

## A-share Research Highlights (CMS Research Center)

### 1. China property market – transaction improving; waiting for reform dividends

**[Liao Shuang, Sep. 16, 2013]** Investment strategy: New home transactions recovered in first-tier cities last week. As house price rises in many cities have exceeded the annual targets, the Ministry of Housing and Urban and Rural Development (MOHURD) called for stricter implementation of property purchase restrictions in seven second-tier cities including Nanjing and Zhengzhou. Given the continuous rise of land and house prices in core cities, increasing expectations for property price gains in the market, and less pressure to stabilize economic growth as the economy recovers, real estate curbing policies could be tightened somewhat. Considering the strong need for stable and sustainable economic growth, the basic tone of long-term real estate adjustment and control policies has been set. New policies like the expansion of property tax schemes will proceed accordingly. Administrative control measures are not expected to play a leading role in the future. We continue to recommend China Vanke, Wuhan Langold Real Estate, Yango Group, RiseSun Real Estate Development, China Fortune Land Development, and Hubei Fuxing Science And Technnology.

In the past week (Sep. 7-13), new home transaction volume rose in 10 key cities and fell in 10 key cities, and second-hand home transaction volume rose in six key cities and fell in four key cities. In August, the 100-city Housing Price Index climbed 0.92% MoM and 8.61% YoY, with average new home price rising 0.92% from July to RMB10,442 per square meter; price rose MoM in 71 cities and fell in 29 cities.

Land supplies and transactions in the 40 big and medium-sized cities in August: Supplies totaled 42.08 million square meters of land area (down 9% YoY), with housing land supplies ring 7%. Land transaction area fell 18% YoY to 28.57 million square meters, with housing land transaction area falling 1%. Land transaction value rose 53% YoY to RMB136.3 billion, with housing land transaction value rising 56%. Average floor price was RMB2,397 per square meter, up 86% YoY.

### 2. Power industry – higher August consumption on weather effect

**[He Yin, September 16, 2013]** Pay attention to the following stocks: (1) Companies that have outstanding growth potential, can beat economic cycles, and benefit from energy conservation and environment protection policies as well as the new electricity pricing mechanism, such as SDIC Power Holdings, Sichuan Chuantou Energy, and China Yangtze Power. (2) Industry-leading companies with low valuation and much less risks than before, such as Huaneng Power International, Huadian Power International, and GD Power Development.

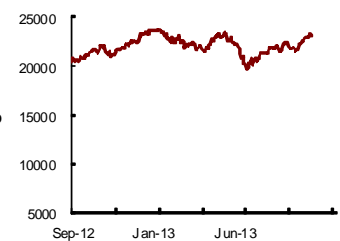
Total power consumption in the first eight months of 2013 grew 6.8% YoY to 3.5 trillion kWh, with average utilization hours of total installed capacity of 3,016, down by 57 hours from the same period of last year. In August, thermal power capacity utilization hours increased significantly YoY as electricity consumption growth recovered and hydropower capacity utilization hours declined. Power consumption in August rose 13.7% YoY to 510.3 billion kWh. In the January-August period, power consumption

| HK Indices        | Last price | chg    | % chg |
|-------------------|------------|--------|-------|
| HSI               | 23,180.52  | -71.89 | -0.31 |
| Finance           | 32,181.64  | -175.0 | -0.54 |
| Properties        | 30,184.37  | 78.99  | 0.26  |
| Utilities         | 50,633.53  | 201.8  | 0.40  |
| Commerce&Industrv | 13,590.74  | -35.96 | -0.26 |
| HSCEI             | 10,650.64  | -55.99 | -0.52 |
| HSCCI             | 4,483.09   | 21.76  | 0.49  |
| HKSPGEM           | 432.25     | -0.99  | -0.23 |

| World Indices    | Last price | chg    | % chg |
|------------------|------------|--------|-------|
| FTSE 100         | 6,570.17   | -52.69 | -0.80 |
| DAX 30           | 8,596.95   | -16.05 | -0.19 |
| CAC 40           | 4,145.51   | -6.71  | -0.16 |
| DJIA             | 15,529.73  | 34.95  | 0.23  |
| S&P500           | 1,704.76   | 7.16   | 0.42  |
| Nasdaq Composite | 3,745.70   | 27.85  | 0.75  |
| Nikkei 225       | 14,311.67  | -93.00 | -0.65 |

| Asia-Pacific Indices | Last price | chg   | % chg |
|----------------------|------------|-------|-------|
| KOSPI                | 2,005.58   | -7.79 | -0.39 |
| TWSE                 | 8,249.78   | -5.56 | -0.07 |
| STI                  | 3,180.92   | 1.44  | 0.05  |
| India BSE 30         | 19,804.03  | 61.56 | 0.31  |
| S&P/ASX 200          | 5,251.24   | 3.25  | 0.06  |

