Morning Snapshot

SUNWAH KINGSWAY 新華滙富

What's Hot Today:

► Chow Tai Fook Jewelry (1929 HK, HK$16.52, HK$163bn) SSSG resumed growth across all segments.

Chow Tai Fook Jewelry (CTF) is a leading gold jewelry company in mainland China and Hong Kong. The company reported improving performance in 2Q26 (July–September 2025), with total retail sales value (RSV) returning to a growth of 4% YoY, after five consecutive quarters of decline. The mainland market beat expectations, recording a 7.6% SSSG in 2Q26, a robust rebound from a 3.3% decline in 1Q26, on back of a 7.2% increase in gem-set sales and a 10.6% rise in gold product sales. Meanwhile, fixed-price products accounted for 29.9% of RSV, up from 24.8% in the same period last year. The SSSG of HK and Macau was up 3% and 17% YoY, respectively.

Network upgrade in progress: store closures peaked in 1H26. As of 30 September 2025, the company had 5,814 CTF stores, with 299 stores less HoH, compared to 307 net closures in 1Q26. Store productivity continued to improve. Underperforming stores with average monthly sales of RMB400-500k were replaced by new ones, and those opened in 1H26 averaged RMB1.5mn in monthly sales. Driven by store optimization, the SSSG of franchised stores stayed flat, outperforming the self-operated stores which saw an LSD drop. The Mgt expects FY26E net store closures to be similar to FY25, implying a slowdown in 2H26 and forecasts fewer closures in FY27.

Takeaway from earnings call. Month to date, the sales performance maintained the momentum observed over the past two quarters. The Mgt highlighted that increasing gold prices have not weakened consumer demand but contributed to a rebound in sales of weight-based gold products. Although the company did not release its National Day holiday sales figures, the Mgt indicated that performance was broadly in line and slightly exceeded the overall market trends. According to VAT data from the State Taxation Administration, gold and jewelry sales during the National Day holiday rose 41% YoY. CTF also plans to increase the price of fixed price gold products within this month.

China & HK Indices	CLOSE	1D	YTD
HSI	25,247	-2.5%	25.9%
HSCEI	9,011	-2.7%	23.6%
HSCCI	4,009	-1.5%	6.0%
CSI300	4,514	-2.3%	14.7%
Shanghai A	4,025	-2.0%	-2.8%
Shanghai B	259	-1.2%	-2.8%
Shenzhen A	2,507	-2.7%	22.5%
Shenzhen B	1,337	-1.4%	10.3%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	46,190	0.5%	8.6%
S&P 500	6,664	0.5%	13.3%
Nasdaq	22,679	0.5%	17.4%
NIKKEI Index	48,481	1.9%	21.5%
FTSE Index	9,354	-0.9%	14.5%
CAC Index	8,174	-0.2%	10.8%
DAX Index	23,830	-1.8%	19.7%

Commodities		CLOSE	1D	YTD
GOLD	(US$/oz.)	4,251	-1.7%	61.3%
STEEL	(US$/oz.)	2,225	-1.0%	24.6%
SILVER	(US$/oz.)	51	-4.3%	78.6%
CRUDE OIL	(US$/bbl)	57	0.1%	-20.1%
COPPER	(US$/oz.)	10,604	-0.3%	20.9%
ALUMINIUM	(US$/oz.)	2,777	1.1%	8.9%
PLATINUM	(US$/oz)	1,621	-5.6%	75.2%
ZINC	(US$/oz.)	2,933	-0.5%	-1.5%
WHEAT	(US¢/bu)	503	0.2%	-8.2%
CORN	(US¢/bu)	422	0.2%	-4.8%
SUGAR	(US¢/lb)	N/A	N/A	
SOYBEAN	(US¢/bu)	1,036	0.8%	0.7%
PVC	(US$/t.)	N/A	N/A	-12.2%
CRB		293	-0.2%	3.0%
BDI				107.5%

