2018

27 Aug 2018

China Connect Weekly

Market Strategy
Volatile financials and the still vague market bottom

Macroeconomics
Impact of EU-US free trade on Chinese exports

Stock Recommendations
Shanghai Jahwa ● Sanan Optoelectronics ● Shenzhen Gas ● Zhejiang Dingli

中信証券經紀香港
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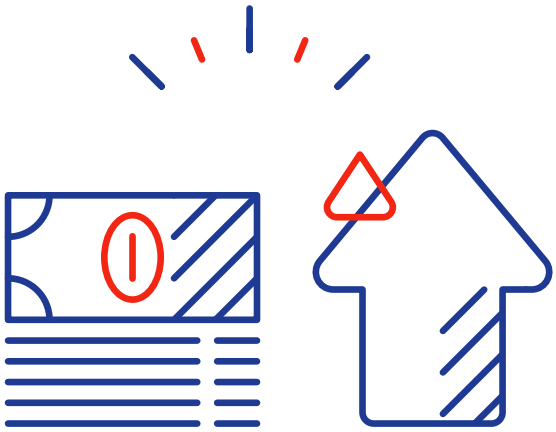
Please refer to the attachment for detailed disclaimer and regulatory disclosures

Contents:

Market Strategy

Volatile financials and the still vague market bottom

While waiting for the rock bottom to be built, we maintain our allocation suggestion: leading players in financial (bank + insurance), technology independence, new infrastructure (5G) and post-correction healthcare (innovative drug + pharmacy chain).



Macroeconomics

Impact of EU-US free trade on Chinese exports

EU-US free trade will inevitably lead to substitution of some Chinese goods in offshore markets. But within the top 10 export-oriented sectors, products that hurt most account for a limited proportion of total exports from China.

Weekly Top Pick

Company	Price (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)
Shanghai Jahwa (600315 CH)	29.54	40.00	28.1	35
Sanan Optoelectronics (600703 CH)	15.61	19.20	14.8	23
Shenzhen Gas (601139 CH)	5.97	7.30	5.7	22
Zhejiang Dingli (603338 CH)	52.99	61.82	50.3	17

27 Aug 2018 Source: Respective Company, CS

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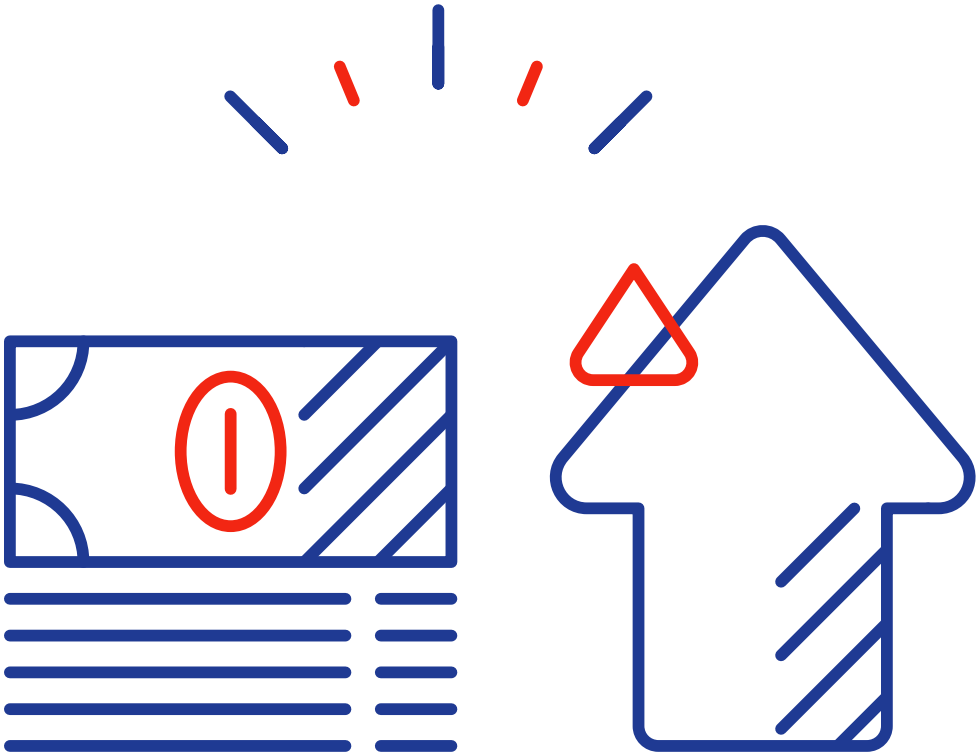
Volatile financials and the still vague market bottom



Financial stocks stabilized and rallied last week, driven mainly by market-related factors. Stabilizing financials help confirm the trough of the A-share market. What is needed now is time for investors to digest a portion of concerns over the future trend so that the market can find its rock bottom. We reiterate our allocation advice, recommending leaders in sectors such as financial (bank + insurance), technology independence, new infrastructure (5G) and healthcare (innovative drug and pharmacy chain, post-correction).

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Impact of EU-US free trade on Chinese exports

Taken as a whole, China's exports find a strong competitor in products from EU and the US. The free-trade pact between EU and the US will have less impact on Chinese exports with strong advantages, namely those from labor-intensive industries. Meanwhile, other Chinese products – including optical medical equipment – are less competitive in the international marketplace. Considering both industry edges and current tariff levels, more categories of Chinese products for export to the US will be affected than those sold in EU. All said, EU-US free trade will inevitably have substitution effect on Chinese exports. However, for the top 10 export-oriented sectors in China, the weight of products most affected constitute a limited proportion in total exports.

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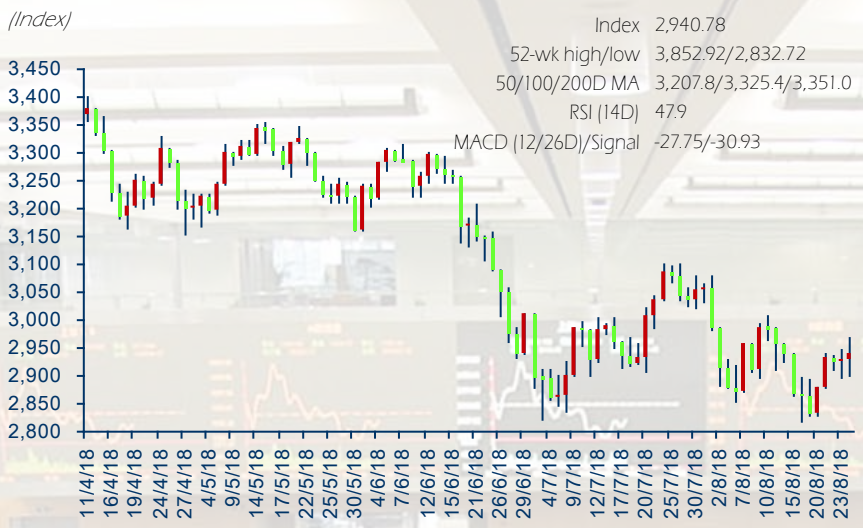
Market Review & Technical:

CITIC S&P 50



CITIC S&P 300

Source: Bloomberg, CS

Market Review: On Monday, the Shanghai Composite Index (SCI) opened high and dropped before steel and telecom sectors staged a strong rally, pushing the benchmark index up 1.11% at close. On Tuesday, both Shanghai and Shenzhen bourses opened high and rose. The SCI collected 1.31%. Wednesday saw the two markets start low and jolt downwards, the Shanghai gauge shedding 0.7%. On Thursday, the markets took a roller-coaster ride in tandem, with the SCI finishing up 0.37%. On Friday, the two bourses opened low. The SCI remained subdued in the morning and turned slightly positive after lunch, eking up 0.18% for the day. In the week, CITIC/S&P 50 and CITIC/S&P 300 advanced 3.8% and 2.8%, respectively.

Technical analysis: The technical trends of CITIC/S&P 50 and CITIC/S&P 300 continued to strengthen but are still in the bear market zone. We expect volatility to continue going forward

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(A Shanghai-HK Stock Connect Northbound Stock)

Risk rating: 3

Shanghai Jahwa

Target Price: Rmb40 Upside: 35%

Rapid revenue growth on brands appealing to young consumers

Shanghai Jahwa (600315 CH) reported steady income growth for 1H18, with faster new product launches and brands for younger consumers thanks to digital operations. The Company forged a business link with Church & Dwight – a platform firm for household chemicals – to introduce niche and tailored goods to China to cash in on continually upgrading consumption pattern in the country. Management is targeting revenue of Rmb125bn by 2020E, including Rmb3bn from M&As. The organic CAGR of current brands is about 13.4%. We suggest following the counter.

Share Price Performance

Price/Target/Stop Loss	29.54/40.00/28.10
52 Weeks High/Low	46.34/29.54
50/100/200D MA	37.57/39.83/37.58
RSI (14D)	26.5
MACD (12/26D)/Signal	-2.10/-1.73
2017E PER (x)	36.0

Company: Shanghai Jahwa develops, manufactures and wholesales skin care and hair care products, cosmetics, perfumes, detergents, and other household chemical products. The Company also provides technical and food services.

27 Aug 2018 Source: Bloomberg, Respective Company, CS

* Closing prices as of 24 Aug 2018

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Risk Rating: 1 to 5 in ascending order

(A Shanghai-HK Stock Connect Northbound Stock)

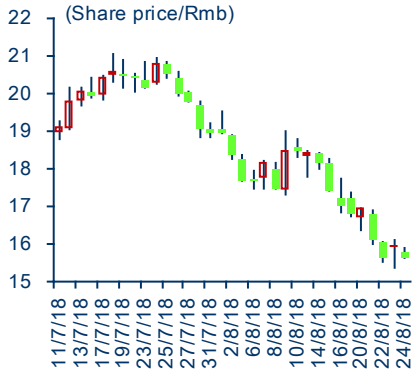
Risk rating: 3

Sanan Optoelectronics

Target Price: Rmb19.2 Upside: 23%

Early success in business expansion

Share Price Performance



Price/Target/Stop Loss	15.61/19.20/14.80
52 Weeks High/Low	29.68/15.61
50/100/200D MA	18.72/20.12/22.80
RSI (14D)	29.2
MACD (12/26D)/Signal	-0.92/-0.71
2017E PER (x)	16.3

Company: Sanan Optoelectronics is engaged in R&D, production and sales of LED epitaxial wafers and wafers.

Sanan Optoelectronics (600703 CH) saw its 1Q18 revenue growth slacken as capacity expansion in major peers suppressed chip prices, but sales began to pick up in 2Q. Looking forward to the second half, the Company's performance may improve further as downstream demand such as auto lighting may rise. An indisputable leader in LED chips, the Company has invested heavily on compound semiconductor OEM and manufacturing, as the sector undergoes exponential growth on the back of a steadily growing LED lighting market. Management has also moved aggressively to allocate resource in new businesses, including micro LED, filter and optical module.

Shenzhen Gas

Risk rating: 3

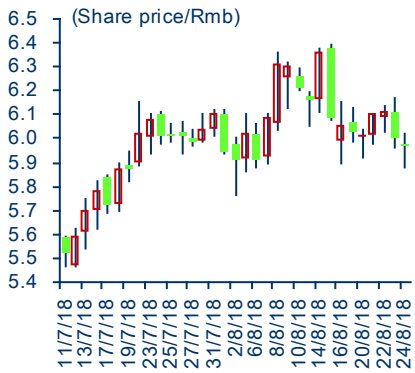
(A Shanghai-HK Stock Connect Northbound Stock)

Target Price: Rmb7.3 Upside: 22%

Earnings elasticity from new LNG terminal

Shenzhen Gas (601139 CH) will launch operation of a new peak-shaving plant ahead of the peak consumption season in 2H18E. The facility is capable of distributing 800k tonnes of LNG p.a. On one hand, the project will reduce the cost of gas, add to the Company's upstream chain and enrich its resource mix, helping to win more downstream clients and increase sales. On the other hand, as LNG price jumps in the winter season, the Company will be able to profit from sales of bunkered LNG, padding up earnings as a result.

