

What's Hot Today:

► China Consumer

April's retail sales slightly missed

The National Bureau of Statistics (NBS) released April's retail sales of RMB3.7tn, up 5.1% YoY, slightly below the market expectation of 5.5%. The growth rate has been above 5% for two consecutive months. Excluding automobiles, retail sales rose by 5.6% YoY. In April, the retail sales of goods reached RMB3.3tn, a YoY increase of 5.1%, while catering revenue reached RMB417bn, up 5.2% YoY.

Online retail outpaced general retail. Online retail sales in the first four months grew by 7.9% YoY, with online penetration reaching 24.3%, up 0.4ppts YoY. Benefiting from the 618 shopping promotions, online retail sales are expected to maintain a strong momentum going into May. Offline consumption showed stable growth with retail sales of convenience stores, specialty stores, supermarkets, department stores, and brand boutiques increased by 9.1%/6.4%/5.2%/1.7%/1.4% YoY respectively, during the same period.

Strong growth in appliances, furniture, and telecoms aligns with government subsidies. Home appliances and furniture maintained strong momentum, surging 38.8% and 26.9% YoY respectively, reflecting upgrade demand. Weak demand for renovation persists despite policy support, likely due to the sluggish real estate market, building materials grew by 9.7% YoY. Gold & jewelry increased by 25.3% YoY, driven by the rising gold prices. It is noted that since March 2024, auto sales experienced a long period of stagnation, which we attribute the trend to keen competition and aggressive pricing strategies adopted by the car makers.

Our view: Driven by the government subsidies, consumption in China is expected to maintain low single-digit growth in the near future. However, once the replacement demand for the durable goods depleted, the stimulating effect will gradually be weakened. Given the current consumer sentiment, we believe value for money products are likely to draw customers' interests. Xiaomi (1810) and Mixue (2097) are names that represent "value for money" in our opinion. They are trading at 32.8x and 34.3x FY25E PE, respectively. (Ensley LIU)

China & HK Indices	CLOSE	1D	YTD
HSI	23,332	-0.1%	16.3%
HSCBI	8,460	-0.1%	16.1%
HSCCI	3,857	0.6%	2.0%
CSI300	3,877	-0.3%	-1.5%
Shanghai A	3,529	0.0%	-2.9%
Shanghai B	259	0.1%	-2.9%
Shenzhen A	2,084	0.3%	1.8%
Shenzhen B	1,190	-0.4%	-1.9%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	42,792	0.3%	0.6%
S&P 500	5,963	0.1%	1.4%
Nasdaq	19,215	0.0%	-0.5%
NIKKEI Index	37,751	0.7%	-5.4%
FTSE Index	8,699	0.2%	6.4%
CAC Index	7,883	-0.0%	6.8%
DAX Index	23,934	0.7%	20.2%

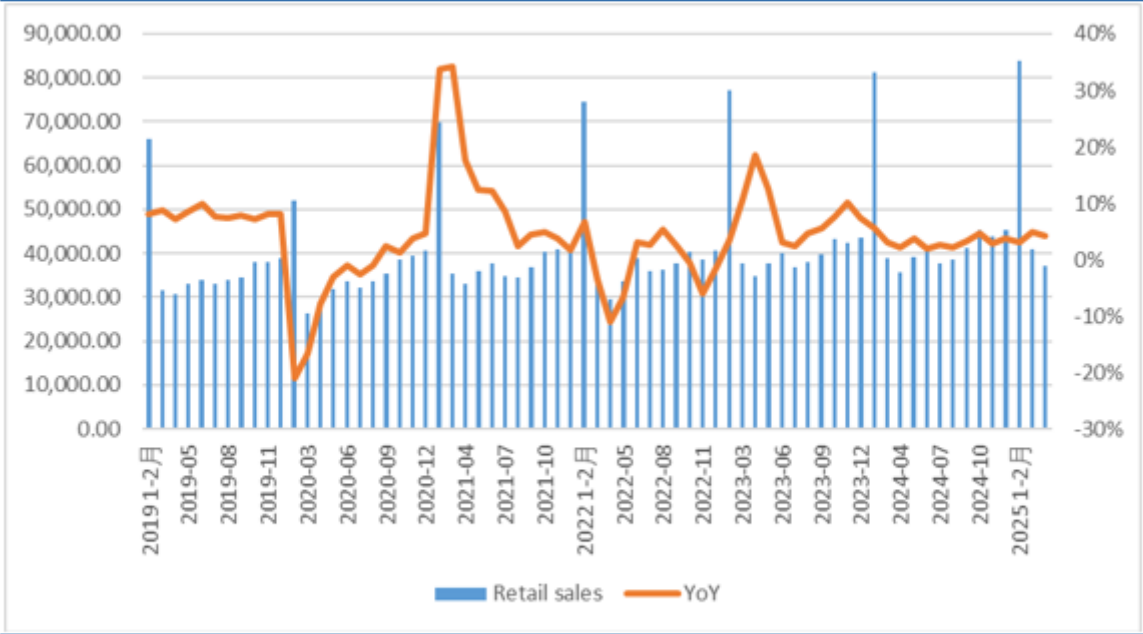
Commodities		CLOSE	1D	YTD
GOLD	(US\$/oz.)	3,229	0.8%	22.5%
STEEL	(US\$/oz.)	1,921	0.4%	7.6%
SILVER	(US\$/oz.)	32	0.2%	11.8%
CRUDE OIL	(US\$/bbl)	62	0.3%	-12.4%
COPPER	(US\$/oz.)	9,523	-0.6%	8.6%
ALUMINIUM	(US\$/oz.)	2,450	-1.6%	-4.0%
PLATINUM	(US\$/oz)	1,002	1.1%	10.8%
ZINC	(US\$/oz.)	2,676	-1.8%	-10.1%
WHEAT	(US\$/bu)	529	0.8%	-3.9%
CORN	(US\$/bu)	447	0.9%	-4.6%
SUGAR	(US\$/lb)	N/A	N/A	
SOYBEAN	(US\$/bu)	1,050	0.1%	1.3%
PVC	(US\$/t.)	N/A	N/A	-8.1%
CRB		296	0.1%	3.0%
BDI				39.2%

