Morning Snapshot

SUNWAH KINGSWAY 新華滙富

Hong Kong & China Market Daily

26 November 2025

What's Hot Today:

► Chow Tai Fook Jewelry (1929 HK, HK$15.24, HK$150bn) sequential improvement in sales performance

Solid 1H26 results. Chow Tai Fook Jewelry (CTF) is a leading gold jewelry retailer in mainland China and Hong Kong. It posted a 1H26 results, with revenue down 1% YoY to HK$39.0bn, on the back of a 6.5% YoY growth in HK and Macau market despite a 2.5% YoY drop in mainland China. The topline decline narrowed to LSD compared to 20% and 15% drop in 1H25 and 2H25, respectively, mainly driven by strong sales of fixed-price gold products and improved SSSG in all markets. GPM contracted by 0.9ppts YoY to 30.5%, due to gold price fluctuation. However, CTF continued to improve its operational efficiency, with SG&A ratio down 1.2ppts YoY to 14%. As a result, net profit stayed flat at HK$2.5bn, with NPM of 6.5%. CTF declared an interim dividend of HK$0.22 per share, with payout ratio of 85%.

Fig 1. 1Q26 Financial Review

	1H25		1H26			Results comments
	HK$ mn	% of Rev	HK$ mn	% of Rev	YoY chg	
Total revenues	**39,408**		**38,986**		**-1%**	**Mainland China-2.5%, HK and Macau+6.5%**
Cost of sales	-27,030		-27,078		0.2%	
Gross profit	**12,378**	**31.4%**	**11,908**	**30.5%**	**-3.8%**	**GPM-0.9ppts due to gold price fluctuation**
Selling and distribution costs	-4,169	-10.6%	-3,769	-9.7%	-9.6%	
Administrative expenses	-1,809	-4.6%	-1,684	-4.3%	-6.9%	
Other gains and losses	-3,135	-8.0%	-3,169	-8.1%	1.1%	
Profit before income tax	3,374		3,369		-0.1%	
Income tax expense	-810		-805		-0.6%	
Net profit	**2,530**	**6.4%**	**2,534**	**6.5%**	**0.1%**	SG&A ratio-1.2ppts

Source: Company Data, Sunwah Kingsway Research

Improved SSSG performance in all segments. In 1H26, SSSG in both HK and Macau and Mainland China turned positive. SSSG in 2Q26 accelerated to MSD compared to LSD in 1Q26. This was driven by strong sales momentum of fixed-price gold products, with sales up 48% YoY to HK$3.4bn. In mainland China, fixed-price jewellery sales accounted for 32% of retail sales value (RSV), up 4.4 ppts YoY. Oct to date, SSSG momentum continued to accelerate in all markets. SSSG for self-operated stores in the Mainland reached 39% YoY, while franchised stores recorded a growth of 49% YoY. SSS in Hong Kong and Macau rose by 18% YoY.

China & HK Indices	CLOSE	1D	YTD
HSI	25,894	0.7%	29.1%
HSCEI	9,158	0.9%	25.6%
HSCCI	4,212	0.3%	11.4%
CSI300	4,490	1.0%	14.1%
Shanghai A	4,058	0.9%	-5.6%
Shanghai B	252	0.3%	-5.6%
Shenzhen A	2,537	1.4%	23.9%
Shenzhen B	1,292	1.2%	6.5%

Key Int'l Indices	CLOSE	1D	YTD
Dow Jones	47,112	1.4%	10.7%
S&P 500	6,765	0.9%	15.0%
Nasdaq	23,025	0.7%	19.2%
NIKKEI Index	49,270	1.3%	23.5%
FTSE Index	9,609	0.8%	17.6%
CAC Index	8,025	0.8%	8.7%
DAX Index	23,464	1.0%	17.9%

