

What's Hot Today:

► **Super Hi (9658 HK, HK\$15.68, HK\$10.2bn)**

1Q25 Results

Super Hi operates the Haidilao hotpot restaurants outside of China. It reported a mixed financial result for 1Q25, with revenue increasing by 5.4% YOY to US\$198mn, comprising a 4.5% YoY growth in restaurant operations to US\$188.4m and some strong growth from delivery (US\$4.0M, +37.9% YoY) and other businesses (US\$5.4M, +22.7% YoY). However, operating income fell 33.9% YoY to US\$8.2mn, with margins declining to 4.1% from 6.6% due to higher investments in customer initiatives and employee benefits. Despite this, the company turned around for a net profit of US\$11.9mn from a US\$4.5mn loss in the last corresponding period, aided by a reversal of FX losses amounted to some US\$20.4mn.

East Asia market saw higher growth - Super Hi expanded its network to 123 restaurants, opening four new locations while closing three underperforming ones. Guest visits rose 6.8% YoY to 7.8mn with the same-store table turnover rate improved to 4.0 times per day. Regional performance varied, with East Asia showing strong growth in table turnover (5.0x vs. 4.2x YoY) and average daily revenue per restaurant (US\$19.3K vs. US\$16.1K), while North America saw a decline in average spending per guest (US\$39.6 vs. US\$43.3 YoY).

Continuous brand building - The Mgt emphasizes a focus on long-term customer loyalty through pricing strategies and food portion enhancement. In addition, it will continue to diversify offerings via sub-brands and condiment sales. The company aims to build a "Different Haidilao" by refining product innovation and restaurant design, prioritizing sustainable growth over short-term margins.

China & HK Indices	CLOSE	1D	YTD
HSI	23,544	-1.2%	17.4%
HSCBI	8,557	-1.2%	17.4%
HSCCI	3,918	-0.6%	3.6%
CSI300	3,913	-0.1%	-0.5%
Shanghai A	3,542	-0.2%	-2.4%
Shanghai B	260	-0.0%	-2.4%
Shenzhen A	2,082	-0.9%	1.7%
Shenzhen B	1,199	-0.1%	-1.1%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	41,859	-0.0%	-1.6%
S&P 500	5,842	-0.0%	-0.7%
Nasdaq	18,925	0.3%	-2.0%
Nikkei Index	37,175	0.5%	-6.8%
FTSE Index	8,739	-0.5%	6.9%
CAC Index	7,864	-0.6%	6.6%
DAX Index	23,999	-0.5%	20.5%