HSI One Year



HSCEI One Year



Source: Bloomberg

China Merchants Securities (HK)

Research

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growth rates of the first, second and tertiary industries and households were -0.5%, 6.3%, 10.7% and 7.5% respectively; cumulative industrial power consumption grew 6.2% YoY to 2.5222 trillion kWh; power consumption of light industries grew 5.8% YoY to 420.3 billion kWh; power consumption of heavy industries grew 6.3% YoY to 2.1018 trillion kWh.

As of the end of August, total installed capacity nationwide was 1.15576 billion kW, up 9.8% YoY. Installed capacities of hydropower, thermal power and nuclear power were 228.41 million, 838.69 million and 14.61 million kW respectively, up 12.1%, 7.7% and 16.7%. Completed infrastructure investment in power sources nationwide was RMB207.6 billion, with RMB82.8 billion in hydropower, RMB52.4 billion in thermal power, RMB34.7 billion in nuclear power, and RMB223.6 billion in grids.

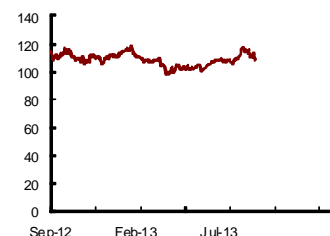
| Global Commodity | Last price | chg    | % chg |
|------------------|------------|--------|-------|
| Brent Oil        | 108.67     | -2.21  | -1.99 |
| Gold             | 1,306.7    | -3.94  | -0.30 |
| LME Aluminum     | 1,777.5    | -4.50  | -0.25 |
| LME Copper       | 7,075.0    | -10.00 | -0.14 |
| BDI              | 1,740.0    | 89.00  | 5.39  |
| API Coal         | 85.25      | 0.75   | 0.89  |

| Exchange /Bond Market | /Currency | Last price | chg   | % chg |
|-----------------------|-----------|------------|-------|-------|
| USD/RMB               |           | 6.16       | 0.00  | 0.00  |
| USD/HKD               |           | 7.75       | 0.00  | 0.00  |
| 1-YR RMB NDF          |           | 6.21       | 0.00  | 0.00  |
| EUR/USD               |           | 133.57     | 0.19  | 0.14  |
| 3-M Libor             |           | 0.52       | 0.00  | 0.00  |
| 3-M Shibor            |           | 4.66       | 0.00  | 0.00  |
| 10 YR US T-Note Yield |           | 2.85       | -0.02 | -0.70 |

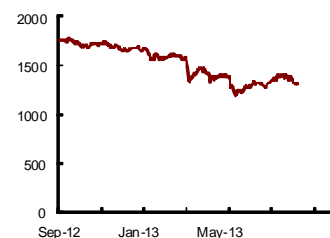
## What to Watch

| Economic Data | HK: Nil                |                 |             |
|---------------|------------------------|-----------------|-------------|
|               | US: MBA Mortgage Index |                 |             |
| Date          | Ticker                 | Stock Name      | Earnings    |
| 2013/09/18    | 00188                  | SUNWAH KINGSWAY | Final       |
| 2013/09/18    | 00592                  | BOSSINI INT'L   | Final       |
| 2013/09/18    | 00900                  | AEON CREDIT     | Interim     |
| 2013/09/18    | 01079                  | PINE TECHNOLOGY | Final       |
| 2013/09/18    | 01633                  | MAGIC HOLDINGS  | Final       |
| Date          | Ticker                 | Stock Name      | Issue Price |
| Nil           |                        |                 |             |

