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KEY HIGHLIGHTS

Economics

Money Supply

New loans beat expectations, but yoy loans growth unchanged.

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Sector

Beer

2Q23/1H23 results wrap-up: Sales to see modest pick-up in September.

Page 3

Commodities

Weekly: Signs of economic stabilisation from improving CPI/credit data.

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TRADERS' CORNER

Page 8

China Mobile Ltd (941 HK): Trading Buy range: HK\$63.80-65.00

China Overseas Land & Investment Ltd. (688 HK): Trading Buy range: HK\$16.50-16.70

UOBKH EVENTS

Date	Corporate/Stock Code	Event
14 Sep	China Overseas Property Holdings Limited (2669 HK)	Virtual Meeting at 4:30pm HKT

CORPORATE AND MACRO CALENDAR

Date	Country/Region	Economic Indicator
15 Sep	China	Aug Economic Activities
20 Sep	China	Sep Loan Prime Rate
27 Sep	China	Aug Industrial Profits

KEY INDICES

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	34663.7	0.3	(0.5)	(1.8)	4.6
S&P 500	4487.5	0.7	(0.6)	0.5	16.9
FTSE 100	7496.9	0.2	0.6	(0.4)	0.6
AS30	7387.8	0.4	(1.8)	(2.2)	2.3
CSI 300	3767.5	0.7	(2.1)	(3.0)	(2.7)
FSSTI	3218.3	0.3	(0.6)	(2.3)	(1.0)
HSCEI	6298.7	(0.3)	(0.5)	(3.7)	(6.1)
HSI	18096.5	(0.6)	(1.6)	(5.1)	(8.5)
JCI	6963.4	0.6	(0.5)	1.2	1.6
KLCI	1455.0	0.0	(0.5)	(0.1)	(2.7)
KOSPI	2556.9	0.4	(1.1)	(1.3)	14.3
Nikkei 225	32467.8	(0.4)	(1.4)	(0.0)	24.4
SET	1540.9	(0.4)	(0.5)	0.4	(7.7)
TWSE	16433.0	(0.9)	(2.1)	(1.0)	16.2
BDI	1209	1.9	11.6	7.1	(20.2)
CPO (RM/mt)	3750	(0.1)	(3.9)	1.4	(7.4)
Brent Crude (US\$/bbl)	91	(0.0)	1.8	4.4	5.5

Source: Bloomberg

TOP VOLUME

Company	Price (HK\$)	Chg (%)	Volume ('000)
SENSETIME-W	1.55	2.6	145,277
XIAOMI CORP-W	11.70	(1.7)	134,256
CHINA JINMAO HOL	1.18	0.0	60,412
SINO BIOPHARM	3.01	3.1	58,902
COUNTRY GARDEN S	9.70	(2.3)	55,613

TOP GAINERS

Company	Price (HK\$)	Chg (%)	Volume ('000)
ALIBABA HEALTH	4.73	6.1	39,763
SINOTRUK HK LTD	14.98	4.5	6,084
SINOPHARM-H	21.90	4.3	7,793
JD HEALTH	43.10	4.2	6,310
HANSOH PHARMACEU	10.48	4.0	4,355

TOP LOSERS

Company	Price (HK\$)	Chg (%)	Volume ('000)
SHK PPT	79.95	(9.5)	26,346
NEW WORLD DEV	15.82	(6.1)	12,989
BILIBILI INC-Z	111.50	(4.3)	6,870
HENDERSON LAND D	20.30	(4.0)	5,256
LONGFOR GROUP HO	16.76	(3.8)	28,327

KEY ASSUMPTIONS

GDP (% yoy)	2022	2023F	2024F
US	2.1	0.8	1.2
Euro Zone	3.5	0.1	1.0
Japan	1.0	1.0	1.5
Singapore	3.6	0.7	3.0
Malaysia	8.7	4.4	4.6
Thailand	2.6	3.1	3.5
Indonesia	5.4	4.9	5.2
Hong Kong	-3.5	4.6	3.0
China	3.0	5.0	4.6
CPO (RM/mt)	5,088	4,000	4,200
Brent (Average) (US\$/bbl)	99.0	81.0	84.0

Source: Bloomberg, UOB ETR, UOB Kay Hian

ECONOMICS – CHINA

Money Supply

New Loans Beat Expectations, But yoy Loans Growth Unchanged

M1 and M2 money supply growth was below consensus expectations in August, slowing to 2.2% yoy and 10.6% yoy respectively. Due to a high base for comparison, the better-than-expected new loans and new TSF had minimal impact on the yoy growth of outstanding loans and TSF. From a macro stand point, the credit impulse remains weak, and further monetary easing is needed.

OUR VIEWS

- **M1 and M2 money supply growth slowed in August**, coming in at 2.2% yoy and 10.6% yoy, which are below Bloomberg consensus estimates of 2.4% yoy and 10.7% yoy respectively. The weaker M1 growth points to weak transactional demand for money, while the slowing M2 growth suggests that stronger bank loans growth is needed. That said, the new loans are better mom; loans to households saw a net increase of Rmb392b, while that to non-financial corporate rose to Rmb949b.