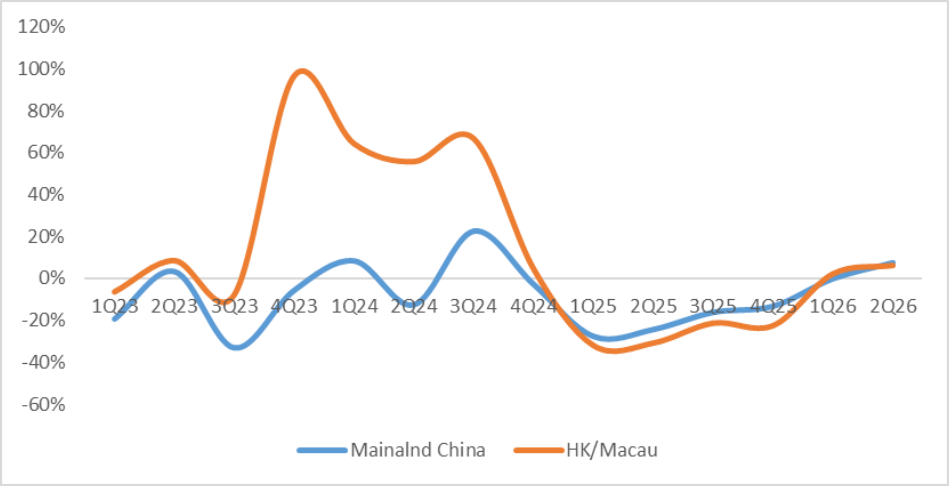
Commodities		CLOSE	1D	YTD
GOLD	(US$/oz.)	4,130	-0.1%	57.7%
STEEL	(US$/oz.)	2,386	2.9%	33.6%
SILVER	(US$/oz.)	51	0.2%	78.1%
CRUDE OIL	(US$/bbl)	57	-1.5%	-19.1%
COPPER	(US$/oz.)	10,818	0.4%	23.4%
ALUMINIUM	(US$/oz.)	2,800	0.5%	9.8%
PLATINUM	(US$/oz)	1,552	-0.0%	70.2%
ZINC	(US$/oz.)	2,993	0.1%	0.5%
WHEAT	(US¢/bu)	527	0.0%	-4.4%
CORN	(US¢/bu)	438	0.2%	-3.7%
SUGAR	(US¢/lb)	N/A	N/A	
SOYBEAN	(US¢/bu)	1,124	-0.0%	8.8%
PVC	(US$/t.)	N/A	N/A	-18.9%
CRB		294	-0.4%	3.0%
BDI				130.2%

Exchange Rates	USD	HKD	EUR	JPY	CHF	RMB
USD		7.775	0.864	156.050	0.808	7.084
HKD	0.129		0.111	20.071	10.388	0.911
EUR	1.157	8.996		180.530	1.070	8.204
JPY	0.006	4.982	0.554		0.518	0.045
CHF	1.238	9.627	1.070	193.234		8.781
RMB	0.141	1.098	0.122	22.007	0.114	

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	-24.8%

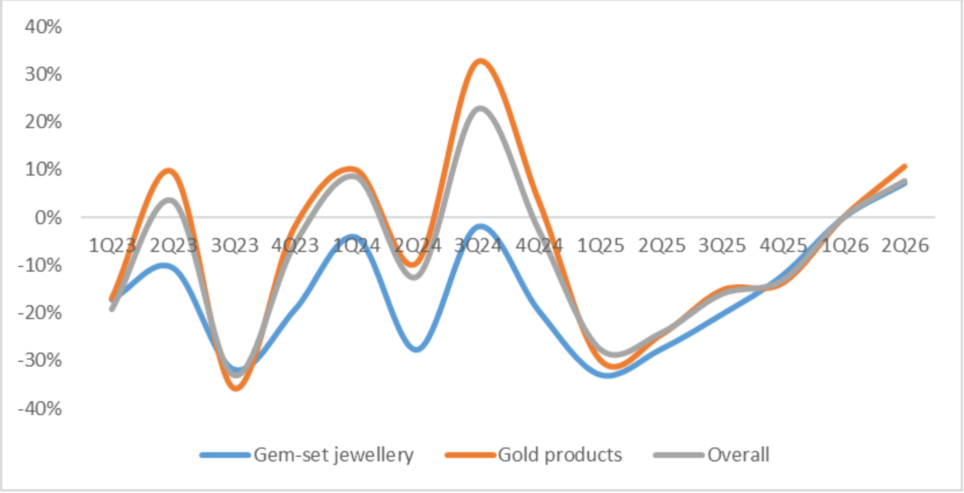
Source: Bloomberg

Fig 2: SSSG (by region)