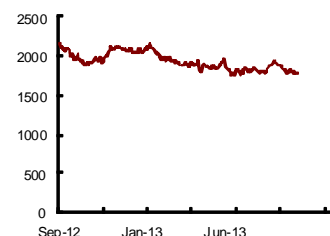
Brent Oil One Year



Gold Commodity One Year



LME Aluminum Commodity One Year



Source: Bloomberg

China Merchants Securities (Hong Kong) Stock Pool Update Weekly  
 2013-9-18

| Stock Code                                  | Short Name      | Rating  | Price Currency | Latest Price | 12- Month Target Price | Upside Potential | EPS Currency | EPS   |       |       | P/E   |       |       | 1-Month Performance | Analyst  |
|---|-----------------|---------|----------------|--------------|------------------------|------------------|--------------|-------|-------|-------|-------|-------|-------|---------------------|----------|
|   |                 |         |                |              |                        |                  |              | 2013E | 2014E | 2015E | 2013E | 2014E | 2015E |                     |          |
| <b>Textiles, Apparel &amp; Luxury Goods</b> |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |          |
| 589   | Ports           | Neutral | HKD            | 5.22         | 5.30                   | 2%               | RMB          | 0.55  | 0.56  | 0.64  | 7.5   | 7.4   | 6.5   | -6.1%               | Ivy Zhao |
| 1880  | Belle           | Buy     | HKD            | 11.36        | 16.39                  | 44%              | RMB          | 0.52  | 0.61  | 0.71  | 17.4  | 14.8  | 12.7  | -3.9%               | Ivy Zhao |
| 1368  | Xtep            | Neutral | HKD            | 3.59         | 4.00                   | 11%              | RMB          | 0.27  | 0.27  | 0.29  | 10.6  | 10.6  | 9.8   | -10.7%              | Ivy Zhao |
| 2020  | Anta Sports     | Neutral | HKD            | 9.54         | 9.14                   | -4%              | RMB          | 0.49  | 0.53  | 0.57  | 15.5  | 14.3  | 13.3  | -4.1%               | Ivy Zhao |
| 1361  | 361 Degrees     | Neutral | HKD            | 1.82         | 1.45                   | -20%             | RMB          | 0.29  | 0.28  | 0.28  | 5.0   | 5.2   | 5.1   | -11.2%              | Ivy Zhao |
| 1968  | Peak Sport      | Neutral | HKD            | 1.76         | 1.48                   | -16%             | RMB          | 0.16  | 0.17  | 0.19  | 8.9   | 8.1   | 7.2   | 0.6%                | Ivy Zhao |
| 2331  | Li Ning         | Buy     | HKD            | 5.68         | 5.20                   | -8%              | RMB          | -0.10 | 0.18  | 0.20  | N.A.  | 25.7  | 22.7  | -1.2%               | Ivy Zhao |
| 3818  | China Dongxiang | Buy     | HKD            | 1.18         | 1.47                   | 25%              | RMB          | 0.04  | 0.04  | 0.05  | 25.4  | 22.3  | 20.0  | -15.1%              | Ivy Zhao |
| 953   | Meike           | Neutral | HKD            | 0.41         | 0.30                   | -27%             | RMB          | 0.04  | 0.05  | 0.06  | 9.1   | 7.1   | 5.9   | 7.9%                | Ivy Zhao |
| 1234  | China Lilang    | Buy     | HKD            | 4.32         | 5.25                   | 22%              | RMB          | 0.41  | 0.41  | 0.47  | 8.4   | 8.4   | 7.3   | -8.1%               | Ivy Zhao |
| 891   | Trinity         | Buy     | HKD            | 2.71         | 4.63                   | 71%              | RMB          | 0.21  | 0.25  | 0.30  | 10.3  | 8.6   | 7.2   | -13.7%              | Ivy Zhao |
| 873   | C Taifeng Bed   | Buy     | HKD            | 1.54         | 2.86                   | 86%              | RMB          | 0.52  | 0.65  | 0.80  | 2.3   | 1.9   | 1.5   | -2.5%               | Ivy Zhao |
| <b>Metals &amp; Mining</b>                  |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |          |
| 1818  | Zhaojin Mining  | Neutral | HKD            | 6.75         | 6.00                   | -11%             | RMB          | 0.43  | 0.38  | 0.34  | 12.5  | 14.1  | 15.8  | 0.3%                | Li Xiang |
| 2899  | Zijin Mining    | Neutral | HKD            | 1.85         | 1.69                   | -9%              | RMB          | 0.14  | 0.15  | 0.12  | 10.5  | 9.8   | 12.3  | 0.0%                | Li Xiang |
| 358   | Jiangxi Copper  | Buy     | HKD            | 15.78        | 15.20                  | -4%              | RMB          | 1.02  | 1.05  | 0.85  | 12.3  | 11.9  | 14.8  | 2.2%                | Li Xiang |
| 3993  | Cmcc            | Neutral | HKD            | 3.00         | 3.10                   | 3%               | RMB          | 0.19  | 0.20  | 0.21  | 12.4  | 12.2  | 11.5  | -4.8%               | Li Xiang |
| 2600  | Chalco          | Sell    | HKD            | 2.84         | 1.60                   | -44%             | RMB          | -0.28 | -0.11 | -0.10 | N.A.  | N.A.  | N.A.  | 5.2%                | Li Xiang |
| 1378  | China Hongqiao  | Buy     | HKD            | 4.43         | 5.80                   | 31%              | RMB          | 0.97  | 1.11  | 1.23  | 3.6   | 3.2   | 2.9   | -3.9%               | Li Xiang |
| 486   | Rusal           | Sell    | HKD            | 2.35         | 2.03                   | -14%             | USD          | 0.01  | 0.04  | 0.05  | 30.3  | 7.6   | 6.1   | -3.7%               | Li Xiang |
| 3948  | Yitai Coal      | Buy     | HKD            | 15.20        | 25.10                  | 65%              | RMB          | 1.88  | 2.11  | 2.22  | 6.4   | 5.7   | 5.5   | -9.5%               | Li Xiang |

