

What's Hot Today:

► Luk Fook (590.HK- HK\$17.92) 4Q FY3/24 SSS slight missed

Weaker SSS in 4Q FY3/24. Luk Fook saw its overall SSS dropped by 10% in 4Q FY3/24 due to high base, first quarterly decline since 4Q23 but rallying to 105% of 4Q19's numbers. HK & Macau market (H&M): SSS of self-operated stores in H&M declined by 4% YoY in 4Q24, worse than market expectations and CTF's 4.5% SSSG, mainly due to continued new highs in gold prices. H&M's SSS has surpassed the level of 4Q19. Mainland China (ML): SSS in ML dropped by 10% YoY, largely in line with expectations but also weaker than CTF's 2.7% decline.

Gold product growth slowed, while weak jewelry demand persisted.

By products, although gold products still maintained a solid SSSG of 5% on back of 5% in H&M and 18% in ML, SSSG of gold products slowed significantly from 92% in 4Q23 and 80% in 3Q24. While jewelry's SSS reported a 24% YoY decrease for the first time since 4Q23, with SSS of fixed price gold/ diamond products +1%/-37%, respectively.

Expansion slowed down. As of 31 March 2024, Luk Fook had a total of 3,583 shops. Excluding the 3D-GOLD shops, the company added a net of 12 stores in 4Q24. On Quarterly basis, it added only 74/110/64 stores in Q1/Q2/Q3, implying a large gap in the previous FY24 guidance of 360 net openings.

Our view: Similar to CTF, we see some negative impact in near term from the change in destination and spending pattern of Chinese tourists, high gold prices, and slower store network growth in mainland China. The counter is trading at 8.19x FY3/24 P/E. (Ensley LIU)

China & HK Indices	CLOSE	1D	YTD
HSI	16,224	-1.0%	-4.8%
HSCSI	5,746	-1.0%	-0.4%
HSCCI	3,445	0.1%	2.8%
CSI300	3,541	-0.8%	3.2%
Shanghai A	3,214	-0.3%	8.9%
Shanghai B	252	-1.6%	8.9%
Shenzhen A	1,764	-0.7%	-8.2%
Shenzhen B	1,065	0.1%	-1.4%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	37,986	0.6%	0.8%
S&P 500	4,967	-0.9%	4.1%
Nasdaq	15,282	-2.0%	1.8%
NIKKEI Index	37,290	0.6%	11.4%
FTSE Index	7,895	0.2%	2.1%
CAC Index	8,022	-0.0%	6.4%
DA X Index	17,737	-0.6%	5.9%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	2,391	0.5%	15.4%
STEEL (US\$/oz.)	2,115	0.5%	-4.9%
SILVER (US\$/oz.)	28	1.6%	19.3%
CRUDE OIL (US\$/bbl)	83	-7.5%	15.9%
COPPER (US\$/oz.)	9,876	3.1%	15.4%
ALUMINIUM (US\$/oz.)	2,669	3.2%	12.0%
PLATINUM (US\$/oz)	935	-0.4%	-5.8%
ZINC (US\$/oz.)	2,852	0.5%	7.3%
WHEAT (US\$/bu)	550	2.5%	-12.1%
CORN (US\$/bu)	443	1.5%	-10.5%
SUGAR (US\$/lb)	N/A	N/A	-0.5%
SOYBEAN (US\$/bu)	1,165	1.5%	-11.3%
PVC (US\$/t)	N/A	N/A	15.6%
CRB	298	1.3%	3.0%
BDI			-8.4%

