Morning Snapshot

SUNWAH KINGSWAY 新華滙富

Hong Kong & China Market Daily 07 November 2025

What's Hot Today:

► Hua Hong Semiconductor (1347 HK, HK$80.10, HK$163bn) Optimized Product Portfolio with Robust Growth Trajectory

Hua Hong Semiconductor is China's No. 2 foundry pure-play and a leading global player focused on mature-node specialty processes across 8-inch and 12-inch platforms. Operating a fab-only wafer-foundry business model, it provides eNVM/standalone NVM, power discrete, analog & power management, and logic/RF technologies serving automotive, industrial/green energy, and IoT applications.

Revenue in 3Q25 reached all-time high of US$635.2mn, up 20.7% YoY and 12.2% QoQ, in line with guidance and setting a new quarterly record:

1).Volume and price both improved: shipments up 16.7% YoY and 7.3% QoQ to 1,400k 8-inch-equivalent wafers; ASP increased to US$453.70, up 3.4% YoY and 4.6% QoQ, confirming a volume-led recovery with supportive pricing.

2).12-inch mix at record high: 12-inch mix rose 59.3% YoY with 12-inch revenue of US$376.4mn versus 8-inch US$258.8mn, evidencing a continued shift toward higher-value nodes.

3).Sales to North America edged up: China remained the core market at 82.3% of revenue while sales to North America increased by 36.7% YoY to account for 10% of revenue, reflecting firmer PMIC and MCU orders.

4).Broad-based gains across all technology platforms: Standalone NVM posted the highest gain of 106.6% YoY growth due to strong demand for flash products. Analog & power mgt improved by 32.8% YoY on the back of higher demand for PMIC products.

5).Revenue from consumer electronics grew the highest: In terms of end-market mix, sales to consumer electronics rose 23.2% YoY to account for 64.1% of total revenue, supported by Flash, PMIC and MCU demand. Industrial and auto sectors posted an 11% YoY sales increase, lowest growth among the key sectors.

6).12-inch ramp and scale continued to underpin structural upgrades, with higher-end nodes and specialty platforms lifting product value and reinforcing order momentum.

China & HK Indices	CLOSE	1D	YTD
HSI	26,485	2.1%	32.0%
HSCEI	9,355	2.1%	28.3%
HSCCI	4,173	1.4%	10.4%
CSI300	4,693	1.4%	19.3%
Shanghai A	4,202	1.0%	-2.8%
Shanghai B	259	0.2%	-2.8%
Shenzhen A	2,643	1.2%	29.1%
Shenzhen B	1,313	0.5%	8.3%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	46,912	-0.8%	10.3%
S&P 500	6,720	-1.1%	14.3%
Nasdaq	23,053	-1.9%	19.4%
NIKKEI Index	50,210	-1.3%	25.9%
FTSE Index	9,735	-0.4%	19.1%
CAC Index	7,964	-1.4%	7.9%
DAX Index	23,734	-1.3%	19.2%

Commodities		CLOSE	1D	YTD
GOLD	(US$/oz.)	3,977	-0.1%	52.1%
STEEL	(US$/oz.)	2,331	1.7%	30.6%
SILVER	(US$/oz.)	48	0.0%	66.9%
CRUDE OIL	(US$/bbl)	59	-0.3%	-16.8%
COPPER	(US$/oz.)	10,682	0.2%	21.8%
ALUMINIUM	(US$/oz.)	2,844	-0.5%	11.5%
PLATINUM	(US$/oz)	1,531	-2.0%	70.3%
ZINC	(US$/oz.)	3,047	-1.3%	2.3%
WHEAT	(US¢/bu)	535	-2.7%	-2.9%
CORN	(US¢/bu)	428	-0.6%	-3.4%
SUGAR	(US¢/lb)	N/A	N/A	
SOYBEAN	(US¢/bu)	1,107	-1.2%	7.1%
PVC	(US$/t.)	N/A	N/A	-14.2%
CRB		300	-1.1%	3.0%
BDI				100.9%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.775	0.866	153.060	0.806	7.119
HKD	0.129		0.111	19.685	10.369	0.916
EUR	1.155	8.978		176.750	1.074	8.221
JPY	0.007	5.080	0.566		0.527	0.047
CHF	1.240	9.644	1.074	189.844		8.828
RMB	0.140	1.092	0.122	21.495	0.113	

