

What's Hot Today:

► Anta (2020.HK): 1Q24 operation data update

Anta saw its Anta brand/Fila brand sales increased by mid-single-digit/high-single-digit in 1Q24. The Q1 sales growth was slower than the full-year guidance of 10-15% due to high base, and the Mgt is satisfied with the results and confident to achieve the full-year target.

Anta brand: A mid-single-digit growth was recorded in Q1, mainly due to high base. Inventory at the end of March 2024 remained below five months, the lowest level among the past few quarters. Discount in offline remained consistent, but the Mgt said that online discount is narrowing. They saw strong sales momentum, especially in the second half of March. Looking ahead, they expect new product launches and multiple events in the rest of the year, for instance, the Olympic Games, summer season and Double 11 will drive Anta's growth.

Fila brand: Q1 saw a high-single-digit growth with a healthy inventory level of less than 5 months. The Mgt highlighted that online sales is growing rapidly and grew by 25% during the quarter.

Our view: We think Anta is a major beneficiary of the growing sports market in China. As the leading domestic brand, we believe Anta will continue to gain market shares from foreign brands and thus better financial performance on economies of scale. The ticker is trading at 16.7x FY24x P/E.

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

Fig 1: Anta's financial performance and consensus forecast

(RMB mn)	2021	2022	2023	2024e	2025e	2026e
Revenue	49,328	53,651	62,356	70,740	79,769	88,919
Growth	39%	9%	16%	13%	13%	11%
Gross profit	30,404	32,318	39,028	44,394	50,330	56,474
GPM	61.6%	60.2%	62.6%	62.8%	63.1%	63.5%
Net profit	7,720	8,282	10,694	12,660	14,021	16,100
Growth	50%	7%	29%	18%	11%	15%
EPS (RMB)	2.87	2.76	3.60	4.50	4.97	5.71
P/E (x)	26.3	27.3	20.9	16.7	15.2	13.2

Source: Company report, Bloomberg Consensus, Sunwah Kingsway Research

China & HK Indices	CLOSE	1D	YTD
HSI	16,251	0.0%	-4.7%
HSCBI	5,749	0.1%	-0.3%
HSCCI	3,431	0.6%	2.4%
CSI300	3,565	1.5%	3.9%
Shanghai A	3,220	2.1%	10.7%
Shanghai B	256	1.7%	10.7%
Shenzhen A	1,778	3.8%	-7.5%
Shenzhen B	1,068	0.6%	-1.1%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	37,753	-0.1%	0.2%
S&P 500	5,022	-0.6%	5.3%
Nasdaq	15,683	-1.1%	4.5%
NIKKEI Index	37,706	-0.7%	12.7%
FTSE Index	7,847	0.4%	1.5%
CAC Index	7,981	0.6%	5.8%
DA X Index	17,770	0.0%	6.1%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	2,361	-0.9%	14.9%
STEEL (US\$/oz.)	2,105	-0.9%	-5.3%
SILVER (US\$/oz.)	28	0.4%	19.0%
CRUDE OIL (US\$/bbl)	82	-8.0%	15.4%
COPPER (US\$/oz.)	9,582	0.1%	12.0%
ALUMINIUM (US\$/oz.)	2,587	1.3%	8.5%
PLATINUM (US\$/oz.)	943	-1.7%	-4.9%
ZINC (US\$/oz.)	2,839	2.3%	6.8%
WHEAT (US\$/bu)	537	-2.3%	-14.2%
CORN (US\$/bu)	441	-0.4%	-10.9%
SUGAR (US\$/lb)	N/A	N/A	-1.5%
SOYBEAN (US\$/bu)	1,164	0.4%	-11.4%
PVC (US\$/t)	N/A	N/A	15.6%
CRB	294	-1.3%	3.0%
BDI			-11.9%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.831	0.937	154.390	0.911	7.239
HKD	0.128		0.120	19.717	11.631	0.924
EUR	1.067	8.357		164.770	1.029	7.724
JPY	0.006	5.072	0.607		0.590	0.047
CHF	1.098	8.598	1.029	169.517		7.948
RMB	0.138	1.082	0.129	21.321	0.126	