KEY MONETARY INDICATORS

(yoy % chg)	Aug 23	Consensus	Jul 23	Jun 23
M0 Money Supply	9.5	-	9.9	9.8
M1 Money Supply	2.2	2.4	2.3	3.1
M2 Money Supply	10.6	10.7	10.7	11.3
Outstanding Bank Loans	11.1	-	11.1	11.3
Outstanding Total Social Financing	9.0	-	8.9	9.0
New Bank Loans (Rmbt)	1.36	1.25	0.35	3.05
New Total Social Financing (Rmbt)	3.12	2.69	0.53	4.22

Source: Wind, PBOC, UOB Kay Hian

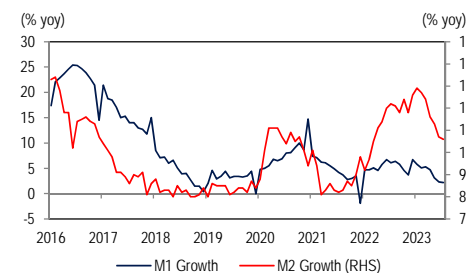
- Although new bank loans and new TSF at Rmb1.36t and Rmb3.12t respectively exceeded market expectations, the higher base for comparison led to outstanding loans growth and TSF growth of only 11.1% yoy and 9.0% yoy respectively, which are almost unchanged mom. From a macro standpoint, credit impulse remains weak and the economy would definitely benefit from stronger bank loans growth.

OUTSTANDING TSF

(yoy % chg)	Aug 23	Jul 23	Jun 23	2022
Renminbi Loans	10.9	11.0	11.2	10.9
Forex Loans	-16.8	-17.8	-18.9	-17.4
Entrusted Loans	2.4	4.0	4.1	3.4
Trust Loans	-2.9	-3.6	-5.1	-14.0
Bank Acceptances	-8.2	0.0	-2.8	-11.6
Corporate Bond	-0.2	-0.4	-0.4	3.6
Government Bond	11.5	10.1	10.1	13.4
Equity Issuance	10.2	10.6	11.4	12.4

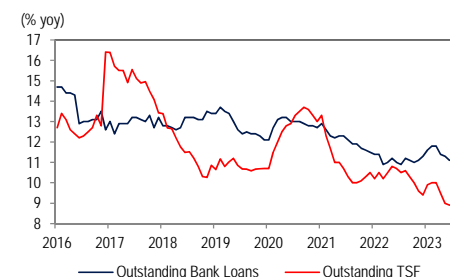
Source: Wind, PBOC, UOB Kay Hian

M1 AND M2 GROWTH



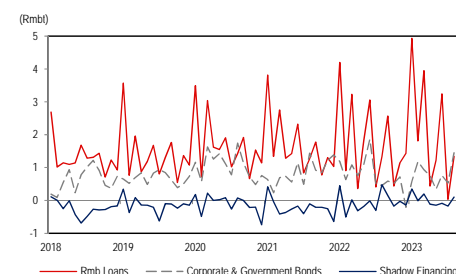
Source: PBOC, UOB Kay Hian

OUTSTANDING CREDIT GROWTH



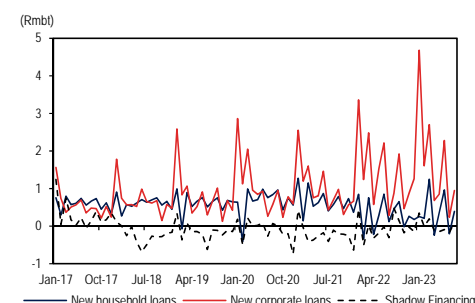
Source: PBOC, UOB Kay Hian

NEW TSF BREAKDOWN



Source: PBOC, UOB Kay Hian

NEW BANK LOANS BREAKDOWN



Source: PBOC, UOB Kay Hian

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SECTOR UPDATE

Beer – China

2Q23/1H23 Results Wrap-Up: Sales To See Modest Pick-up In September

Brewers reported solid 1H23 results for their China business, backed by mid-to-high single-digit percentage sales volume growth, ASP expansion and sequentially softer cost pressure. In the near term, we expect sales to pick up in Sep 23 thanks to the Golden Week and low base, though the recovery should be modest amid bad weather. In the medium to long term, we believe premiumisation will remain intact, and brewers' cost pressure will soften more in 2024. Upgrade to OVERWEIGHT.