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	19	15.3%

Source: Bloomberg

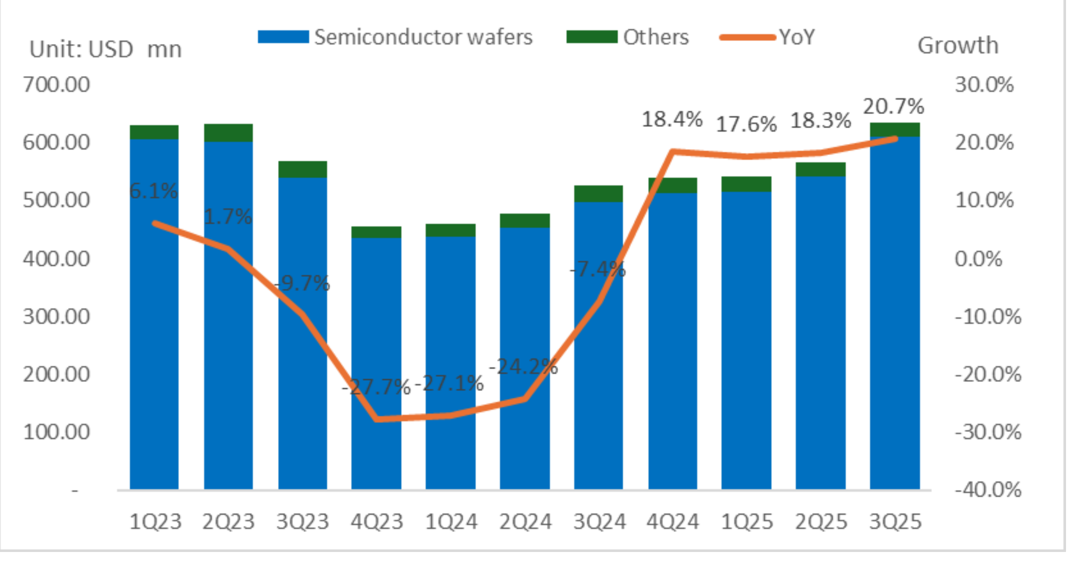
GPM came in at 13.5%, up 1.3% YoY and 2.6% QoQ, above guidance on stronger utilization and firmer ASPs due to higher 12-inch/specialty mix. Capacity utilization reached 109.5%, indicating robust demand and full order books.

Efficiency Gains and Losses Narrowing: Operating expenses stood at US$100.4mn, up 23.3% YoY and 2.6% QoQ, reflecting higher engineering-wafer spending and depreciation. However, OPEX ratio improved QoQ to 15.8%, up 0.3ppts YoY but down 1.5ppts QoQ on full utilization and better scale. Core operating loss narrowed to US$14.6mn, with core OPM at -2.3%, evidencing tighter cost control and operating leverage. Net loss amounted to US$7.2mn, versus a US$22.9mn profit in 3Q24, and narrowed sequentially from a US$32.8mn loss in 2Q25.

Business Outlook: For 4Q25, management guides for a revenue of US$650–660mn and GPM of 12–14%. Near term, execution centers on product mix upgrade, which prioritizes Flash and BCD power-management platforms with targeted capacity adds, while rolling out a new strategy to address power-discrete competition. Over the medium term, the Company aims to lift overseas revenue mix to 15–20%, with North America and Europe as core growth engines and deeper collaboration with European customers.

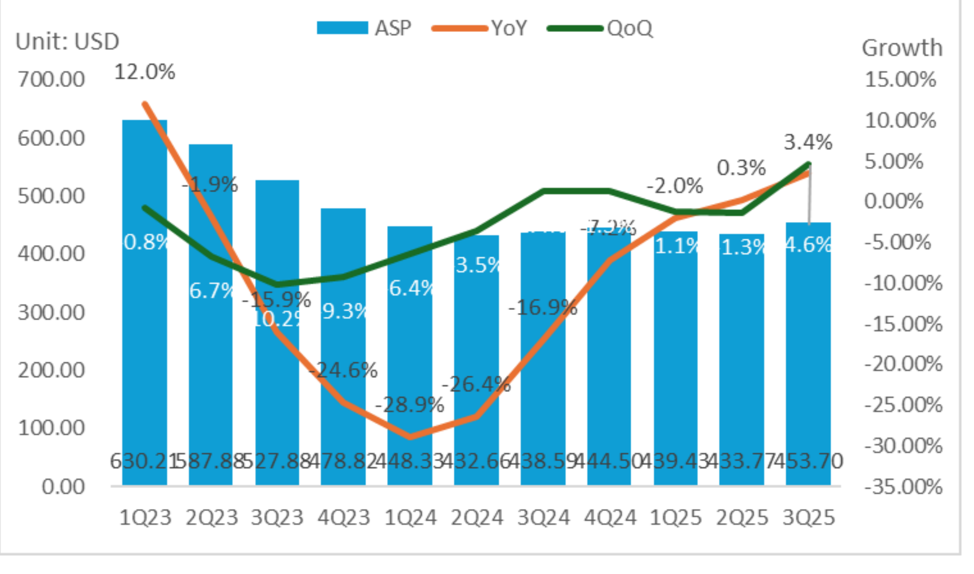
Our views: Revenue strength is underpinned by concurrent increases in both volume and ASP. Power Discrete contributes about 25% of revenue, with roughly half tied to AI servers, implying 10–12% of group sales and a durable growth engine. Another growth driver would be the Fab 9A expansion, a rising 12-inch and specialty mix, and continued investment in Flash and BCD platforms where the company holds strong domestic positions with global competitiveness. Overall, the company is positioned to convert scales and mix upgrades into operating leverage as depreciation intensity eases. The counter is trading at 33x FY25E EV/EBITDA. (Research department)