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	18	15.3%

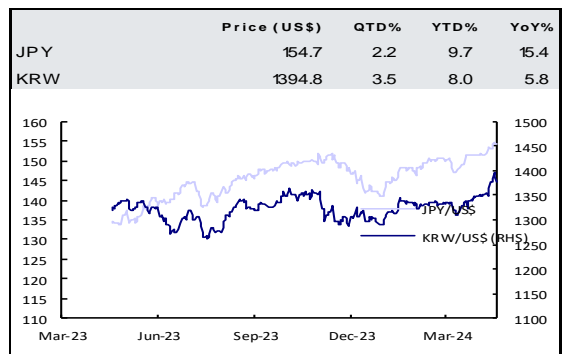
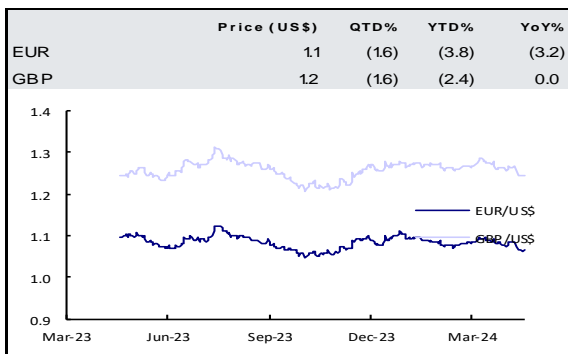
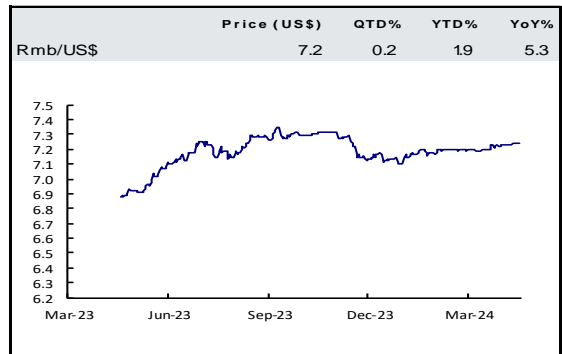
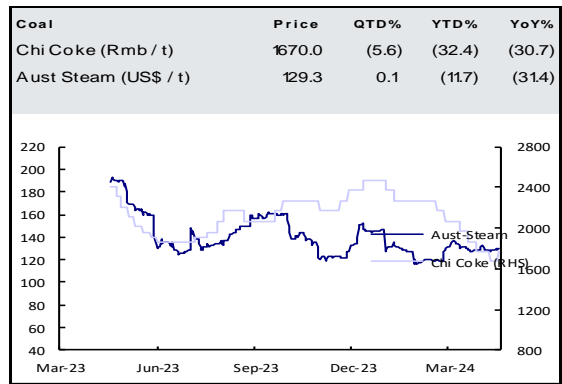
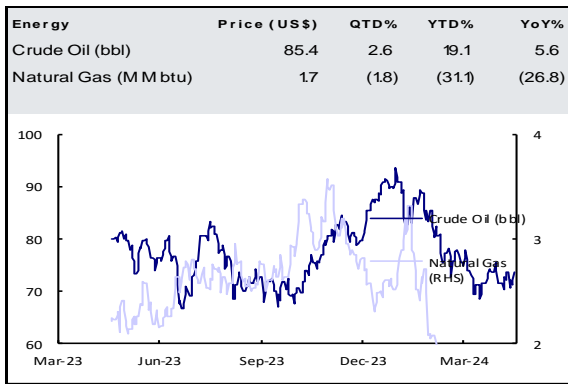
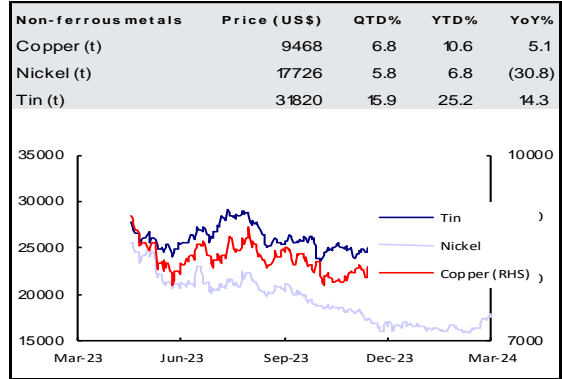
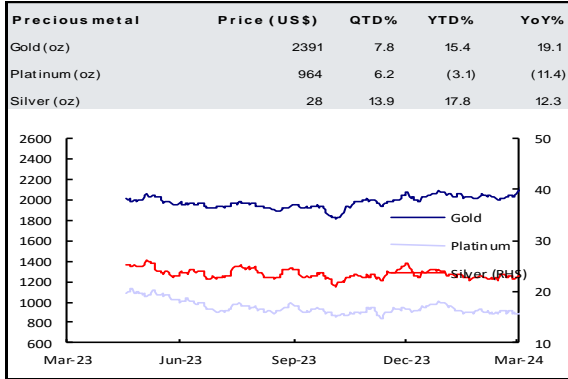
Source: Bloomberg