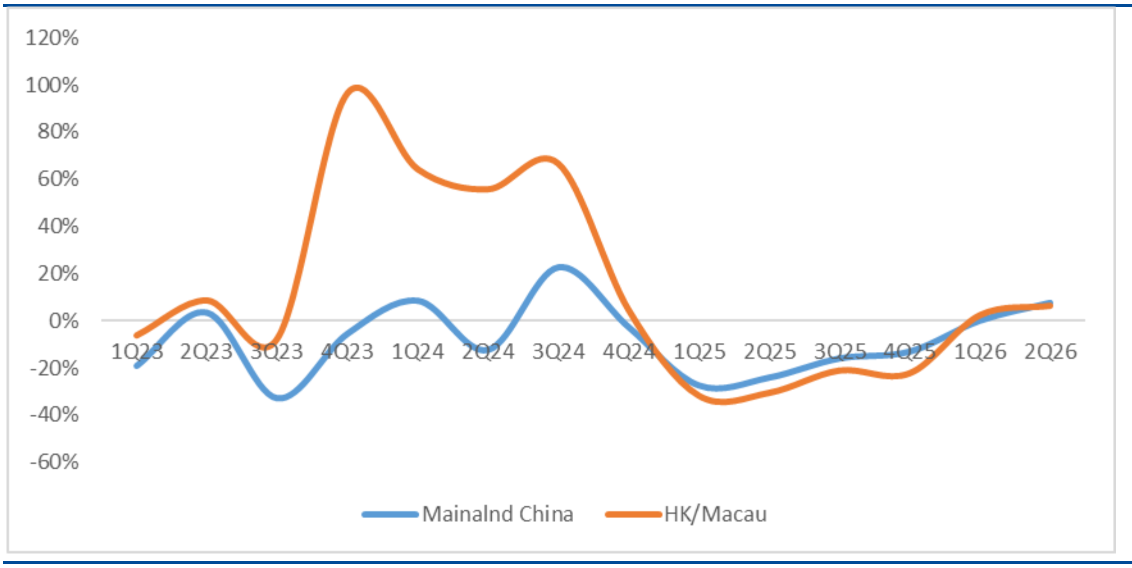
Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.769	0.858	150.610	0.793	7.127
HKD	0.129		0.110	19.390	10.214	0.917
EUR	1.166	9.055		175.470	1.082	8.316
JPY	0.007	5.157	0.570		0.527	0.047
CHF	1.261	9.791	1.082	190.037		8.993
RMB	0.140	1.090	0.120	21.118	0.111	

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	-4.1%

Source: Bloomberg

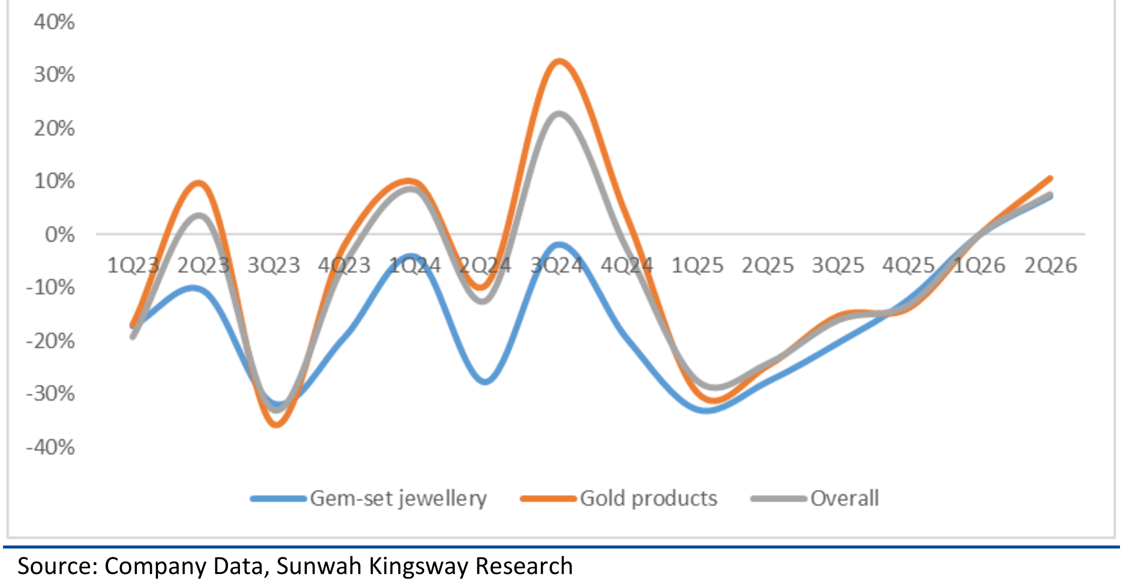
Our view: H2 is the peak season for the gold jewelry industry. As a leading player, CTF is expected to benefit from the trend supported by its strong product portfolio. Its fixed-price products, such as Joie, Rogue, and Palace Museum, which feature strong design capabilities, have demonstrated high competitiveness in the market. Meanwhile, the company is actively upgrading store images and optimizing store layouts. These initiatives aim to further enhance its overall operational performance. The counter is trading at 19x FY27 P/E.

