

What's Hot Today:

► China Auto Sector – A quick read on US potential tariff hike

Last week, it was reported in the media that the Biden's administration plans to quadruple the tariff on Chinese EV importing to the US from the current 25% to 100%, to protect local industry. The US auto market is the 2nd largest in the world, after China with 15.5mn units of light vehicle sales (7.6% EV penetration) in 2023. Nonetheless, the US at present is not a major export destination for China's EV brands. In 2023, only 1 China-related EV model (Polestar 2, Geely affiliated) was among the top 20 best-selling EVs in US, ranking 19th.

However, we believe this policy may speed up China EV makers to setup overseas plants in order to avoid the high tariff. As per Reuters, BYD (1211.HK) is planning to build a Mexico EV plant with a capacity of 150k annual production. This factory will help BYD to enhance its market share in South America and will be the base for its future expansion into the US. (Research Department)

China & HK Indices	CLOSE	1D	YTD
HSI	18,963	2.3%	11.2%
HSCEI	6,718	2.4%	16.5%
HSCCI	3,966	3.9%	18.4%
CSI300	3,666	0.0%	6.9%
Shanghai A	3,307	0.0%	10.0%
Shanghai B	254	0.1%	10.0%
Shenzhen A	1,865	-0.7%	-3.0%
Shenzhen B	1,126	-0.2%	4.2%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	39,512	0.3%	4.8%
S&P 500	5,222	0.2%	9.5%
Nasdaq	16,340	-0.0%	8.9%
NIKKEI Index	38,229	0.4%	14.2%
FTSE Index	8,433	0.6%	9.1%
CAC Index	8,219	0.4%	9.0%
DA-X Index	18,772	0.5%	12.1%

Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	2,360	0.6%	14.4%
STEEL (US\$/oz.)	2,125	0.7%	-4.5%
SILVER (US\$/oz.)	28	-0.5%	18.4%
CRUDE OIL (US\$/bbl)	78	-12.9%	8.9%
COPPER (US\$/oz.)	10,004	1.0%	16.9%
ALUMINIUM (US\$/oz.)	2,529	-0.8%	6.1%
PLATINUM (US\$/oz)	997	1.3%	0.3%
ZINC (US\$/oz.)	2,930	0.9%	10.3%
WHEAT (US\$/bu)	645	4.8%	2.8%
CORN (US\$/bu)	469	2.5%	-4.9%
SUGAR (US\$/lb)	N/A	N/A	-4.1%
SOYBEAN (US\$/bu)	1,219	-0.7%	-7.2%
PVC (US\$/t)	N/A	N/A	17.2%
CRB	289	0.2%	3.0%
BDI		-3.4%	1.7%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.814	0.929	155.780	0.907	7.227
HKD	0.128		0.119	19.936	11.601	0.925
EUR	1.077	8.417		167.760	1.025	7.785
JPY	0.006	5.016	0.596		0.582	0.046
CHF	1.103	8.622	1.025	171.842		7.974
RMB	0.138	1.081	0.128	21.556	0.125	