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		16,251.84	0.0				8.5	8.0	7.5	4.7%	(5.2)	(2.9)	5.6	
HANG SENG CHINA ENT IND	HSCEI		5,749.69	0.1				7.8	7.4	6.8	4.5%	(4.4)	(1.7)	11.2	
CSI 300 INDEX	SHSZ300		3,565.40	1.5				13.5	13.5	10.3	2.9%	1.7	(1.1)	8.9	
FUYAO GLASS	3606 HK	122,716	40.45	(2.1)	LONG	41.50	2.6	17.3	15.1	12.9	4.1%	(0.6)	3.5	6.3	1-Sep-20
BEUR	3718 HK	1,707	0.48	(1.0)	LONG	1.80	275.0	6.1	5.1	4.2	7.7%	0.0	(4.0)	(17.2)	30-Mar-21
BINJIANG SERVICES	3316 HK	4,533	16.40	1.2	LONG	23.50	43.3	8.5	6.8	5.6	10.1%	(3.8)	(1.8)	7.6	N/A
BYDE	285 HK	55,654	24.70	(0.2)	NEUTRAL	17.60	(28.7)	12.7	9.7	7.7	2.8%	(11.6)	(18.9)	(20.3)	N/A
CHINA LILANG	1234 HK	5,868	4.90	3.8	LONG	5.32	8.6	10.2	8.9	7.9	8.4%	(1.8)	15.3	20.4	N/A
CHINASOFT INTL	354 HK	13,023	4.48	0.0	LONG	12.80	185.7	16.0	11.7	9.2	2.1%	(6.9)	(19.0)	(14.8)	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	4,605	4.69	1.1	LONG	8.70	85.5	8.8	7.5	6.8	4.5%	(4.1)	(2.1)	33.6	26-Feb-20
DUIBA GROUP	1753 HK	312	0.29	(1.7)	LONG	5.55	1813.8	9.3	N/A**	N/A**	N/A**	(7.9)	5.5	16.0	N/A
EDVANTAGE GROUP	382 HK	2,695	2.36	1.3	LONG	4.50	90.7	3.9	3.4	3.1	9.0%	(3.7)	(12.3)	(1.7)	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**	0.0	(8.7)	5.6	26-Jan-21
HUAHONG SEMI	1347 HK	32,085	14.48	1.4	NEUTRAL	26.30	81.6	9.0	25.0	10.8	0.0%	(7.1)	(15.4)	(19.2)	29-Jul-21
KINGDEE INTL	268 HK	28,067	7.81	(1.1)	NEUTRAL	17.62	125.6	N/A**	N/A**	89.1	0.0%	(9.1)	(14.3)	(17.1)	20-Aug-20
MEIDONG AUTO	1268 HK	3,500	2.60	2.4	LONG	19.76	660.0	23.0	7.9	5.3	8.5%	(15.9)	(16.9)	(36.0)	3-Apr-23
MINGYUAN CLOUD	909 HK	4,137	2.13	(2.7)	NEUTRAL	28.00	1214.6	N/A**	N/A**	492.3	1.3%	(11.3)	(9.0)	(4.5)	N/A
PLOVER BAY TECH	1523 HK	2,961	2.69	1.1	LONG	1.70	(36.8)	13.4	11.5	10.1	1.1%	(0.4)	19.0	39.5	6-Aug-20
POU SHENG INTL	3813 HK	3,249	0.61	0.0	LONG	2.80	359.0	6.0	4.6	3.6	7.5%	(6.2)	(10.3)	(1.6)	16-Nov-20
Q TECH	1478 HK	3,945	3.33	6.7	NEUTRAL	4.97	49.2	44.2	13.3	9.0	0.7%	(2.6)	1.8	(0.6)	10-Aug-22
SUNNY OPTICAL	2382 HK	41,074	37.45	0.9	LONG	160.80	329.4	34.4	18.3	13.8	1.3%	(7.8)	(31.7)	(33.1)	17-Aug-22
TRYLY INTL	732 HK	2,529	0.80	3.9	LONG	2.80	250.0	9.6	N/A**	N/A**	N/A**	(9.1)	5.3	14.3	8-Apr-21