Share Price Performance



Price/Target/Stop Loss	5.97/7.30/5.70
52 Weeks High/Low	7.092/5.350
50/100/200D MA	5.83/5.77/5.89
RSI (14D)	52.2
MACD (12/26D)/Signal	-0.47/-0.68
2017E PER (x)	14.9

Company: Shenzhen Gas supplies gas in Shenzhen. The Company business includes wholesale of gas, pipeline and the supply of bottled gas, investment and construction in the distribution network of gas transmission.

Source: Bloomberg, Respective Company, CS

* Closing prices as of 24 Aug 2018

Risk Rating: 1 to 5 in ascending order

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(A Shanghai-HK Stock Connect Northbound Stock)

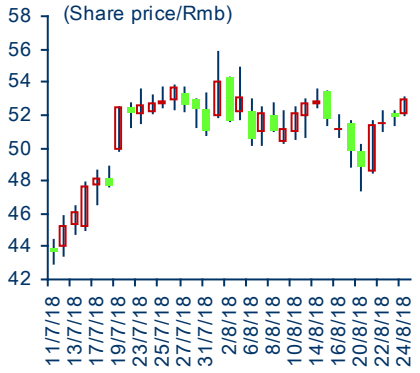
Risk rating: 3

Zhejiang Dingli

Target Price: Rmb61.82 Upside: 17%

Profit growth tipped to accelerate in 2H18E

Share Price Performance



Price/Target/Stop Loss	52.99/61.82/50.30
52 Weeks High/Low	56.771/41.286
50/100/200D MA	49.63/48.71/49.78
RSI (14D)	57.1
MACD (12/26D)/Signal	0.43/0.50
2017E PER (x)	33.3

Company: Zhejiang Dingli designs and manufactures industrial lifts. The Company's main products include scissor lifts and boom lifts. The Company sells their products worldwide.

Zhejiang Dingli (603338 CH) posted in-line results for 1H18. High growth was sustained, driven by strong demand in and outside of China. A depreciating RMB and price increases may continue to widen margins in 3Q18E. Further acceleration can be expected within the year should the new production line commence operation in 2018E. We are upbeat about the Company given its sharp competitive edge in products, suitable operational strategy and a bright future.

Source: Bloomberg, Respective Company, CS

* Closing prices as of 24 Aug 2018

Risk Rating: 1 to 5 in ascending order

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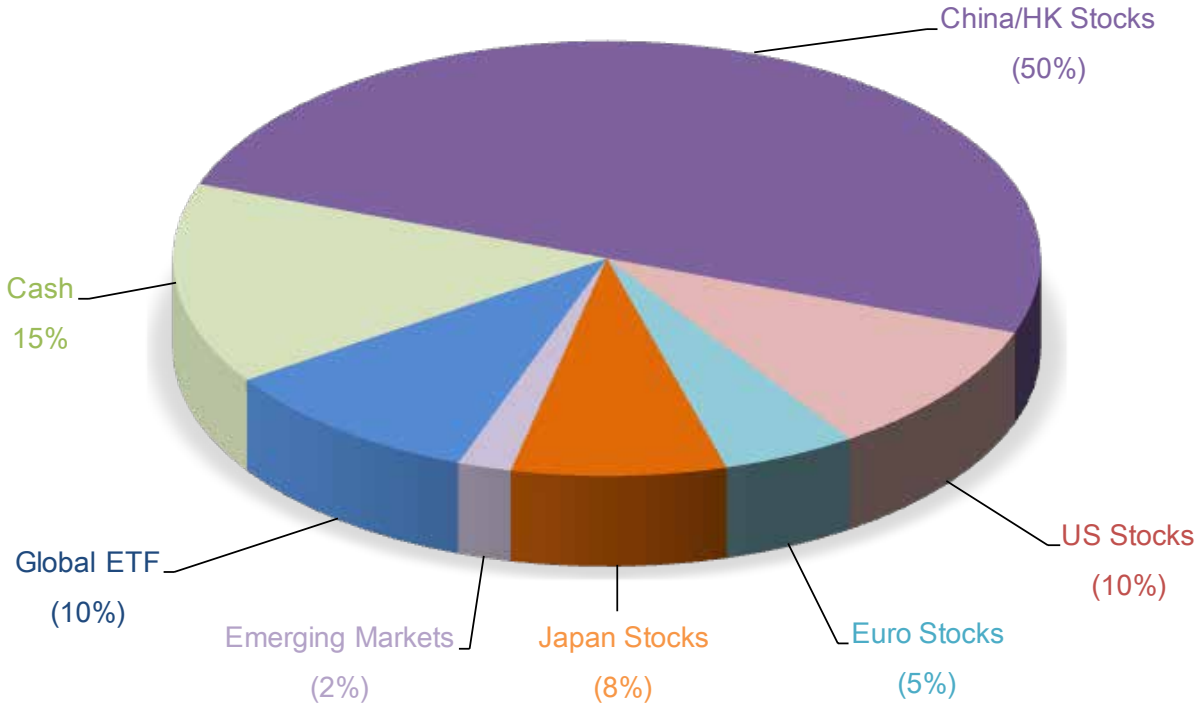
Global Asset Allocation

Recommended global asset allocation (GAA)



Selected equity markets at a glance

Hong Kong: Relatively undemanding stock valuation; potential benefit of "Shenzhen-Hong Kong Stock Connect" to small caps

Mainland China: Government preference for a "slow bull market"; relaxed fiscal policy in favor of equities

Japan: Real estates, exports and tourism enjoying monetary easing and weak yen

US: Macro stability and recovery; short-term pressure stemming from rate rise and strong USD

Europe: Stock valuation falling due to weak euro and further quantitative ease

The Philippines: Positive current account balance for over a decade; projected GDP growth of 6.8% in 2016E

India: Relatively strong growth versus other emerging markets; projected GDP growth of 8% in 2016E

Source: Bloomberg, Respective Company, CS

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Top GAA picks

China/Hong Kong Stocks

Company	Remarks
Realcan Pharm (002589 CH)	Medical equipment distribution across the nation
Wellhope Agri-Tech (603609 CH)	Wider margins in animal feed and upbeat growth in slaughter and trade
Dabeinong (002385 CH)	Warming industry climate and growth-driving strategy
Huace Film & TV (300133 CH)	Continued progress in SIP operations and promising VR content investment
Alpha Animation (002292 CH)	Entering the baby/toddler market upon acquisition of BT and Jinwang
Kweichow Moutai (600519 CH)	Steady and superb
CR Land (1109 HK)	Benefiting from rate/RRR cuts + projects in top-tier cities
BOCHK (2388 HK)	Revenue growth momentum: Top pick among local lenders
Zoomlion (1157 HK)	A late-cycle equipment maker stands to win
Haitong Sec. (6837 HK)	Gaining from IPO re-launch and rebounding A-share market turnover
Eastern Airlines (670 HK)	To ride on Shanghai Disney and Beijing Winter Olympics
Tencent (700 HK)	WeChat user experience significantly enhanced on subscription improvement
Mengniu Dairy (2319 HK)	New products to drive up income and margins
CCB (939 HK)	Outstanding spread and relatively mild impact from IFRS 9

Japan Stocks

Company	Remarks
Mizhuho (8411 JP)	Expanding overseas portfolio remains the key driver
Nissan Motor (7201 JP)	Robust sales, favorable currency, further cost cutting
Sony (6758 JP)	Growth story continues...

US Stocks

Company	Remarks
Facebook (FB US)	Strong products
Citigroup (C US)	Economic growth and interest rate rise to support earnings
Alphabet (GOOG US)	Positive data on page view

Euro Stocks

Company	Remarks
Adidas (ADS GY)	Upbeat industry climate
Zurich Insurance (ZURN VX)	High dividend yield
LVMH (MC FP)	Gain from weak €

Global ETF / ETN

Name	Remarks
Tracker Fund of HK (2800 HK)	To track the performance of the Hang Seng Index
CSOP Hang Seng Index Daily (2x) Leveraged Product (7200 HK)	To track the daily performance of Hang Seng Index (2x leverage)
CSOP Hang Seng H-Shares Index Daily (2x) Leveraged Product (7288 HK)	To track the daily performance of Hang Seng H-Shares Index (2x leverage)
CSOP Hang Seng Index Daily (-1x) Inverse Product (7300 HK)	To track the daily performance of Hang Seng Index (inverse 1x leverage)
CSOP Hang Seng H-Shares Index Daily (-1x) Inverse Product (7388 HK)	To track the daily performance of Hang Seng H-Shares Index (inverse 1x leverage)
ChinaAMC Hang Seng SmallCap Index (3157 HK)	To track the performance of the Hang Seng SmallCap Index
ChinaAMC CSI 300 Index (3188 HK)	To track the performance of the CSI 300 Index
Powershares QQQ Trust Series 1 (QQQ US)	To track the performance of the Nasdap 100 Index (Excluded Financial Sector)
PowerShares DB Commodity Index Tracking ETF (DBC US)	To track the performance of the DBIQ Optimum Yield Diversified Commodity Index
XIE Shares FTSE Chimerica (3161 HK)	To track the performance of the FTSE China N Shares All Cap Capped Net Tax Index
Deutsche X-Trackers MSCI Eur (DBEU US)	To track the performance of the MSCI Europe USD Hedged Index
Deutsche X-Trackers MSCI Jap (DBJP US)	To track the performance of the MSCI Japan US Dollar Hedged Net Index
iShares MSCI Philippines (EPHE US)	To track the performance of the MSCI Philippines Investable Market Index
iShares MSCI India (INDA US)	To track the performance of the MSCI India Index
SPDR Gold ETF (2840 HK)	To track the performance of the price of gold bullion in COMEX
Value Gold ETF (3081 HK)	To track the performance of the London Gold Morning Fixing Price
CSOP WTI OIL ETF (3135 HK)	To track the performance of the Merrill Lynch Commodity index eXtra CLA Index ER

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Defensive Stocks

Company	Business	Mkt Cap (Rmb bn)	Price✝ (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)	Risk rating	Remarks
Great Wall Motors (601633 CH)^	Automobiles	42	7.03	15.00	6.7	113	3	Beating market expectations: launching of new models and new powertrain will optimize its product mix and help improve profitability outlook.
Bank of Beijing (601169 CH)^	Banks	123	5.80	11.50	5.5	98	3	Aggressive and resilient at the same time: Solid financials poised for growth, backed by safe assets and quality clients
China United Network (600050 CH)^	Telecom	175	5.64	9.14	5.4	62	3	The approaching 5G era: transformation and profit rebound on SOE reform
Tielong Container Logistics (600125 CH)^	Rail Freight	11	8.19	11.60	7.8	42	3	Enhanced effect of the highway-to-railway shift: Unique core business of container shipping plus rising volume and price on the Shaba line
Bank of Nanjing (601009 CH)^	Banking Services	62	7.34	10.10	7.0	38	3	Active expansion: A better-than-expected first half thanks to scale expansion; capital replenishment a positive response to business model.
SZ Expressway (600548 CH)^	Infrustructure Construction	11	8.02	10.80	7.6	35	3	Strengthening core while seeking transformation: Net cash of Rmb3bn upon repurchase of three toll roads will be used to consolidate main business and facilitate transformation
Daqin Railway (601006 CH)^	Rail Transportation	134	9.01	12.00	8.6	33	3	Enhanced effect of the highway-to-railway shift: A rare investment vehicle to the west-to-east coal shipping, featuring attractive valuation and dividend
Baiyun International Airport (600004 CH)^	Transport Support Services	26	12.33	16.00	11.7	30	3	More duty free operation tipped to ease T2 impact: Contribution from arrival duty free business revenue plus more departure duty free sales to offset new capacity cost
Zhejiang Dingli (603338 CH)^	Construction & Mining Machinery	13	52.99	61.82	50.3	17	3	Profit growth tipped to accelerate in 2H18E: Clear edge and commendable strategy

