# Morning Snapshot

# **SUNWAH** KINGSWAY

**Hong Kong & China Market Daily** 

### What's Hot Today:

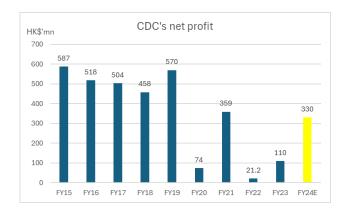
## Café de Coral (341.HK – HK\$8.96) – Expecting FY3/24 to earn HK\$330m

CDC issued a profit alert last week indicating that its FY3/24 earnings is expected to reach HK\$330mn compared to HK\$110mn in the previous fiscal year. If excluding the pandemic subsidies from the government received in the prior year, it is estimated that the profit for the period would have jumped by 4.7x YoY.

Margin improvement. The Mgt is upbeat with the performance in both the Hong Kong and mainland operations whereas notable improvement in profit margins was observed. It is noted that despite slower than expected economic recovery and tourist inflow, its Hong Kong business recorded a gain in profit margin on the back of effective cost control and higher efficiency. However, a higher property revaluation loss maybe reported for FY24.

Record high new shops opened in Mainland. CDC's mainland business also saw record high number of new shops opened during FY24.

**Our view.** Should the payout ratio be back to the pre-pandemic level of 80 to 90%, its full-year yield is expected to be in the range of 5.0 to 5.7% at current share price. However, if taking into account the interim profit of about HK\$200mn, the profit alert implies that its 2H profit was only around HK\$130mn. The counter is trading at 15.9x We considered it is fairly priced considering the FY3/24E PE. challenging economic environment in Hong Kong which accounts for over 80% of the company's revenue.



				06	May	2024
China 8 I	JV Indi	200		CLOSE	1D	VTI
China & I	HK INGI	ces				YTI
HSCEI				18,475 6,547	0.1%	8.5% 13.6%
HSCCI				3,764	0.1%	12.49
CSI300				3,604	1.4%	6.59
Shanghai A				3,255	0.9%	10.9%
Shanghai B				256	0.1%	10.99
Shenzhen A				1,836	1.4%	-3.2%
Shenzhen B				1,107	0.8%	3.3%
Key Int'l	Indices	6		CLOSE	1D	YTE
Dow Jones				38,675	1.2%	2.69
S&P 500				5,127	1.3%	7.5%
Nasdag				16,156	2.0%	7.6%
NIKKEI Inde	Y			38,236	-0.1%	14.3%
THICKLINGS	^			50,250	0.170	14.07
FTSE Index				8,213	0.5%	6.2%
CAC Index				7,957	0.5%	5.5%
DAX Index				18,001	0.5%	7.5%
DAX IIIdex					0.0%	7.57
Commod				CLOSE	1D	YTE
GOLD STEEL		US\$/oz.) US\$/oz.)		2,301 2,121	-0.1% 2.4%	11.9% -4.6%
SILVER		US\$/oz.)		26	-0.5%	13.1%
CRUDE OIL		US\$/bbl)		78	-13.1%	9.4%
COPPER		US\$/oz.)		9,910	0.1%	15.8%
ALUMINIUM		US\$/oz.)		2,551	-1.0%	7.0%
PLATINUM		US\$/oz)		957	0.3%	-4.0%
ZINC		US\$/oz.)		2,903	0.8%	9.2%
WHEAT	(	US¢/bu)		606	4.2%	-3.5%
CORN	(	US¢/bu)		460	0.1%	-7.6%
SUGAR		US¢/lb)		N/A	N/A	-2.2%
SOYBEAN	(	US¢/bu)		1,215	1.3%	-7.7%
PVC	(	US\$/t.)		N/A	N/A	15.6%
CRB				286	0.4%	3.0%
BDI						-10.4%
Exchange	e Rates					
	USD	HKD	EUR	JPY	CHF	RME
USD		7.812	0.929	153.050	0.905	7.24
HKD	0.128		0.119	19.587	11.586	0.92
EUR	1.076	8.407		164.720	1.027	7.79
JPY	0.007	5.104	0.607		0.591	0.046
CHF	1.104	8.633	1.027	169.168		8.00
RMB	0.138	1.079	0.128	21.218	0.125	
Market S	entime	nt		С	URRENT	50
CDS Monitor	- USD S	R 5Y				
Greece					N/A	N/A
Ireland					83	-2.4%
Italy					139	-0.6%
Portugal					207	-0.0%
Spain					108	0.3%
VIX					13	-10.2%
Source: Bloo	omberg					,
Latest Res		leports				
Date	Comp			An	alyst	
					•	

