Morning Snapshot

SUNWAH KINGSWAY 新華滙富

Hong Kong & China Market Daily

22 October 2025

What's Hot Today:

► China Sportswear Sector: Headwinds persist

Sector rotation in Oct: flight to defensive stocks. Since October, the Hong Kong stock market has undergone a correction, with the HSI falling by 3% and the HSI Tech Index down by 7%. During this period, sector rotation emerged and we saw funds shifting from AI and technology-related sectors to high dividend and defensive names. Technology, biopharmaceuticals, and consumer electronics sectors have been under pressure, impacted once again by the China-US trade frictions, inducing investors to take profit.

Sportswear segment lags. However, despite a 3.1% YoY growth in China's apparel sales during 9M25, the discretionary consumption sector, in particular the sportswear segment, has yet to attract much market attention. The wealth effect from the recent stock market rally in China has yet to contribute the consumer market. In September, China's total retail sales grew by 3.0% YoY, missing the market expectation of 3.1%, a further slowdown from the 3.4% YoY growth in August.

Anta led the decline. During the period, Anta's share price underperformed its peers the most, with a 6.4% drop, largely blamed on the recent news related to Arc'teryx. Other leading brands of the sportswear sector are mostly down by LSD, owing to weak expectations regarding recent sales. In the case of 361 Degrees, its share price had a strong 12% rally towards the end of September and the recent weakness in prices is considered to be profit taking.

Our view: Sportswear brands are expected to be under pressure in 2H25. Despite the wealth effect driven by the strong performance of China's A-share, consumers remain cautious on spending, and overall competition is still intense. Looking ahead to 4Q25, these brands are expected to deliver a mixed performance. 361 Degrees may outperform its peers, supported by its popularity in the low-end market given its value-for-money product profile. Li-Ning will face pressure due to higher Olympic-related expenses and lack of short-term growth catalysts. For Anta Sports, the brand image of Arc'teryx may take time to recover, but its other brands such as Fila, Kolon, and Descente are expecting to deliver robust performance. Anta, LiNing, Xtep and 361 Degree are trading at 14.6x, 14.7x, 9.6x, 7.9x FY26E P/E, respectively.

China & HK Indices	CLOSE	1D	YTD
HSI	26,027	0.7%	29.7%
HSCEI	9,302	0.8%	27.6%
HSCCI	4,087	0.4%	8.1%
CSI300	4,607	1.5%	17.1%
Shanghai A	4,106	1.4%	-2.2%
Shanghai B	261	0.6%	-2.2%
Shenzhen A	2,576	1.8%	25.9%
Shenzhen B	1,354	0.9%	11.6%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	46,924	0.5%	10.3%
S&P 500	6,735	0.0%	14.5%
Nasdaq	22,953	-0.2%	18.9%
NIKKEI Index	48,942	-0.8%	22.7%
FTSE Index	9,426	0.2%	15.3%
CAC Index	8,258	0.6%	11.9%
DAX Index	24,330	0.3%	22.2%