WHAT'S NEW

- **Sales to pick up in September but modest.** Brewers saw mid-to-high single-digit percentage yoy sales volume growth in 1H23 for the China business, which benefitted from channels reopening. China Resources Beer (CRB)/Tsingtao Brewery (TB)/Chongqing Brewery (CBC)/Yanjing Brewery (YB)/Bud APAC (Bud) China region recorded 4%/6%/5%/6%/9% yoy sales volume growth, respectively. Sales momentum weakened during July-August, especially for CRB and TB, due to the high base effect and bad weathers. While we believe that sales momentum may pick up from September supported by the upcoming Golden Week and the low base effect, we foresee that consumption recovery may be modest, given the continuous bad weather headwinds. Based on our channel check, CRB recorded low single-digit percentage yoy sales volume growth mtd, even on a low base.
- **Premiumisation remained intact while divergence emerged.** We continued to see product upgrade and price hikes of the mid-to-high-end products in 1H23, leading to 4%/5%/2%/3%/6% of yoy ASP increase for CRB/TB/CBC/YB/Bud China region, respectively. While some may argue that the slow economic recovery in China may suppress the premiumisation of the beer sector, we insist that it will remain intact. In our view, premium beer is an affordable luxury for consumers, and even though some consumers traded down against the uncertain macro backdrop, they actually replaced the luxury spirits with more affordable ones, among which premium beers were good replacements for them, according to Bud's observations. However, we do think that divergence has emerged in the premium beer segment.
- **In 1H23, sales volume of Heineken and Tsingtao Classic grew by about 60% and 16% yoy, respectively, while Wusu only delivered positive yoy growth in Xinjiang province. Looking ahead, we think brewers that:** a) provide more product offerings for wider consumption scenarios, b) plan for higher investment and thus have stronger control on channels, especially on-trade channels, and c) have deeper penetration in areas where consumers have stronger spending power, such as Jiangsu, Zhejiang, Guangdong, Fujian provinces, etc., will outperform.
- **Expect cost pressure to soften more in 2024.** Per unit COGS of CRB/TB/CBC/YB/ Bud recorded -1%/+4%/+3%/+2%/+4% yoy changes in 1H23, with most players seeing cost pressure easing in 2Q23 (per unit COGS in 1Q23: CBC/YB/Bud: +6%/-3%/+5% yoy changes), given the gradual digestion of higher costs raw materials. Although we expect raw material cost pressure to continue to soften in 3Q23-4Q23, we think China's lift of anti-dumping and anti-subsidy tariffs on Australian barley that took effect since 5 Aug 23, will only be reflected in late-23/2024. Among the brewers under our coverage, TB and CRB will benefit from the lift of tariffs earlier than peers, in our view, as the two players will begin barley procurement in late-23.

PEER COMPARISON

Company	Ticker	Rec	Price @ 11 Sep 23 (lcy)	Target Price (lcy)	Upside/(Downside) to TP (%)	Market Cap (US\$m)	PE 2023F	PE 2024F	P/B 2023F	P/B 2024F	EV/EBITDA 2023F	EV/EBITDA 2024F	ROE 2023F
Tsingtao Brewery	168 HK	BUY	65.50	91.80	40.2	14,411.8	17.1	15.5	3.0	2.7	11.7	10.8	18.3
CR Beer	291 HK	BUY	44.85	66.70	48.7	18,575.4	26.3	22.5	4.5	3.9	18.0	14.7	17.9
Bud APAC	1876 HK	BUY	16.72	22.50	34.6	28,268.8	25.1	21.4	2.5	2.3	10.7	9.4	10.1
Chongqing Brewery	600132 CH	BUY	90.00	108.00	20.0	5,970.0	29.6	26.2	19.2	15.8	10.6	9.3	68.0
Yanjing Brewery	000729 CH	Not Rated	10.62	n.a.	n.a.	4,105.0	50.3	34.9	2.2	2.1	14.8	12.0	4.2

Source: Bloomberg, UOB Kay Hian

OVERWEIGHT

(Upgraded)

STOCK PICKS

Company	Ticker	Rec	Share Price (lcy)	Target Price (lcy)
Tsingtao Brewery	168 HK	BUY	65.50	91.80
CR Beer	291 HK	BUY	44.85	66.70
Bud APAC	1876 HK	BUY	16.72	22.50
Chongqing Brewery	600132 CH	BUY	90.00	108.00
Yanjing Brewery	000729 CH	N.R.	10.62	n.a.
Zhujiang Brewery	002461 CH	N.R.	8.95	n.a.

Source: Bloomberg, UOB Kay Hian

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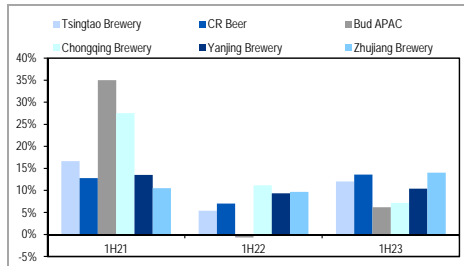
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ACTION

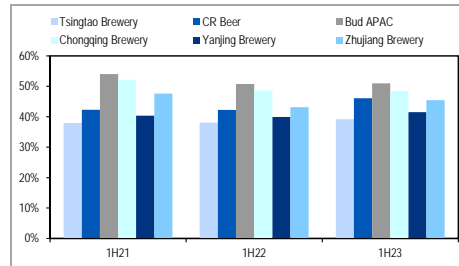
• **Pecking order: CRB>TB>CBC>Bud.** The current valuation of the beer sector is undemanding. Brewery players under our coverage are trading at 10-18x 2023F EV/EBITDA, 1.25-2SD below five-year average, and 17-30x 2023F PE, 0.5-1.75SD below five-year average. Our pecking order for the beer sector is: CRB>TB>CBC>Bud. We like CRB for its: a) mixed product offerings, b) strong channel expansion, and c) ability to grow fast in non-core markets.