Exchange Rates		USD	HKD	EUR	JPY	CHF	RMB
USD			7.821	0.890	144.860	0.834	7.214
HKD	0.128			0.114	18.521	10.672	0.922
EUR	1.124	8.792			162.820	1.066	8.105
JPY	0.007	5.399	0.614			0.576	0.050
CHF	1.198	9.370	1.066	173.589			8.640
RMB	0.139	1.084	0.123	20.096	0.116		

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	-1.4%

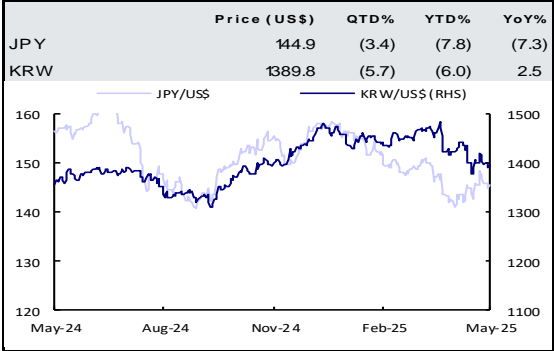
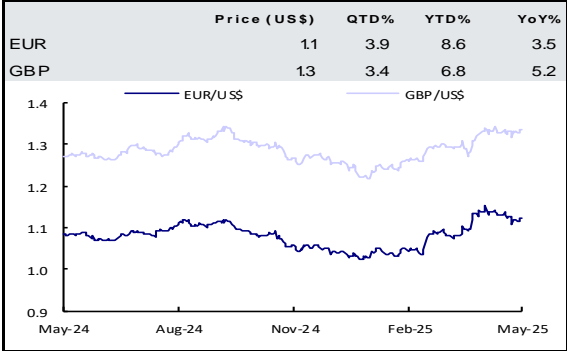
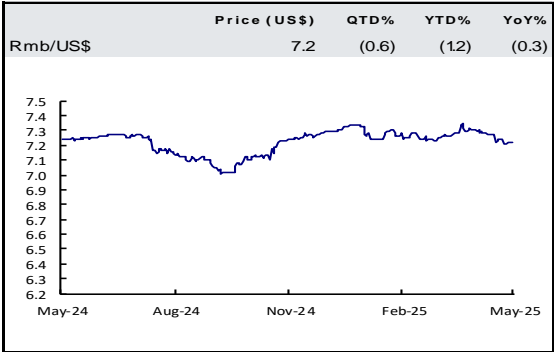
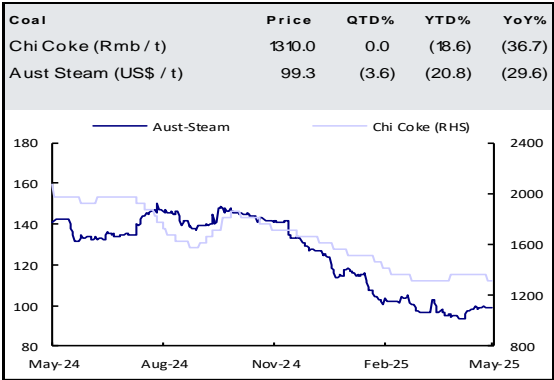
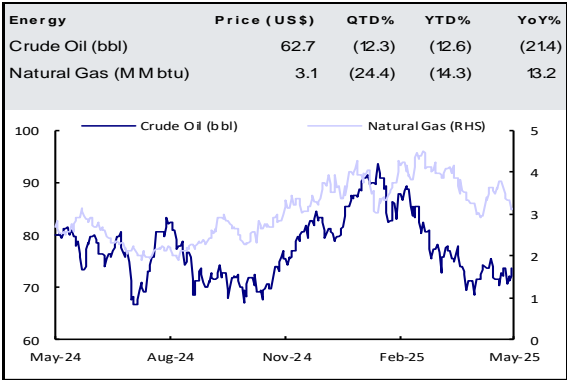
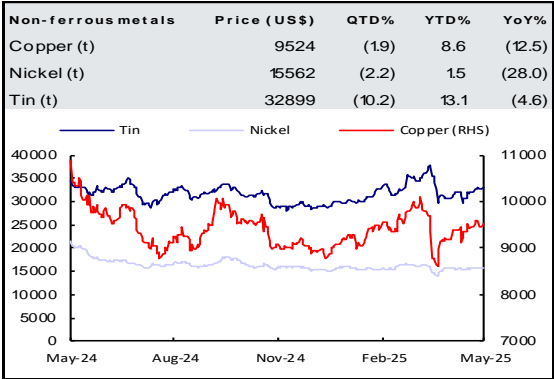
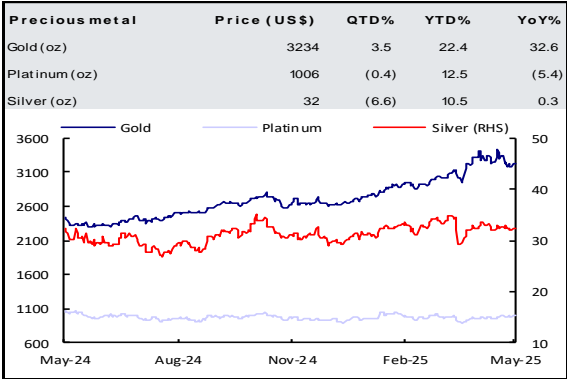
Source: Bloomberg

Fig 1: Retail sales and YoY



Source: Company Data, Sunwah Kingsway Research

Market Watch – Major Commodities and Currencies



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Initial Jobless Claims	WoW		22-May-25
Existing Home Sales	MoM		22-May-25
New home Sales	MoM		23-May-25
Durable Goods Orders	MoM		27-May-25
Consumer Confidence	MoM		27-May-25
GDP	QoQ		29-May-25
Wholesale Inventories	MoM		30-May-25
Personal Income & Spending	MoM		30-May-25
ISM Manufacturing PMI	MoM		2-Jun-25
Factory Orders	MoM		3-Jun-25