29/02/2024 Xinyi Solar (968.HK)

29/02/2024 Xinyi Energy (3868.HK)

05/01/2024 Aeon Credit (900 HK)

13/10/2023 Aeon Credit (900 HK)

26/02/2024 Conant Optical (2276.HK)

17/04/2023 Xtep International (1368 HK)

31/03/2023 Prosperous Industrial (1731 HK)

13/03/2023 DONGFANG FLECTRIC (1072 HK) Fason Cui

Yuexiu Property (123 HK)

14/04/2023 Perfect Medical (1830 HK)

03/04/2023 Meidong Auto (1268 HK)

17/03/2023 361 Degrees (1361 HK)

01/03/2023 Xinyi Energy (3868 HK)

28/02/2023 Xinyi Glass (868 HK)

13/02/2023 Auto monthly update

18/01/2023 Yongda (3669 HK) 17/01/2023 Xtep (1368 HK)

04/01/2023 Auto monthly update

01/12/2022 XPeng (9868 HK)

02/12/2022 Perfect Medical (1830 HK)

10/02/2023

28/03/2023 Yongda (3669 HK)

Research Department

Research Department

Research Department

Research Department

Research Department

Ensley Liu

Eason Cui

Research Department

Ken Li

Ken Li

Howard Wong

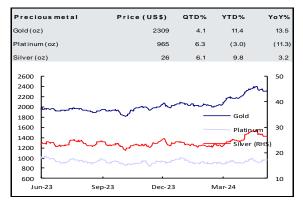


#### Kingsway coverage list

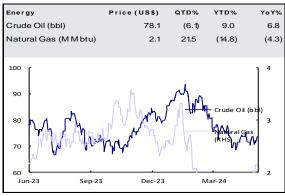
Name	Ticker	Market Cap	Price (HK\$)	1D (%)	Rec.	TP (HK\$)	Upside (%)		PER (X)*		Dividend	Abs	olute perfori	mance	Latest update
Name	TICKET	(HK\$'m)	Frice (rika)	10(%)	Nec.	IF (HK4)	Opside (76)	Hist	FY1	FY2	FY2	5D%	1 M%	3M%	date
HANG SENG INDEX	HSI	•	18,475.92	0.0				9.7	9.2	8.5	4.2%	4.7	10.6	14.6	
HANG SENG CHINA ENT INDX CSI 300 INDEX	SHSZ300		6,547.29 3,604.39	0.0 (0.0)				8.9 14.3	8.6 12.1	7.8 10.7	3.9% 3.2%	4.5 3.8	11.8 1.6	19.7 13.6	
													1.0		
FUYAO GLASS	3606 HK	136,278	48.05	0.0	LONG	41.50	(13.6)	20.1	17.5	14.9	3.8%	(0.7)	15.4	26.8	1-Sep-20
BEUR	3718 HK	1,761	0.50	0.0	LONG	1.80	263.6	6.3	5.2	4.3	7.5%	1.0	1.0	(4.8)	30-Mar-21
BINJIANG SERVICES	3316 HK	4,948	17.90	0.0	LONG	23.50	31.3	9.3	7.7	6.3	9.3%	3.2	5.7	15.9	N/A
BYDE	285 HK	62,414	27.60	0.0	NEUTRAL	17.60	(36.2)	14.3	11.3	8.9	2.5%	10.6	2.6	(2.8)	N/A
CHINA LILANG	1234 HK	5,568	4.81	0.0	LONG	5.32	10.6	9.7	8.8	7.8	8.5%	(2.1)	(8.8)	14.3	N/A
CHINASOFT INTL	354 HK	13,990	4.95	0.0	LONG	12.80	158.6	17.6	13.9	10.7	2.1%	2.1	5.8	4.7	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	4,752	4.84	0.0	LONG	8.70	79.8	9.1	7.8	7.0	4.3%	(0.8)	(1.2)	23.8	26-Feb-20
DUIBA GROUP	1753 HK	350	0.33	0.0	LONG	5.55	1607.7	10.4	N/A**	N/A**	N/A**	10.2	4.8	31.0	N/A