Fig 1: Total Revenue (USD'mn)



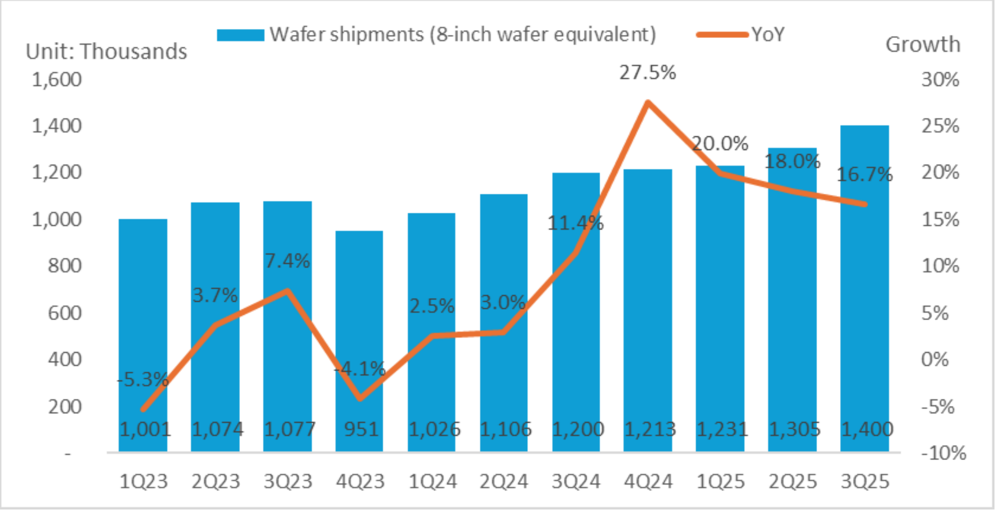
Source: Company Data, Sunwah Kingsway Research

Fig 2: Breakdown of ASP



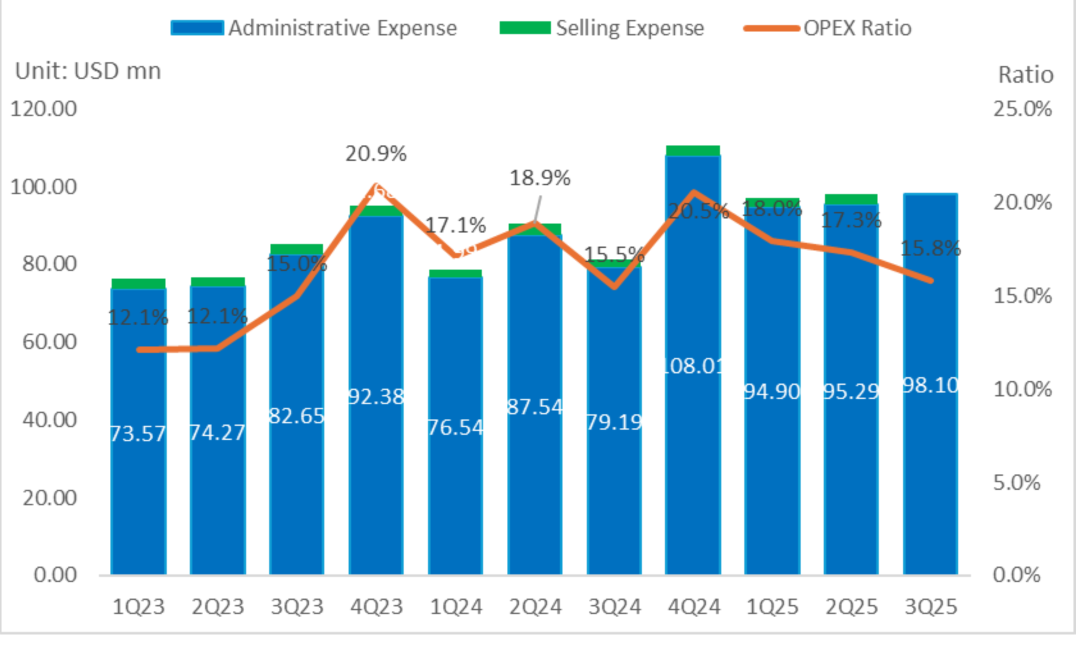
Source: Company Data, Sunwah Kingsway Research

