50	86.0	4.0	3.4	3.1	8.8%	(1.6)	(8.0)	0.8	3-May-22
EVERGREEN PG	1962 HK	311	0.48	0.0	LONG	1.75	268.4	6.0	N/A**	N/A**	N/A**	(2.1)	(12.0)	5.6	26-Jan-21
HUAHONG SEMI	1347 HK	33,306	15.36	(1.4)	NEUTRAL	26.30	71.2	9.5	25.1	11.4	0.0%	(0.9)	(11.9)	(16.9)	29-Jul-21
KINGDEE INTL	268 HK	30,008	8.35	(2.8)	NEUTRAL	17.62	111.0	N/A**	N/A**	100.1	0.0%	(6.1)	(7.8)	(22.5)	20-Aug-20
MEIDONG AUTO	1268 HK	3,891	2.89	(6.5)	LONG	19.76	583.7	25.6	8.8	5.8	7.7%	(2.7)	(8.0)	(41.3)	3-Apr-23
MINGYUAN CLOUD	909 HK	4,681	2.41	0.4	NEUTRAL	28.00	1061.8	N/A**	N/A**	556.3	1.1%	1.3	2.6	(2.8)	N/A
PLOVER BAY TECH	1523 HK	2,961	2.69	(0.4)	LONG	1.70	(36.8)	13.4	11.4	10.1	1.1%	14.0	8.7	35.3	6-Aug-20
POU SHENG INTL	3813 HK	3,355	0.63	(3.1)	LONG	2.80	344.4	6.1	4.7	3.9	8.1%	(6.0)	(7.4)	(8.7)	16-Nov-20
Q TECH	1478 HK	4,087	3.45	0.9	NEUTRAL	4.97	44.1	45.8	13.7	9.3	0.6%	12.7	0.9	(7.0)	10-Aug-22
SUNNY OPTICAL	2382 HK	45,461	41.45	2.1	LONG	160.80	287.9	38.0	20.2	15.1	1.2%	5.3	(24.2)	(32.9)	17-Aug-22
TRYLY INTL	732 HK	2,719	0.86	(2.3)	LONG	2.80	225.6	10.3	N/A**	N/A**	N/A**	10.3	17.8	21.1	8-Apr-21
XINYI ENERGY	3868 HK	9,495	1.15	0.0	LONG	1.62	40.9	9.1	7.9	6.9	7.0%	4.5	(1.7)	(11.5)	29-Feb-24
XINYI GLASS	868 HK	37,218	8.81	(1.3)	LONG	18.60	111.1	6.8	6.5	6.6	7.7%	2.6	(8.2)	15.5	28-Feb-23
XINYI SOLAR	968 HK	55,954	6.28	(1.9)	LONG	7.20	14.6	13.4	10.7	8.4	5.6%	2.3	(3.4)	49.5	29-Feb-24
XTEP INTL	1368 HK	12,679	4.80	0.6	LONG	11.91	148.1	10.9	9.6	8.3	5.5%	0.0	5.0	10.3	17-Apr-23
YONGDA AUTO	3669 HK	4,221	2.19	(2.7)	LONG	6.73	207.3	6.8	5.3	4.3	10.2%	(0.9)	(12.4)	(10.2)	28-Mar-23
YUEXU PROPERTY	123 HK	15,941	3.96	(2.7)	LONG	13.00	228.3	4.1	4.0	3.7	10.5%	(2.9)	(23.3)	(26.5)	10-Feb-23
WEIMOB	2013 HK	3,996	1.43	0.0	LONG	14.40	907.0	N/A**	132.0	17.6	0.0%	(1.4)	(36.4)	(39.4)	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		11-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
Existing Home Sales	MoM		18-Apr-24
New home Sales	MoM		23-Apr-24
Durable Goods Orders	MoM		24-Apr-24
Wholesale Inventories	MoM		25-Apr-24
GDP	QoQ		25-Apr-24
Personal Income & Spending	MoM		26-Apr-24
Consumer Confidence	MoM		30-Apr-24
ISM Manufacturing PMI	MoM		1-May-24
Trade Balance	MoM		2-May-24
Factory Orders	MoM		2-May-24
Employment Report	MoM		3-May-24
CPI	MoM		15-May-24
Auto Sales	MoM		

**China Economic Calendar**

Indicators	Freq	Obs Date	Expected Release Date
Money Supply - M2	MoM		12-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
PMI Manufacturing	MoM		30-Apr-24
Foreign Exchange Reserves	QoQ		7-May-24
PPI	MoM		11-May-24
CPI	MoM		11-May-24

**Hong Kong Economic Calendar**

Indicators	Freq	Obs Date	Expected Release Date
Unemployment Rate	MoM		18-Apr-24
CPI	MoM		23-Apr-24
Trade Balance	MoM		25-Apr-24
Money Supply - M2	MoM		30-Apr-24
GDP	QoQ		2-May-24
Retail Sales	MoM		3-May-24
PMI	MoM		6-May-24
Foreign Currency Reserve	MoM		7-May-24
Producer Prices Index	QoQ		14-Jun-24
Industrial Production	QoQ		14-Jun-24
Composite Interest Rate	MoM		

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