Aggressive Stocks

Company	Business	Mkt Cap (Rmb bn)	Price✝ (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)	Risk rating	Remarks
Xinjiang Tianye (600075 CH)^	Basic & Diversified Chemicals	6	6.35	19.49	6.0	207	3	Prices of chemicals tipped to remain elevated: Prices likely to hike further on re-stocking, providing drive to sector earnings growth
NBTM New Materials (600114 CH)	Auto Parts	5	8.46	24.80	8.0	193	3	Riding on new powder metallurgical technology: High value-added products securing profitability
Yibai Pharmaceutical (600594 CH)^	Generic Pharma	6	7.68	22.40	7.3	192	3	A new healthcare arm to integrate tumor treatment resources: Speeding up resource consolidation and looking to set up shops across the nation
Xinhua Pharmaceutical (000756 CH)*	Specialty Pharma	3	6.68	18.13	6.3	171	3	Multi-dimensional re-rating: Accelerating growth in preparation and hiking price for preparation
Huayou Cobalt (603799 CH)^	Base Metals	41	50.01	126.00	47.5	152	3	Continuous catalysts for the NEV sector: Optimistic long-term visibility
Yunnan Germanium (002428 CH)*	Base Metals	4	6.79	16.50	6.5	143	3	Explosive demand spells opportunity: Upgrading products and investing in high-end manufacturing
Hengtong Optic Electric (600487 CH)^	Optical fiber and cables	45	23.45	55.75	22.3	138	3	Anticipating more pleasant surprises ahead: All lines of businesses set to ride on the upbeat industry climate.
Jianghuai Automobile (600418 CH)^	Automobile	10	5.08	12.00	4.8	136	3	Volkswagen JV approved: A win-win deal for both parties
Tasly Pharma (600535 CH)^	Specialty Pharma	34	22.65	52.15	21.5	130	3	Top-tier drug R&D: Core biological drug Pro-UK looking to be a new blockbuster
CNHTC (000951 CH)*	Commercial Vehicles	8	11.44	25.00	10.9	119	3	Expecting high growth for heavy truck sector in 1H18E: improving competition landscape of the industry helps leading players to register significantly improvement in earnings.
Qingdao Kingking (002094 CH)*	Basic & Diversified Chemicals	5	7.62	16.60	7.2	118	3	New retail a key growth driver in 2018E: Planning to erect 10,000 pilot stores practicing new retail
COFCO Biochemical (000930 CH)*	Biofuels	9	9.65	21.00	9.2	118	3	Cementing leadership in corn deep-processing: Rising oil prices to boost revenue of fuel ethanol business

Source: Bloomberg, CS ✝ Closing prices as of 24 Aug 2018 * Shenzhen-HK Stock Connect – Northbound Stocks (ChiNext Board for Professional Institutional Investors Only) ^ Shanghai-HK Stock Connect – Northbound Stocks Risk Rating: 1 to 5 in ascending order

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A-share Recommended Stocks:

Company	Business	Mkt Cap (Rmb bn)	Price✝ (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)	Risk rating	Remarks
Chilong Zinc & Germanium (600497 CH) ^	Base Metals	23	4.61	9.50	4.4	106	3	Benefiting from price hike potentials: Entering an up-cycle for explosive earnings growth
Grandland (002482 CH)*	Non-Residential Bldg Const	9	5.85	12.00	5.6	105	3	Launching employee stock ownership plan: ESOP to fuel endogenous growth
CYTS Tours (600138 CH)^	Tourism Services	11	15.00	29.80	14.3	99	3	Earnings poised to pick up next year: Price hike for Wuzhen and strong income from Gubei
Weichai Power (000338 CH)*	Commercial Vehicles	46	7.57	15.00	7.2	98	3	Expecting high growth for heavy truck sector in 1H18E: improving competition landscape of the industry helps leading players to register significantly improvement in earnings.
Financial Street (000402 CH)*	Real Estates	21	6.93	13.44	6.6	94	3	Beijing Real Estate Sector: Buying investment properties in core districts while staying away from so-called "king plots".
Zijin Mining (601899 CH)^	Precious Metal Mining	57	3.31	6.30	3.1	90	3	A mining giant: Riding on non-ferrous metal up-cycle and own capacity expansion
Greenland (600606 CH)^	Real Estate Services	74	6.12	11.40	5.8	86	3	Gross margin upturn as expected: Moderate increase in real estate income, coupled with significantly wider margins
Xiamen Tungsten (600549 CH)^	Base Metals	19	13.48	24.80	12.8	84	3	Sustaining growth in output and sales of lithium battery materials: Rising capacity coupled with higher proportions of deep-processed materials and overseas sales
China Meheco (600056 CH)^	Healthcare Supply Chain	17	16.31	29.80	15.5	83	4	An emerging integrated platform: One of the few Chinese companies that have already established diversified operations including manufacturing, sales and international trade.
SDIC Power (600886 CH)^	Power Generation	50	7.41	13.20	7.0	78	3	Approaching season of power shortage: Pick thermal power companies in high-demand regions
Luzhou Laojiao (000568 CH)*	Beverages	66	45.25	80.50	43.0	78	3	Four-pronged reform: Long-term outlook improving on dynamic execution with product, channel, brand and management reforms
Chuangxin New Material (002812 CH)*	Containers & Packaging	19	40.60	71.60	38.6	76	3	First-mover advantage: Cutting into battery supply chain abroad to embrace explosive growth in 2018-19E orders
Fosun Pharma (600196 CH)^	Pharmaceutical	61	30.57	52.85	29.0	73	3	Pocketing a rare gem: Adding a Shenzhen hospital to form a strong healthcare network in the Pearl River Delta
Shanghai Mech & Elect (600835 CH)^	Elevator	12	15.16	26.16	14.4	73	3	Smart equipment platform established: The Company may serve as platform for parent to float more quality assets going forward.
Huangshan Tourism (600054 CH)^	Real Estate Owners & Developers	6	11.21	19.20	10.6	71	3	Better-than-expected 1Q16 results: Strong tourist flow sustainable, cost reduction effective and profitability enhanced.
Yang Quan Coal (600348 CH)^	Coal Operations	14	5.87	10.05	5.6	71	3	Hitting the sweet spot: Warmer-than-expected industry climate and increasingly clear earnings visibility
BTG Hotels (600258 CH)^	Leisure & Travel Services	18	18.45	31.57	17.5	71	3	New incentive scheme to unleash potential: Expecting strong earnings rebound in the short run
China Molybdenum (603993 CH) ^	Base Metals	85	4.81	8.20	4.6	70	3	Molybdenum sector rebound expected: Further price hike against disrupted supply
CMSK (001979 CH)*	Investment Companies	132	16.64	28.35	15.8	70	3	Mortgage rate may be peaking: Selecting leading players that excel in profitability
Vanke (000002 CH)*	Real Estate Owners & Developers	222	22.78	38.51	21.6	69	3	Investment cues for anticipated rebound: Potential rebound of property counters on easing concern over funding cost
Yinlun Machinery (002126 CH) *	Auto Parts	6	7.48	12.50	7.1	67	3	Continuous catalysts for the NEV sector: Optimistic long-term visibility
Gree Electric (000651 CH)*	Air-con	234	38.94	64.50	37.0	66	3	Getting smart: Transition into an intelligent appliances era with volume and price rising in tandem
Yunnan Copper (000878 CH)*	Base Metals	13	9.10	15.00	8.6	65	3	Rationale for copper price hike: Picking stocks with resource edge, potential capacity expansion, earnings elasticity, M&A plans and sustainable operation
CCB (601939 CH) ^	Banks	65	6.80	11.20	6.5	65	3	"Practicality of credit easing and rational expectations thereof: Focus on banks with stable asset quality and visible prospects"
Guangshen Railway (601333 CH)^	Transit Services	22	3.91	6.40	3.7	64	3	Picking up steam on reform: Faster railway reform expected to boost earnings

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Company	Business	Mkt Cap (Rmb bn)	Price✝ (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)	Risk rating	Remarks
Dashenlin (603233 CH)^	Food & Drug Stores	19	46.28	75.00	44.0	62	3	Major beneficiary of medical insurance and pharmacy reforms in Guangdong and national expansion on home advantages in southern China
Qingdao Haier (600690 CH)^	Home Improvement	92	15.04	24.30	14.3	62	3	Getting smart: Transition into an intelligent appliances era with volume and price rising in tandem
Jiangxi Copper (600362 CH)^	Base Metals	30	14.29	22.80	13.6	60	3	Rationale for copper price hike: Picking stocks with resource edge, potential capacity expansion, earnings elasticity, M&A plans and sustainable operation
Midea (000333 CH)*	Home Improvement	274	41.38	65.60	39.3	59	3	In-line quarterly results: Industry leader poised to gain from smartization of the whole value chain
Sinoma International (600970 CH)^	Industrial Distribution & Rental	12	6.60	10.35	6.3	57	3	Across-the-board synergy on M&A deal to widen margins and lead to a profit upturn
Ninestar (002180 CH)*	Power Generation	28	26.42	41.42	25.1	57	3	A dawning golden decade for semiconductor plays: China-US trade dispute to reinforce Chinese determination to replace imports with home-made products
CMB (600036 CH)^	Banking Services	571	27.70	43.00	26.3	55	3	Practicality of credit easing and rational expectations thereof: Focus on banks with stable asset quality and visible prospects
Grand Auto (600297 CH)^	Agricultural Chemicals	56	6.77	10.50	6.4	55	3	Driven by auto financing and second-hand car sales: China's largest car dealer aiming at top-of-the-world rank
Huadong Medicine (000963 CH)*	Medicines Retailing	66	45.37	70.16	43.1	55	3	Innovative diabetes drug approved for clinical trial: New diabetes medicine approved and coming to the market circa 2021E
Shaanxi Coal (601225 CH)^	Steel Raw Material Suppliers	75	7.51	11.60	7.1	54	3	Value emerging: Steady margins and high dividend.
Broad-Ocean Motor (002249)*	Industrial Machinery	10	4.24	6.50	4.0	53	3	New era of clean and efficient energy: A key player in the core section of the fuel cell chain
Focus Media (002027 CH)*	Advertising & Marketing	133	9.05	13.80	8.6	52	3	Dominating the out-of-home advertising scene: Building advertising to expand steadily and cinema advertising to surge
Gemdale (600383 CH)^	Real Estate Owners & Developers	39	8.63	13.11	8.2	52	3	Embracing peak season for project launch: Rolling out more projects than previously planned
Dongjiang Environmental (002672 CH)*	Waste Management	8	12.06	18.30	11.5	52	3	Stronger capital on share placement: Clearly positive climate for waste treatment and detoxification likely to speed up earnings
Truchum Advanced Materials (002171 CH)*	Base Metals	7	6.68	10.10	6.3	51	3	Skewing towards new materials: Developing new materials a part of national strategy
Zhongnan Construction (000961 CH)*	Non-Residential Bldg Const	22	5.95	8.92	5.7	50	3	Turning point in operation: A blue-chip hopeful
Industrial Bank (601166 CH)^	Banking Services	320	15.40	23.00	14.6	49	3	Freeing up excess reserve to smooth volatility: Moderate improvement in financial data and accommodating new rules for reserves .
Wangfujing (600859 CH)^	Department Stores	13	16.42	24.50	15.6	49	3	Riding on high-end consumption recovery: Exploring supermarket and premium store formats via joint ventures
Linglong Tyre (601966 CH)^	Auto Parts	20	16.77	25.00	15.9	49	3	Pumping up: Potential to become a tier-2 international brand and one of the global top 10 tire makers
Wuliangye (000858 CH)*	Beverages	244	62.96	93.80	59.8	49	3	Mixed-ownership reform to boost OP efficiency: The private placement will likely align the interests of the management and distributors with the Company, and thus improve the operational efficiency.
Xingrong Environment (000598 CH)*	Utility Networks	13	4.24	6.30	4.0	49	3	Anticipating faster growth on mixed-ownership reform: Progress in reform to exert impact far and wide
China South Publishing & Media (601098 CH)^	Media	21	11.94	17.72	11.3	48	3	Deserving richer valuation: A much undervalued stock seeing catalysts emerging on the upside
Rainbow Department Store (002419 CH)*	Department Stores	13	10.96	16.00	10.4	46	3	Looking to accelerate new retail: Potential liaison with internet giants for faster growth
Sunway Communication (300136 CH)*	Electronics Components	34	35.00	51.00	33.3	46	3	Making presence in RF ahead of peers: Sustainable gains from high growth in acoustic-RF solutions and RF front-end devices.