Fig 3: Breakdown of Wafer shipments



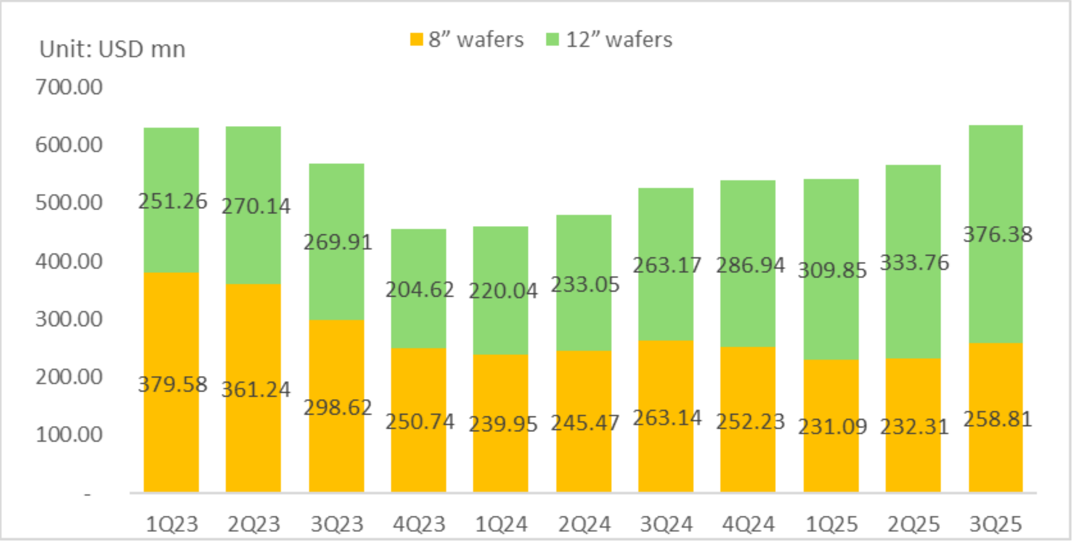
Source: Company Data, Sunwah Kingsway Research

Fig 4: Breakdown of OPEX



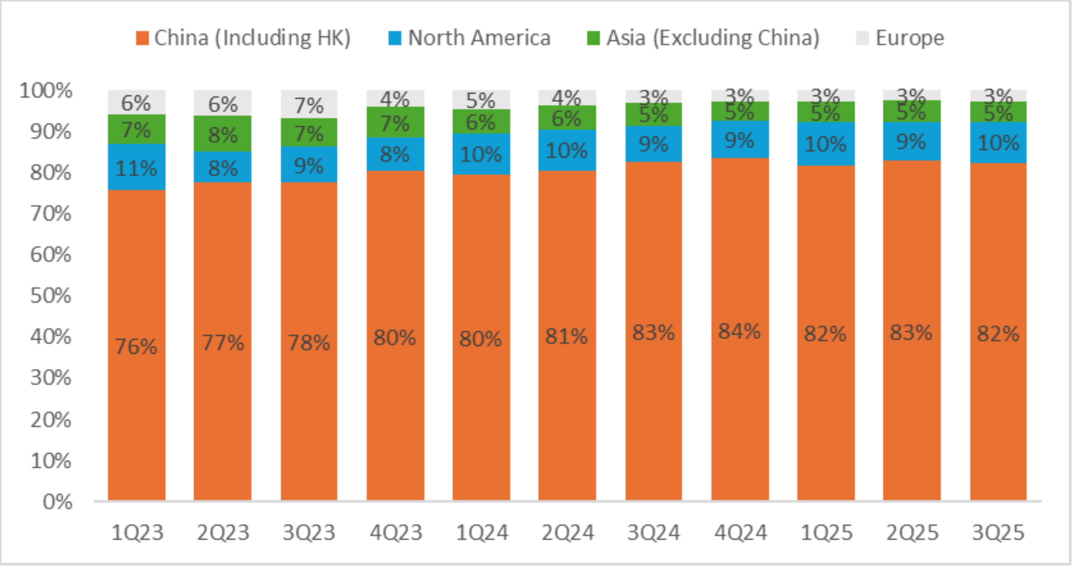
Source: Company Data, Sunwah Kingsway Research

Fig 5: Revenue by wafer size (USD mn)