EDVANTAGE GROUP	382 HK	2,957	2.57	0.0	LONG	4.50	75.1	4.1	3.7	3.5	8.2%	4.0	4.9	12.6	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**	6.3	13.3	0.0	26-Jan-21
														***	
HUAHONG SEMI	1347 HK	34,685	16.10	0.0	NEUTRAL	26.30	63.4	10.0	24.0	12.1	0.0%	4.1	7.3	2.8	29-Jul-21
KINGDEE INTL	268 HK	32,991	9.15	0.0	NEUTRAL	17.62	92.6	N/A**	N/A**	104.7	0.0%	9.7	5.6	13.6	20-Aug-20
THITOSEE HTTE	200 1111	02,001	0.10	0.0		11.02	02.0				0.070	0.7	0.0	10.0	20 / lug 20
MEIDONG AUTO	1268 HK	3,810	2.89	0.0	LONG	19.76	583.7	25.2	9.6	6.0	5.1%	4.8	(4.4)	7.6	3-Apr-23
MINGYUAN CLOUD	909 HK	5,341	2.86	0.0	NEUTRAL	28.00	879.0	N/A**	N/A**	N/A**	1.0%	15.1	19.6	29.7	N/A
		-,													
PLOVER BAY TECH	1523 HK	3,170	2.88	0.0	LONG	1.70	(41.0)	14.4	12.3	10.8	1.0%	0.7	18.5	44.9	6-Aug-20
POU SHENG INTL	3813 HK	3,462	0.65	0.0	LONG	2.80	330.8	6.4	4.9	3.8	7.1%	0.0	1.6	6.6	16-Nov-20
TOO ONE NO WITE	00101111	0,102	0.00	0.0	20110	2.00	000.0	0.1		0.0	7.170	0.0		0.0	10110120
Q TECH	1478 HK	4,252	3.59	0.0	NEUTRAL	4.97	38.4	47.8	13.5	9.2	0.6%	7.5	16.9	33.5	10-Aug-22
SUNNY OPTICAL	2382 HK	45,270	41.40	0.0	LONG	160.80	288.4	38.1	22.5	16.3	1.2%	8.4	8.4	(14.7)	17-Aug-22
SOUTH OF HOLE	2002 1111	10,270		0.0	20110	100.00	200.1	00.1	22.0	10.0	1.270	0.1	0.1	()	17 Aug 22
TRYLY INTL	732 HK	2,813	0.88	0.0	LONG	2.80	218.2	10.7	N/A**	N/A**	N/A**	4.7	17.1	30.9	8-Apr-21
XINYI ENERGY	3868 HK	9,247	1.12	0.0	LONG	1.62	44.6	8.8	7.7	6.7	7.2%	2.8	2.8	4.7	29-Feb-24
MINITERENCY	3000 1110	3,241	1.12	0.0	LONG	1.02	44.0	0.0		0.7	1.270	2.0	2.0	4.7	231 65-24
XINYI GLASS	868 HK	38,021	8.86	0.0	LONG	18.60	109.9	7.0	6.5	6.5	7.9%	7.1	4.3	38.7	28-Feb-23
XINYI SOLAR	968 HK	51,143	5.67	0.0	LONG	7.20	27.0	12.2	9.6	7.6	6.2%	8.3	(10.6)	55.6	29-Feb-24
MITT GOLAR	300 1110	31,143	3.07	0.0	LOIVO	7.20	27.0	12.2	3.0	7.0	0.270	0.5	(10.0)	55.0	231 65-24
XTEP INT'L	1368 HK	14,000	5.27	0.0	LONG	11.91	126.0	12.1	10.9	9.5	4.6%	4.7	10.4	32.2	17-Apr-23
YONGDA AUTO	3669 HK	4,260	2.19	0.0	LONG	6.73	207.3	6.9	6.0	4.6	9.2%	6.3	2.3	4.7	28-Mar-23
TONGDA AUTO	3009 FIX	4,200	2.19	0.0	LONG	0.73	207.3	0.9	0.0	4.0	5.2%	0.3	2.3	4.7	20-Wal-23
YUEXU PROPERTY	123 HK	20,932	5.32	0.0	LONG	13.00	144.4	5.4	5.5	5.4	7.2%	18.2	29.7	(1.0)	10-Feb-23
WE WOR					1.0110										
WEIMOB	2013 HK	4,862	1.55	0.0	LONG	14.40	829.0	N/A**	287.3	21.4	0.0%	12.9	9.7	(11.7)	25-Nov-21

