

## Major Market Indicators

	15 Feb	14 Feb	9 Feb
Mkt. Turn.(mn)	47,000	57,100	31,300
Stock Advances	717	712	524
Stock Declines	760	774	746
HSI	15,945	15,879	15,747
Change	+65	+133	-131

## HSI Technical Indicators

10-days MA	15,949
50-days MA	15,827
250-days MA	15,800
14-days RSI	55.13
Primary resistance	16,200
Primary support	15,800

## HSCEI Technical Indicators

10-days MA	5,409
50-days MA	5,359
250-days MA	5,325
14-days RSI	57.30
Primary resistance	5,600
Primary support	5,200

## Stock Pick

### PetroChina (857)

**Target: \$7**
**Stop loss: \$5**

Geopolitical tensions remain a key issue in 2024. Meanwhile, oil sector can be benefited from the market value management of SOEs. The State Council previously announced that it will further study the inclusion of market value management in the performance assessment of the persons in charge of central SOEs. SOEs responded in affirmation. Bloomberg predicts PetroChina to have a dividend yield of approx. 8% in 2024, showing the investment value of the stock.

### China Telecom (728)

**Target: \$5**
**Stop loss: \$3.6**

The State Council previously announced that it will further study the inclusion of market value management in the performance assessment of the persons in charge of central SOEs. China Telecom, as well as other SOEs, responded in affirmation. By incorporating market value management into the KPI of state-owned enterprise management, it may promote Chinese telecommunications stocks to continue to increase their dividend payout ratios in the future. We see this as a catalyst for China Telecom.

### China Mobile (941):

**Target: \$74**
**Stop loss: \$61**

With a continuously rising share of revenue contribution from digital transformation, the revenue structure of China Mobile has become more balanced and robust, and the momentum of sustainable growth has been enhanced. Having a moderate growth in capital expenditure, its net profit margin is expected to rise steadily.

## Market Overview

The U.S. Commerce Department said on Wednesday that retail sales fell 0.8% last month. That was larger than the 0.2% drop economists expected. This has raised concerns about the purchasing power of U.S. consumers under the weight of sticky inflation and high interest rates. U.S. Treasury yields subsequently fell.

## Daily Focus

### Trip.com (9961): outbound travel demand continues to grow

- Trip.com reported that the number of New Year's holiday travel bookings in Mainland China surged 168% year-on-year, while the number of outbound travel orders leapfrogged 388%. In terms of travel spending in high-end resort hotels and self-booked tours, the average per capita spending of tourists soared by varying degrees. As a recap of Trip.com's 3Q23 result, its quarter revenue was RMB13.75bn, up 99.4% yoy and 22.1% qoq. Adjusted net profit was RMB4.89bn, up 3.7 times yoy and 42.6% qoq. The third quarter spans the summer vacation period, which is the traditional peak tourism season, therefore recorded strong growth. Domestic tourism business continues to recover, with domestic hotel bookings increased by more than 70% compared to the pre-covid level for the same period in 2019. The outbound hotel and air reservations recovered to around 80% of the pre-COVID level for the same period in 2019, rising from the 60% in the previous quarter, and recorded a faster-than-peers recovery rate.
- As international flights gradually resume, Trip.com will continue to benefit from the industry recovery. Recent platform data shows that both domestic and foreign travel demand remains resilient. Trip.com's travel booking growth in the Asia-Pacific region is likely to be led by Singapore, Macau, Hong Kong and South Korea, as data shows the number of flights to these destinations is recovering faster than the overall average.