REVENUE YOY GROWTH COMPARISON



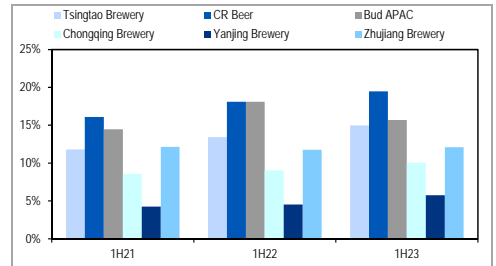
Source: Tsingtao Brewery, CR Beer, Bud APAC, Chongqing Brewery, Yanjing Brewery, Zhujiang Brewery, UOB Kay Hian

GROSS PROFIT MARGIN COMPARISON



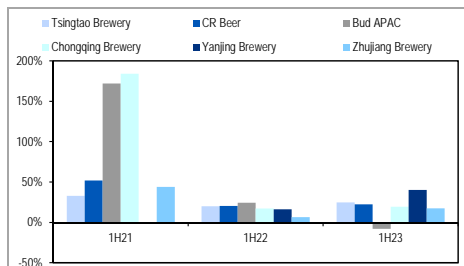
Source: Tsingtao Brewery, CR Beer, Bud APAC, Chongqing Brewery, Yanjing Brewery, Zhujiang Brewery, UOB Kay Hian

NET PROFIT MARGIN COMPARISON



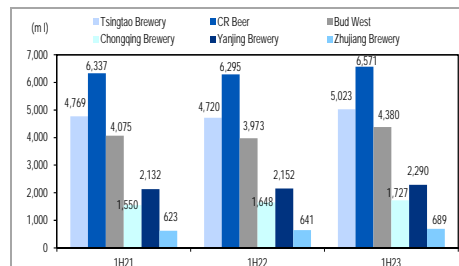
Source: Tsingtao Brewery, CR Beer, Bud APAC, Chongqing Brewery, Yanjing Brewery, Zhujiang Brewery, UOB Kay Hian

NET PROFIT YOY GROWTH COMPARISON



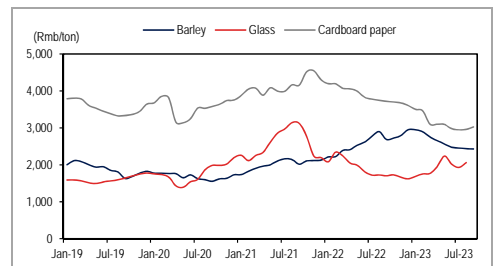
Source: Tsingtao Brewery, CR Beer, Bud APAC, Chongqing Brewery, Yanjing Brewery, Zhujiang Brewery, UOB Kay Hian

SALES VOLUME COMPARISON



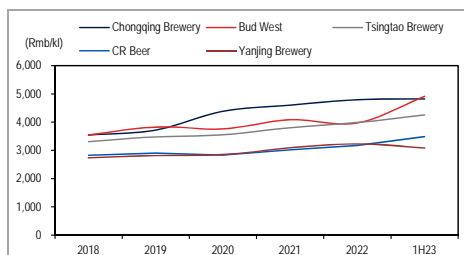
Source: Tsingtao Brewery, CR Beer, Bud APAC, Chongqing Brewery, Yanjing Brewery, Zhujiang Brewery, UOB Kay Hian

RAW MATERIAL COST TREND



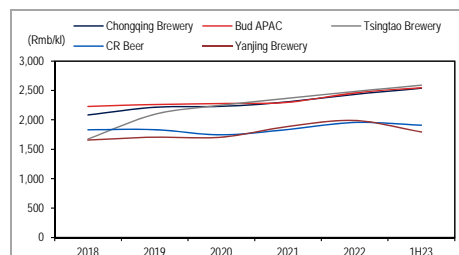
Source: Wind, UOB Kay Hian

ASP OF BEER COMPARISON



Source: Tsingtao Brewery, CR Beer, Bud APAC, Chongqing Brewery, Yanjing Brewery, UOB Kay Hian

COGS OF BEER COMPARISON



Source: Tsingtao Brewery, CR Beer, Bud APAC, Chongqing Brewery, Yanjing Brewery, UOB Kay Hian

SECTOR UPDATE

Commodities – China

Weekly: Signs Of Economic Stabilisation From Improving CPI/Credit Data

Metal prices have been boosted by China's Aug 23 CPI figures which have returned to positive territory, paring some of the losses last week given the strength of the US dollar. Iron ore prices corrected last week as Chinese authorities stepped up intervention and warned futures brokers not to hype up iron ore prices. Steel production activities expand further as steel mills anticipate consumption to pick up further. Cement shipments continue to recover as weather conditions improve, but rising coal prices are eroding margins.

