

What's Hot Today:

► MGM China (2282.HK-HK\$13.92) revenue soared backed by higher market share

1Q24 results beat. MGM China reported a stronger-than-expected 1Q24 net revenue of HK\$8.3bn, up 7.6% QoQ and 71% YoY. Quarterly adjusted EBITDA came in at a record high of HK\$2.5bn, up 14% QoQ and 77% YoY, and surpassing expectations by 5% despite an lower VIP win rate in Q1. Adjusted EBITDA margin was up 1.8ppts QoQ to 30%, suggesting the strong top-line growth is highly organic.

VIP segment performed well. GGR in 1Q24 reached HK\$9.5bn, up 11.3% QoQ, better than the industry average growth of 6%, mainly due to an impressive VIP performance. Although the VIP win rate dropped 0.7ppts QoQ, VIP GGR surged by 34% QoQ to HK\$1.5bn mainly due to 76% QoQ increase in turnover. Total Mass GGR increased by 8.4% QoQ to HK\$7.4bn, with table drop increasing 1.7% QoQ and win rate up 1.5ppts to 25%. Slot GGR maintained at around HK\$523mn, largely flat. MGM's market share in 1Q24 increased to 17%, attributable to 10.1% at MGM Cotai and 6.9% at MGM Macau, compared to 16.3% in 4Q23.

Our view: Despite the intensified competition in the industry, MGM China is able to maintain its leading position. The success is believed to be its strong customer acquisition capabilities in the VIP business and maintaining stable growth in its mass segment. Since MGM China is the first to introduce smart gaming tables in 2016 whereas its peers are only using and adopting that recently, it is believed that could be MGM China's secret recipe to better profitability and strong topline growth. As per the Mgt, its market share in March was around 15.8% and got slightly higher in April. The counter is trading at 20x FY23 P/E.(Ensley LIU)

China & HK Indices	CLOSE	1D	YTD
HSI	18,207	2.5%	6.8%
HSCSI	6,437	2.6%	11.6%
HSCCI	3,727	0.8%	11.3%
CSI300	3,604	-0.5%	5.1%
Shanghai A	3,255	-0.3%	10.8%
Shanghai B	256	-0.1%	10.8%
Shenzhen A	1,836	-0.7%	-4.5%
Shenzhen B	1,107	0.0%	2.5%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	38,225	0.9%	1.4%
S&P 500	5,064	0.9%	6.2%
Nasdaq	15,840	1.5%	5.5%
Nikkei Index	38,236	-0.1%	14.3%
FTSE Index	8,172	0.6%	5.7%
CAC Index	7,914	-0.9%	4.9%
DA X Index	17,896	-0.2%	6.8%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	2,303	-0.7%	11.8%
STEEL (US\$/oz.)	2,094	1.8%	-5.8%
SILVER (US\$/oz.)	26	0.1%	12.4%
CRUDE OIL (US\$/bbl)	78	-12.2%	10.7%
COPPER (US\$/oz.)	9,765	-2.3%	14.1%
ALUMINIUM (US\$/oz.)	2,528	-2.5%	6.0%
PLATINUM (US\$/oz)	954	0.1%	-3.3%
ZINC (US\$/oz.)	2,886	-1.4%	8.6%
WHEAT (US\$/bu)	586	0.3%	-6.6%
CORN (US\$/bu)	459	2.0%	-6.6%
SUGAR (US\$/lb)	N/A	N/A	-5.1%
SOYBEAN (US\$/bu)	1,199	2.5%	-8.7%
PVC (US\$/t)	N/A	N/A	15.6%
CRB	284	-2.3%	3.0%
BDI			-15.3%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.813	0.932	153.640	0.911	7.241
HKD	0.128		0.119	19.664	11.655	0.927
EUR	1.073	8.380		164.800	1.024	7.768
JPY	0.007	5.086	0.607		0.592	0.046
CHF	1.098	8.579	1.024	168.739		7.952
RMB	0.138	1.079	0.129	21.145	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	14	-4.5%

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

Fig.1: MGM China financial summary(HK mn)