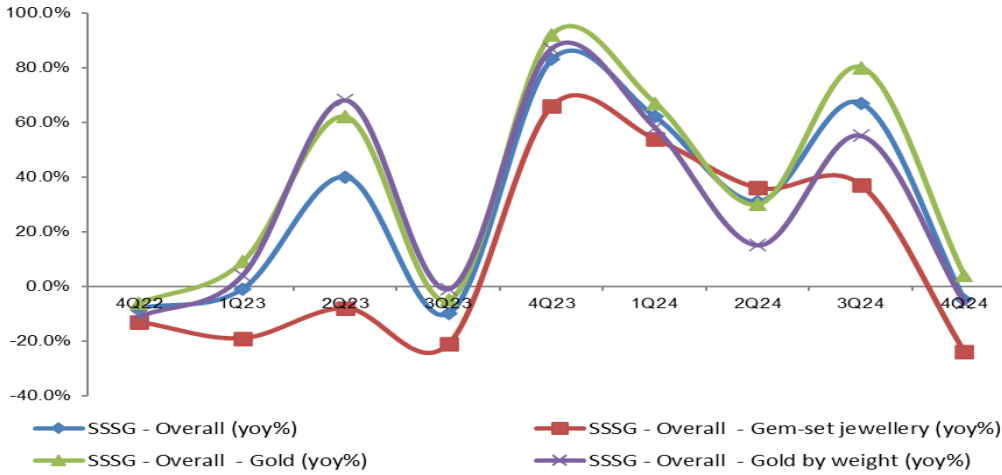
Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.833	0.938	154.640	0.910	7.239
HKD	0.128		0.120	19.743	11.625	0.924
EUR	1.066	8.347		164.700	1.031	7.715
JPY	0.006	5.065	0.607		0.589	0.047
CHF	1.099	8.603	1.031	169.810		7.951
RMB	0.138	1.082	0.130	21.351	0.126	

Market Sentiment	CURRENT	5D
CDS Monitor - USD SR 5Y		
Greece	N/A	N/A
Ireland	83	-2.4%
Italy	139	-0.6%
Portugal	207	-0.0%
Spain	108	0.3%
VIX	18	8.1%

Source: Bloomberg

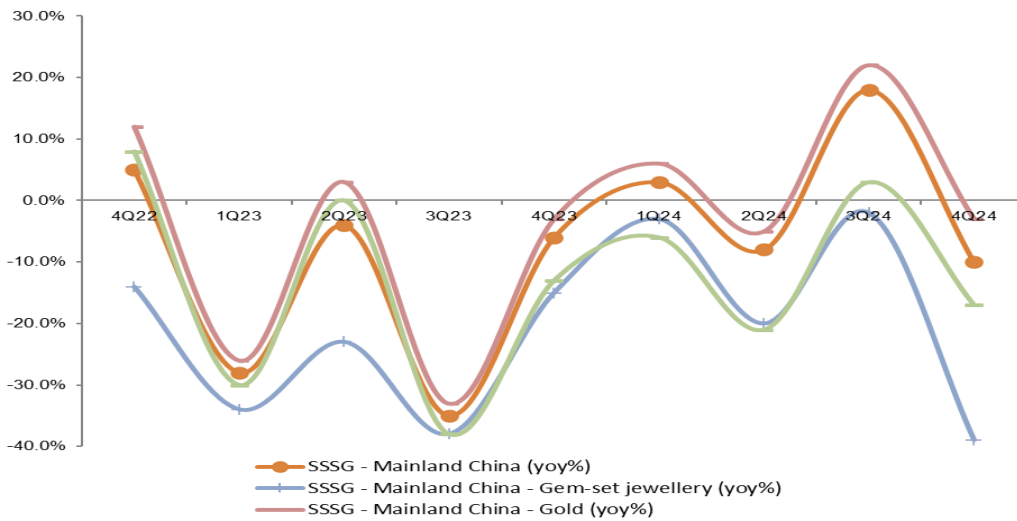
Latest Research Reports		
Date	Company	Analyst
29/02/2024	Xinyi Solar (968.HK)	Research Department
29/02/2024	Xinyi Energy (3868.HK)	Research Department
26/02/2024	Conant Optical (2276.HK)	Research Department
05/01/2024	Aeon Credit (900 HK)	Ensley Liu
13/10/2023	Aeon Credit (900 HK)	Howard Wong
17/04/2023	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 (8868 HK)	Eason Cui