WHAT'S NEW

• **Metals (maintain MARKET WEIGHT):** Improving CPI and credit data bolstered confidence.

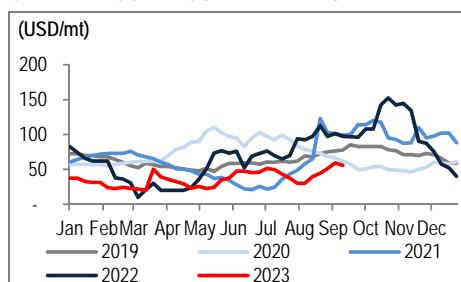
- Copper prices rallied yesterday, boosted by China's improving Aug 23 CPI data at +0.1% yoy, returning to positive territory while the decline of PPI has also slowed to -3.0% yoy (Jul 23: -4.4% yoy). China's Aug 23's aggregate financing has also beat expectations at Rmb3,120b (consensus: Rmb2,690b), indicating improving credit demand after a series of steps was taken to stabilise the economy.

- COMEX gold/LME copper three-month futures were down 1.2%/3.0% wot to US\$1,925 per t oz/US\$8,243 per mt, largely dragged by the strength in USD where USD index had hit the highest level last week since Mar 23. Market weighed on the possibility of the Fed maintaining interest rate at the current level for longer given the better-than-expected labour market (six-month low initial jobless claims) and ISM non-manufacturing PMI (54.5 vs consensus 52.5).

- According to CME FedWatch Tool, the market has priced in 93.0% odds of the Fed maintaining interest rate at 5.25-5.50% in Sep 23 and 45.2% odds of cutting interest rate in May 24, deferring from the previously expected Mar 24.

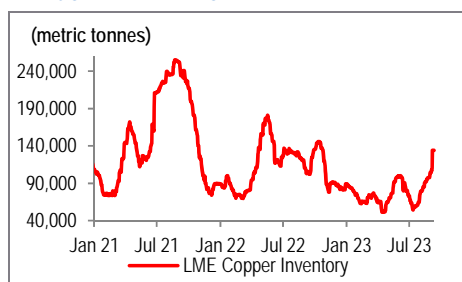
- The focus this week will be on the US' CPI data releasing on 13 September with consensus looking at +3.6% yoy.

CHINA YANGSHAN COPPER PREMIUM



Source: Bloomberg, UOB Kay Hian

LME COPPER INVENTORY



Source: Bloomberg, UOB Kay Hian

MARKET WEIGHT

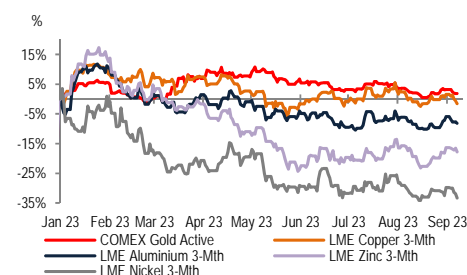
(Maintained)

SECTOR PICKS

Company	Rec	Target Price (HK\$)	Share Price (HK\$)
Anhui Conch	BUY	28.30	21.65

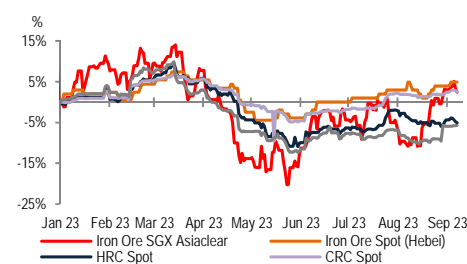
Source: UOB Kay Hian

METALS – YTD PRICE PERFORMANCE



Source: Bloomberg, UOB Kay Hian

STEEL – YTD PRICE PERFORMANCE



Source: Bloomberg, UOB Kay Hian

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PEER COMPARISON

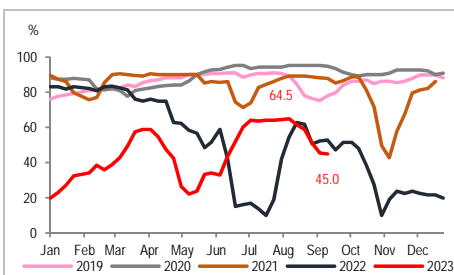
Company	Ticker	Rec	Price @ 11 Sep 23 (lcy)	Target Price (lcy)	Upside/ (Downside) to TP (%)	Market Cap (lcy m)	PE 2023F (x)	PE 2024F (x)	P/B 2023F (x)	P/B 2024F (x)	EV/EBITDA 2023F (x)	EV/EBITDA 2024F (x)	ROE (%)
Anhui Conch	914 HK	BUY	21.65	28.30	30.7	139,051.9	9.0	8.3	0.6	0.5	8.2	7.3	6.4
Baosteel	600019 CH	BUY	6.21	7.10	14.3	138,248.3	13.3	9.9	0.7	0.7	5.6	4.8	5.2
CR Cement	1313 HK	HOLD	2.39	3.10	29.7	16,689.2	8.8	6.9	0.3	0.3	7.2	5.9	3.8
Zijin Mining	2899 HK	BUY	12.78	15.00	17.4	360,682.2	13.5	11.5	2.9	2.5	10.8	9.5	23.7

Source: Bloomberg, UOB Kay Hian

- **Steel (maintain UNDERWEIGHT):** Chinese authorities investigated irrational iron ore price movement.

