

What’s Hot Today:

► China Auto Sector

1Q25 results mixed bag

A few key Chinese auto manufacturers reported their 1Q25 results. **BYD (1211, HK\$397, HK\$1.20tn)** posted a strong quarter with revenue rising 36% YoY to over RMB170bn and net profit doubling to RMB9.15bn, driven by robust new energy vehicle (NEV) sales growth of nearly 60% YoY. In contrast, **GAC (2238 HK, HK\$2.90, HK\$71.4bn)** faced challenges, with revenue contracted by 8% YoY to RMB19.7bn and a net loss of RMB732mn due to weaker sales. **Great Wall Motor (2333 HK, HK\$11.48, HK\$180bn)** experienced a 7% YoY drop in revenue to RMB40bn while net profit slid by 46% to RMB1.75bn due to lack of new models.

BYD extended the lead - BYD solidified its position as the global EV leader, with overseas sales surging 111% YoY in Q1. In the domestic market, it extended its lead with a 13.6% market share in Q1, up from 12.1% in the prior year. It sold slightly over 1mn EVs during the quarter including 206k units overseas. The company is on pace to achieve full-year target of 5.5mn units including 800k units for exports. In 1Q25, BYD’s net profit per car stood at RMB8.7k, up RMB2k YoY.

GWM saw resilient NEV and overseas sales – Sales in 1Q25 down 6.7% YoY to 257k units as the sales of Haval dropped 8.4% during the period. With the absence of new models, Q1 GPM was 17.8%, down 2.2 ppts YoY, resulting in drop of RMB4.9k YoY in net profit per car to RMB6.8k. On the other hand, NEV sales increased by 5.7% YoY to 62.6k units. Overseas market remained resilient with a sales volume of 90.9k units, down 2% YoY. Going forward, exports sales and the new overseas plant are likely to fuel growth.

GAC is playing catch-up in the EV segment - GAC 1Q25 GPM plunged 6.3ppts to only 0.2% which is believed to be due to keen market competition. During the quarter, sales volume of GAC-Honda and GAC-Toyota stood at 92.7k and 171.6k, respectively, representing a drop of 20.7% YoY and a gain of 3.6% YoY, respectively. Looking ahead, GAC will have more new EV models and will also be investing more in autonomous driving.