XINYI ENERGY	3868 HK	8,752	1.06	1.9	LONG	1.62	52.8	8.4	7.3	6.4	7.6%	(7.8)	(9.4)	(13.1)	29-Feb-24
XINYI GLASS	868 HK	34,810	8.24	2.6	LONG	18.60	125.7	6.4	6.1	6.2	8.3%	(7.7)	(8.0)	12.6	28-Feb-23
XINYI SOLAR	968 HK	48,113	5.40	(3.6)	LONG	7.20	33.3	11.5	9.2	7.2	6.5%	(15.6)	(13.6)	36.0	29-Feb-24
XTEP INTL	1368 HK	11,543	4.37	0.5	LONG	11.91	172.5	9.9	9.0	7.8	5.6%	(8.4)	(3.7)	6.6	17-Apr-23
YONGDA AUTO	3669 HK	3,855	2.00	3.6	LONG	6.73	236.5	6.3	4.8	4.0	11.2%	(11.1)	(23.1)	(12.7)	28-Mar-23
YUEXU PROPERTY	123 HK	15,135	3.76	5.0	LONG	13.00	245.7	3.9	3.8	3.5	11.1%	(7.6)	(22.0)	(21.2)	10-Feb-23
WEIMOB	2013 HK	3,773	1.35	8.0	LONG	14.40	966.7	N/A**	124.8	16.6	0.0%	(5.6)	(38.9)	(33.2)	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		18-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
PPI	MoM		14-May-24
Business Inventories	MoM		15-May-24
Retail Sales	MoM		15-May-24
CPI	MoM		15-May-24
Housing Starts / Building Permits	MoM		16-May-24
Industrial Production	MoM		16-May-24
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		30-Apr-24
Foreign Exchange Reserves	QoQ		7-May-24
Money Supply - M2	MoM		9-May-24
Trade Balance	MoM		9-May-24
PPI	MoM		11-May-24
CPI	MoM		11-May-24
Retail Sales	MoM		17-May-24
Industrial Production	MoM		17-May-24
GDP	YoY		15-Jul-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		

Kingsway Research Team

Analyst	Email	Phone No.
Howard Wong	Howard.wong@sunwahkingsway.com	(852) 2283 7307
Eason Cui	Eason.cui@sunwahkingsway.com	(852) 2283 7306
Ensley Liu	Ensley.liu@sunwahkingsway.com	(852) 2283 7618

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Head Office

Hong Kong
Kingsway Financial Services Group Limited
7/F, Tower One, Lippo Centre,
89 Queensway, Hong Kong
Tel: 852-2283-7000
Fax: 852-2877-2665

Affiliated & Overseas Offices

Guangdong
廣東新華滙富商業代理有限公司
2701, Dongshan Plaza,
69 Xianlie Middle Road, Yuexiu District
Guangzhou, 510095

Vietnam
Sunwah Kingsway Vietnam Services Limited
Representative Office
Sunwah Tower, Mezzanine Floor
115 Nguyen Hue
District 1
Ho Chi Minh City
Vietnam