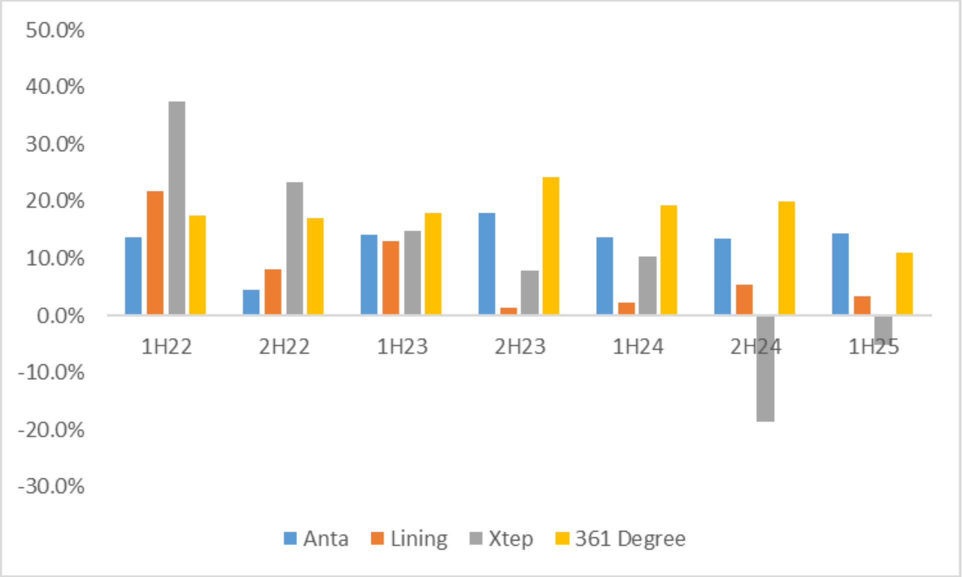
Commodities		CLOSE	1D	YTD
GOLD	(US$/oz.)	4,125	-5.3%	55.4%
STEEL	(US$/oz.)	2,288	2.8%	28.1%
SILVER	(US$/oz.)	48	-7.1%	66.7%
CRUDE OIL	(US$/bbl)	57	-0.5%	-19.9%
COPPER	(US$/oz.)	10,623	0.2%	21.2%
ALUMINIUM	(US$/oz.)	2,781	0.1%	9.0%
PLATINUM	(US$/oz)	1,547	-5.2%	68.8%
ZINC	(US$/oz.)	2,988	1.9%	0.3%
WHEAT	(US¢/bu)	500	-0.9%	-9.5%
CORN	(US¢/bu)	419	-0.8%	-5.6%
SUGAR	(US¢/lb)	N/A	N/A	#VALUE!
SOYBEAN	(US¢/bu)	1,048	-0.1%	1.2%
PVC	(US$/t.)	N/A	N/A	-12.2%
CRB		295	0.7%	3.0%
BDI				107.7%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.772	0.862	151.930	0.796	7.125
HKD	0.129		0.111	19.549	10.247	0.917
EUR	1.160	9.015		176.240	1.083	8.267
JPY	0.007	5.116	0.567		0.524	0.047
CHF	1.256	9.759	1.083	190.787		8.947
RMB	0.140	1.091	0.121	21.323	0.112	

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	17	-14.1%

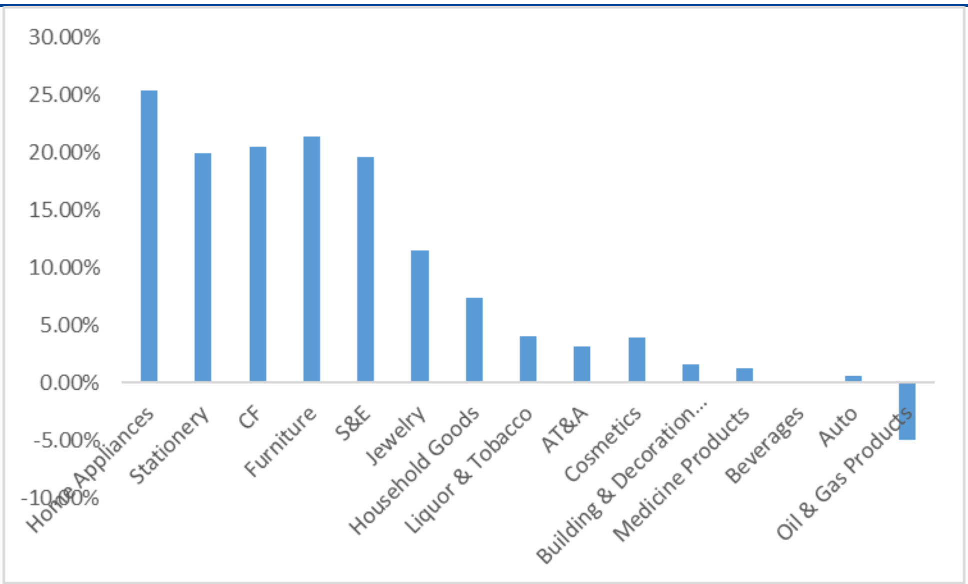
Source: Bloomberg

Fig 1: Sales YoY growth of each sportswear brand



Source: Company Data, Sunwah Kingsway Research

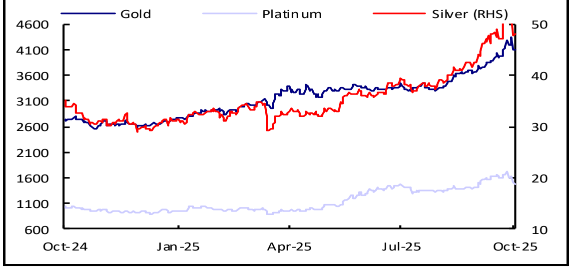
Fig 2: China retail sales YoY growth by category in the first nine months