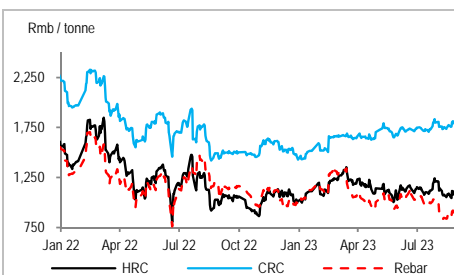
– **Iron ore prices corrected as authorities stepped up intervention.** On 7 August, National Development and Reform Commission and China Securities Regulatory Commission summoned iron ore futures brokers to discuss the recent iron ore price movement; participants were told not to hype up iron ore prices during the meeting. SGX iron ore closed at US\$113.33 (-0.6% wow), but was still +14.1% mom. Domestic spot prices of rebar/hot-rolled coil steel (HRC)/cold-rolled coil steel (CRC) saw wow changes of +0.2%/-0.8%/+0.1%.

247 SAMPLED STEEL MILLS PROFIT-MAKING RATIO



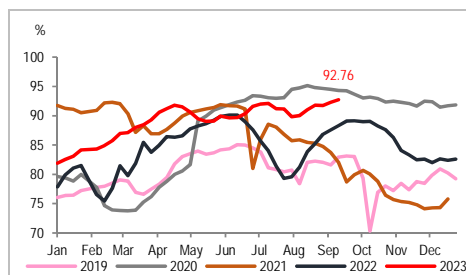
Source: Wind, UOB Kay Hian

STEEL-RAW MATERIAL SPREADS



Source: Bloomberg, UOB Kay Hian

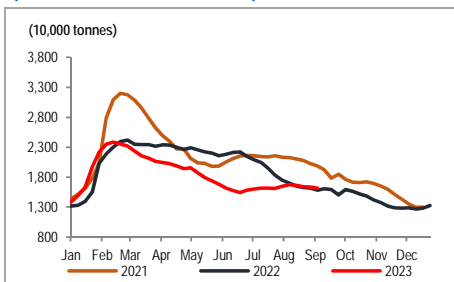
247 SAMPLED STEEL MILLS BLAST FURNACE UTILISATION RATIO



Source: Wind, UOB Kay Hian

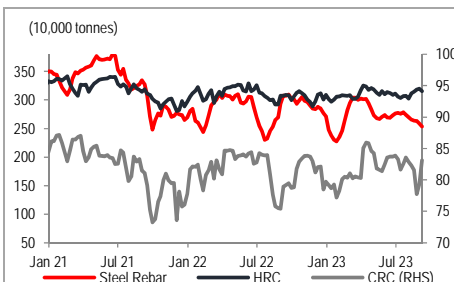
- **Strong steel prices driving margin recovery.** The recent rebound in steel prices has helped support the margins of long products. Weekly average of HRC steel-raw materials spread was up 1.2% wow. Robust steel production continued dragging margins, and Mysteel's survey indicated that 45.0% of steel mills are currently profit-making (-0.45 ppt wow), dragged by the robust production activities.
- **Ramping up production as peak consumption season is approaching.** The blast furnace capacity utilisation rate of 247 domestic steel mills has expanded again to 92.76% (+0.49ppt wow) while the weekly average daily molten iron production has also hit another record high of the year at 2.4824m tonnes (+0.5% wow). However, weekly output of five major steel products has slowed to 9.224m tonnes (-0.8% wow) this week.
- **Inventory down for fourth consecutive week; apparent consumption picking up.** Overall steel inventory based on Mysteel's survey was down 1.37% wow to 16.16m tonnes (+2.0% yoy), down for the fourth consecutive week. Steel apparent consumption continued growing last week, up 1.2% wow to 9.449m tonnes, driven by the 5.2%/6.2% wow increase in consumption of rebar/CRC. However, rebar consumption was still 12.4% yoy lower whereas CRC/steel plate demand remained resilient at +7.6%/+7.2% yoy.