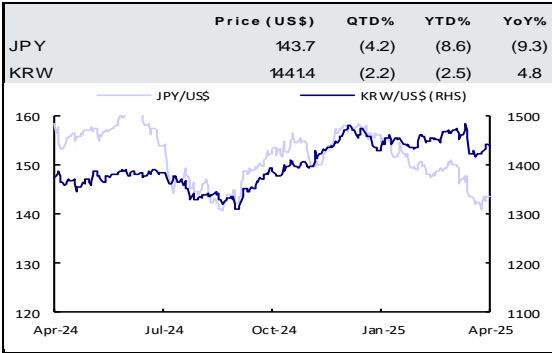
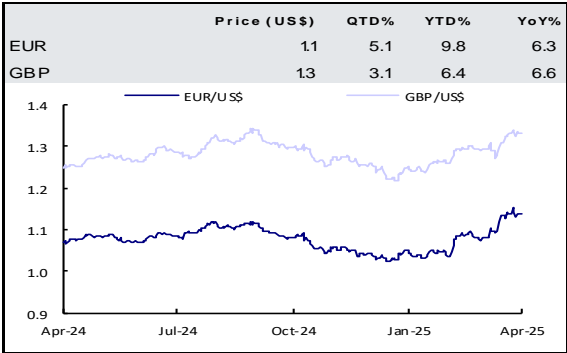
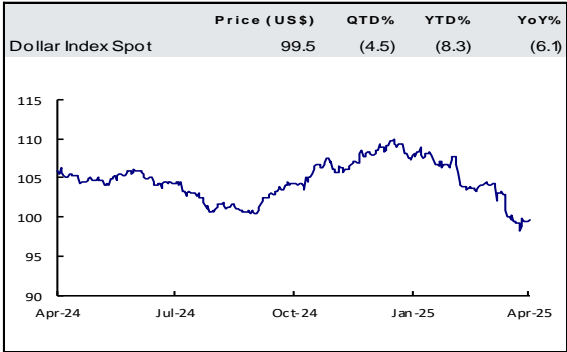
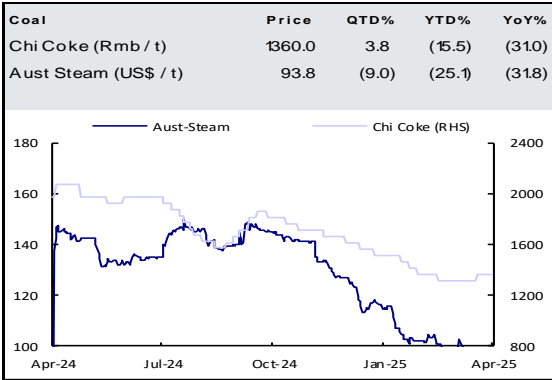
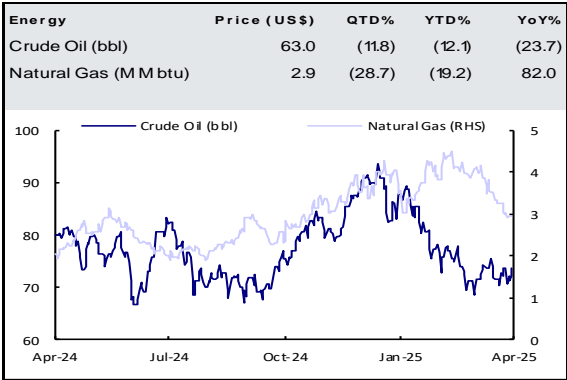
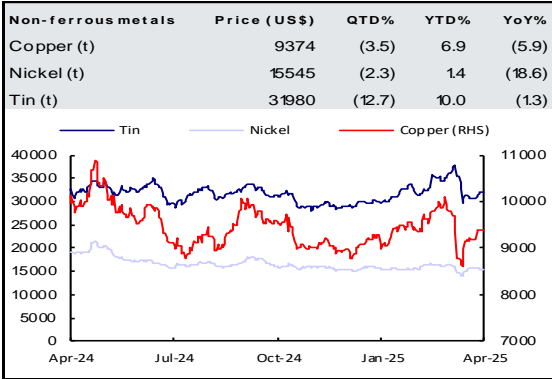
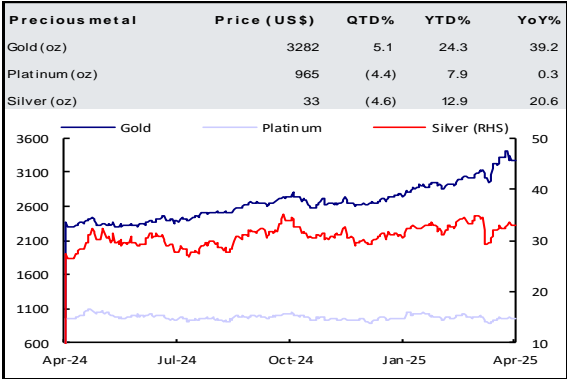
China & HK Indices		CLOSE	1D	YTD		
HSI		21,980	0.3%	9.6%		
HSCBI		8,080	0.3%	10.8%		
HSCCI		3,760	-0.1%	-0.5%		
CSI300		3,786	0.1%	-3.8%		
Shanghai A		3,453	-0.1%	-4.2%		
Shanghai B		256	0.5%	-4.2%		
Shenzhen A		2,003	0.3%	-2.1%		
Shenzhen B		1,176	0.2%	-3.0%		
Key Int'l Indices		CLOSE	1D	YTD		
Dow Jones		40,113	0.1%	-5.7%		
S&P 500		5,525	0.7%	-6.1%		
Nasdaq		17,382	1.3%	-10.0%		
NIKKEI Index		36,064	1.0%	-9.6%		
FTSE Index		8,415	0.1%	3.0%		
CAC Index		7,536	0.4%	2.1%		
DAX Index		22,242	0.8%	11.7%		
Commodities		CLOSE	1D	YTD		
GOLD	(US\$/oz.)	3,319	-0.9%	26.2%		
STEEL	(US\$/oz.)	1,824	1.9%	2.1%		
SILVER	(US\$/oz.)	33	-1.4%	14.0%		
CRUDE OIL	(US\$/bbl)	63	0.4%	-11.9%		
COPPER	(US\$/oz.)	9,374	-0.1%	6.9%		
ALUMINIUM	(US\$/oz.)	2,428	-0.2%	-4.8%		
PLATINUM	(US\$/oz)	975	0.1%	7.4%		
ZINC	(US\$/oz.)	2,646	0.3%	-11.1%		
WHEAT	(US\$/bu)	530	0.1%	-4.4%		
CORN	(US\$/bu)	485	0.3%	3.1%		
SUGAR	(US\$/lb)	N/A	N/A			
SOY BEAN	(US\$/bu)	1,059	-0.3%	2.2%		
PVC	(US\$/t.)	N/A	N/A	-5.4%		
CRB		298	1.0%	3.0%		
BDI				37.7%		
Exchange Rates						
	USD	HKD	EUR	JPY	CHF	RMB
USD		7.757	0.880	143.670	0.828	7.287
HKD	0.129		0.113	18.525	10.670	0.939
EUR	1.137	8.815		163.300	1.063	8.293
JPY	0.007	5.399	0.612		0.576	0.051
CHF	1.207	9.372	1.063	173.653		8.801
RMB	0.137	1.065	0.121	19.703	0.114	
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				24		-16.2%
Source: Bloomberg						