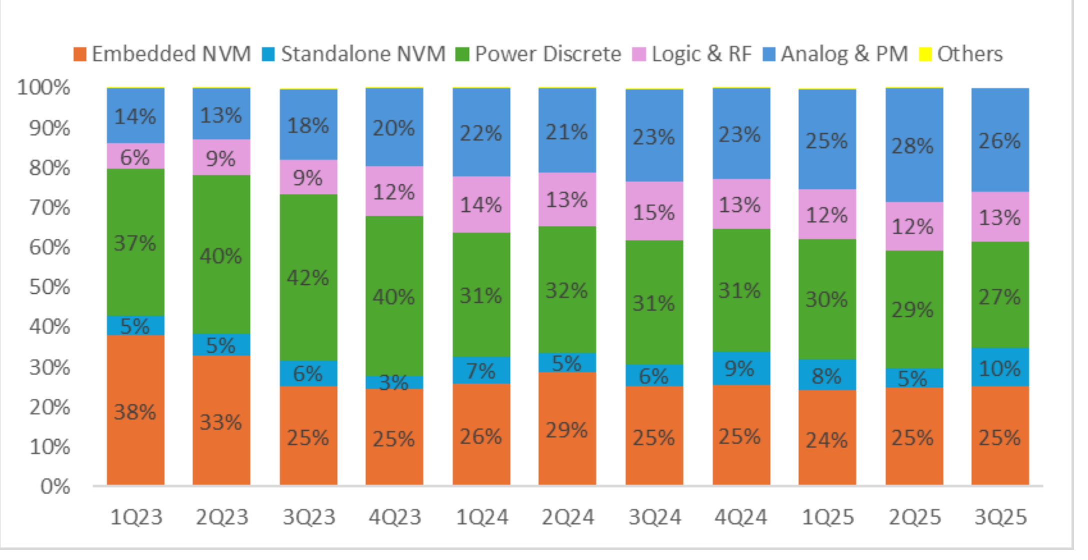
Source: Company Data, Sunwah Kingsway Research

Fig 6: Revenue by Geography



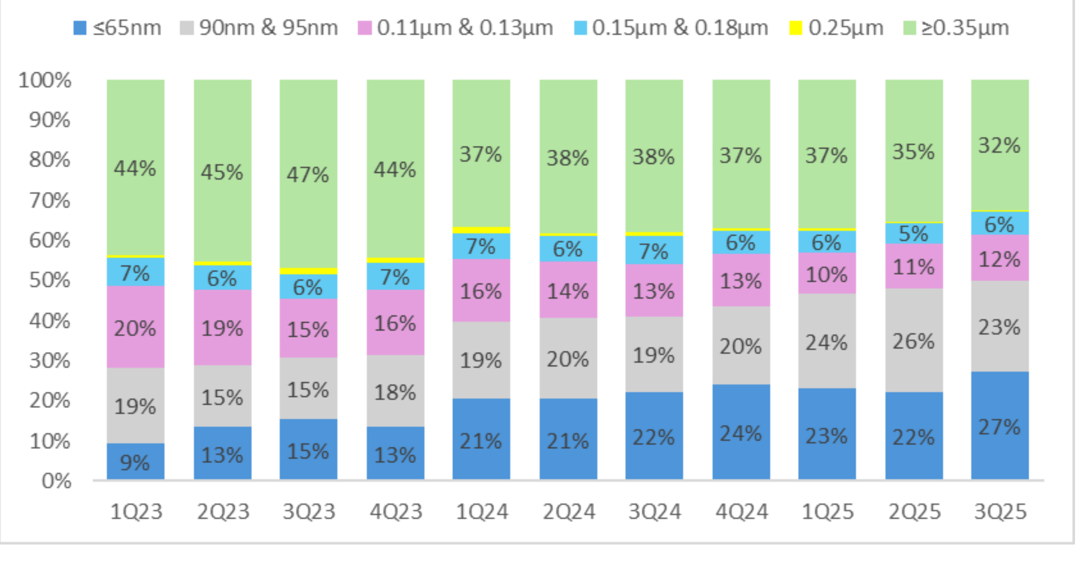
Source: Company Data, Sunwah Kingsway Research