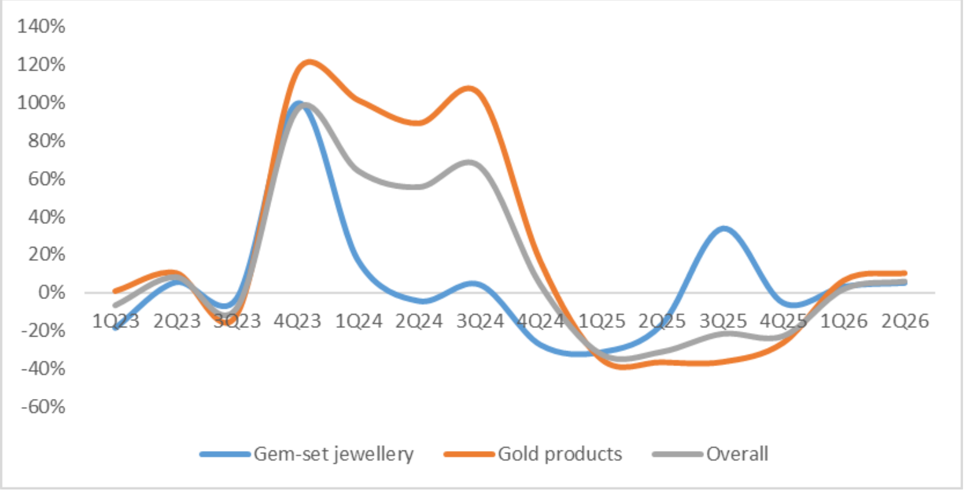
Source: Company Data, Sunwah Kingsway Research

Fig 3: SSSG (by product) - Mainland China



Source: Company Data, Sunwah Kingsway Research

Fig 4: SSSG (by product) – HK and Macau

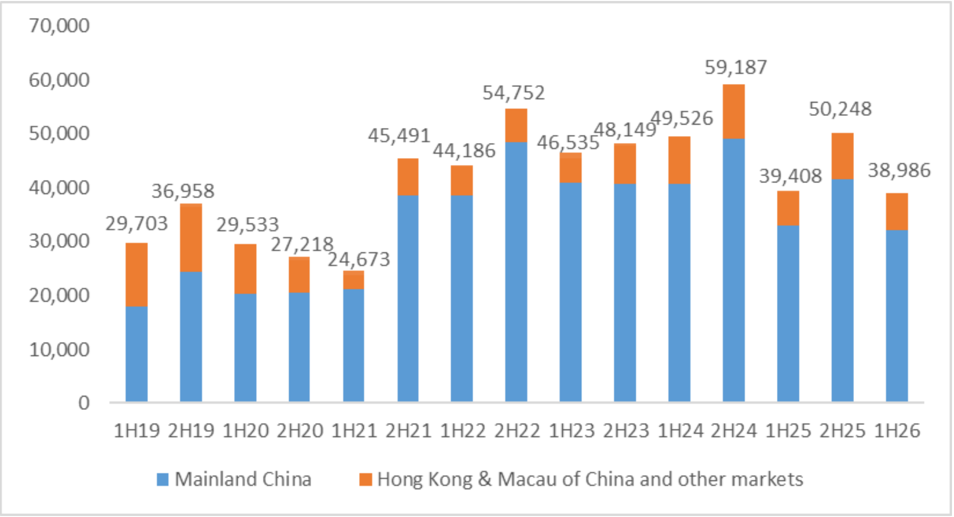


Source: Company Data, Sunwah Kingsway Research

Focused on stores efficiency. As of Sep 30 2025, the company operated a total of 6,041 stores, down 603 HoH. In mainland China market, CTF net closed 606 stores HoH, most of which were located in tier-three or below cities. Meanwhile, the company strategically expanded into premium locations to accelerate the brand transformation. As a result, average monthly sales per new store improved to HK$1.3mn in 1H26 from HK$0.8mn in 1H25. In HK and Macau market, store network stayed largely steady at 92. For overseas expansion, CTF continued to focus its resource on Southeast Asia and Oceania(SEAO) and plans to launch 6 new stores in SEAO and Canada by June 2026.