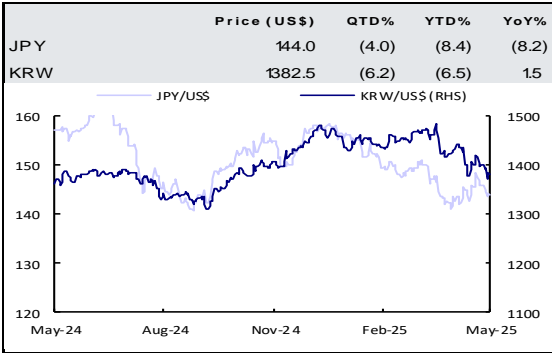
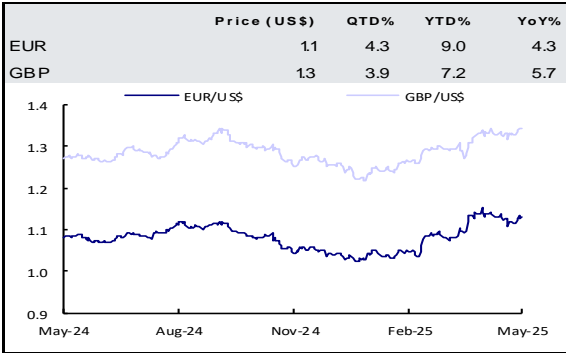
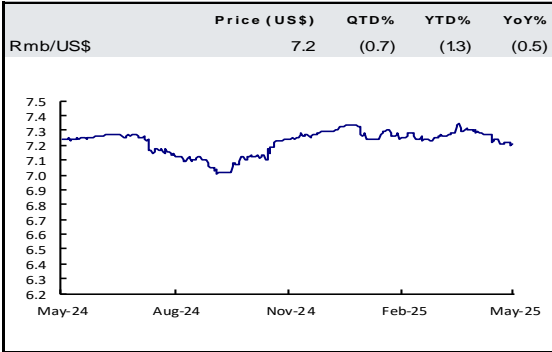
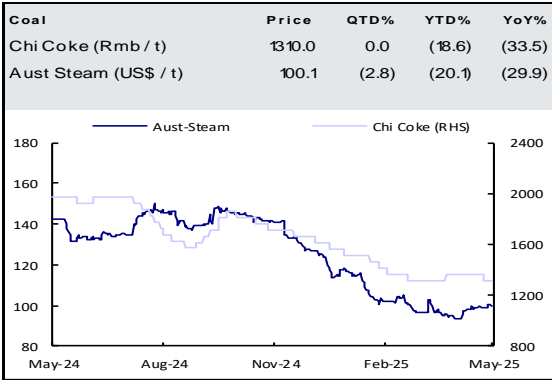
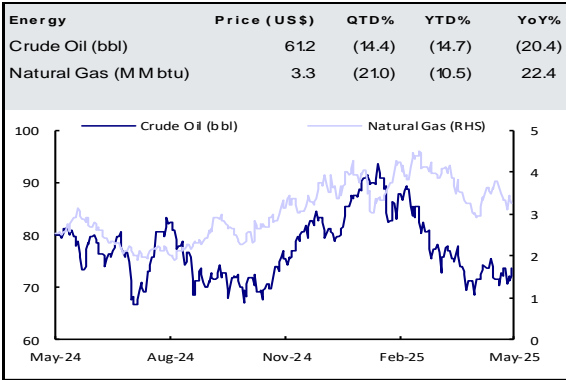
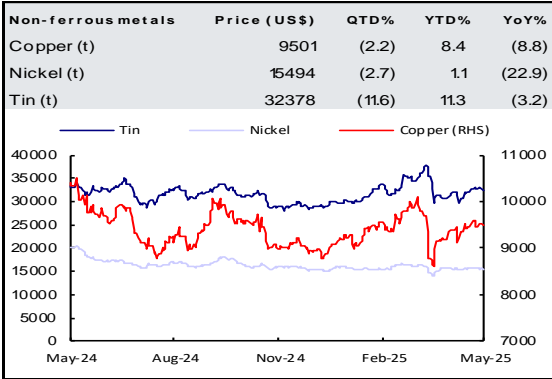
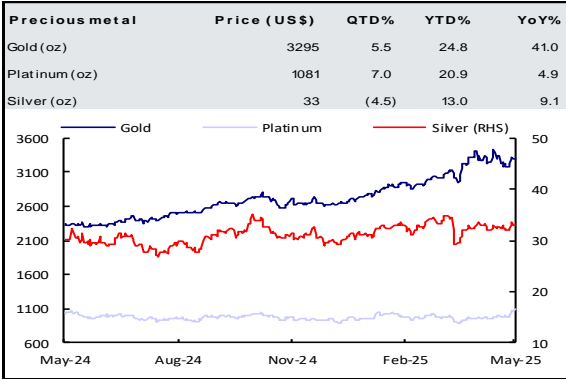
Commodities	CLOSE	1D	YTD
GOLD (US\$/oz.)	3,294	-0.6%	26.0%
STEEL (US\$/oz.)	1,861	-2.6%	4.2%
SILVER (US\$/oz.)	33	-1.0%	14.5%
CRUDE OIL (US\$/bbl)	61	-0.6%	-15.3%
COPPER (US\$/oz.)	9,500	-0.2%	8.4%
ALUMINIUM (US\$/oz.)	2,456	-0.6%	-3.7%
PLATINUM (US\$/oz)	1,081	0.4%	19.7%
ZINC (US\$/oz.)	2,697	-0.5%	-9.4%
WHEAT (US\$/bu)	544	-0.9%	-1.2%
CORN (US\$/bu)	463	0.4%	-1.1%
SUGAR (US\$/lb)	N/A	N/A	
SOYBEAN (US\$/bu)	1,067	0.4%	3.4%
PVC (US\$/t.)	N/A	N/A	-8.1%
CRB	296	-0.6%	3.0%
BDI			34.1%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.827	0.887	144.010	0.829	7.206
HKD	0.128		0.113	18.400	10.592	0.921
EUR	1.128	8.829		162.450	1.069	8.127
JPY	0.007	5.435	0.616		0.575	0.050
CHF	1.206	9.442	1.069	173.712		8.693
RMB	0.139	1.086	0.123	20.006	0.115	

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	20	13.7%
Source: Bloomberg		

Our view - While revenue growth is steady, margin pressures and high staff costs (35.3% of revenue) pose risks. Stripping out the FX effect, 1Q25 adjusted pre-tax profit would be 33% YoY lower. The company had about US\$208mn cash on hand and debt free as at the end of March 2025, representing about 16% of the current share price. The counter is trading at 24.4x forward PE. We consider that a better control on costs to be a more sound catalyst over just top-line increase. (Howard Wong)

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
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
Unemployment Rate	MoM		17-Jun-25
CPI	MoM		20-Jun-25
GDP	QoQ		31-Jul-25
Composite Interest Rate	MoM		

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