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	12	-7.0%

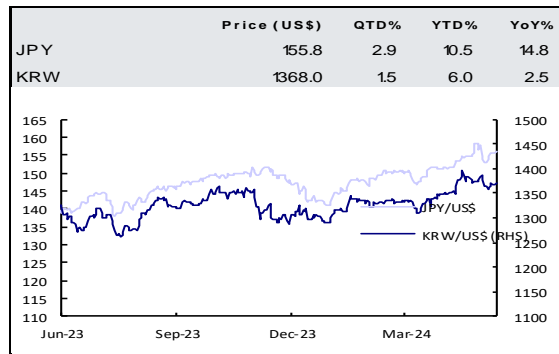
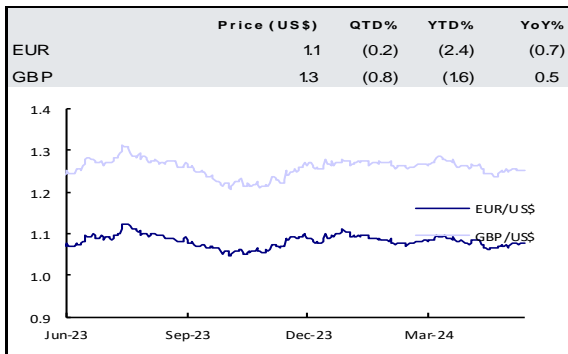
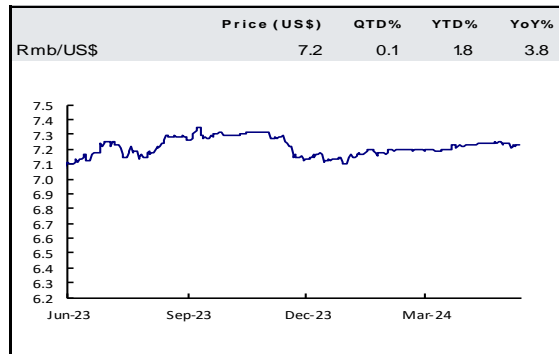
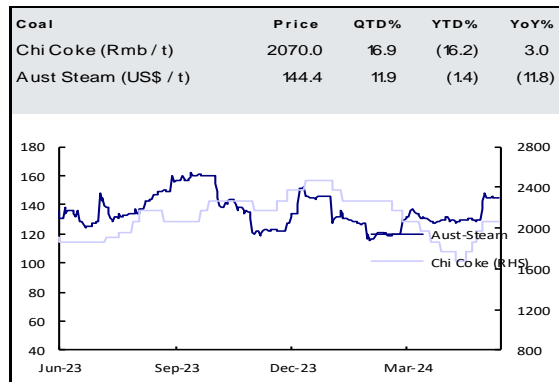
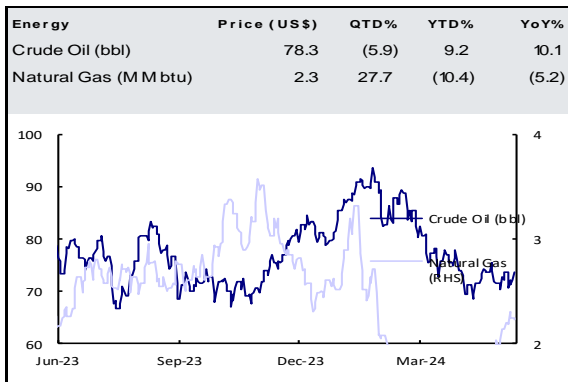
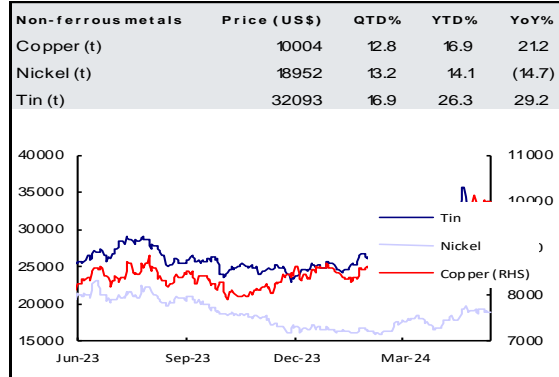
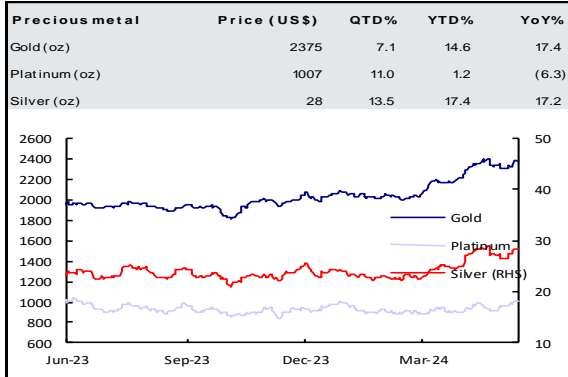
Source: Bloomberg