Fig 7: Revenue by Technology Platform



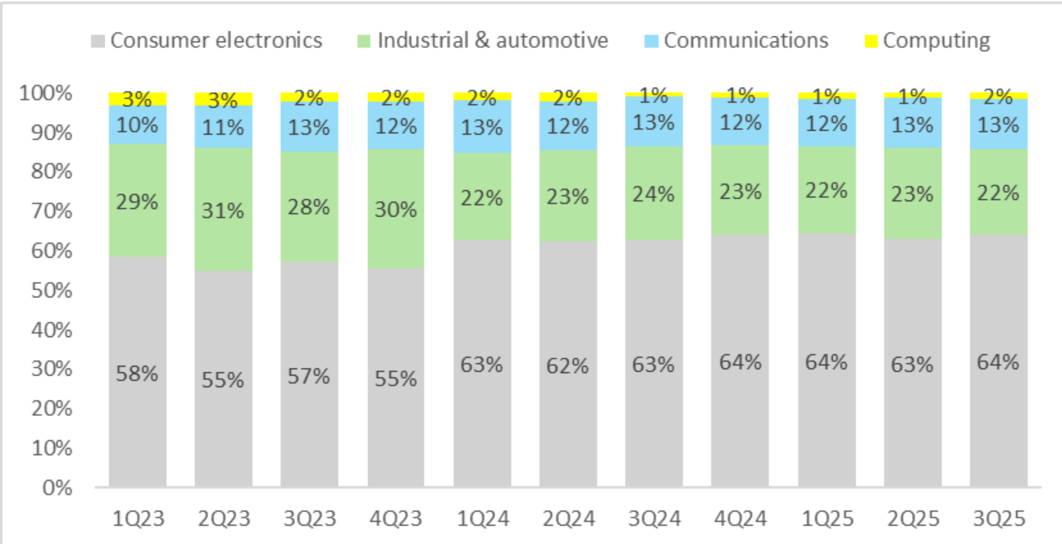
Source: Company Data, Sunwah Kingsway Research

Fig 8: Revenue by Process Technology Node



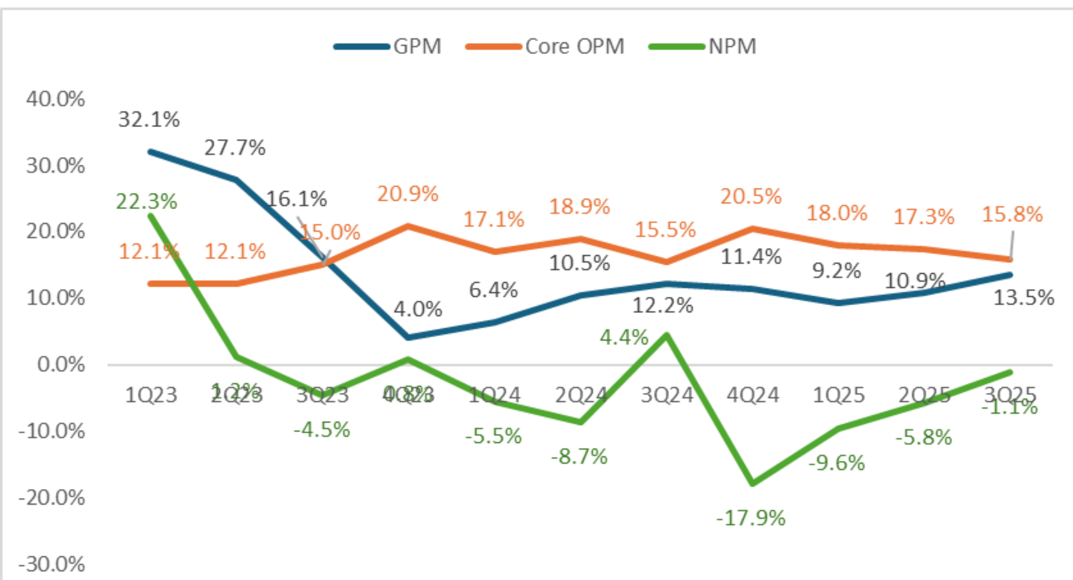
Source: Company Data, Sunwah Kingsway Research

Fig 9: Revenue by End Market Distribution



Source: Company Data, Sunwah Kingsway Research

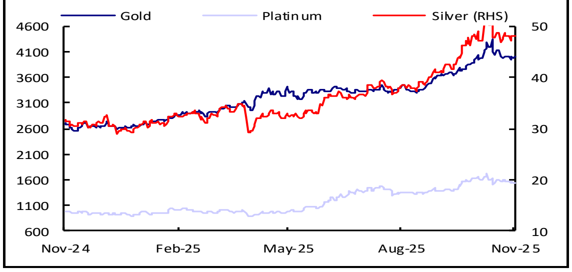
Fig 10: Breakdown of Profitability



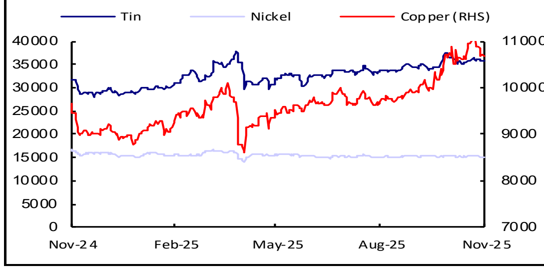
Source: Company Data, Sunwah Kingsway Research