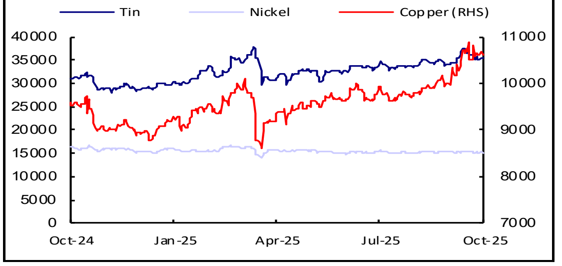
Source: National Bureau of Statistics, Sunwah Kingsway Research

Market Watch – Major Commodities and Currencies

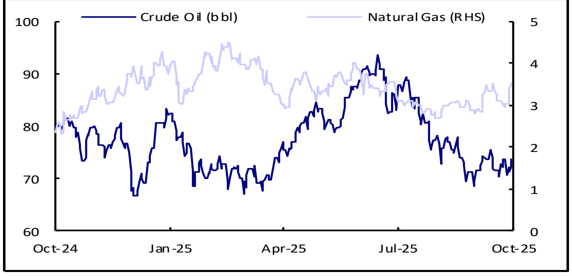
Precious metal	Price (US$)	QTD%	YTD%	YoY%
Gold (oz)	4088	6.4	54.8	49.0
Platinum (oz)	1504	(5.1)	68.2	45.6
Silver (oz)	48	2.3	63.1	36.1



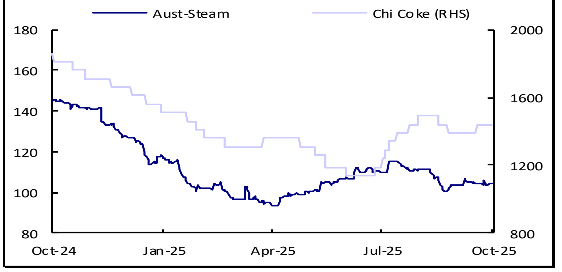
Non-ferrous metals	Price (US$)	QTD%	YTD%	YoY%
Copper (t)	10624	3.5	21.2	10.9
Nickel (t)	15175	(0.4)	(1.0)	(7.0)
Tin (t)	35400	(0.0)	21.7	14.5



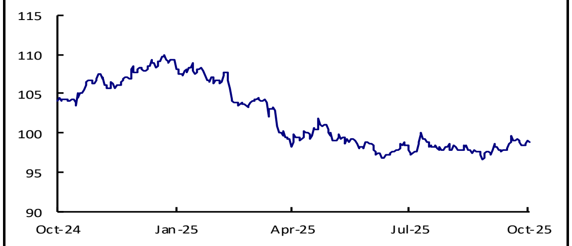
Energy	Price (US$)	QTD%	YTD%	YoY%
Crude Oil (bbl)	57.8	(7.3)	(19.4)	(19.8)
Natural Gas (MMbtu)	3.5	5.2	(4.4)	50.3



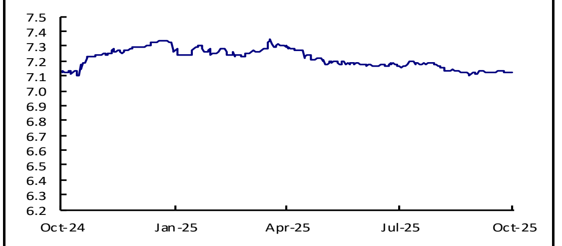
Coal	Price	QTD%	YTD%	YoY%
Chi Coke (Rmb / t)	1440.0	3.6	(10.6)	(22.6)
Aust Steam (US$ / t)	104.0	(2.1)	(17.0)	(28.1)