Figure 1: Overall SSSG



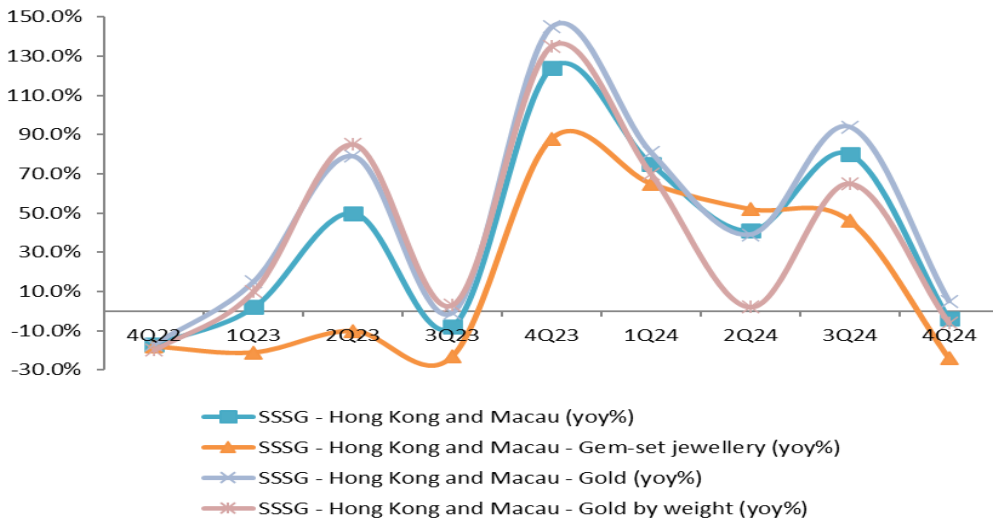
Source: Company data, Sunwah Kingsway Research

Figure 2: Mainland China SSSG



Source: Company data, Sunwah Kingsway Research

Figure 3: HK/Macau SSSG

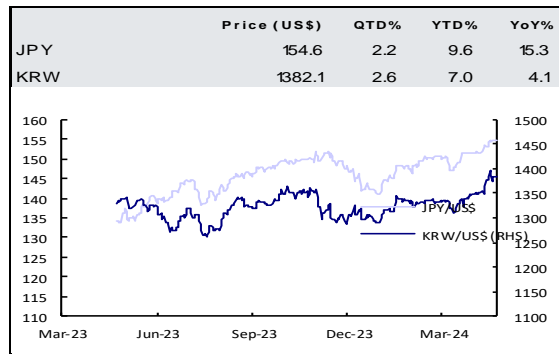