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		18,963.68	2.3				10.0	9.5	8.8	4.1%	2.6	13.4	20.4	
HANG SENG CHINA ENT IND	HSCEI		6,718.86	2.4				9.1	8.8	8.0	3.8%	2.6	14.3	26.6	
CSI 300 INDEX	SHSZ300		3,666.28	0.0				14.4	12.4	11.0	3.2%	1.7	5.5	9.0	
FUYAO GLASS	3606 HK	139,345	48.45	(0.5)	LONG	41.50	(14.3)	20.7	17.5	14.9	3.7%	0.8	18.6	32.2	1-Sep-20
BEUR	3718 HK	1,743	0.49	0.0	LONG	1.80	267.3	6.2	5.2	4.3	7.6%	(1.0)	1.0	1.0	30-Mar-21
BINJIANG SERVICES	3316 HK	5,169	18.70	0.5	LONG	23.50	25.7	9.7	8.0	6.6	8.9%	4.5	9.1	24.5	N/A
BYDE	285 HK	74,581	33.10	3.4	NEUTRAL	17.60	(46.8)	17.1	13.5	10.7	2.1%	19.9	23.5	15.3	N/A
CHINA LILANG	1234 HK	5,688	4.75	(0.6)	LONG	5.32	12.0	9.9	8.7	7.7	8.6%	(1.2)	(1.0)	17.4	N/A
CHINASOFT INTL	354 HK	13,393	4.71	(0.4)	LONG	12.80	171.8	16.8	13.2	10.2	2.2%	(4.8)	1.7	0.4	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	4,566	4.65	(1.9)	LONG	8.70	87.1	8.7	7.5	6.7	4.5%	(3.9)	(0.9)	12.6	26-Feb-20
DUIBA GROUP	1753 HK	372	0.35	0.0	LONG	5.55	1508.7	11.0	N/A**	N/A**	N/A**	6.2	15.0	53.3	N/A
EDVANTAGE GROUP	382 HK	3,026	2.65	5.2	LONG	4.50	69.8	4.2	3.8	3.6	8.2%	3.1	9.5	13.7	3-May-22
EVERGREEN PG	1962 HK	318	0.49	(4.9)	LONG	1.75	260.8	6.1	N/A**	N/A**	N/A**	(4.9)	1.0	(6.7)	26-Jan-21
HUAHONG SEMI	1347 HK	37,644	18.02	5.8	NEUTRAL	26.30	45.9	21.7	27.4	15.5	0.0%	11.9	19.7	20.9	29-Jul-21
KINGDEE INTL	268 HK	33,853	9.42	1.4	NEUTRAL	17.62	87.0	N/A**	N/A**	108.9	0.0%	3.0	14.3	22.2	20-Aug-20
MEIDONG AUTO	1268 HK	3,958	2.94	2.1	LONG	19.76	572.1	26.1	9.7	6.1	5.0%	1.7	9.7	15.7	3-Apr-23
MINGYUAN CLOUD	909 HK	5,803	2.95	4.6	NEUTRAL	28.00	849.2	N/A**	N/A**	N/A**	1.0%	3.1	25.5	43.2	N/A
PLOVER BAY TECH	1523 HK	3,159	2.87	0.0	LONG	1.70	(40.8)	14.4	12.2	10.8	1.0%	(0.3)	4.7	43.6	6-Aug-20
POU SHENG INTL	3813 HK	3,462	0.65	0.0	LONG	2.80	330.8	6.3	4.9	3.8	7.1%	0.0	3.2	6.6	16-Nov-20
Q TECH	1478 HK	4,525	3.82	3.0	NEUTRAL	4.97	30.1	50.7	14.4	9.8	0.5%	6.4	12.4	24.4	10-Aug-22
SUNNY OPTICAL	2382 HK	46,146	42.15	(1.7)	LONG	160.80	281.5	38.7	22.5	16.5	1.2%	1.8	2.6	(12.5)	17-Aug-22
TRYLY INTL	732 HK	2,940	0.93	2.2	LONG	2.80	201.1	11.2	N/A**	N/A**	N/A**	5.7	12.0	36.8	8-Apr-21
XINYI ENERGY	3868 HK	9,825	1.19	3.5	LONG	1.62	36.1	9.4	8.2	7.2	6.8%	6.3	10.2	14.4	29-Feb-24
XINYI GLASS	868 HK	42,583	10.08	0.4	LONG	18.60	84.5	7.8	7.4	7.4	6.9%	13.8	18.4	56.8	28-Feb-23
XINYI SOLAR	968 HK	51,410	5.77	(1.5)	LONG	7.20	24.8	12.3	9.8	7.7	6.1%	1.8	(4.9)	54.3	29-Feb-24
XTEP INTL	1368 HK	14,343	5.43	0.6	LONG	11.91	119.3	12.3	11.1	9.7	4.7%	3.0	14.3	39.9	17-Apr-23
YONGDA AUTO	3669 HK	4,279	2.22	2.3	LONG	6.73	203.2	6.9	6.1	4.6	9.1%	1.4	5.2	11.6	28-Mar-23
YUEXU PROPERTY	123 HK	21,979	5.46	7.9	LONG	13.00	138.1	5.7	5.7	5.5	6.9%	2.6	46.8	8.8	10-Feb-23
WEIMOB	2013 HK	5,139	1.67	3.1	LONG	14.40	762.3	N/A**	308.8	23.0	0.0%	7.7	21.9	(5.1)	25-Nov-21

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PPI	MoM		14-May-24
Business Inventories	MoM		15-May-24
Retail Sales	MoM		15-May-24
CPI	MoM		15-May-24
Initial Jobless Claims	WoW		16-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
Durable Goods Orders	MoM		24-May-24
Consumer Confidence	MoM		28-May-24
Wholesale Inventories	MoM		30-May-24
GDP	QoQ		30-May-24
Personal Income & Spending	MoM		31-May-24
ISM Manufacturing PMI	MoM		3-Jun-24
Factory Orders	MoM		4-Jun-24
Trade Balance	MoM		6-Jun-24
Employment Report	MoM		7-Jun-24
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Retail Sales	MoM		17-May-24
Industrial Production	MoM		17-May-24
PMI Manufacturing	MoM		31-May-24
Trade Balance	MoM		7-Jun-24
Foreign Exchange Reserves	QoQ		7-Jun-24
Money Supply - M2	MoM		9-Jun-24
PPI	MoM		12-Jun-24
CPI	MoM		12-Jun-24
GDP	YoY		15-Jul-24

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
GDP	QoQ		17-May-24
Unemployment Rate	MoM		20-May-24
CPI	MoM		23-May-24
Trade Balance	MoM		27-May-24
Retail Sales	MoM		31-May-24
Money Supply - M2	MoM		31-May-24
PMI	MoM		5-Jun-24
Foreign Currency Reserve	MoM		7-Jun-24
Producer Prices Index	QoQ		14-Jun-24
Industrial Production	QoQ		14-Jun-24
Composite Interest Rate	MoM		

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