Source: Bloomberg, CS ✝ Closing prices as of 24 Aug 2018 * Shenzhen-HK Stock Connect – Northbound Stocks (ChiNext Board for Professional Institutional Investors Only) ^ Shanghai-HK Stock Connect – Northbound Stocks # Sell Only Risk Rating: 1 to 5 in ascending order

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中信証券經紀香港 CITIC Securities Brokerage (HK)

A-share Recommended Stocks:

Company	Business	Mkt Cap (Rmb bn)	Price✝ (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)	Risk rating	Remarks
SAIC Motor (600104 CH)^	Automobiles	331	28.37	41.00	27.0	45	3	Strong NEV sales: new models will continue to perform well, and its leading position will help the Company to register higher than industry growth.
Huadian International (600027 CH)^	Power Generation	31	3.78	5.40	3.6	43	3	Earnings elasticity in 2Q18E: with strong power demand and decline in spot & long coal prices, the profitability of the thermal power industry will continue to recover.
Yili (600887 CH)^	Dairy products	160	26.35	36.70	25.0	39	3	Beginning of a beautiful story: Faster growth ahead on recovering demand in lower-tier cities, regulatory approval and channel restocking
Future Land (601155 CH)^	Real Estate Owners & Developers	54	24.09	33.08	22.9	37	3	Mortgage rate may be peaking: Selecting leading players that excel in profitability
Sunlord Electronics (002138 CH)*	Electrical Components	14	17.53	24.00	16.7	37	3	Likely breakthrough in application of ceramic components: Use of ceramic parts to differentiate mobile phones.
Shanghai Jahwa (600315 CH)^	Household Products	20	29.54	40.00	28.1	35	3	Rapid revenue growth on brands appealing to young consumers: Accelerating new product launches and robust digital operations
O-film Tech (002456 CH)*	Electronics Components	45	16.59	22.44	15.8	35	3	Sensing the future: To be driven by market expansion on dual camera and OLED technology advancement and increasing number of major clients
Double Medical (002901 CH)*	Medical Devices	12	31.18	41.74	29.6	34	3	Exploring high-value medical consumables: Rapidly growing market for spine products
Spring Airlines (601021 CH)^	Airlines	30	32.30	43.00	30.7	33	3	Returning to positive growth: Greater earnings upside in high-end markets
Chint Electronics (601877 CH)^	Electrical Power Equipment	49	22.63	29.70	21.5	31	3	Exploring the household photovoltaic power generation market: Favorable policy to boost growth
Jinduicheng Molybdenum (601958 CH)^	Base Metals	20	6.15	8.00	5.8	30	3	Molybdenum sector rebound expected: Further price hike against disrupted supply
Hengli Petrochemical (600346 CH)^	Rubber & Plastic	79	15.69	19.80	14.9	26	3	Investing on ethylene and polyester filament projects: Cementing leadership in the sub-sectors of the petrochemical industry
Jason Furniture (603816 CH)^	Home & Office Furnishings	22	50.75	63.70	48.2	26	3	Joining hands with developer for further growth: Tapping new potentials
Sinopec (600028 CH)^	Integrated Oils	634	6.63	8.25	6.3	24	3	Tight supply expected for 2H18E: High or even rising oil price boding well for E&P and oilfield services companies
Sanan Optoelectronics (600703 CH)^	Semiconductor Devices	64	15.61	19.20	14.8	23	3	Early success in business expansion: Further release of downstream demand bodes well for 2H18E
Satellite Petrochemical (002648 CH)*	Chemicals	10	9.77	12.00	9.3	23	3	Rebounding climate: Recovering demand for acrylic acid and ester, sanguine prospects in SAP.
Shenzhen Gas (601139 CH)^	Utility Networks	17	5.97	7.30	5.7	22	3	Earnings elasticity from new LNG terminal: Getting ready to warm up earnings from bunkered energy come winter 2018E
Yangtze Power (600900 CH)^	Power Generation	357	16.21	19.80	15.4	22	3	Cash dividend trumping estimates: Better-than-expected payout and positive impact from industrial investment
Three-Circle (300408 CH)*	Advanced Ceramics	42	24.00	29.12	22.8	21	3	Expert electro ceramics maker upgrading business structure and looking to promising future with new products
Chongqing Department Store (600729 CH)^	Department Stores	12	28.55	34.50	27.1	21	3	Embracing reform and innovation: Alibaba and local government collaboration to offer growth opportunities
ZTE (000063 CH)*	Communications Equipment	59	17.14	20.34	16.3	19	3	Steadily delivering promised growth: Upbeat 1H17 results and visible 5G prospects
Guiguan Electric (600236 CH)^	Power Generation	36	5.97	6.90	5.7	16	3	Optimizing asset mix: Selling an aluminum firm to improve resource allocation

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中信証券經紀香港 CITIC Securities Brokerage (HK)

Very Agressive Stocks

Company	Business	Mkt Cap (Rmb bn)	Price✝ (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)	Risk rating	Remarks
Taihai Manoir Nuclear (002366 CH)*	Flow Control Equipment	10	11.92	47.70	11.3	300	3	New business deals in offshore nuclear power equipment: Improving fundamentals to support further growth
Kangni Mechanical (603111 CH)^	Electronic Components	5	4.97	17.60	4.7	254	3	Acquisition target may surprise on the upside: Proposing merger to tap into the growing mobile casing market
Sanqi Interactive Entertainment (002555 CH)*	Application Software	21	10.04	30.60	9.5	205	3	A traffic giant in the age of web-to-mobile conversion: Blockbuster games expected to lift 2018E earnings
Kehua Hengsheng (002335 CH)*	Electrical Power Equipment	5	16.58	47.40	15.8	186	3	Emerging in top-tier markets: Cloud computing project in Shanghai received go-ahead
Guoxuan High-Tech (002074 CH)*	Electrical Power Equipment	14	12.66	36.00	12.0	184	3	Policy guidance to beef up industry leaders: Large-scale manufacturers of car batteries to ride on favorable policy and first-mover advantages
Zhiyun Automation (300097 CH)*	Automation Equipment	4	12.62	34.68	12.0	175	3	On way to lead home-grown equipment makers: Acquisition to pave way into a new market segment.
CIMC (000039 CH)*	Fabricated Metal & Hardware	14	10.89	29.00	10.3	166	3	Framework pact signed for Qianhai plot: Land conversion to commercial use tipped to boost valuation and balance sheet
Huayi Brothers (300027 CH)*	Movie/TV drama	16	5.67	14.97	5.4	164	3	Set sail for an exciting long journey with powerful partners onboard: Cooperate with Alibaba and Tencent in e-commerce, new media and movie production development.
Eastone Century Technology (300310 CH)*	IT Services	5	5.66	14.40	5.4	154	3	Beefing up prospective research in IoT: Joining hands with strong player in the field to reinforce R&D muscle
Denghai Seeds (002041 CH)*	Crop Seeds	5	6.24	15.60	5.9	150	3	Anticipating new concept in management and upgrading products: Buying quality seed companies and bringing in strategic investors to raise valuation.
Better Life (002251 CH)*	Food & Drug Stores	8	9.52	23.00	9.0	142	3	Global trade of growing scale: Upbeat about players with strong overseas supply chains and commodity flow.
Hytera Communications (002583 CH)*	Communications Equipment	15	8.19	19.70	7.8	141	3	Seeking global dominance in private communication networks: Core technology and rich products pointing way to industry leader worldwide
Vtron Tech (002308 CH)*	Consumer Electronics	7	7.83	18.00	7.4	130	3	Acquiring a controlling share in Keer Education: Leveraging on top-quality education resources and offline development in core cities.
SPC Environment Protection Tech (002573 CH)*	Pollution Control Equipment	12	11.45	24.30	10.9	112	3	ESOP reflects strong confidence: Tipped to solidify its lead in air pollution treatment
Kingfa Tech (600143 CH)^	Specialty Chemicals	12	4.54	9.30	4.3	105	3	New materials forming multiple drivers for earnings turnaround in 2018E
Changjiang Electronics (600584 CH)^	Semi Conductor	21	15.73	31.95	14.9	103	3	Leading the race: Intensifying M&As as the Moore's Law coming towards a bottleneck
Shouhang Resources Saving (002665 CH)*	Comml & Res Bldg Equip & Sys	15	5.80	11.70	5.5	102	3	Killing two birds with one mixed-ownership stone: Faster advance on reform and business upturn
Originwater (300070 CH)*	Waste Water Treatment	35	11.24	22.50	10.7	100	3	"River chiefs" assuming duty: Shanghai rolling out new system to clean polluted waters .
CHJ Industry (002345 CH)*	Jewelries and Accessories	6	6.16	11.60	5.9	88	3	All that glitters is gold: The Company appears ready to attract industry capital from China and abroad to facilitate future M&As and incubate new brands.
Global Top E-Commerce (002640 CH)*	Apparel, Footwear & Acc Design	22	14.20	26.50	13.5	87	3	Consolidating to stoke quality growth: Persistently strong electronics and recovering apparel trade
Newland (000997 CH)*	Infrastructure Software	15	14.46	26.50	13.7	83	3	Full speed ahead to payment business: Buying a national merchant acquiring license to boost profitability and transform into an integrated electronic payment operator.
Perfect World (002624 CH)*	Entertainment Content	31	23.46	41.10	22.3	75	3	Asset sales to consolidate core business: Selling cinema line assets in a bid to concentrate on core
Cha Cha Food (002557 CH)*	Packaged Food	7	14.28	25.00	13.6	75	3	Nuts are core in online food sales: Nuts outrunning all other snacks in online food sales during the Chinese New Year holidays; online venders with nuts as core products ready for a bumper harvest ahead

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中信証券經紀香港 CITIC Securities Brokerage (HK)

A-share Recommended Stocks:

Company	Business	Mkt Cap (Rmb bn)	Price✝ (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)	Risk rating	Remarks
Hailide (002206 CH)*	Textile	5	4.30	7.50	4.1	74	3	Meaningful upturn in demand: Improving demand on the back of better technology, changing downstream competitive landscape and increasing localization.
UTour Int'l Travel (002707 CH)*	Tourism Services	8	8.94	14.90	8.5	67	3	Raising the bamboo curtain: Growing online distribution platforms such as Tuniu and huge offline resources, its O2O model has huge upside potential going forward.
Star-net Communication (002396 CH)*	Communication Equipment	11	19.26	32.00	18.3	66	3	Sustainable growth: Abundant business innovation
Lianchuang Electronic (002036 CH)*	Consumer Electronics	6	10.77	17.53	10.2	63	3	Investment prospects in science and technology: 2017E to see equipment market expansion and explosive content growth.
Sunsea Telecommunications (002313 CH)*	Communications Equipment	7	21.15	34.40	20.1	63	3	High-level liaison: Well-defined strategy and excellent execution
Lu'An Environmental Energy (601699 CH)^	Coal Operations	24	8.11	13.08	7.7	61	3	Rebound underway as the high season unfolds: Expecting a strong sector rebound over the two months ahead
Tongwei (600438 CH)^	Agricultural Producers	23	5.88	9.36	5.6	59	3	A big deal: New order to account for 30% of capacity in the next three years, sustaining robust growth of the Company's PV power division
Maoye Communication & Network (000889 CH)*	Real Estate & Telecom	8	12.60	20.00	12.0	59	3	Accelerating business transition: Steady organic growth with scale expansion on the horizon.
Shanghai Ganglian (300226 CH)*	Internet Based Services	76	47.66	75.47	45.3	58	3	Building up moat via information service: Enhancing the supply-chain service model
Ningbo Shanshan (600884 CH)^	Apparel, Footwear & Acc Design	19	17.25	27.00	16.4	57	3	Leading supplier of lithium battery material: Favorable climate thanks to the NEV market boom
Nanji E-Commerce (002127 CH)*	Internet Retailing	20	7.98	12.40	7.6	55	3	Huge room to expand: Strong head products and potential to expand long-tail goods
Hikvision Digital (002415 CH)*	Consumer Electronics	292	31.60	48.10	30.0	52	3	Incentive scheme underscoring long-term confidence: New incentives to provide fuel for AI and innovative business growth
EVE Energy (300014 CH)*	Renewable Energy Equipment	11	13.42	20.00	12.7	49	3	Policy guidance to beef up industry leaders: Large-scale manufacturers of car batteries to ride on favorable policy and first-mover advantages
NavInfo (002405 CH)*	Application Software	25	19.16	27.99	18.2	46	3	A launch pad to international track: Buying a stake into global mapping service provider to form strong alliance
Hoshine Silicon (603260 CH)^	Specialty Chemicals	39	58.60	85.20	55.7	45	3	Stellar performance: Full-chain operation guarantees long-term growth
AECC Aviation Power (600893 CH)^	Aircraft & Parts	50	22.36	32.50	21.2	45	3	Promising target: A whole-engine platform with sustainable strong growth
BYD (002594 CH)*	Automobiles	79	43.45	62.00	41.3	43	3	Cooperating with Salt Lake Industry: To set up the latter's lithium resources via a JV.
AVIC Helicopter (600038 CH)^	Aircraft & Parts	21	35.32	50.00	33.6	42	3	Promising target: The sole listed helicopter asset in parent group
Haid Group (002311 CH)*	Agricultural Producers	31	19.51	27.40	18.5	40	3	Galloping growth: Deserving premium for sustainable growth and visibility
Heilan Home (600398 CH)^	Specialty Apparel Stores	45	10.05	14.04	9.5	40	3	Advancing the multi-brand strategy: Expanding scale and widening presence via UR acquisition
Wanhua Chemical (600309 CH) ^	Basic & Diversified Chemicals	130	47.58	65.00	45.2	37	3	The second leap: M&A deals set to lift profits
Worldunion (002285 CH)*	Real Estate Services	13	6.30	8.52	6.0	35	3	New JV for secondary housing management: Potential takeover of competitive targets on increasingly strict industry regulation
Jinyu Bio-technology (600201 CH)^	Animal Biopharmaceuticals	17	14.38	19.00	13.7	32	3	New product approval cements leadership: Another vaccine approved, expanding room for further market penetration.
Dabeinong (002385 CH)*	Animal Feeds	15	3.53	4.62	3.4	31	3	Setting sails again: Concentrating on high-end feed to maintain strong margins

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A-share Recommended Stocks:

Company	Business	Mkt Cap (Rmb bn)	Price✝ (Rmb)	Target (Rmb)	Stop Loss (Rmb)	Upside (%)	Risk rating	Remarks
Sinnet (300383 CH)*	Network Integration Services	22	14.99	19.60	14.2	31	3	Acquiring a tech firm and land to build a cloud computation base: The new project, when completed and running at full steam, could add Rmb360mn net profit a year.
Accelink Technologies (002281 CH)*	Communications Equipment	16	24.16	31.50	23.0	30	3	Expecting breakthroughs in photonic chip manufacturing: Prospective exposure to VCSEL and photonic chip platform
Sunner Develop (002299 CH)*	Meat Type Chicken Products	21	16.60	21.40	15.8	29	3	Seize the opportunity from oversold poultry plays: Another round of broiler price hikes drawing near and upbeat industry climate tipped to last into 2018E on tight supply
AVIC Electromechanical (002013 CH)*	Aircraft Parts	28	7.66	9.70	7.3	27	3	Asset injection on the door steps: Private placement of shares approved by regulator.
Yinhe Electronics (002519 CH)*	Cable TV Equipment	4	3.83	4.80	3.6	25	3	Upbeat all around: Steady and smooth growth of STB, military electromechanical and new-energy auto parts businesses.
Wangsu Science (300017 CH)*	IT Services	25	10.24	12.36	9.7	21	3	Informatization and internetization tasks outlined: Broad-stroke IT policy to be followed by concrete measures.
Fenghua Advanced Technology (000636 CH)*	Electrical Components	14	16.11	19.04	15.3	18	3	New opportunities: Scale and business expansion to be fueled by SOE reform.

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Top 20 Gainers

Company	Price (Rmb)	WoW Chg (%)
Great Wall Military (601606 CH)	18.24	61
Delixi Transportation (603032 CH)	17.27	61
Tianli Mobile Service (300399 CH)	12.63	39
Eoptolink Technology (300502 CH)	18.20	33
Tonghua Golden-Horse (000766 CH)	8.40	30
Qianjiang Motorcycle (000913 CH)	11.20	29
Lukang Pharma (600789 CH)	13.02	26
Sailing Information (300588 CH)	12.87	25
Leadman Biochemistry (300289 CH)	7.48	24
Shandong Mining Machinery (002526 CH)	3.78	24
Dadonghai Tourism (200613 CH)	4.13	22
Leshi Internet Information (300104 CH)	2.53	21
WuXi AppTec (603259 CH)	85.88	19
Tunghsu Azure (000040 CH)	12.01	19
Zhongfu Information (300659 CH)	21.41	19
WUS Printed Circuit (002463 CH)	5.86	18
Tiancheng Controls (603085 CH)	14.40	18
Yibin Paper (600793 CH)	17.65	18
Jonjee Hi-Tech (600872 CH)	28.98	18
Changchun High & New (000661 CH)	232.00	17

Top 20 Losers

Company	Price (Rmb)	WoW Chg (%)
Shangying Global (600146 CH)	9.57	(41)
Meidu Energy (600175 CH)	2.56	(32)
Honggao Creative (002504 CH)	3.33	(29)
Chunxing Precision (002547 CH)	3.58	(28)
Hylink Digital Solution (603825 CH)	16.70	(26)
Shengda Mining (000603 CH)	8.20	(24)
Gong Da High-Tech (600701 CH)	6.77	(23)
Changsheng Bio-technology (002680 CH)	3.81	(23)
New Oriental Star (002755 CH)	15.77	(22)
Shenwu Energy Saving (000820 CH)	9.49	(22)
Gospell Digital Technology (002848 CH)	8.51	(22)
Shenwu Environmental (300156 CH)	5.92	(21)
Yinyi (000981 CH)	5.63	(20)
Goldlok Toys (002348 CH)	3.93	(19)
LongYun Advertising (603729 CH)	18.84	(18)
Qibu (603557 CH)	10.71	(18)
Intellectual Educatio (300282 CH)	12.07	(18)
Hechi Chemical (000953 CH)	4.14	(17)
Qunxing Toys (002575 CH)	4.12	(16)
Holitech Technology (002217 CH)	6.04	(16)

Source: Bloomberg, CS

* Closing prices as of 24 Aug 2018

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中信証券經紀香港 CITIC Securities Brokerage (HK)

A/H PREMIUM TABLE

A-share	H-share	Company	Price (Rmb)	A/H premium (%)
600876 CH	1108 HK	Luoyang Glass	13.92	490
601330 CH	1330 HK	Dynagreen Environmental Protection	14.57	435
002703 CH	1057 HK	Zhejiang Shibao	4.64	330
002490 CH	568 HK	Shangdong Molong	4.46	301
600860 CH	187 HK	Beijing Jingcheng	4.91	215
000585 CH	42 HK	Northeast Electric Development	2.03	205
600874 CH	1065 HK	Tianjin Capital Environmental	8.14	205
002910 CH	1533 HK	Zhuangyuan Pasture	17.95	197
601727 CH	2727 HK	Shanghai Electric	6.34	191
600775 CH	553 HK	Nanjing Panda	6.01	177
601038 CH	38 HK	First Tractor	5.33	175
601375 CH	1375 HK	Central China Securities	4.27	144
601866 CH	2866 HK	CSCL	2.34	126
600871 CH	1033 HK	Sinopec SSC	2.00	122
601326 CH	3369 HK	Qinhuangdao Port	3.64	120
601881 CH	6881 HK	China Galaxy Securities	7.61	118
601880 CH	2880 HK	Dalian Port	1.95	110
603157 CH	6116 HK	La Chapelle Fashion	14.31	105
601869 CH	6869 HK	Yangtze Optical Fibre and Cable Joint Stock Ltd	48.65	104
601066 CH	6066 HK	CSC Financial Co Ltd	8.33	96
601005 CH	1053 HK	Chongqing Iron & Steel	2.08	96
601811 CH	811 HK	Xinhua Winshare	8.75	96
600958 CH	3958 HK	DFZQ	8.64	90
601800 CH	1800 HK	China Comm. Construction	12.57	87
601618 CH	1618 HK	Metallurgical Corporation	3.48	86
000756 CH	719 HK	Xinhua Pharmaceutical	6.68	84
600875 CH	1072 HK	Dongfang Electrical	7.14	81
601828 CH	1528 HK	Red Star Macalline Group Corp Ltd	12.79	80
600362 CH	358 HK	Jiangxi Copper	14.29	79
600685 CH	317 HK	COMEC	11.12	77
601991 CH	991 HK	Datang Int'l Power	3.12	76
601808 CH	2883 HK	China Oilfield Services	10.60	76
601588 CH	588 HK	Beijing North Star	3.68	76
601898 CH	1898 HK	China Coal	5.01	72
601633 CH	2333 HK	Great Wall Motor	7.03	71
601717 CH	564 HK	ZMJ	5.96	70
603993 CH	3993 HK	China Molybdenum	4.81	65
601107 CH	107 HK	Sichuan Expressway	3.49	65
601238 CH	2238 HK	Guangzhou Automobile	10.29	63
002202 CH	2208 HK	Goldwind	12.90	62
600011 CH	902 HK	Huaneng Power	7.20	61
601857 CH	857 HK	PetroChina	8.13	60
600999 CH	6099 HK	CMSC	13.19	57
601788 CH	6178 HK	EB Securities	11.00	55
000776 CH	1776 HK	GF Securities	13.59	54
601336 CH	1336 HK	New China Life Insurance	46.42	52
000157 CH	1157 HK	Zoomlion	3.95	50
600635 CH	1635 HK	DZUG	3.59	47
601688 CH	6886 HK	HTSC	15.62	47
601919 CH	1919 HK	COSCO	4.18	47
600027 CH	1071 HK	Huadian Power	3.78	47