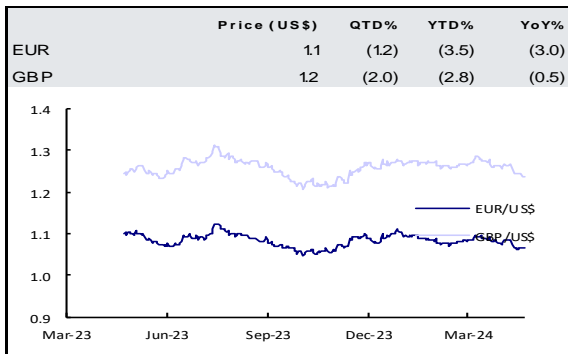
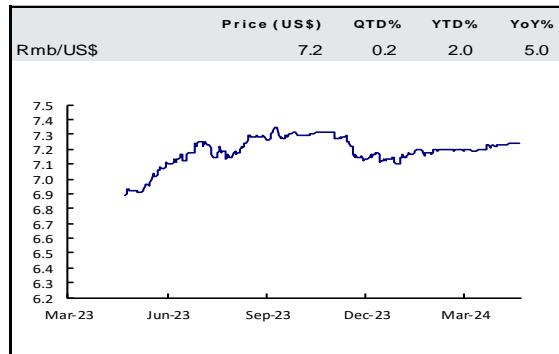
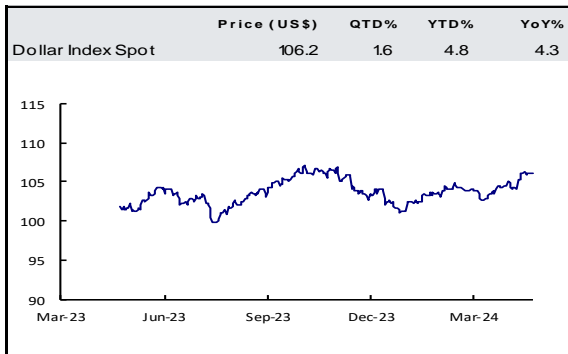
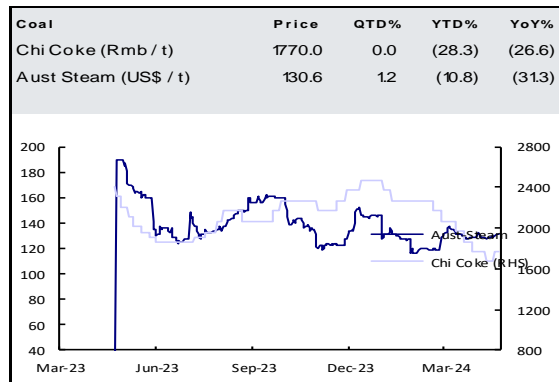
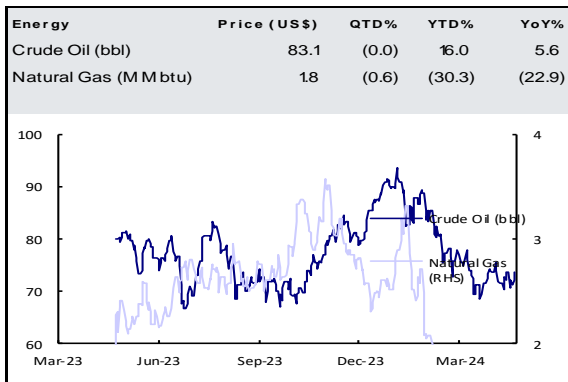
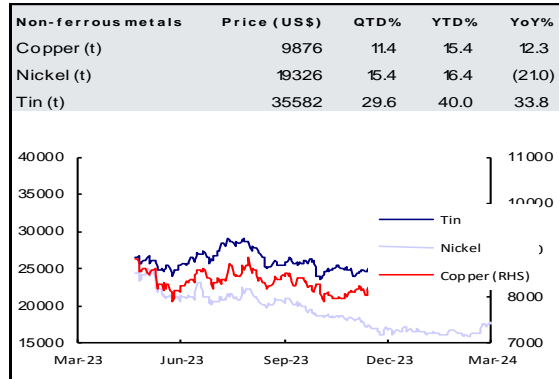
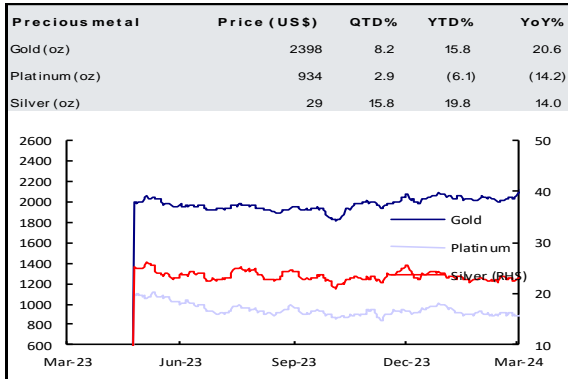