Our view - As the US market is currently an insignificant destination for Chinese EVs, the US tariffs are unlikely to affect the sector. We continue to prefer BYD due to its growth potential and market-leading initiatives. The counter is trading 18.3x forward PE. GWM is trading at around 6.4x forward PE which may need to prove the sustainability of its overseas strategies before obtaining a re-rating. GAC's 18x forward PE is at risk owing to its recent profitability challenges. (Howard Wong)

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		21,980.74	0.3				10.4	10.0	9.2	3.7%	4.4	(6.2)	8.7	
HANG SENG CHINA ENT IND	HSCEI		8,080.54	0.3				9.8	9.4	8.6	3.4%	3.9	(6.1)	9.5	
CSI 300 INDEX	SHSZ300		3,786.99	0.1				15.0	12.8	11.5	3.3%	0.4	(3.3)	(0.8)	
FUYAO GLASS	3606 HK	153,884	53.30	0.5	LONG	41.50	(22.1)	17.4	14.8	12.6	4.2%	8.8	(4.2)	1.5	1-Sep-20
BEUR	3718 HK	1,174	0.33	(2.9)	LONG	1.80	445.5	45.9	4.4	4.1	7.0%	(1.5)	(8.3)	(17.5)	30-Mar-21
BINJIANG SERVICES	3316 HK	6,841	24.75	(1.8)	LONG	23.50	(5.1)	11.8	10.1	8.9	7.5%	5.5	(2.6)	28.5	N/A
BYDE	285 HK	78,299	34.75	2.2	NEUTRAL	17.60	(49.4)	17.3	13.3	10.5	2.8%	9.4	(16.4)	(17.8)	N/A
CHINA LILANG	1234 HK	4,407	3.68	(1.6)	LONG	5.32	44.6	9.0	7.7	6.8	9.9%	0.5	(0.5)	(8.0)	N/A
CHINASOFT INTL	354 HK	13,059	4.78	0.6	LONG	12.80	167.8	22.5	15.0	12.3	2.6%	3.9	(13.2)	(8.4)	27-Oct-20
CHINA TIAN LUN GAS	1600 HK	2,523	2.57	(1.2)	LONG	8.70	238.5	7.7	N/A**	N/A**	N/A**	9.8	(3.0)	(26.8)	26-Feb-20
DUIBA GROUP	1753 HK	174	0.16	4.5	LONG	5.55	3325.9	N/A**	N/A**	N/A**	N/A**	(2.4)	(25.3)	(37.7)	N/A
EDVANTAGE GROUP	382 HK	1,732	1.47	(14.0)	LONG	4.50	206.1	2.6	2.1	2.0	14.8%	(9.8)	(26.5)	(28.6)	3-May-22
EVERGREEN PG	1962 HK	320	0.50	(2.9)	LONG	1.75	253.5	7.8	N/A**	N/A**	N/A**	5.3	0.0	(1.0)	26-Jan-21
HUAHONG SEMI	1347 HK	67,487	34.35	(6.3)	NEUTRAL	26.30	(23.4)	135.0	47.1	30.1	0.0%	(1.9)	5.7	50.3	29-Jul-21
KINGDEE INTL	268 HK	41,875	11.80	(2.6)	NEUTRAL	17.62	49.3	N/A**	284.2	106.6	0.0%	4.1	(10.1)	14.8	20-Aug-20
MEIDONG AUTO	1268 HK	2,719	2.02	(1.0)	LONG	19.76	878.2	N/A**	6.6	4.9	10.3%	3.1	(2.9)	(9.0)	3-Apr-23
MINGYUAN CLOUD	909 HK	5,640	2.92	(1.7)	NEUTRAL	28.00	858.9	N/A**	N/A**	2743.1	1.6%	8.6	(4.3)	11.5	N/A
PLOVER BAY TECH	1523 HK	5,789	5.25	2.1	LONG	1.70	(67.6)	19.6	16.1	13.3	0.9%	5.2	(17.7)	9.6	6-Aug-20
POU SHENG INTL	3813 HK	2,583	0.49	0.0	LONG	2.80	477.3	4.8	4.5	4.0	14.8%	5.4	(14.9)	(3.0)	16-Nov-20
Q TECH	1478 HK	7,661	6.44	0.6	NEUTRAL	4.97	(22.8)	25.7	13.1	10.8	2.2%	12.2	(17.5)	(16.9)	10-Aug-22
SUNNY OPTICAL	2382 HK	71,217	65.05	1.6	LONG	160.80	147.2	24.6	19.8	16.3	1.1%	6.6	(10.7)	(6.2)	17-Aug-22
TRYLY INTL	732 HK	3,003	0.95	0.0	LONG	2.80	194.7	9.9	N/A**	N/A**	N/A**	3.3	(15.2)	(20.8)	8-Apr-21
XINYI ENERGY	3868 HK	7,707	0.92	(1.1)	LONG	1.62	76.1	9.6	8.2	7.1	7.1%	7.0	(4.2)	16.5	29-Feb-24
XINYI GLASS	868 HK	31,110	7.14	1.0	LONG	18.60	160.5	9.0	9.2	8.5	5.6%	5.8	(7.9)	(0.7)	28-Feb-23
XINYI SOLAR	968 HK	23,695	2.61	1.2	LONG	7.20	175.9	21.4	12.5	8.7	4.6%	2.8	(16.3)	(18.2)	29-Feb-24
XTEP INTL	1368 HK	13,595	4.90	(2.2)	LONG	11.91	143.1	9.0	9.0	8.2	5.7%	4.0	(7.7)	(18.3)	17-Apr-23
YONGDA AUTO	3669 HK	4,371	2.33	(1.7)	LONG	6.73	188.8	20.4	11.6	8.3	7.2%	0.0	(12.7)	(7.9)	28-Mar-23
YUEXIU PROPERTY	123 HK	19,765	4.91	(1.8)	LONG	13.00	164.8	17.9	9.6	9.5	4.9%	2.9	(8.4)	1.2	10-Feb-23
WEIMOB	2013 HK	5,894	1.63	(1.2)	LONG	14.40	783.4	N/A**	N/A**	N/A**	0.0%	3.8	(10.4)	(28.8)	25-Nov-21