INVENTORY OF FIVE MAJOR STEEL PRODUCTS (TRADERS & STEEL MILLS)



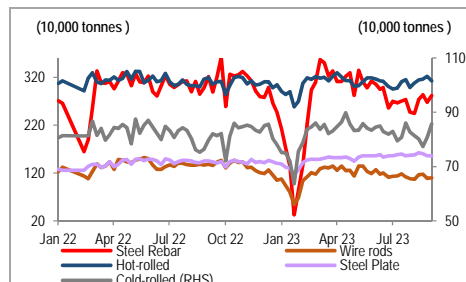
Source: Wind, UOB Kay Hian

WEEKLY PRODUCTION OUTPUT OF MAJOR STEEL PRODUCTS



Source: Wind, UOB Kay Hian

STEEL PRODUCTS WEEKLY APPARENT CONSUMPTION

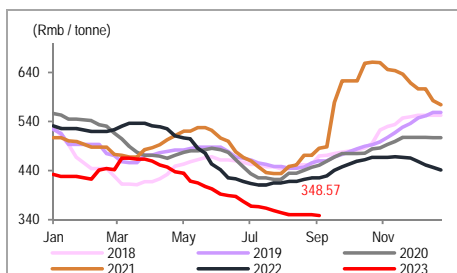


Source: Wind, UOB Kay Hian

• **Cement (maintain MARKET WEIGHT):** Shipment picking up as weather condition improves.

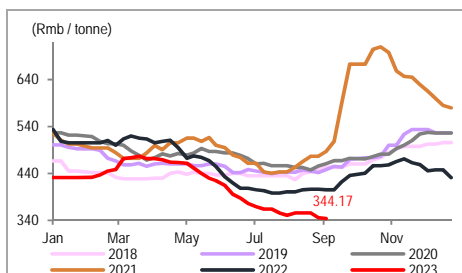
- **Cement prices still finding footing.** National average PO42.5 cement prices (bulk) were last reported at Rmb353.50 per tonne, down 0.28% wow. Average cement prices for the eastern/central/southern regions saw changes of -0.41%/-1.0%/flat wow. Cement-coal spread has narrowed slightly to Rmb254.18 per tonne (-0.2% wow/-7.1% yoy), largely due to the rebound of Q5000 QHD thermal coal prices in recent weeks (+8.4% since mid-Aug 23).

AVERAGE CEMENT PRICES – EAST



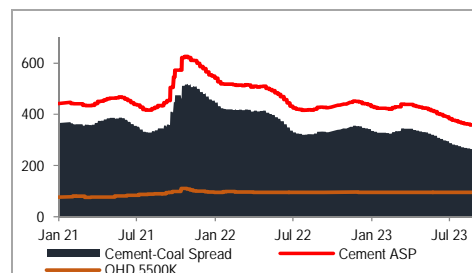
Source: CEIC, UOB Kay Hian

AVERAGE CEMENT PRICES – CENTRAL-SOUTH



Source: CEIC, UOB Kay Hian

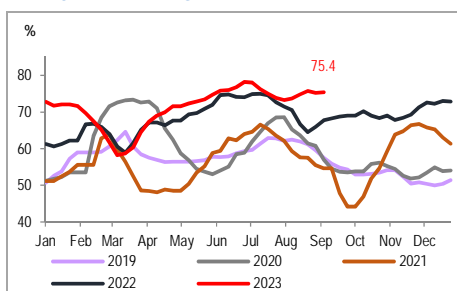
CEMENT-COAL SPREAD



Source: CEIC, Wind, UOB Kay Hian

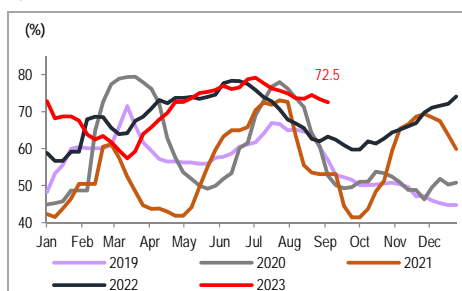
- **Shipment recovered by 3% wow; southern region demand dragged by typhoon.** According to 100NJZ's survey conducted on 250 cement enterprises, weekly cement shipment volume for the week of 30 Aug-5 Sep 23 was 5.7315m tonnes (+3.0% wow, -28.1% yoy). By region, the eastern/central/southern regions' shipment volume was +0.66%/+9.49%/-2.67% wow (-36.20%/-28.57%/-37.01% yoy) respectively. Shipment for infrastructure projects was 2.22m tonnes (+3.26% wow/-8.26% yoy), remaining as the key demand pillar.
- **Rising inventory pressure amid recovering output.** Based on 100NJZ's survey on 274 cement enterprises, clinker production capacity utilisation rebounded to 56.8% last week (+4.48ppt wow). National average cement storage capacity ratio was up 0.1ppt wow to 75.4%. Inventory level for central-south China regions, particularly Fujian and Guangdong, was up 0.7ppt to 77.4% as demand was deterred by typhoons.