Source: Company data, Sunwah Kingsway Research

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		16,224.14	(1.0)				8.5	8.0	7.4	4.7%	(3.0)	(1.7)	8.4	
HANG SENG CHINA ENT IND	HSCEI		5,746.61	(1.0)				7.8	7.4	6.8	4.5%	(2.3)	(0.2)	14.9	
CSI 300 INDEX	SHSZ300		3,541.66	(0.8)				13.5	13.5	10.3	3.0%	1.9	(0.1)	10.0	
FUYAO GLASS	3606 HK	124,936	41.60	0.1	LONG	41.50	(0.2)	17.8	15.5	13.3	4.0%	1.8	8.5	13.7	1-Sep-20
BEUR	3718 HK	1,725	0.49	0.0	LONG	1.80	271.1	6.1	5.1	4.2	7.6%	0.0	(2.0)	(17.8)	30-Mar-21
BINJIANG SERVICES	3316 HK	4,566	16.52	(1.2)	LONG	23.50	42.3	8.5	6.9	5.6	10.0%	(3.6)	(1.3)	12.4	N/A
BYDE	285 HK	53,176	23.60	(4.3)	NEUTRAL	17.60	(25.4)	12.2	9.3	7.4	3.0%	(11.9)	(23.1)	(17.6)	N/A
CHINA LILANG	1234 HK	5,712	4.77	(2.5)	LONG	5.32	11.5	9.9	8.7	7.7	8.6%	(1.6)	(0.8)	22.9	N/A
CHINASOFT INTL	354 HK	12,791	4.40	(2.0)	LONG	12.80	190.9	15.7	11.5	9.1	2.1%	(5.0)	(11.3)	(9.7)	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	4,693	4.78	2.4	LONG	8.70	82.0	9.0	7.7	6.9	4.4%	1.9	(0.2)	46.2	26-Feb-20
DUIBA GROUP	1753 HK	312	0.29	(3.3)	LONG	5.55	1813.8	9.3	N/A**	N/A**	N/A**	(3.3)	(3.3)	13.7	N/A
EDVANTAGE GROUP	382 HK	2,660	2.33	(2.1)	LONG	4.50	93.1	3.8	3.3	3.0	9.1%	(3.7)	(4.5)	1.3	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**	(1.0)	(6.9)	5.6	26-Jan-21
HUAHONG SEMI	1347 HK	31,771	14.50	(1.6)	NEUTRAL	26.30	81.4	9.0	25.0	10.8	0.0%	(3.7)	(8.1)	(9.4)	29-Jul-21
KINGDEE INTL	268 HK	26,163	7.28	(5.7)	NEUTRAL	17.62	142.0	N/A**	N/A**	83.1	0.0%	(11.7)	(22.6)	(15.1)	20-Aug-20
MEIDONG AUTO	1268 HK	3,419	2.54	(7.3)	LONG	19.76	678.0	22.5	7.7	5.1	8.7%	(5.2)	(16.2)	(31.2)	3-Apr-23
MINGYUAN CLOUD	909 HK	3,846	1.98	(7.5)	NEUTRAL	28.00	1314.1	N/A**	N/A**	N/A**	1.8%	(15.7)	(21.4)	(4.8)	N/A
PLOVER BAY TECH	1523 HK	2,840	2.58	(3.7)	LONG	1.70	(34.1)	12.9	11.0	9.7	1.1%	(5.8)	9.3	34.5	6-Aug-20
POU SHENG INTL	3813 HK	3,355	0.63	0.0	LONG	2.80	344.4	6.1	4.7	3.7	7.3%	0.0	(8.7)	3.3	16-Nov-20
Q TECH	1478 HK	3,672	3.10	(6.1)	NEUTRAL	4.97	60.3	41.2	12.4	8.4	0.7%	(8.8)	(4.0)	0.0	10-Aug-22
SUNNY OPTICAL	2382 HK	39,100	35.65	(4.9)	LONG	160.80	351.1	32.7	19.6	14.3	1.4%	(13.3)	(18.4)	(33.8)	17-Aug-22
TRYLY INTL	732 HK	2,434	0.77	(4.9)	LONG	2.80	263.6	9.3	N/A**	N/A**	N/A**	(7.2)	5.5	20.3	8-Apr-21
XINYI ENERGY	3868 HK	8,587	1.04	1.0	LONG	1.62	55.8	8.2	7.2	6.3	7.8%	(3.7)	(7.1)	(8.0)	29-Feb-24
XINYI GLASS	868 HK	33,036	7.82	(0.8)	LONG	18.60	137.9	6.1	5.8	5.9	8.7%	(8.1)	(6.6)	14.2	28-Feb-23
XINYI SOLAR	968 HK	47,044	5.28	(2.8)	LONG	7.20	36.4	11.2	9.0	7.0	6.6%	(13.0)	(16.3)	42.7	29-Feb-24
XTEP INTL	1368 HK	12,019	4.55	2.0	LONG	11.91	161.8	10.3	9.3	8.1	5.5%	(4.2)	(6.6)	20.4	17-Apr-23
YONGDA AUTO	3669 HK	3,701	1.92	(2.5)	LONG	6.73	250.5	6.0	4.6	3.8	11.6%	(9.0)	(22.6)	(10.3)	28-Mar-23
YUEXU PROPERTY	123 HK	15,538	3.86	1.0	LONG	13.00	236.8	4.0	3.9	3.6	10.8%	3.8	(13.6)	(8.1)	10-Feb-23
WEIMOB	2013 HK	3,130	1.12	(17.6)	LONG	14.40	1185.7	N/A**	103.5	14.4	0.0%	(18.2)	(45.4)	(36.0)	25-Nov-21