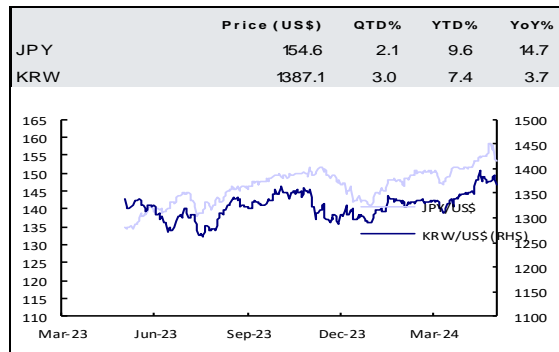
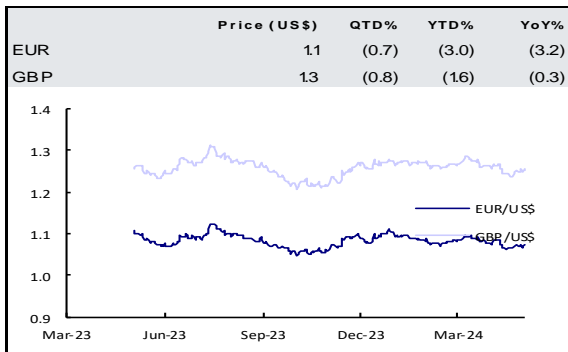
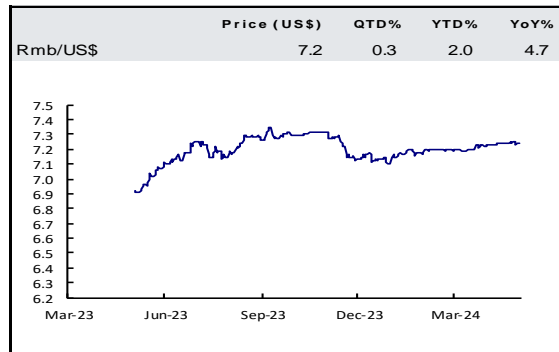
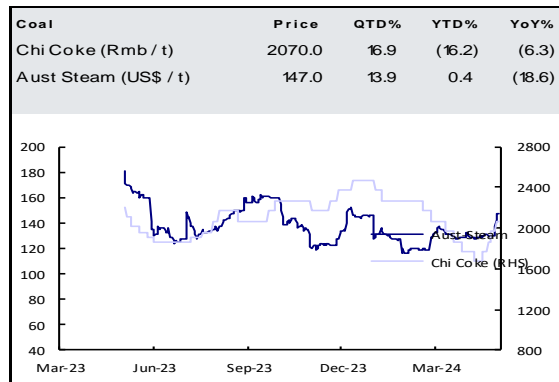
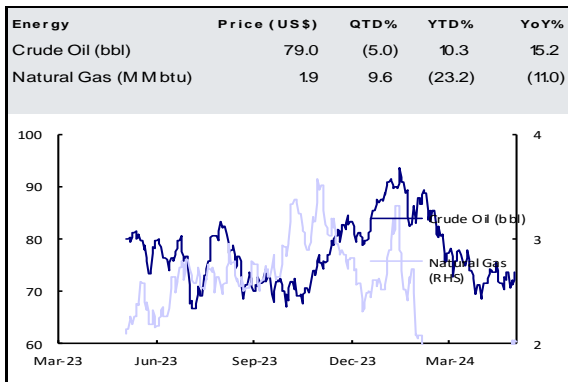
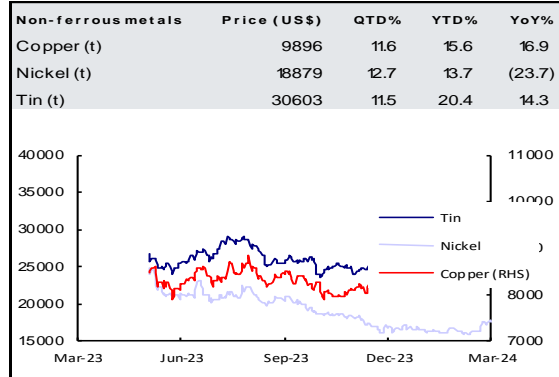
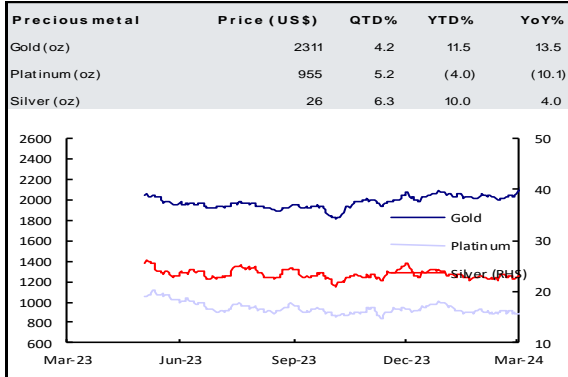
	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	1H23	3Q23
VIP segment								
VIP turnover	7,514	5,364	2,573	7,663	18,698	32,450	51,148	24,711
VIP win rate	2.35%	3.52%	2.55%	1.95%	3.99%	3.45%	3.65%	3.93%
VIP GGR	177	189	66	150	747	1,118	1,865	970
Mass segment								
Mass table drop	8,557	3,333	2,764	4,987	17,067	22,518	39,585	25,843
Mass win rate	21.82%	24.76%	21.43%	23.80%	24.04%	21.80%	22.76%	21.46%
Mass GGR	1,868	825	592	1,187	4,103	4,908	9,011	5,545
Slot segment								
Slot machine handle	5,607	3,413	1,899	2,725	8,194	10,879	19,074	12,144
Slot machine win rate	3.46%	4.16%	3.18%	4.72%	4.25%	3.73%	3.95%	3.39%
Slot GGR	194	142	60	128	348	406	754	412
Total GGR	2,238	1,156	719	1,465	5,198	6,432	11,630	6,927