Trip.com (9961): Info	
Closed price	318.2
FY24 P/E (X)	17.41
FY24 Dividend yield (%)	0.09
52 week high	330.2
52 week low	240.6
14 RSI	67.44

Analyst: Cynthia Tam

## Shanghai/Shenzhen-Hong Kong Stock Connect Statistics

	SH Connect	SZ Connect	Combined Southbound
Balance (RMB bn)	-	-	-
Balance as % of Quota Amount	-	-	-

### Top 10 Most Actively Traded Stocks(SH-HK Connect Southbound)

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
Market Closed				

Sources: HKEx

### Top 10 Most Actively Traded Stocks(SZ-HK Connect Southbound)

Stock Name	Stock code	Buy Trades (HKD)	Sell Trades (HKD)	Turnover (HKD)
Market Closed				

Sources: HKEx

## Other Statistics

### Ten Most Actively Traded Stocks

Stock Name	Code	Change	Closed Price	Turnover(Billion)
TENCENT	700	-1.59%	285.40	36.02
BABA-SW	9988	0.71%	71.30	23.22
TRACKER FUND	2800	0.38%	16.08	17.96
MEITUAN-W	3690	0.35%	71.35	14.99
AIA	1299	0.96%	63.30	12.62
CSOP HS TECH	3033	0.51%	3.16	8854.98
HKEX	388	1.40%	247.00	8641.15
BYD COMPANY	1211	0.00%	182.90	7943.14
WUXI BIO	2269	-1.91%	15.42	7328.49
XL2CSOPHSTECH	7226	0.97%	2.70	6805.06

## Ten Short Sell Stocks

Stock Name	Code	Short Sell Amount	Turnover	Short Sell Ratio
CSOP HS TECH	03033.HK	509.97M	619.54M	82.32%
TENCENT	00700.HK	338.91M	1.70B	19.88%
AIA	01299.HK	199.69M	693.84M	28.78%
XL2CSOPHSTECH	07226.HK	192.67M	445.87M	43.21%
MEITUAN-W	03690.HK	170.70M	885.41M	19.28%
XI2CSOPHSTECH	07552.HK	144.99M	340.78M	42.55%
BABA-SW	09988.HK	143.86M	1.20B	12.02%
CM BANK	03968.HK	111.85M	302.53M	36.97%
F12 CSOP HSI	07500.HK	107.27M	211.23M	50.78%
HKEX	00388.HK	100.15M	429.16M	23.34%

Source: AA Stocks

## Economic Calendars

Date	Country	Event	Survey	Prior
Mon	China	Market will close (Spring Festival)		
	Hong Kong	HK Stock Connect Closed		
Tue		Market will close (The Third day of Lunar New Year)		
	US	Jan. CPI (MoM)	0.2%	0.3%
Wed		Jan. CPI Ex Food and Energy (MoM)	0.3%	0.3%
		Jan. CPI (YoY)	2.9%	3.4%
Thu		Airbnb (ABNB), Coca-Cola (KO) Results		
	China	Market will close (Spring Festival)		
Fri	Hong Kong	HK Stock Connect Closed		
		Market will close (The fourth day of Lunar New Year)		
Sat	US	Cisco (CSCO), Equinix (EQIX) Results		
	Euro Zone	4Q. GDP SA (YoY)		0.1%
Sun		Dec. Industrial Production SA (MoM)		-0.3%
	China	Market will close (Spring Festival)		
Mon	Hong Kong	HK Stock Connect Closed		
	US	Initial Jobless Claims (Till Feb 10)		218k
Tue		Continuing Jobless Claims (Till Feb 3)		1,871k
		Jan. Retail Sales Ex Auto (MoM)	0.1%	0.4%
Wed		Feb. Philadelphia Fed Business Outlook	-9.0	-10.6
	Euro Zone	Dec. Trade Balance SA		14.8b
Thu	China	Market will close (Spring Festival)		
	Hong Kong	HK Stock Connect Closed		
Fri	US	Jan. Building Permits	1,515k	1,493k
		Jan. Housing Starts	1,460k	1,460k
Sat		Jan. PPI (MoM)	0.1%	-0.1%
		Jan. PPI (YoY)		1.0%
Sun		Feb. University of Michigan Sentiment	79.0	79.0
	China	Market will close (Spring Festival)		
Mon	Hong Kong	Sands (1928) Result		
		HK Stock Connect Closed		

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