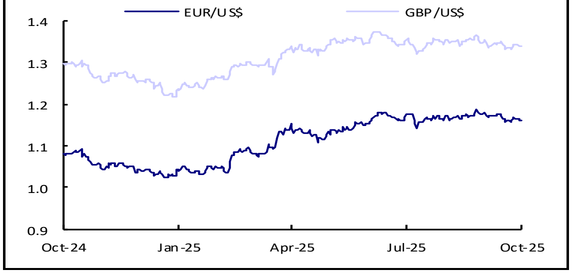
	Price (US$)	QTD%	YTD%	YoY%
Dollar Index Spot	98.9	1.2	(8.8)	(4.9)



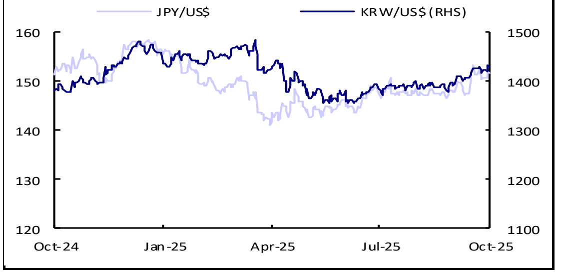
	Price (US$)	QTD%	YTD%	YoY%
Rmb/US$	7.1	0.0	(2.4)	0.0



	Price (US$)	QTD%	YTD%	YoY%
EUR	1.2	(1.1)	12.0	7.4
GBP	1.3	(0.6)	6.8	3.0



	Price (US$)	QTD%	YTD%	YoY%
JPY	151.9	2.7	(3.4)	0.6
KRW	1432.2	2.0	(3.1)	3.8



Source: Bloomberg

SUNWAH KINGSWAY 新華滙富

22 October 2025

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
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
Retail Sales	MoM		14-Nov-25
Industrial Production	MoM		14-Nov-25
GDP	YoY		

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
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
Unemployment Rate	MoM		18-Nov-25
Producer Prices Index	QoQ		15-Dec-25
Industrial Production	QoQ		15-Dec-25
Composite Interest Rate	MoM		

Kingsway Research Team

Analyst	Email	Phone No.
Howard Wong	Howard.wong@sunwahkingsway.com	(852) 2283 7307
Ensley Liu	Ensley.liu@sunwahkingsway.com	(852) 2283 7618

Notice of interest disclosure filed by substantial shareholders for the two previous trading days			
Name of listed corporation	**Name of substantial share holder**	**No. of shares bought/sold/involved**	**Average price per share**
MetaLight Inc.	HUANG XIAOLING	110,000(L)	HKD 3.8681
SSY Group Ltd.	Qu Jiguang	2,100,000(L)	HKD 2.8958
Agricultural Bank of China Ltd. - H Shares	中国平安保险（集团）股份有限公司	40,574,000(L)	HKD 5.6306
Ausupreme International Holdings Ltd.	Beatitudes International Ltd.	20,000(L)	HKD 0.3050
Ausupreme International Holdings Ltd.	Choy Chi Fai	20,000(L)	HKD 0.3050
Ausupreme International Holdings Ltd.	Ho Ka Man	20,000(L)	HKD 0.3050
Build King Holdings Ltd.	ZEN WEI PEU	2,500,000(L)	HKD 1.3500
Dashan Education Holdings Ltd.	Giga Talent Investment Limited	118,000(L)	HKD 2.6940
Dashan Education Holdings Ltd.	Liu Bingtian	118,000(L)	HKD 2.6940
Dashan Education Holdings Ltd.	Lucky Heaven International Limited	118,000(L)	HKD 2.6940
Elephant Holdings Group Ltd.	Di Xiaoguang	2,052,000(L)	HKD 1.5800
Elephant Holdings Group Ltd.	Ever Persist Holdings Limited	2,052,000(L)	HKD 1.5800
Hengan International Group Co. Ltd.	Hui Ching Lau	200,000(L)	HKD 27.7780
HUTCHMED (China) Ltd.	ELDAR Dan	9,690(L)	USD 0.0000
HUTCHMED (China) Ltd.	MOK Shu Kam Tony	9,690(L)	USD 0.0000
Lonking Holdings Ltd.	LI SAN YIM	13,274,000(L)	HKD 2.8471
Lonking Holdings Ltd.	NGAI NGAN YING	13,274,000(L)	HKD 2.8471
Mei Ah Entertainment Group Ltd.	Li Kuo Hsing	100,000(L)	HKD 0.1034
New Concepts Holdings Ltd.	Zhu Yongjun	10,000,000(L)	HKD 1.0000
Quam Plus International Financial Ltd.	HAN Xiaosheng	10,000(L)	HKD 0.1500
Quam Plus International Financial Ltd.	LAM Kin Hing Kenneth	10,000(L)	HKD 0.1500
Quam Plus International Financial Ltd.	Quam Tonghai Holdings Limited	10,000(L)	HKD 0.1500
Tanwan Inc.	WU XUBO	228,200(L)	HKD 13.7100
Vala Inc.	Sun Haitao	520,000(L)	HKD 0.6746
Wai Kee Holdings Ltd.	ZEN WEI PAO, WILLIAM	5,426,000(L)	HKD 0.7451
Yee Hop Holdings Ltd.	Jim Yin Kwan Jackin	100,000(L)	HKD 3.3200
Yee Hop Holdings Ltd.	Lee Sze Wing Mabel	100,000(L)	HKD 3.3200