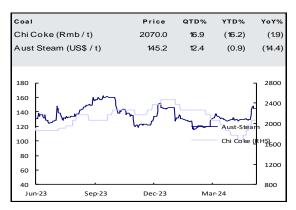


### Market Watch - Major Commodities and Currencies



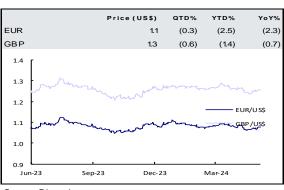
Non-ferrous metals	Price (US\$)	QTD%	YTD%	YoY%
Copper (t)	9910	11.8	15.8	15.5
Nickel (t)	19237	14.9	15.9	(21.6)
Tin (t)	31983	16.5	25.8	22.7
40000 ر			1	11000
35000			٨	
35000			لم /\ — Tin	10000
30000			- Nickel	
25000	my my man man	المريم	— Copper	(DUE)
1 / JAH - KJAH	LANK-A-V-WARRIN .	- W	- Copper	8000
20000	Manney .	~~~	my parties	
15000	- North	<u> </u>		7000
Jun-23 Sep-2	23 Dec-23	Mar-	24	













Source: Bloomberg



#### **US Economic Calendar**

Indicators	Freq	Obs Date	Expected Release Date
Durable Goods Orders	MoM		24-May-24
Initial Jobless Claims	WoW		9-May-24
Trade Balance	MoM		6-Jun-24
Factory Orders	MoM		4-Jun-24
Employment Report	MoM		7-Jun-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		31-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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Notice of interest disclosure filed by substantial share Name of listed corporation	Name of substantial share holder	No. of shares bought/sold/involved	Average price per share
AL Group Ltd.	CHAN HUNG KAI	2,472,000(L)	HKD 0.5850
thina Asia Valley Group Ltd.	China Asia Group Inc.	900,000,000(L)	HKD 0.1000
hina Asia Valley Group Ltd.	HUANG Binghuang	900,000,000(L)	HKD 0.1000
hina Cultural Tourism and Agriculture Group Ltd.	HUANG ANFENG		HKD 0.1170
		8,480,000(L)	
ountain Set (Holdings) Ltd.	Ha Chung Fong	200,000(L)	HKD 0.5100
ountain Set (Holdings) Ltd.	Tang Kuen Mui	200,000(L)	HKD 0.5100
feituan - W	Mu Rongjun	1,000,000(L)	HKD 110.0376
Oshidori International Holdings Ltd.	MAK Siu Hang Viola	79,998,000(L)	HKD 0.1500
Oshidori International Holdings Ltd.	VMS Investment Group Limited	79,998,000(L)	HKD 0.1500
ino Land Co. Ltd.	Ng Chee Siong	24,000(L)	HKD 8.3125
pring Real Estate Investment Trust	Spring Asset Management Limited	5,579,416(L)	HKD 1.8560
Stella International Holdings Ltd.	Chiang Yi-Min	400,000(L)	HKD 7.6500
Sunshine 100 China Holdings Ltd.	FAN XIAOCHONG	700,000(L)	HKD 0.0220
Sunshine 100 China Holdings Ltd.	FAN XIAOHUA	700,000(L)	HKD 0.0220
Sunshine 100 China Holdings Ltd.	YIXIAODI	700,000(L)	HKD 0.0220
ranscenta Holding Ltd B			
	Qian Xueming	1,000(L)	HKD 1.8000
(ictory Securities (Holdings) Co. Ltd.	Chiu Che Leung Stephen	8,000(L)	HKD 3.4625
uan Wu Cloud Technology Holdings Ltd.	Baoya Group Holdings Limited (保雅集團控股有限公司)	11,386,000(L)	HKD 0.4150
uan Wu Cloud Technology Holdings Ltd.	Song Xiaohu	11,386,000(L)	HKD 0.4150
eahka Ltd.	Brocade Creation Investment Limited	6,400(L)	HKD 10.3688
eahka Ltd.	Brocade Creation Limited	6,400(L)	HKD 10.3688
'eahka Ltd.	Cantrust (Far East) Limited	6,400(L)	HKD 10.3688
′eahka Ltd.	Creative Brocade International Limited	6,400(L)	HKD 10.3688
reahka Ltd.	LIU YINGQI	6,400(L)	HKD 10.3688
reahka Ltd.	LUO HAIYING	6,400(L)	HKD 10.3688
	Jiangsu Yue Da Group Company Limited		
/ue Da International Holdings Ltd.		30,000(L)	HKD 0.1450
/ue Da International Holdings Ltd.	Yueda Capital (HK) Limited	30,000(L)	HKD 0.1450
'ue Da International Holdings Ltd.	Yueda Capital Company Limited	30,000(L)	HKD 0.1450
			+
			+

Source: HKEx



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