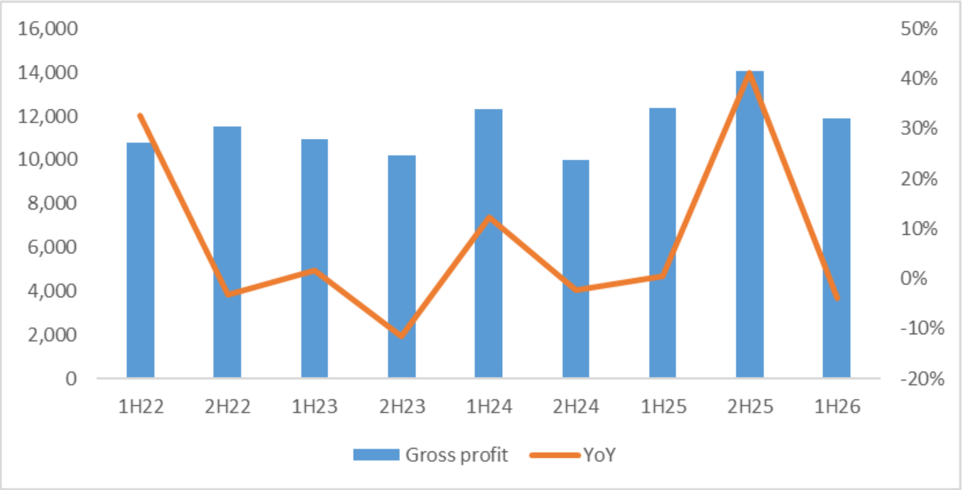
Our view: As gold demand continues to recover, CTF is expected to benefit from the industry trend, supported by its premium brand recognition, product innovation (Joie Collection, Rouge and Palace Museum Collection) and effective marketing strategy. Despite the higher gold prices in the near term, consumer demand remains robust, evidenced by strong SSSG from October to November. The counter is trading at 19x FY26 P/E. (Ensley LIU)

Fig 5: Revenue(HK$ mn)



Source: Company Data, Sunwah Kingsway Research

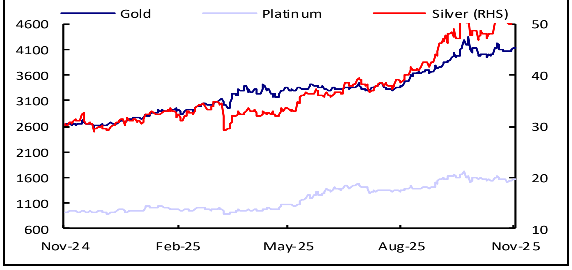
Fig 6: Gross profit(HK$ mn) and YoY



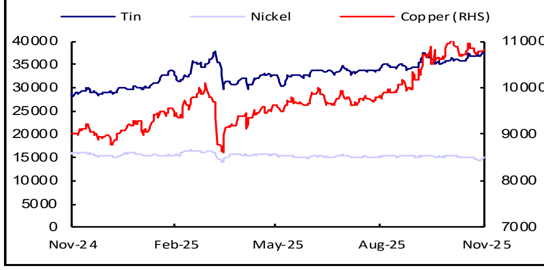
Source: Company Data, Sunwah Kingsway Research

Market Watch – Major Commodities and Currencies

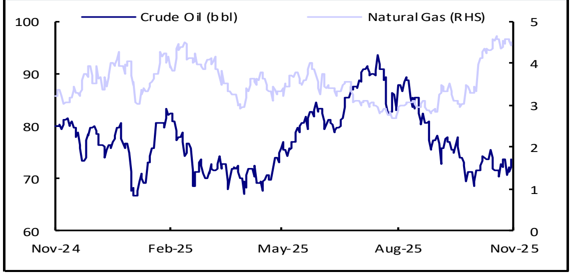
Precious metal	Price (US$)	QTD%	YTD%	YoY%
Gold (oz)	4140	7.8	56.8	57.9
Platinum (oz)	1566	(1.2)	75.2	68.4
Silver (oz)	51	9.3	74.3	67.6



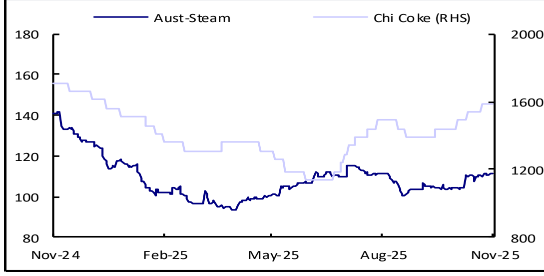
Non-ferrous metals	Price (US$)	QTD%	YTD%	YoY%
Copper (t)	10818	5.4	23.4	20.2
Nickel (t)	14872	(2.4)	(3.0)	(7.0)
Tin (t)	37547	6.0	29.1	29.9