Source: HKEx

Disclaimer

This document is not an offer to sell or the solicitation of an offer to buy or subscribe for any securities. The securities referred to in this document may not be eligible for sale in certain jurisdiction. Neither this document nor any portion hereof may be taken distributed or transmitted directly or indirectly into such jurisdiction nor to any residents thereof. Any failure to comply with this restriction may constitute a violation of the applicable laws and regulations and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. This document has been produced for private circulation and may not be copied, photocopied, duplicated, or redistributed without the prior written consent of Kingsway Financial Services Group Limited ("KFS") and its affiliated companies (collectively, "Kingsway Group").

This report is distributed in Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong") by KFS which is registered as a licensed corporation under the Securities and Futures Ordinance (Cap.571 of The Laws of Hong Kong) with the Securities and Futures Commission of Hong Kong ("SFC") and its SFC CE number is ADF346.

The information contained in this report has been taken from sources believed to be reliable but no representation or warranty expressed or implied is made as to their accuracy or correctness. This report is published for the assistance of recipients but is not to be relied upon as authoritative or taken in substitution for the exercise of judgment by any recipient. It is not to be construed as an offer, invitation or solicitation to buy or sell any securities of the company or companies covered herein. Any recommendation contained in this report does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. All opinions and estimates reflect our judgment on the date of this report and are subject to change without notice.

KFS, including its parent, subsidiaries and/or affiliates, may act as lead or co-manager in an offering of the securities of any issuer discussed herein, may from time to time perform financial services or other advisory services for, or solicit financial services or other business from, any issuer.

Within the past year, KFS, including its parent, subsidiaries and/or affiliates, may have acted as market maker or traded on a principal basis in the financial instruments of any issuer discussed herein and may act as underwriter, placement agent, advisor or lender to such issuer.

KFS, including its parent, subsidiaries, affiliates, shareholders, officers, directors, and employees may have long or short positions in, and buy or sell, the securities, commodities or derivatives (including options) or any other financial instruments thereof, of any issuers.

An employee of KFS, including its parent, subsidiaries and/or affiliates, may act as director, or be represented on the boards of directors, of any such entities or issuers.

Head Office

Hong Kong
Kingsway Financial Services Group Limited
7/F, Tower One, Lippo Centre,
89 Queensway, Hong Kong
Tel: 852-2283-7000
Fax: 852-2877-2665

Affiliated & Overseas Offices

Guangdong
廣東新華滙富商業保理有限公司
2701, Dongshan Plaza,
69 Xianlie Middle Road, Yuexiu District
Guangzhou, 510095

Vietnam
Sunwah Kingsway Vietnam Services Limited
Representative Office
Sunwah Tower, Mezzanine Floor
115 Nguyen Hue
District 1
Ho Chi Minh City
Vietnam