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		18,207.13	2.5				9.6	9.1	8.4	4.2%	5.8	8.9	17.2	
HANG SENG CHINA ENT IND	HSCEI		6,437.09	2.6				8.7	8.4	7.7	4.0%	5.5	9.6	23.3	
CSI 300 INDEX	SHSZ300		3,604.39	(0.5)				14.3	12.1	10.7	3.3%	2.8	0.2	12.0	
FUYAO GLASS	3606 HK	136,045	46.75	(0.6)	LONG	41.50	(11.2)	20.1	17.0	14.5	3.7%	11.3	15.4	27.7	1-Sep-20
BEUR	3718 HK	1,743	0.49	1.0	LONG	1.80	267.3	6.2	5.2	4.3	7.6%	1.0	(2.0)	(7.5)	30-Mar-21
BINJIANG SERVICES	3316 HK	5,003	18.10	3.4	LONG	23.50	29.8	9.4	7.8	6.4	9.2%	8.9	3.8	24.1	N/A
BYDE	285 HK	61,062	27.10	1.9	NEUTRAL	17.60	(35.1)	14.0	11.1	8.7	2.5%	11.3	(1.6)	0.9	N/A
CHINA LILANG	1234 HK	5,676	4.74	(1.3)	LONG	5.32	12.2	9.9	8.7	7.7	8.6%	(0.2)	(6.7)	21.9	N/A
CHINASOFT INTL	354 HK	13,990	4.92	3.6	LONG	12.80	160.2	17.6	13.9	10.7	2.1%	2.7	8.1	12.3	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	4,851	4.94	(4.1)	LONG	8.70	76.1	9.3	8.0	7.2	4.3%	0.6	0.8	28.3	26-Feb-20
DUIBA GROUP	1753 HK	339	0.32	1.6	LONG	5.55	1661.9	10.1	N/A**	N/A**	N/A**	8.6	5.0	40.0	N/A
EDVANTAGE GROUP	382 HK	2,889	2.53	2.4	LONG	4.50	77.9	4.0	3.6	3.4	8.4%	7.7	2.8	15.5	3-May-22
EVERGREEN PG	1962 HK	334	0.51	0.0	LONG	1.75	243.1	6.5	N/A**	N/A**	N/A**	8.5	5.2	0.0	26-Jan-21
HUAHONG SEMI	1347 HK	34,217	15.92	2.1	NEUTRAL	26.30	65.2	9.9	23.7	11.9	0.0%	8.7	2.7	12.1	29-Jul-21
KINGDEE INTL	268 HK	33,494	9.32	11.5	NEUTRAL	17.62	89.1	N/A**	N/A**	106.6	0.0%	14.9	4.8	22.1	20-Aug-20
MEIDONG AUTO	1268 HK	4,093	3.04	19.2	LONG	19.76	550.0	27.0	10.1	6.3	5.1%	18.3	2.4	18.8	3-Apr-23
MINGYUAN CLOUD	909 HK	5,769	2.97	20.2	NEUTRAL	28.00	842.8	N/A**	N/A**	N/A**	1.0%	35.0	24.8	45.6	N/A
PLOVER BAY TECH	1523 HK	3,126	2.84	1.4	LONG	1.70	(40.1)	14.2	12.1	10.7	1.0%	4.4	20.3	44.3	6-Aug-20
POU SHENG INTL	3813 HK	3,462	0.65	(1.5)	LONG	2.80	330.8	6.4	4.9	3.8	7.1%	4.8	(3.0)	10.2	16-Nov-20
Q TECH	1478 HK	4,241	3.58	10.2	NEUTRAL	4.97	38.8	47.7	13.5	9.2	0.6%	7.5	17.0	36.1	10-Aug-22