A-share	H-share	Company	Price (Rmb)	A/H premium (%)
000039 CH	2039 HK	CIMC	10.89	46
600012 CH	995 HK	Anhui Express	5.57	44
601766 CH	1766 HK	China South Locomotive	8.16	44
601600 CH	2600 HK	Aluminum of China	3.97	43
000063 CH	763 HK	ZTE	17.14	41
600029 CH	1055 HK	China Southern Airlines	6.67	41
000513 CH	1513 HK	Livzon Pharmaceutical	38.65	41
601628 CH	2628 HK	China Life	22.57	40
601899 CH	2899 HK	Zijin Mining Group	3.31	40
601998 CH	998 HK	CITIC Bank	5.90	39
600837 CH	6837 HK	Haitong Securities	8.64	39
002672 CH	895 HK	Dongjiang Environmenta	12.06	38
600188 CH	1171 HK	Yanzhou Coal	11.35	38
000921 CH	921 HK	Kelon Electric	7.58	37
600026 CH	1138 HK	China Shipping Dev.	4.23	37
600688 CH	338 HK	Shanghai Petrochemical	5.27	36
601186 CH	1186 HK	China Railway Construction	10.53	35
601992 CH	2009 HK	BBMG	3.43	35
000488 CH	1812 HK	Chenming Paper	7.20	35
601333 CH	525 HK	Guangshen Railway	3.91	32
601390 CH	390 HK	China Railway Group	7.47	32
600332 CH	874 HK	Baiyunshan	33.40	31
601601 CH	2601 HK	Pacific Insurance	34.12	29
600030 CH	6030 HK	CITIC Securities	16.00	29
601818 CH	6818 HK	China Everbright Bank	3.63	27
600115 CH	670 HK	China Eastern Airlines	5.36	23
600548 CH	548 HK	Shenzhen Express	8.02	23
601111 CH	753 HK	Air China	7.38	22
600016 CH	1988 HK	Minsheng Bank	5.96	21
601607 CH	2607 HK	Shanghai Pharmaceuticals	20.28	18
601088 CH	1088 HK	Shenhua Energy	17.44	16
601988 CH	3988 HK	BOC	3.53	14
601328 CH	3328 HK	BoComm	5.65	14
601939 CH	939 HK	CCB	6.80	12
600808 CH	323 HK	Maanshan Iron & Steel	3.79	12
601288 CH	1288 HK	ABC	3.61	11
601398 CH	1398 HK	ICBC	5.49	9
600036 CH	3968 HK	China Merchants Bank	27.70	8
000338 CH	2338 HK	Weichai Power	7.57	7
600600 CH	168 HK	Tsingtao Brewery	35.69	6
600196 CH	2196 HK	Fosun Pharmaceutical	30.57	6
002594 CH	1211 HK	Byd Co Ltd	43.45	5
600377 CH	177 HK	Jiangsu Express	8.65	3
601211 CH	2611 HK	Guotai Junan Securities	14.89	2
000002 CH	2202 HK	Vanke	22.78	2
600028 CH	386 HK	Sinopec	6.63	1
600660 CH	3606 HK	Fuyao Glass	24.50	(1)
601318 CH	2318 HK	Ping An	62.47	(3)
000898 CH	347 HK	Angang Steel	6.03	(7)
600585 CH	914 HK	Anhui Conch Cement	37.35	(12)

Source: Bloomberg, CS * Closing prices as of 24 Aug 2018 ^ Suspended

Please refer to the attachment for detailed disclaimer and regulatory disclosures.

中信証券經紀香港 CITIC Securities Brokerage (HK)

CITIC S&P 50 Index

Sector	PER (x) 17	18E	19E	17-19E PEG (x)	Chg (%) 1-wk	1-mth	YTD	1-yr	6M Avg Daily T/O (Rmb mn)	Mkt Cap (Rmb bn)
Market cap weighted average	**16**	**14**	**12**	**0.9**	**3.6**	**(4.2)**	**(11.1)**	**0.2**	**48,253**	**12,871**
Energy	13	9	9	0.6	3.7	(0.8)	(2.1)	4.1	1,315	921
Materials	14	10	9	0.6	2.2	(4.1)	(0.2)	16.4	2,749	447
Capital Goods	22	19	17	1.6	(0.4)	(3.9)	(20.7)	(20.7)	1,809	771
Transportation	10	9	9	1.8	3.2	1.3	(0.7)	0.7	301	134
Automobiles & Components	10	9	8	1.1	1.2	(12.9)	(11.5)	(6.5)	590	331
Consumer Durables & Apparel	13	11	9	0.7	1.4	(15.0)	(18.9)	1.5	5,446	600
Media	15	13	12	1.1	(1.6)	(12.3)	(23.8)	(37.9)	118	34
Retailing	122	23	44	1.8	1.7	(13.5)	(2.1)	3.3	813	112
Food, Beverage & Tobacco	28	22	18	1.1	3.9	(12.5)	(9.6)	27.7	7,473	1,398
Pharmaceuticals, Biotechnology & Life Sciences	63	51	40	2.5	3.4	(4.6)	17.4	42.9	1,652	352
Banks	7	6	6	0.8	4.3	(0.4)	(10.1)	(6.8)	7,723	4,595
Diversified Financials	14	13	12	1.5	2.3	(6.7)	(18.2)	(16.5)	2,404	308
Insurance	16	13	11	0.7	7.4	(1.4)	(16.9)	(0.1)	5,359	1,361
Software & Services	133	87	58	2.6	1.2	(11.4)	(26.0)	(26.1)	1,400	61
Technology Hardware & Equipment	25	23	16	1.0	3.3	(10.4)	(28.3)	(3.1)	5,125	470
Telecommunication Services	NA	46	29	NA	4.3	5.8	(10.9)	(32.5)	754	175
Utilities	17	16	16	4.2	0.5	(2.6)	1.3	2.0	375	407
Real Estate	9	7	6	0.4	1.4	(6.1)	(24.9)	0.9	2,847	395

CITIC S&P 300 Index

Sector	PER (x) 17	18E	19E	17-19E PEG (x)	Chg (%) 1-wk	1-mth	YTD	1-yr	6M Avg Daily T/O (Rmb mn)	Mkt Cap (Rmb bn)
Market cap weighted average	**23**	**17**	**14**	**0.8**	**2.7**	**(5.2)**	**(11.8)**	**(2.3)**	**117,139**	**23,633**
Energy	45	19	16	0.7	2.6	3.9	(0.9)	3.1	2,730	2,340
Materials	23	15	13	0.7	1.7	(8.6)	(12.6)	(1.8)	15,395	1,378
Capital Goods	22	18	15	1.1	0.5	(6.7)	(19.2)	(17.2)	12,215	2,191
Commercial & Professional Services	19	14	12	0.7	(0.1)	(13.0)	(34.5)	(42.9)	327	49
Transportation	16	16	13	1.6	1.5	(6.9)	(14.3)	(4.4)	3,195	706
Automobiles & Components	17	13	11	0.7	1.7	(10.3)	(23.5)	(17.0)	2,630	843
Consumer Durables & Apparel	16	13	11	0.8	0.9	(14.6)	(20.5)	(4.7)	7,688	808
Consumer Services	33	23	19	1.0	2.4	(13.2)	15.2	58.1	1,087	179
Media	31	20	17	0.9	0.1	(7.1)	(21.4)	(27.7)	535	171
Retailing	63	18	27	1.2	0.6	(5.5)	(13.5)	(11.2)	1,318	260
Food & Staples Retailing	32	36	26	3.2	3.9	(6.2)	(28.4)	(4.8)	574	94
Food, Beverage & Tobacco	30	23	19	1.2	3.3	(12.2)	(8.5)	25.3	10,142	1,963
Household & Personal Products	51	36	28	1.4	(8.8)	(26.7)	(19.9)	(4.5)	165	20
Health Care Equipment & Services	38	30	29	2.6	6.1	(16.4)	(3.6)	13.0	1,499	190
Pharmaceuticals, Biotechnology & Life Sciences	51	41	33	2.0	2.2	(8.4)	1.4	20.4	9,326	1,197
Banks	7	6	6	0.9	4.0	(0.9)	(10.2)	(8.0)	8,885	5,807
Diversified Financials	16	15	13	1.6	2.4	(5.8)	(20.1)	(22.3)	2,967	499
Insurance	16	13	11	0.7	7.4	(1.4)	(16.9)	(0.1)	5,359	1,361
Software & Services	75	53	39	2.0	3.1	(6.6)	7.6	7.4	5,592	295
Technology Hardware & Equipment	32	27	20	1.3	2.4	(10.0)	(20.4)	1.7	15,134	1,126
Semiconductors & Semiconductor Equipment	23	18	13	0.7	(4.2)	(21.6)	(40.3)	(16.3)	2,021	120
Telecommunication Services	2	44	28	NA	4.2	4.9	(12.9)	(32.7)	893	191
Utilities	26	16	14	0.8	0.8	(4.0)	(5.6)	(9.0)	1,550	947
Real Estate	12	7	6	0.3	1.4	(7.6)	(21.9)	(7.8)	5,911	899

Source: Bloomberg, CS * Closing prices as of 24 Aug 2018 GICS (Global Industry Classification Standard)

Please refer to the attachment for detailed disclaimer and regulatory disclosures.
中信証券經紀香港 CITIC Securities Brokerage (HK)

Results Announcement

Code	Company	Estimated Date		Financial Year / Quarter^
000012 CS	CSG Holding Co Ltd	Tentative	27/8/2018	06/18 Q2
000060 CS	Shenzhen Zhongjin Lingnan Nonfemet Co Ltd	Tentative	27/8/2018	06/18 Q2
000568 CS	Luzhou Laojiao Co Ltd	Tentative	27/8/2018	06/18 Q2
000581 CS	Weifu High-Technology Group Co Ltd	Tentative	27/8/2018	06/18 Q2
000725 CS	BOE Technology Group Co Ltd	Tentative	27/8/2018	06/18 Q2
000768 CS	AVIC Aircraft Co Ltd	Tentative	27/8/2018	06/18 Q2
000858 CS	Wuliangye Yibin Co Ltd	Tentative	27/8/2018	06/18 Q2
000878 CS	Yunnan Copper Co Ltd	Tentative	27/8/2018	06/18 Q2
000998 CS	Yuan Longping High-tech Agriculture Co Ltd	Tentative	27/8/2018	06/18 Q2
002292 CS	Alpha Group	Tentative	27/8/2018	06/17 Q2
002422 CS	Sichuan Kelun Pharmaceutical Co Ltd	Tentative	27/8/2018	06/18 Q2
002640 CS	Global Top E-Commerce Co Ltd	Tentative	27/8/2018	06/18 Q2
600019 CG	Baoshan Iron & Steel Co Ltd	Tentative	27/8/2018	06/18 Q2
600021 CG	Shanghai Electric Power Co Ltd	Tentative	27/8/2018	06/18 Q2
600066 CG	Zhengzhou Yutong Bus Co Ltd	Tentative	27/8/2018	06/18 Q2
600085 CG	Beijing Tongrentang Co Ltd	Tentative	27/8/2018	06/18 Q2
600089 CG	TBEA Co Ltd	Tentative	27/8/2018	06/18 Q2
600143 CG	Kingfa Sci & Tech Co Ltd	Tentative	27/8/2018	06/18 Q2
600153 CG	Xiamen C & D Inc	Tentative	27/8/2018	06/18 Q2
600196 CG	Shanghai Fosun Pharmaceutical Group Co Ltd	Confirmed	27/8/2018	06/18 Q2
600406 CG	NARI Technology Co Ltd	Tentative	27/8/2018	06/18 Q2
600482 CG	China Shipbuilding Industry Group Power Co Ltd	Tentative	27/8/2018	06/18 Q2
600597 CG	Bright Dairy & Food Co Ltd	Tentative	27/8/2018	06/18 Q2
600694 CG	Dashang Co Ltd	Tentative	27/8/2018	06/18 Q2
600863 CG	Inner Mongolia MengDian HuaNeng Thermal Power Corp Ltd	Tentative	27/8/2018	06/18 Q2
600893 CG	AECC Aviation Power Co Ltd	Tentative	27/8/2018	06/18 Q2
600959 CG	Jiangsu Broadcasting Cable Information Network Corp Ltd	Tentative	27/8/2018	06/18 Q2
601098 CG	China South Publishing & Media Group Co Ltd	Tentative	27/8/2018	06/18 Q2
601718 CG	Jihua Group Corp Ltd	Tentative	27/8/2018	06/18 Q2
603019 CG	Dawning Information Industry Co Ltd	Tentative	27/8/2018	06/18 Q2
603993 CG	China Molybdenum Co Ltd	Confirmed	27/8/2018	06/18 Q2
000039 CS	China International Marine Containers Group Co Ltd	Confirmed	28/8/2018	06/18 Q2
000100 CS	TCL Corp	Tentative	28/8/2018	06/18 Q2
000338 CS	Weichai Power Co Ltd	Confirmed	28/8/2018	06/18 Q2
000559 CS	Wanxiang Qianchao Co Ltd	Tentative	28/8/2018	06/18 Q2
000883 CS	Hubei Energy Group Co Ltd	Tentative	28/8/2018	06/18 Q2
000977 CS	Inspur Electronic Information Industry Co Ltd	Tentative	28/8/2018	06/18 Q2
002027 CS	Focus Media Information Technology Co Ltd	Tentative	28/8/2018	06/18 Q2
002038 CS	Beijing SL Pharmaceutical Co Ltd	Tentative	28/8/2018	06/18 Q2
002044 CS	Meinian Onehealth Healthcare Holdings Co Ltd	Tentative	28/8/2018	06/18 Q2
002081 CS	Suzhou Gold Mantis Construction Decoration Co Ltd	Tentative	28/8/2018	06/18 Q2
002131 CS	Leo Group Co Ltd	Tentative	28/8/2018	06/18 Q2
002183 CS	Eternal Asia Supply Chain Management Ltd	Tentative	28/8/2018	06/18 Q2
002271 CS	Beijing Oriental Yuhong Waterproof Technology Co Ltd	Tentative	28/8/2018	06/18 Q2
002311 CS	Guangdong Haid Group Co Ltd	Tentative	28/8/2018	06/18 Q2
002572 CS	Suofeiya Home Collection Co Ltd	Tentative	28/8/2018	06/18 Q2
002739 CS	Wanda Film Holding Co Ltd	Tentative	28/8/2018	06/18 Q2
600027 CG	Huadian Power International Corp Ltd	Confirmed	28/8/2018	06/18 Q2
600029 CG	China Southern Airlines Co Ltd	Tentative	28/8/2018	06/18 Q2
600109 CG	Sinolink Securities Co Ltd	Tentative	28/8/2018	06/18 Q2
600110 CG	Nuode Investment Co Ltd	Tentative	28/8/2018	06/18 Q2
600170 CG	Shanghai Construction Group Co Ltd	Tentative	28/8/2018	06/18 Q2
600297 CG	China Grand Automotive Services Co Ltd	Tentative	28/8/2018	06/18 Q2
600340 CG	China Fortune Land Development Co Ltd	Tentative	28/8/2018	06/18 Q2