Trade Balance	MoM		5-Jun-25
Employment Report	MoM		6-Jun-25
CPI	MoM		11-Jun-25
PPI	MoM		12-Jun-25
Business Inventories	MoM		17-Jun-25
Retail Sales	MoM		17-Jun-25
Industrial Production	MoM		17-Jun-25
Housing Starts / Building Permits	MoM		18-Jun-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		31-May-25
Foreign Exchange Reserves	QoQ		7-Jun-25
Money Supply - M2	MoM		9-Jun-25
Trade Balance	MoM		9-Jun-25
PPI	MoM		9-Jun-25
CPI	MoM		9-Jun-25
Retail Sales	MoM		16-Jun-25
Industrial Production	MoM		16-Jun-25
GDP	YoY		15-Jul-25

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Unemployment Rate	MoM		20-May-25
CPI	MoM		22-May-25
Trade Balance	MoM		26-May-25
Money Supply - M2	MoM		30-May-25
Retail Sales	MoM		2-Jun-25
PMI	MoM		4-Jun-25
Foreign Currency Reserve	MoM		6-Jun-25
Producer Prices Index	QoQ		12-Jun-25
Industrial Production	QoQ		12-Jun-25
GDP	QoQ		31-Jul-25
Composite Interest Rate	MoM		

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Source: HKEx

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KFS and/or its affiliates beneficially own shares of Xiaomi Corporation (1810.HK).

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