SUNNY OPTICAL	2382 HK	43,737	39.95	4.0	LONG	160.80	302.5	36.8	21.7	15.7	1.3%	16.0	1.5	(14.2)	17-Aug-22
TRYLY INTL	732 HK	2,782	0.88	3.5	LONG	2.80	218.2	10.6	N/A**	N/A**	N/A**	8.6	12.8	49.2	8-Apr-21
XINYI ENERGY	3868 HK	9,330	1.13	2.7	LONG	1.62	43.4	8.9	7.8	6.8	7.2%	7.6	2.7	3.7	29-Feb-24
XINYI GLASS	868 HK	36,627	8.67	3.0	LONG	18.60	114.5	6.7	6.4	6.5	7.9%	6.6	0.9	37.4	28-Feb-23
XINYI SOLAR	968 HK	50,519	5.67	3.8	LONG	7.20	27.0	12.1	9.6	7.6	6.2%	9.2	(7.7)	61.1	29-Feb-24
XTEP INTL	1368 HK	13,524	5.12	2.6	LONG	11.91	132.6	11.6	10.6	9.2	4.7%	6.9	6.7	32.0	17-Apr-23
YONGDA AUTO	3669 HK	4,221	2.19	2.8	LONG	6.73	207.3	6.9	6.0	4.6	9.2%	11.2	(0.9)	12.3	28-Mar-23
YUEXU PROPERTY	123 HK	20,731	5.15	9.6	LONG	13.00	152.4	5.4	5.4	5.2	7.4%	31.7	26.2	2.2	10-Feb-23
WEIMOB	2013 HK	4,884	1.59	14.4	LONG	14.40	805.7	N/A**	294.7	22.0	0.0%	16.1	9.7	(7.0)	25-Nov-21

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Durable Goods Orders	MoM		2-May-24
Initial Jobless Claims	WoW		2-May-24
Trade Balance	MoM		2-May-24
Factory Orders	MoM		2-May-24
Employment Report	MoM		3-May-24
Wholesale Inventories	MoM		8-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
New home Sales	MoM		23-May-24
Consumer Confidence	MoM		28-May-24
GDP	QoQ		30-May-24
Personal Income & Spending	MoM		31-May-24
ISM Manufacturing PMI	MoM		3-Jun-24
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
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
PMI Manufacturing	MoM		31-May-24
GDP	YoY		15-Jul-24

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Retail Sales	MoM		3-May-24
PMI	MoM		6-May-24
Foreign Currency Reserve	MoM		7-May-24
GDP	QoQ		17-May-24
Unemployment Rate	MoM		20-May-24
CPI	MoM		23-May-24
Trade Balance	MoM		27-May-24
Money Supply - M2	MoM		31-May-24
Producer Prices Index	QoQ		14-Jun-24
Industrial Production	QoQ		14-Jun-24
Composite Interest Rate	MoM		

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