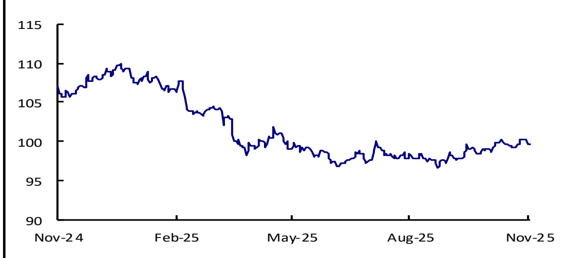
Energy	Price (US$)	QTD%	YTD%	YoY%
Crude Oil (bbl)	58.0	(7.1)	(19.2)	(15.7)
Natural Gas (MMbtu)	4.4	33.9	21.8	28.9



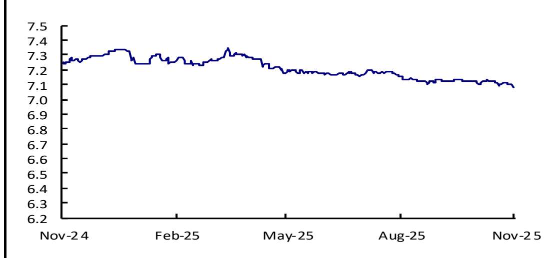
Coal	Price	QTD%	YTD%	YoY%
Chi Coke (Rmb / t)	1590.0	14.4	(1.2)	(7.0)
Aust Steam (US$ / t)	111.2	4.7	(11.3)	(21.2)



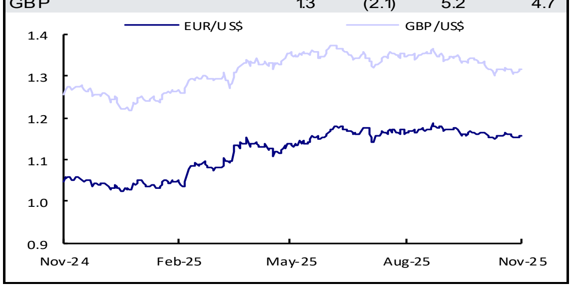
	Price (US$)	QTD%	YTD%	YoY%
Dollar Index Spot	99.7	1.9	(8.1)	(6.9)



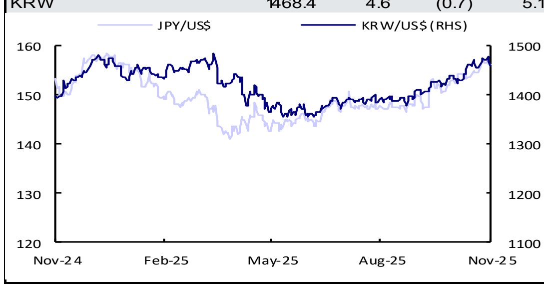
	Price (US$)	QTD%	YTD%	YoY%
Rmb/US$	7.1	(0.5)	(2.9)	(2.3)



	Price (US$)	QTD%	YTD%	YoY%
EUR	1.2	(1.4)	11.7	10.3
GBP	1.3	(2.1)	5.2	4.7



	Price (US$)	QTD%	YTD%	YoY%
JPY	156.1	5.5	(0.7)	1.9
KRW	1468.4	4.6	(0.7)	5.1



Source: Bloomberg

US Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PPI	MoM		25-Nov-25
Business Inventories	MoM		25-Nov-25
Retail Sales	MoM		25-Nov-25
Consumer Confidence	MoM		25-Nov-25
Initial Jobless Claims	WoW		26-Nov-25
Durable Goods Orders	MoM		26-Nov-25
Wholesale Inventories	MoM		1-Dec-25
Housing Starts / Building Permits	MoM		1-Dec-25
New home Sales	MoM		1-Dec-25
ISM Manufacturing PMI	MoM		1-Dec-25
Factory Orders	MoM		1-Dec-25
Industrial Production	MoM		3-Dec-25
Trade Balance	MoM		5-Dec-25
Personal Income & Spending	MoM		5-Dec-25
Employment Report	MoM		16-Dec-25
CPI	MoM		18-Dec-25
Existing Home Sales	MoM		19-Dec-25
GDP	QoQ		23-Dec-25
Auto Sales	MoM		

China Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
PMI Manufacturing	MoM		30-Nov-25
Foreign Exchange Reserves	QoQ		7-Dec-25
Trade Balance	MoM		8-Dec-25
Money Supply - M2	MoM		9-Dec-25
PPI	MoM		10-Dec-25
CPI	MoM		10-Dec-25
Retail Sales	MoM		15-Dec-25
Industrial Production	MoM		15-Dec-25
GDP	YoY		

Hong Kong Economic Calendar

Indicators	Freq	Obs Date	Expected Release Date
Money Supply - M2	MoM		28-Nov-25
Retail Sales	MoM		1-Dec-25
PMI	MoM		3-Dec-25
Foreign Currency Reserve	MoM		5-Dec-25
Producer Prices Index	QoQ		15-Dec-25
Industrial Production	QoQ		15-Dec-25
Unemployment Rate	MoM		16-Dec-25
CPI	MoM		22-Dec-25
Trade Balance	MoM		29-Dec-25
GDP	QoQ		30-Jan-26
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**
CSPC Pharmaceutical Group Ltd.	Cai Dong Chen	10,300,000(L)	HKD 7.7935
SSY Group Ltd.	Qu Jiguang	2,000,000(L)	HKD 2.9828
CARsgen Therapeutics Holdings Ltd. - B	Guo Huaqing	30,000(L)	HKD 16.3900
CSPC Pharmaceutical Group Ltd.	Cai Dong Chen	14,866,000(L)	HKD 7.4608
Glorious Sun Enterprises Ltd.	Yeung Chun Kam	52,000(L)	HKD 1.3600
Henan Jinma Energy Co. Ltd. - H Shares	WANG LIJIE	52,945,000(L)	HKD 0.0000
Henan Jinma Energy Co. Ltd. - H Shares	Zheng Jing	52,945,000(L)	HKD 0.0000
Henan Jinma Energy Co. Ltd. - H Shares	香港金洲投资有限公司	52,945,000(L)	HKD 0.0000
Jiangsu Expressw ay Co. Ltd. - H Shares	江蘇交通控股有限公司	10,588,000(L)	HKD 9.8947
Kintor Pharmaceutical Ltd. - B	KT International Investment Limited	100,000(L)	HKD 1.9997
Kintor Pharmaceutical Ltd. - B	Tong Youzhi	100,000(L)	HKD 1.9997
Mongolia Energy Corporation Ltd.	Dashdemberel Bat-Erdene	294,000(L)	HKD 0.7445
Shanghai Bio-heart Biological Technology Co., Ltd. - B - H Shares	Wang Philip Li	10,000(L)	HKD 6.1200
Shanghai Bio-heart Biological Technology Co., Ltd. - B - H Shares	Winning Pow erful Limited	10,000(L)	HKD 6.1200
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. - B - H Sh - H Shares	GE Junyou	1,143(L)	HKD 432.8600
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. - B - H Sh - H Shares	LIU Gexin	30,300(L)	HKD 432.7900
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. - B - H Sh - H Shares	成都科伦晶川科技有限公司	756,000(L)	HKD 431.5900
Smart Fish Wealthlink Holdings Ltd.	Li Xiaoxin	11,120,000(L)	HKD 0.2700
Transcenta Holding Ltd. - B	Qian Xueming	20,000(L)	HKD 2.5000
Tuya Inc. - W	Tenet Global Limited	5,100,000(L)	HKD 0.0000
Tuya Inc. - W	Tenet Group Limited	5,100,000(L)	HKD 0.0000
Tuya Inc. - W	Tenet Smart Limited	5,100,000(L)	HKD 0.0000
Tuya Inc. - W	TMF (Cayman) Ltd.	5,100,000(L)	HKD 0.0000
Tuya Inc. - W	Tuya Group Inc.	5,100,000(L)	HKD 0.0000
Xiaomi Corporation - W	Lei Jun	2,600,000(L)	HKD 38.5767
Yeahka Ltd.	LIU YINGQI	12,000(L)	HKD 8.0900
YSB Inc.	Chen Fei	150,000(L)	HKD 6.7500
Zibuyu Group Ltd.	TONGMINGYUN THREE LIMITED	3,279,000(L)	HKD 3.1700

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