Please refer to the attachment for detailed disclaimer and regulatory disclosures.
中信証券經紀香港 CITIC Securities Brokerage (HK)

What to Watch Out For:

Major corporate results and economic data

Code	Company	Estimated Date		Financial Year / Quarter^
600362 CG	Jiangxi Copper Co Ltd	Confirmed	28/8/2018	06/18 Q2
600388 CG	Fujian Longking Co Ltd	Tentative	28/8/2018	06/18 Q2
600489 CG	Zhongjin Gold Corp Ltd	Tentative	28/8/2018	06/18 Q2
600499 CG	Keda Clean Energy Co Ltd	Tentative	28/8/2018	06/18 Q2
600518 CG	Kangmei Pharmaceutical Co Ltd	Tentative	28/8/2018	06/18 Q2
600522 CG	Jiangsu Zhongtian Technology Co Ltd	Tentative	28/8/2018	06/18 Q2
600584 CG	Jiangsu Changjiang Electronics Technology Co Ltd	Tentative	28/8/2018	06/18 Q2
600600 CG	Tsingtao Brewery Co Ltd	Confirmed	28/8/2018	06/18 Q2
600649 CG	Shanghai SMI Holding Co Ltd	Tentative	28/8/2018	06/18 Q2
600755 CG	Xiamen ITG Group Corp Ltd	Tentative	28/8/2018	06/18 Q2
600879 CG	China Aerospace Times Electronics Co Ltd	Tentative	28/8/2018	06/18 Q2
601006 CG	Daqin Railway Co Ltd	Tentative	28/8/2018	06/18 Q2
601166 CG	Industrial Bank Co Ltd	Tentative	28/8/2018	06/18 Q2
601288 CG	Agricultural Bank of China Ltd	Confirmed	28/8/2018	06/18 Q2
601607 CG	Shanghai Pharmaceuticals Holding Co Ltd	Confirmed	28/8/2018	06/18 Q2
601668 CG	China State Construction Engineering Corp Ltd	Tentative	28/8/2018	06/18 Q2
601800 CG	China Communications Construction Co Ltd	Confirmed	28/8/2018	06/18 Q2
601818 CG	China Everbright Bank Co Ltd	Confirmed	28/8/2018	06/18 Q2
601939 CG	China Construction Bank Corp	Confirmed	28/8/2018	06/18 Q2
601988 CG	Bank of China Ltd	Confirmed	28/8/2018	06/18 Q2
601989 CG	China Shipbuilding Industry Co Ltd	Tentative	28/8/2018	06/18 Q2
000009 CS	China Baoan Group Co Ltd	Tentative	29/8/2018	06/18 Q2
000402 CS	Financial Street Holdings Co Ltd	Tentative	29/8/2018	06/18 Q2
000623 CS	Jilin Aodong Pharmaceutical Group Co Ltd	Tentative	29/8/2018	06/18 Q2
000709 CS	Hesteel Co Ltd	Tentative	29/8/2018	06/18 Q2
000776 CS	GF Securities Co Ltd	Confirmed	29/8/2018	06/18 Q2
000887 CS	Anhui Zhongding Sealing Parts Co Ltd	Tentative	29/8/2018	06/18 Q2
000997 CS	Fujian Newland Computer Co Ltd	Tentative	29/8/2018	06/18 Q2
002065 CS	DHC Software Co Ltd	Tentative	29/8/2018	06/18 Q2
002304 CS	Jiangsu Yanghe Brewery Joint-Stock Co Ltd	Tentative	29/8/2018	06/18 Q2
002466 CS	Tianqi Lithium Corp	Tentative	29/8/2018	06/18 Q2
002594 CS	BYD Co Ltd	Confirmed	29/8/2018	06/18 Q2
002602 CS	Zhejiang Century Huatong Group Co Ltd	Tentative	29/8/2018	06/18 Q2
600000 CG	Shanghai Pudong Development Bank Co Ltd	Tentative	29/8/2018	06/18 Q2
600018 CG	Shanghai International Port Group Co Ltd	Tentative	29/8/2018	06/18 Q2
600031 CG	Sany Heavy Industry Co Ltd	Tentative	29/8/2018	06/18 Q2
600079 CG	Humanwell Healthcare Group Co Ltd	Tentative	29/8/2018	06/18 Q2
600100 CG	Tsinghua Tongfang Co Ltd	Tentative	29/8/2018	06/18 Q2
600125 CG	China Railway Tielong Container Logistics Co Ltd	Tentative	29/8/2018	06/18 Q2
600157 CG	Wintime Energy Co Ltd	Tentative	29/8/2018	06/18 Q2
600208 CG	Xinhu Zhongbao Co Ltd	Tentative	29/8/2018	06/18 Q2
600219 CG	Shandong Nanshan Aluminum Co Ltd	Tentative	29/8/2018	06/18 Q2
600221 CG	Hainan Airlines Holding Co Ltd	Tentative	29/8/2018	06/18 Q2
600352 CG	Zhejiang Longsheng Group Co Ltd	Estimated	29/8/2018	06/18 Q2
600383 CG	Gemdale Corp	Tentative	29/8/2018	06/18 Q2
600398 CG	Heilan Home Co Ltd	Tentative	29/8/2018	06/18 Q2
600418 CG	Anhui Jianghuai Automobile Group Corp Ltd	Tentative	29/8/2018	06/18 Q2
600487 CG	Hengtong Optic-electric Co Ltd	Tentative	29/8/2018	06/18 Q2
600594 CG	Guizhou Yibai Pharmaceutical Co Ltd	Tentative	29/8/2018	06/18 Q2
600642 CG	Shenergy Co Ltd	Tentative	29/8/2018	06/18 Q2
600643 CG	Shanghai AJ Group Co Ltd	Tentative	29/8/2018	06/18 Q2
600837 CG	Haitong Securities Co Ltd	Confirmed	29/8/2018	06/18 Q2
600978 CG	Yihua Lifestyle Technology Co Ltd	Tentative	29/8/2018	06/18 Q2
601018 CG	Ningbo Zhoushan Port Co Ltd	Tentative	29/8/2018	06/18 Q2
601117 CG	China National Chemical Engineering Co Ltd	Tentative	29/8/2018	06/18 Q2
601169 CG	Bank of Beijing Co Ltd	Tentative	29/8/2018	06/18 Q2

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中信証券經紀香港 CITIC Securities Brokerage (HK)

What to Watch Out For:

Major corporate results and economic data

Code	Company	Estimated Date		Financial Year / Quarter^
601179 CG	China XD Electric Co Ltd	Tentative	29/8/2018	06/18 Q2
601888 CG	China International Travel Service Corp Ltd	Tentative	29/8/2018	06/18 Q2
601992 CG	BBMG Corp	Confirmed	29/8/2018	06/18 Q2
000061 CS	Shenzhen Agricultural Products Co Ltd	Tentative	30/8/2018	06/18 Q2
000063 CS	ZTE Corp	Confirmed	30/8/2018	06/18 Q2
000157 CS	Zoomlion Heavy Industry Science and Technology Co Ltd	Confirmed	30/8/2018	06/18 Q2
000333 CS	Midea Group Co Ltd	Tentative	30/8/2018	06/18 Q2
000413 CS	Dongxu Optoelectronic Technology Co Ltd	Tentative	30/8/2018	06/18 Q2
000425 CS	XCMG Construction Machinery Co Ltd	Tentative	30/8/2018	06/18 Q2
000540 CS	Zhongtian Financial Group Co Ltd	Tentative	30/8/2018	06/18 Q2
000625 CS	Chongqing Changan Automobile Co Ltd	Tentative	30/8/2018	06/18 Q2
000651 CS	Gree Electric Appliances Inc of Zhuhai	Tentative	30/8/2018	06/18 Q2
000656 CS	Jinke Properties Group Co Ltd	Tentative	30/8/2018	06/18 Q2
000690 CS	Guangdong Baolihua New Energy Stock Co Ltd	Tentative	30/8/2018	06/18 Q2
000712 CS	Guangdong Golden Dragon Development Inc	Tentative	30/8/2018	06/18 Q2
000729 CS	Beijing Yanjing Brewery Co Ltd	Tentative	30/8/2018	06/18 Q2
000800 CS	FAW CAR Co Ltd	Tentative	30/8/2018	06/18 Q2
000839 CS	CITIC Guoan Information Industry Co Ltd	Tentative	30/8/2018	06/18 Q2
000876 CS	New Hope Liuhe Co Ltd	Tentative	30/8/2018	06/18 Q2
002024 CS	Suning.com Co Ltd	Tentative	30/8/2018	06/18 Q2
002340 CS	GEM Co Ltd	Tentative	30/8/2018	06/18 Q2
600008 CG	Beijing Capital Co Ltd	Tentative	30/8/2018	06/18 Q2
600016 CG	China Minsheng Banking Corp Ltd	Confirmed	30/8/2018	06/18 Q2
600037 CG	Beijing Gehua CATV Network Co Ltd	Tentative	30/8/2018	06/18 Q2
600060 CG	Hisense Electric Co Ltd	Tentative	30/8/2018	06/18 Q2
600068 CG	China Gezhouba Group Co Ltd	Tentative	30/8/2018	06/18 Q2
600104 CG	SAIC Motor Corp Ltd	Tentative	30/8/2018	06/18 Q2
600115 CG	China Eastern Airlines Corp Ltd	Confirmed	30/8/2018	06/18 Q2
600166 CG	Beiqi Foton Motor Co Ltd	Tentative	30/8/2018	06/18 Q2
600177 CG	Youngor Group Co Ltd	Tentative	30/8/2018	06/18 Q2
600369 CG	Southwest Securities Co Ltd	Tentative	30/8/2018	06/18 Q2
600635 CG	Shanghai Dazhong Public Utilities Group Co Ltd	Confirmed	30/8/2018	06/18 Q2
600637 CG	Shanghai Oriental Pearl Group Co Ltd	Tentative	30/8/2018	06/18 Q2
600690 CG	Qingdao Haier Co Ltd	Tentative	30/8/2018	06/18 Q2
600739 CG	Liaoning Cheng Da Co Ltd	Tentative	30/8/2018	06/18 Q2
600751 CG	HNA Technology Co Ltd	Tentative	30/8/2018	06/18 Q2
600795 CG	GD Power Development Co Ltd	Tentative	30/8/2018	06/18 Q2
600804 CG	Dr Peng Telecom & Media Group Co Ltd	Tentative	30/8/2018	06/18 Q2
600811 CG	Orient Group Inc	Tentative	30/8/2018	06/18 Q2
600827 CG	Shanghai Bailian Group Co Ltd	Tentative	30/8/2018	06/18 Q2
600875 CG	Dongfang Electric Corp Ltd	Confirmed	30/8/2018	06/18 Q2
600887 CG	Inner Mongolia Yili Industrial Group Co Ltd	Tentative	30/8/2018	06/18 Q2
600900 CG	China Yangtze Power Co Ltd	Tentative	30/8/2018	06/18 Q2
601012 CG	LONGi Green Energy Technology Co Ltd	Tentative	30/8/2018	06/18 Q2
601111 CG	Air China Ltd	Confirmed	30/8/2018	06/18 Q2
601186 CG	China Railway Construction Corp Ltd	Confirmed	30/8/2018	06/18 Q2
601258 CG	Pang Da Automobile Trade Co Ltd	Tentative	30/8/2018	06/18 Q2
601390 CG	China Railway Group Ltd	Confirmed	30/8/2018	06/18 Q2
601398 CG	Industrial & Commercial Bank of China Ltd	Confirmed	30/8/2018	06/18 Q2
601618 CG	Metallurgical Corp of China Ltd	Confirmed	30/8/2018	06/18 Q2
601633 CG	Great Wall Motor Co Ltd	Confirmed	30/8/2018	06/18 Q2
601669 CG	Power Construction Corp of China Ltd	Tentative	30/8/2018	06/18 Q2
601727 CG	Shanghai Electric Group Co Ltd	Confirmed	30/8/2018	06/18 Q2
601857 CG	PetroChina Co Ltd	Confirmed	30/8/2018	06/18 Q2