Fig 1: SSSG (by region)



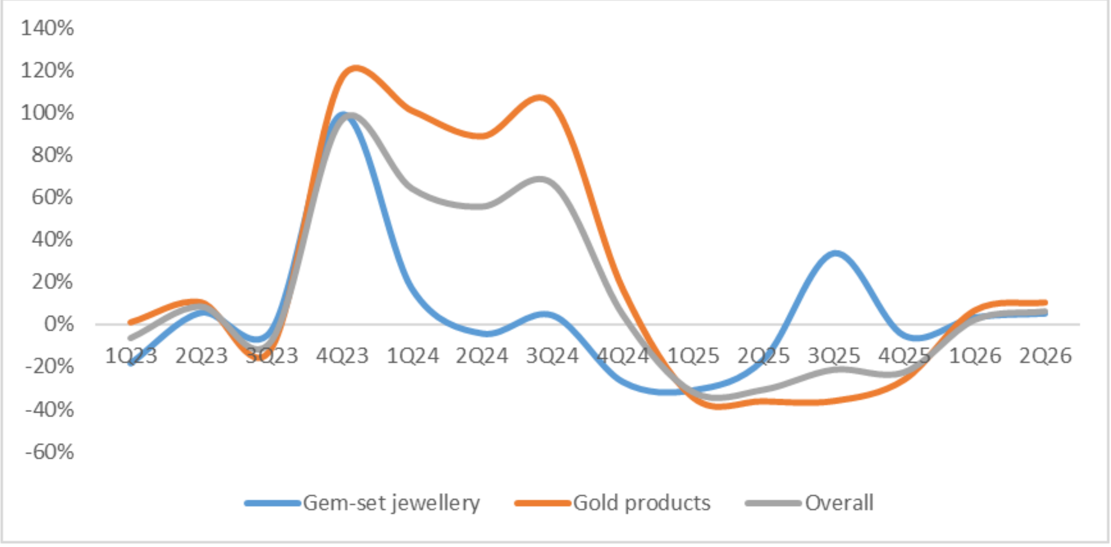
Source: Company Data, Sunwah Kingsway Research

Fig 2: SSSG (by product) - Mainland China



Source: Company Data, Sunwah Kingsway Research

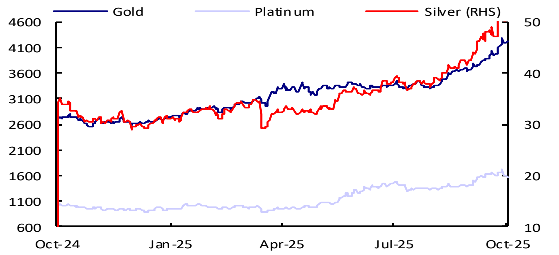
Fig 3: SSSG (by product) – HK and Macau



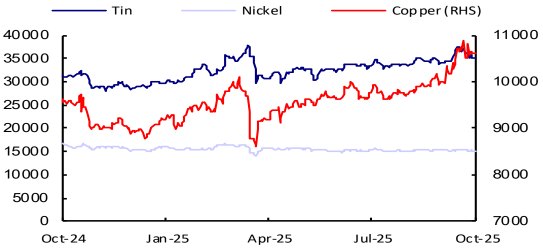
Source: Company Data, Sunwah Kingsway Research

Market Watch – Major Commodities and Currencies

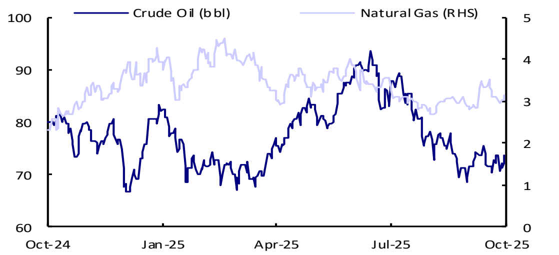
Precious metal	Price (US$)	QTD%	YTD%	YoY%
Gold (oz)	4190	9.1	58.6	53.9
Platinum (oz)	1602	1.1	79.2	59.0
Silver (oz)	50	7.4	71.3	47.0