Market Watch – Major Commodities and Currencies

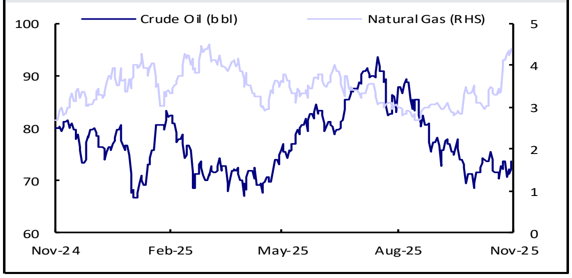
Precious metal	Price (US$)	QTD%	YTD%	YoY%
Gold (oz)	3991	3.9	51.1	47.5
Platinum (oz)	1538	(3.0)	72.0	53.9
Silver (oz)	48	2.8	64.0	50.5



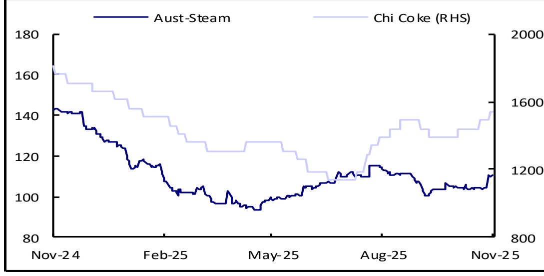
Non-ferrous metals	Price (US$)	QTD%	YTD%	YoY%
Copper (t)	10683	4.0	21.8	10.5
Nickel (t)	15038	(1.3)	(1.9)	(9.3)
Tin (t)	35845	1.2	23.3	12.7



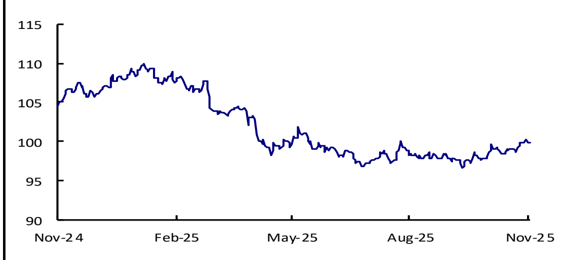
Energy	Price (US$)	QTD%	YTD%	YoY%
Crude Oil (bbl)	59.4	(4.7)	(17.1)	(17.9)
Natural Gas (MMbtu)	4.4	31.9	19.9	61.8



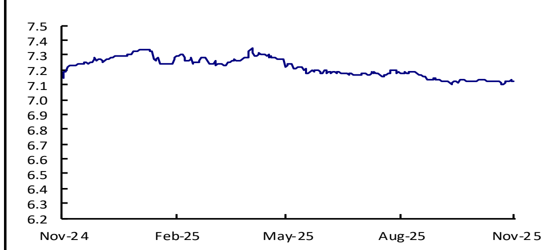
Coal	Price	QTD%	YTD%	YoY%
Chi Coke (Rmb / t)	1540.0	10.8	(4.3)	(14.9)
Aust Steam (US$ / t)	110.7	4.2	(11.7)	(22.2)



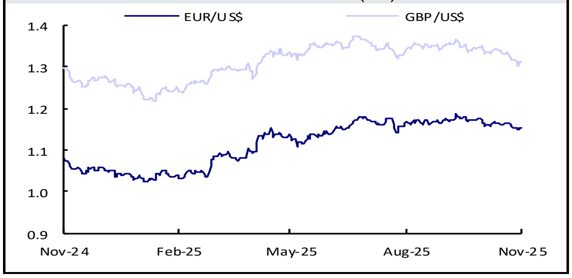
	Price (US$)	QTD%	YTD%	YoY%
Dollar Index Spot	99.7	2.0	(8.1)	(4.6)



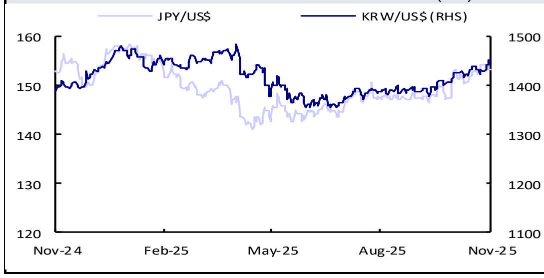
	Price (US$)	QTD%	YTD%	YoY%
Rmb/US$	7.1	(0.0)	(2.5)	(0.3)



	Price (US$)	QTD%	YTD%	YoY%
EUR	1.2	(1.6)	11.5	6.9
GBP	1.3	(2.3)	5.0	1.2



	Price (US$)	QTD%	YTD%	YoY%
JPY	153.1	3.5	(2.6)	0.1
KRW	1449.3	3.2	(2.0)	4.6



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Employment Report	MoM		7-Nov-25
Initial Jobless Claims	WoW		13-Nov-25
CPI	MoM		13-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
Existing Home Sales	MoM		20-Nov-25
Consumer Confidence	MoM		25-Nov-25
Wholesale Inventories	MoM		26-Nov-25
New home Sales	MoM		26-Nov-25
Durable Goods Orders	MoM		26-Nov-25
GDP	QoQ		26-Nov-25
Personal Income & Spending	MoM		26-Nov-25
ISM Manufacturing PMI	MoM		1-Dec-25
Trade Balance	MoM		4-Dec-25
Factory Orders	MoM		5-Dec-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
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
PMI Manufacturing	MoM		30-Nov-25
GDP	YoY		