*Companies included in CITIC S&P 300 Index only ^ MM/YY QQ
Source: Bloomberg, CS

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Publication of Economic Data

Date/Time*	Event	Period	Figures	Actual	Previous	Revision
08/27/2018 09:30	Industrial Profits YoY	Jul	--	--	20%	--
08/30/2018 09:00	Swift Global Payments CNY	Jul	--	--	1.81%	--
08/31/2018 09:00	Non-manufacturing PMI	Aug	--	--	54	--
08/31/2018 09:00	Manufacturing PMI	Aug	--	--	51.2	--
08/31/2018 09:00	Composite PMI	Aug	--	--	53.6	--

Source: Bloomberg, CS * MM/DD/YYYY

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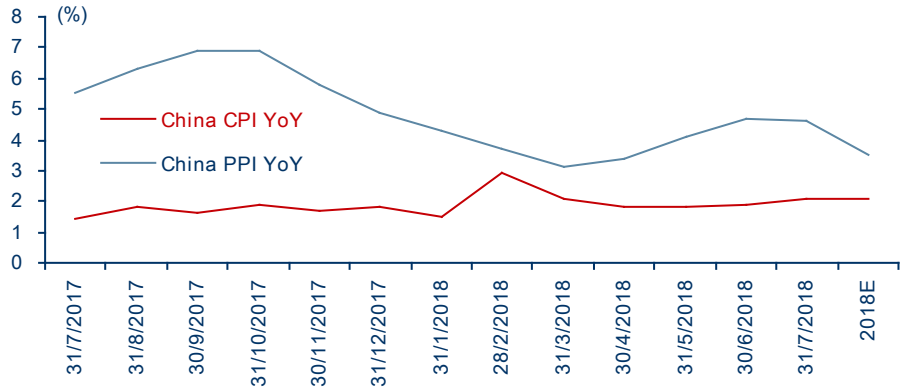
What to Watch Out For:

Major economic indicators

GDP ▶

China posted GDP growth of 6.7% YoY for 2Q18, compared to 6.8% YoY in 1Q18. Macro growth was relatively steady in the quarter thanks to stronger consumption. Affected by the US-China trade war, exports as a growth driver weakened. The market forecasts full-year 2018E GDP growth to be 6.6% YoY.

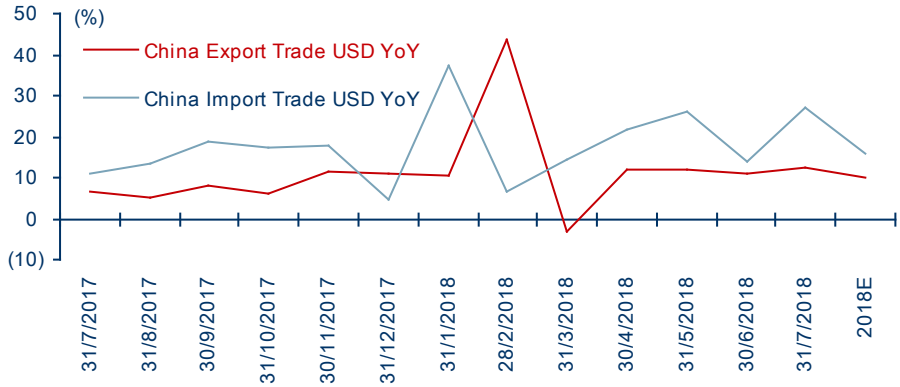


◀ CPI and PPI

In Jul 2018, China's CPI growth picked up 0.2ppt to a reading of 2.1% YoY, while PPI slowed 0.1ppt MoM, advancing 4.6% YoY. The numbers are broadly in line with consensus. Given moderate CPI growth YTD, short-term inflationary pressure should remain under control. Both the risk of sustained price hikes and that of meaningful stagflation appear limited in 2018E. The market projects full-year 2018E CPI and PPI to rise 2.1% and 3.5% YoY, respectively.

Import and Export ▶

In Jul 2018, the value of Chinese exports and imports surged 12.2% and 27.3% YoY, respectively, beating market consensus by a large margin. With China and the US starting to impose higher tariffs on each other's exports since 6 Jul 2018, foreign trade maintained its rapid pace due to two factors: (i) the low comparison base in the year-ago period and (ii) continued rush to export and import in the face of mounting uncertainties from the Sino-US trade war. The market expects full-year 2018E exports and imports to advance 10.0% and 15.8% YoY, respectively.



◀ Manufacturing PMI

China's manufacturing PMI came to 51.2 for Jul 2018, down 0.3 MoM. Given policy "presetting and fine-tuning", macro growth in 2H18E should continue steadily and the risk of a major recession appears limited.

Source: Bloomberg, CS

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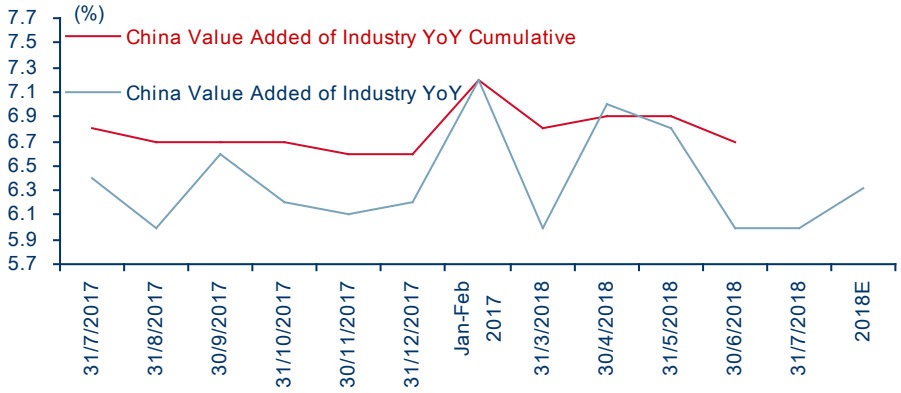
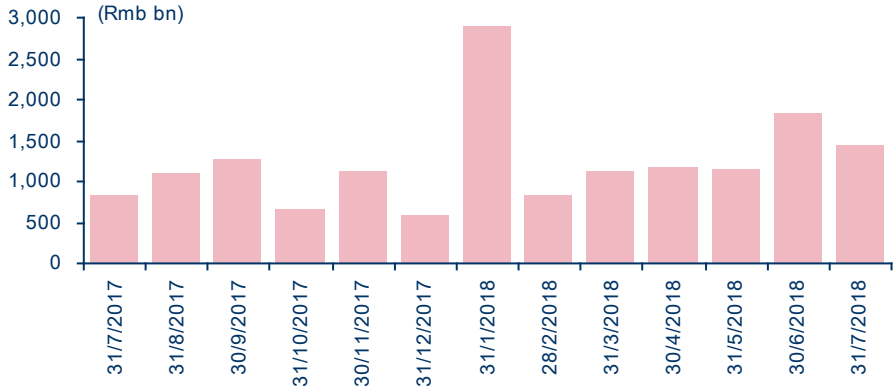
Value Added of Industry ▶

The actual industrial value-added from scale enterprises in China rose 6.0% YoY in Jul 2018, flat over the previous month. The market expects full-year 2018E industrial value-added to grow by 6.32% YoY.



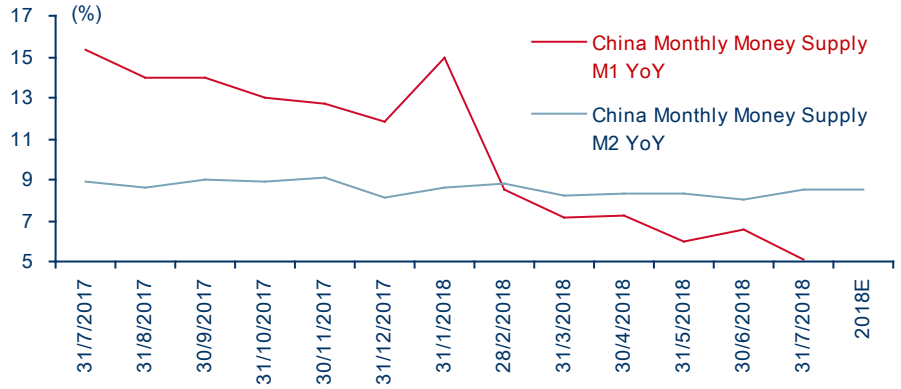


◀ CNY Monthly New Loan

New RMB loans in Jul 2018 tallied Rmb1.45trn, relative to Rmb1.84trn in Jun. While a surprise, the steep decline missed market forecasts by only a thin margin as loan growth typically slackens noticeably after strong lending in Jun.

Monthly Supply M1 & M2 ▶

In Jul 2018, China posted M2 growth of 8.5% YoY and M1 growth of 5.1% YoY. The pace of M1 hit a new low, indicating still weak business activity. The market projects full-year 2018E M2 growth of 8.5% YoY.



◀ Retail Sales Value

China's total social retail sales in Jul 2018 expanded 8.8% YoY to Rmb3,073,400mn, which was 0.2ppt slower than in Jun. Continued deceleration reflects a weakening economy undermining income growth. In 2H18E, consumer spending will hinge on macro trend. The market forecasts 2018E retail sales to rise approximately 9.6% YoY.

Source: Bloomberg, CS

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	Ratings	Description
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	HOLD	Increase relative to market representative index between -10% and 5%
	SELL	Decrease relative to market representative index over 10%
Industry ratings	OUTPERFORM	Increase relative to market representative index over10%
	NEUTRAL	Increase relative to market representative index between -10% and 10%
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