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Wholesale Inventories	MoM		29-Apr-25
Consumer Confidence	MoM		29-Apr-25
GDP	QoQ		30-Apr-25
Personal Income & Spending	MoM		30-Apr-25
Initial Jobless Claims	WoW		1-May-25
ISM Manufacturing PMI	MoM		1-May-25
Durable Goods Orders	MoM		2-May-25
Factory Orders	MoM		2-May-25
Employment Report	MoM		2-May-25
Trade Balance	MoM		6-May-25
CPI	MoM		13-May-25
PPI	MoM		15-May-25
Business Inventories	MoM		15-May-25
Retail Sales	MoM		15-May-25
Industrial Production	MoM		15-May-25
Housing Starts / Building Permits	MoM		16-May-25
Existing Home Sales	MoM		22-May-25
New home Sales	MoM		23-May-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		30-Apr-25
Foreign Exchange Reserves	QoQ		7-May-25
Money Supply - M2	MoM		9-May-25
Trade Balance	MoM		9-May-25
PPI	MoM		10-May-25
CPI	MoM		10-May-25
Retail Sales	MoM		19-May-25
Industrial Production	MoM		19-May-25
GDP	YoY		15-Jul-25

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Trade Balance	MoM		28-Apr-25
Money Supply - M2	MoM		30-Apr-25
Retail Sales	MoM		2-May-25
GDP	QoQ		2-May-25
PMI	MoM		7-May-25
Foreign Currency Reserve	MoM		8-May-25
Unemployment Rate	MoM		20-May-25
CPI	MoM		22-May-25
Producer Prices Index	QoQ		12-Jun-25
Industrial Production	QoQ		12-Jun-25
Composite Interest Rate	MoM		

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