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Foreign Currency Reserve	MoM		7-Nov-25
GDP	QoQ		14-Nov-25
Unemployment Rate	MoM		18-Nov-25
CPI	MoM		20-Nov-25
Trade Balance	MoM		25-Nov-25
Money Supply - M2	MoM		28-Nov-25
Retail Sales	MoM		1-Dec-25
PMI	MoM		3-Dec-25
Producer Prices Index	QoQ		15-Dec-25
Industrial Production	QoQ		15-Dec-25
Composite Interest Rate	MoM		

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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
Shanghai Bio-heart Biological Technology Co., Ltd. - B - H Shares	Wang Philip Li	10,000(L)	HKD 8.2125
YSB Inc.	Chen Fei	200,000(L)	HKD 7.6900
China XLX Fertiliser Ltd.	Liu Xingxu	350,000(L)	HKD 7.2900
Chinese People Holdings Co. Ltd.	CIVIOS GROUP LIMITED	2,000,000(L)	HKD 0.0300
Chinese People Holdings Co. Ltd.	LOFTY KEY LIMITED	2,000,000(L)	HKD 0.0300
Chinese People Holdings Co. Ltd.	MO SHIKANG	2,000,000(L)	HKD 0.0300
Chinese People Holdings Co. Ltd.	MO YUNBI	2,000,000(L)	HKD 0.0300
Chinese People Holdings Co. Ltd.	RENOWN CITY HOLDINGS LIMITED	2,000,000(L)	HKD 0.0300
Da Yu Financial Holdings Ltd.	Allied Group Limited	30,000(L)	HKD 0.1200
Da Yu Financial Holdings Ltd.	Lee Seng Huang	30,000(L)	HKD 0.1200
Da Yu Financial Holdings Ltd.	Lee Seng Hui	30,000(L)	HKD 0.1200
Da Yu Financial Holdings Ltd.	Lee Su Hwei	30,000(L)	HKD 0.1200
Dashan Education Holdings Ltd.	Infinite Apex Enterprises Limited	9,382,000(L)	HKD 2.4366
Dashan Education Holdings Ltd.	XI Wang	9,382,000(L)	HKD 2.4366
Emperor Watch & Jewellery Ltd.	Yeung Cindy	1,410,000(L)	HKD 0.2718
Glorious Sun Enterprises Ltd.	Yeung Chun Kam	48,000(L)	HKD 1.3400
Hang Sang (Siu Po) International Holding Co. Ltd.	Austen Capital International Limited	6,422,000(L)	HKD 2.3454
Hang Sang (Siu Po) International Holding Co. Ltd.	Jolly Atom Limited	6,422,000(L)	HKD 2.3454
Hang Sang (Siu Po) International Holding Co. Ltd.	LI Feng	6,422,000(L)	HKD 2.3454
Hang Sang (Siu Po) International Holding Co. Ltd.	LU Xiaoma	6,422,000(L)	HKD 2.3454
Hang Sang (Siu Po) International Holding Co. Ltd.	Wade Investment SPC Ltd (acting for and on behalf of Wade Investment	6,422,000(L)	HKD 2.3454
Hang Sang (Siu Po) International Holding Co. Ltd.	Wonder Ladies Limited	6,422,000(L)	HKD 2.3454
Hang Sang (Siu Po) International Holding Co. Ltd.	YANG Yi	6,422,000(L)	HKD 2.3454
Hang Sang (Siu Po) International Holding Co. Ltd.	ZHANG Xiaoxiao	6,422,000(L)	HKD 2.3454
Luks Group (Vietnam Holdings) Co., Ltd.	Luk Sze Wan Monsie	20,000(L)	HKD 0.8900
Shanghai Bio-heart Biological Technology Co., Ltd. - B - H Shares	Wang Philip Li	10,000(L)	HKD 8.3800
Shanghai Bio-heart Biological Technology Co., Ltd. - B - H Shares	Winning Powerful Limited	10,000(L)	HKD 8.3800
Tanwan Inc.	WU XUBO	81,000(L)	HKD 15.0100
Wealthink AI-Innovation Capital Ltd.	Acorn Harvest Holdings Limited	2,540,000(L)	HKD 0.1978
Wealthink AI-Innovation Capital Ltd.	YANG FAN	2,540,000(L)	HKD 0.1978

Source: HKEx

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