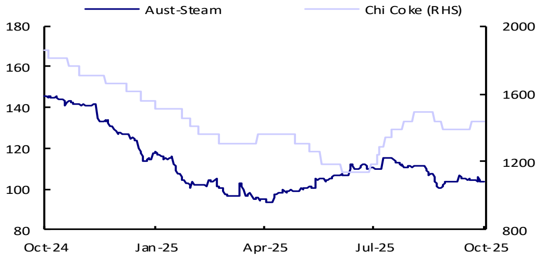
Non-ferrous metals	Price (US$)	QTD%	YTD%	YoY%
Copper (t)	10605	3.3	20.9	10.2
Nickel (t)	15126	(0.7)	(1.3)	(10.5)
Tin (t)	35037	(1.1)	20.5	11.9



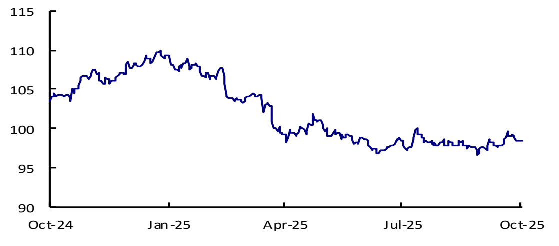
Energy	Price (US$)	QTD%	YTD%	YoY%
Crude Oil (bbl)	57.5	(7.7)	(19.8)	(18.5)
Natural Gas (MMbtu)	3.0	(8.9)	(17.2)	30.1



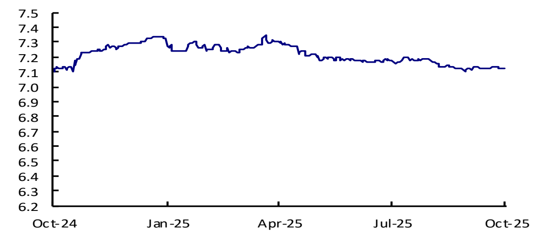
Coal	Price	QTD%	YTD%	YoY%
Chi Coke (Rmb / t)	1440.0	3.6	(10.6)	(22.6)
Aust Steam (US$ / t)	103.5	(2.6)	(17.4)	(28.9)



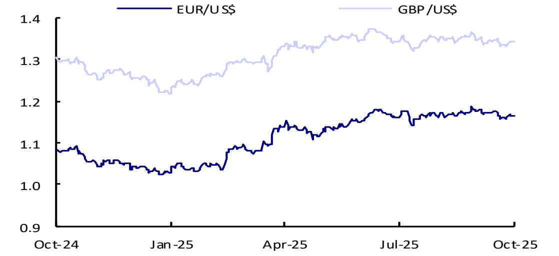
	Price (US$)	QTD%	YTD%	YoY%
Dollar Index Spot	98.4	0.7	(9.3)	(4.9)



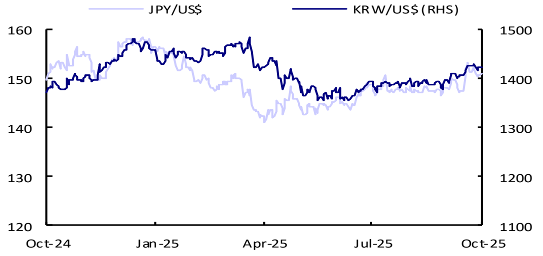
	Price (US$)	QTD%	YTD%	YoY%
Rmb/US$	7.1	0.1	(2.4)	0.3