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
New home Sales	MoM		23-Apr-24
Durable Goods Orders	MoM		24-Apr-24
Initial Jobless Claims	WoW		25-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
Existing Home Sales	MoM		22-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
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
Unemployment Rate	MoM		20-May-24
Producer Prices Index	QoQ		14-Jun-24
Industrial Production	QoQ		14-Jun-24
Composite Interest Rate	MoM		

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Notice of interest disclosure filed by substantial shareholders for the two previous trading days			
Name of listed corporation	Name of substantial share holder	No. of shares bought/sold/involved	Average price per share
China Zenith Chemical Group Ltd.	Cheung Hung	21,550,000(L)	HKD 0.1000
Grand Pharmaceutical Group Ltd.	Tang Weikun	95,000(L)	HKD 3.9100
Sino Biopharmaceutical Ltd.	Tse Theresa Y Y	2,500,000(L)	HKD 2.3223
Yancoal Australia Ltd	MOULT David James	209,886(L)	AUD 0.0000
AV Concept Holdings Ltd.	B.K.S. Company Limited	692,000(L)	HKD 0.3999
AV Concept Holdings Ltd.	So Yuk Kw an	692,000(L)	HKD 0.3999
AV Concept Holdings Ltd.	Yeung Kit Ling	692,000(L)	HKD 0.3999
China Cultural Tourism and Agriculture Group Ltd.	HUANG ANFENG	16,000(L)	HKD 0.2070
China Cultural Tourism and Agriculture Group Ltd.	HUANG ANFENG	3,848,000(L)	HKD 0.2160
Kingboard Holdings Ltd.	Halgain Management Limited	311,500(L)	HKD 14.9848
Meilleure Health International Industry Group Ltd.	Shunda Investment Limited	2,454,000(L)	HKD 0.1209
Meilleure Health International Industry Group Ltd.	Zhongjia U-Home Investment Limited	2,454,000(L)	HKD 0.1209
Meilleure Health International Industry Group Ltd.	Zhou Xuzhou	2,454,000(L)	HKD 0.1209
New City Development Group Ltd.	HAN Junran	6,000,000(L)	HKD 0.6000
New City Development Group Ltd.	HAN Junran	6,000,000(L)	HKD 0.6000
Qinqin Foodstuffs Group (Cayman) Co. Ltd.	Hui Ching Lau	1,000,000(L)	HKD 0.7600
Qinqin Foodstuffs Group (Cayman) Co. Ltd.	Sure Wonder Limited	1,000,000(L)	HKD 0.7600
SSY Group Ltd.	China Pharmaceutical Company Limited	1,000,000(L)	HKD 4.6752
SSY Group Ltd.	Qu Jiguang	1,000,000(L)	HKD 4.6752
Sunshine 100 China Holdings Ltd.	FAN XIAOCHONG	201,000(L)	HKD 0.0220
Sunshine 100 China Holdings Ltd.	FAN XIAOHUA	201,000(L)	HKD 0.0220
Sunshine 100 China Holdings Ltd.	YI XIAODI	201,000(L)	HKD 0.0220
Tao Heung Holdings Ltd.	Chung Wai Ping	200,000(L)	HKD 0.7300
Transcanta Holding Ltd. - B	Qian Xueming	8,000(L)	HKD 1.6081
Victory Securities (Holdings) Co. Ltd.	Chiu Che Leung Stephen	2,000(L)	HKD 3.7400
Wan Kei Group Holdings Ltd.	Coast International Asset Management Limited	6,705,000(L)	HKD 2.6550
Want Want China Holdings Ltd.	TSAI ENG-MENG	4,071,000(L)	HKD 4.3845
WuXi AppTec Co., Ltd. - H Shares	Shi Ming	598(L)	HKD 33.6008
Yeahka Ltd.	Brocade Creation Investment Limited	5,600(L)	HKD 10.4100
Yeahka Ltd.	Brocade Creation Limited	5,600(L)	HKD 10.4100
Yeahka Ltd.	Cantrust (Far East) Limited	5,600(L)	HKD 10.4100
Yeahka Ltd.	Creative Brocade International Limited	5,600(L)	HKD 10.4100
Yeahka Ltd.	LIU YINGQI	5,600(L)	HKD 10.4100
Yeahka Ltd.	LUO HAIYING	5,600(L)	HKD 10.4100

Source: HKEx

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