CEMENT STORAGE CAPACITY RATIO – NATIONAL AVERAGE



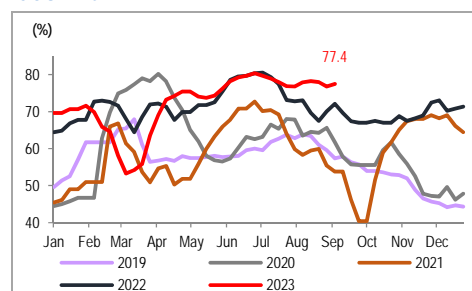
Source: CEIC, UOB Kay Hian

CEMENT STORAGE CAPACITY RATIO – EAST CHINA



Source: CEIC, UOB Kay Hian

CEMENT STORAGE CAPACITY RATIO – CENTRAL-SOUTH CHINA

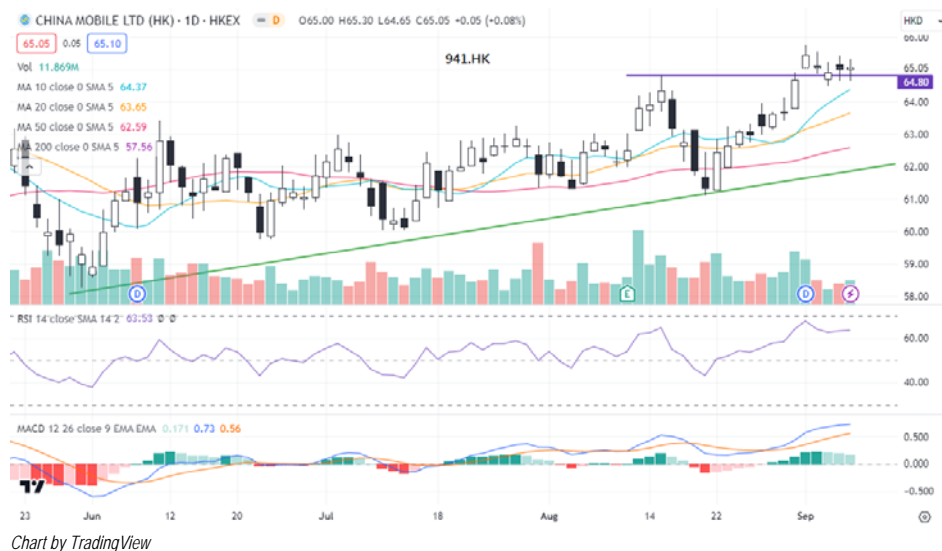


Source: CEIC, UOB Kay Hian

ESSENTIALS

- **We maintain MARKET WEIGHT on the cement sector.** We expect construction activities to continue to normalise in the following weeks as the weather condition improves. However, construction progress of infrastructure projects would largely still hinge on the pace of local government special purpose bond (LGSB) issuance, of which the utilisation of annual quota was slower than the previous year. Local governments were asked to complete the issuance by end-Sep 23 and fund disbursement should be completed by end-Oct 23; infrastructure projects' constructions should gain traction by then.
- **We maintain UNDERWEIGHT on the steel sector.** The recent policy easing has lifted market sentiment. Apparent consumption since mid-Aug 23 has been encouraging, which saw steel products' inventory trending down for fourth consecutive weeks and maintaining at reasonable levels. We are hopeful on downstream consumption as we enter the traditional peak season, which coupled with the potential production curbs, should result in fundamentals continuing to improve in the following weeks.

TRADERS' CORNER



China Mobile Ltd (941 HK)

Trading Buy range: HK\$63.80-65.00

Last price: HK\$65.05

Target price: HK\$67.20/HK\$67.50

Protective stop: Breaks below HK\$62.60

Stock Highlights:

The group and Singapore Telecommunications signed a memorandum of strategic co-operation in Jakarta on 1 Sep 23. Both parties will focus on 5G and Internet of Things applications for government and enterprise markets, system integration solutions co-operation, and personal market products and services cooperation, among others.

Technical View:

Share price recently surpassed its August high of about HK\$64.80 and hit a three-month high. The price is now higher than its 10-day (light blue), 20-day (orange) and 50-day (red) moving averages, which are all pointing upwards. The 14-day RSI is above the midline level of 50 and is currently around 63, indicating strong momentum. The MACD line is higher than the signal line, showing a double bullish signal.

Average timeframe: Around two weeks.



China Overseas Land & Investment Ltd. (688 HK)

Trading Buy range: HK\$16.50-16.70

Last price: HK\$16.72

Target price: HK\$17.30/HK\$17.60

Protective stop: Breaks below HK\$16.00

Stock Highlights:

For the eight months ended 31 Aug 23, the accumulated contracted property sales increased 18.2% yoy to Rmb210.956b.

Technical View:

Share price rebounded after falling to around HK\$15.10 in mid-August. It has now rebounded to around its 10-day (light blue), 20-day (orange) and 50-day (red) moving averages, but is restricted by the resistance at the 200-day moving average (purple). The 14-day RSI is near the midline level of 50 and is currently around 49, indicating neutral signal. The MACD line is higher than the signal line, showing a bullish crossover. If it stays above its 50-day moving average, it could rise further.

Average timeframe: Around two weeks.

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