	Price (US$)	QTD%	YTD%	YoY%
EUR	1.2	(0.7)	12.6	7.3
GBP	1.3	(0.1)	7.3	2.9



	Price (US$)	QTD%	YTD%	YoY%
JPY	150.6	1.8	(4.2)	0.7
KRW	1422.1	1.3	(3.8)	3.9



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Initial Jobless Claims	WoW		23-Oct-25
Existing Home Sales	MoM		23-Oct-25
CPI	MoM		24-Oct-25
New home Sales	MoM		24-Oct-25
Durable Goods Orders	MoM		27-Oct-25
Consumer Confidence	MoM		28-Oct-25
Wholesale Inventories	MoM		29-Oct-25
GDP	QoQ		30-Oct-25
Personal Income & Spending	MoM		31-Oct-25
ISM Manufacturing PMI	MoM		3-Nov-25
Trade Balance	MoM		4-Nov-25
Factory Orders	MoM		4-Nov-25
Employment Report	MoM		7-Nov-25
PPI	MoM		14-Nov-25
Business Inventories	MoM		14-Nov-25
Retail Sales	MoM		14-Nov-25
Industrial Production	MoM		18-Nov-25
Housing Starts / Building Permits	MoM		19-Nov-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Retail Sales	MoM		20-Oct-25
Industrial Production	MoM		20-Oct-25
GDP	YoY		20-Oct-25
PMI Manufacturing	MoM		31-Oct-25
Foreign Exchange Reserves	QoQ		7-Nov-25
Trade Balance	MoM		7-Nov-25
Money Supply - M2	MoM		9-Nov-25
PPI	MoM		9-Nov-25
CPI	MoM		9-Nov-25

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Unemployment Rate	MoM		20-Oct-25
CPI	MoM		23-Oct-25
Trade Balance	MoM		27-Oct-25
GDP	QoQ		31-Oct-25
Money Supply - M2	MoM		31-Oct-25
Retail Sales	MoM		31-Oct-25
PMI	MoM		5-Nov-25
Foreign Currency Reserve	MoM		7-Nov-25
Producer Prices Index	QoQ		15-Dec-25
Industrial Production	QoQ		15-Dec-25
Composite Interest Rate	MoM		

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Name of listed corporation	**Name of substantial share holder**	**No. of shares bought/sold/involved**	**Average price per share**
CSPC Pharmaceutical Group Ltd.	Cai Dong Chen	3,000,000(L)	HKD 8.8100
Bank of East Asia, Ltd., The	Li Stephen Charles Kwok Sze	28,050(L)	HKD 13.0000
Bank of East Asia, Ltd., The	Li Stephen Charles Kwok Sze	28,051(L)	HKD 13.0000
Beauty Farm Medical and Health Industry Inc.	Kim Michael ByungJu	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	MBK GP IV, Inc.	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	MBK Partners Fund IV, L.P.	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	MBK Partners GP IV, L.P.	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	MBK Partners JC IV GP, Inc.	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	MBK Partners JC IV GP, L.P.	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	MBK Partners JC IV, L.P.	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	Min Bryan Byungsuk	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	SYL Cayman 2 Ltd	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	SYL Cayman Investment Ltd.	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	SYL Cayman Ltd	15,798,147(L)	HKD 28.7100
Beauty Farm Medical and Health Industry Inc.	SYL Holding Limited	15,798,147(L)	HKD 28.7100
Elephant Holdings Group Ltd.	Di Xiaoguang	8,440,000(L)	HKD 1.4619
Elephant Holdings Group Ltd.	Ever Persist Holdings Limited	8,440,000(L)	HKD 1.4619
Hengan International Group Co. Ltd.	Hui Ching Lau	200,000(L)	HKD 27.5687
Hong Kong Robotics Group Holding Ltd.	Li Haitao	300,000(L)	HKD 1.0820
i-CABLE Communications Ltd.	Ng Hung Sang	16,480,000(L)	HKD 0.1346
i-CABLE Communications Ltd.	Ng Lai King Pamela	16,480,000(L)	HKD 0.1346
Imperium Financial Group Ltd.	Cheng Ting Kong	54,620,000(L)	HKD 0.5500
Imperium Financial Group Ltd.	FRESH SUCCESS INVESTMENTS LIMITED	54,620,000(L)	HKD 0.5500
Imperium Financial Group Ltd.	Wang Qiang	54,620,000(L)	HKD 0.5500
Imperium Financial Group Ltd.	Wang Qiang	54,620,000(L)	HKD 0.5500
Red Star Macalline Group Corporation Ltd. - A Shares	CHE Jianxing	3,029,100(L)	CNY 2.7900
Red Star Macalline Group Corporation Ltd. - A Shares	CHEN Shuhong	3,029,100(L)	CNY 2.7900
Red Star Macalline Group Corporation Ltd. - A Shares	Red Star Macalline Holding Group Company Limited	3,029,100(L)	CNY 2.7900
Tanwan Inc.	WU XUBO	144,200(L)	HKD 13.4500
Wai Kee Holdings Ltd.	ZEN WEI PAO, WILLIAM	626,000(L)	HKD 0.7524

Source: HKEx

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