| Stock Code                              | Short Name      | Rating  | Price Currency | Latest Price | 12- Month Target Price | Upside Potential | EPS Currency | EPS   |       |       | P/E   |       |       | 1-Month Performance | Analyst     |
|---|-----------------|---------|----------------|--------------|------------------------|------------------|--------------|-------|-------|-------|-------|-------|-------|---------------------|-------------|
|   |                 |         |                |              |                        |                  |              | 2013E | 2014E | 2015E | 2013E | 2014E | 2015E |                     |             |
| 1088                                    | China Shenhua   | Buy     | HKD            | 25.50        | 36.40                  | 43%              | RMB          | 2.44  | 2.90  | 3.07  | 8.3   | 7.0   | 6.6   | 2.6%                | Li Xiang    |
| <b>Auto &amp; Others</b>                |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |             |
| 1211                                    | Byd Company     | Neutral | HKD            | 35.00        | 13.00                  | -63%             | RMB          | 0.33  | 0.68  | 1.10  | 84.3  | 40.9  | 25.3  | 13.1%               | Colleen Li  |
| 489                                     | Dongfeng Group  | Buy     | HKD            | 11.36        | 14.17                  | 25%              | RMB          | 1.13  | 1.26  | 1.29  | 8.0   | 7.2   | 7.0   | 3.5%                | Colleen Li  |
| 175                                     | Geely Auto      | Buy     | HKD            | 4.17         | 5.04                   | 21%              | RMB          | 0.32  | 0.36  | 0.38  | 10.4  | 9.2   | 8.7   | 14.3%               | Colleen Li  |
| 2333                                    | Greatwall Motor | Neutral | HKD            | 43.30        | 38.62                  | -11%             | RMB          | 2.78  | 3.41  | 3.74  | 12.4  | 10.1  | 9.2   | 11.0%               | Colleen Li  |
| 1114                                    | Brilliance Chi  | Buy     | HKD            | 12.54        | 12.00                  | -4%              | RMB          | 0.71  | 0.80  | 0.89  | 14.0  | 12.5  | 11.2  | 13.0%               | Colleen Li  |
| 425                                     | Mint Group      | Buy     | HKD            | 14.80        | 13.20                  | -11%             | RMB          | 0.78  | 0.87  | 0.97  | 15.1  | 13.5  | 12.1  | 16.7%               | Colleen Li  |
| 1728                                    | Zhengtong Auto  | Buy     | HKD            | 5.12         | 5.85                   | 14%              | RMB          | 0.55  | 0.81  | 1.11  | 7.4   | 5.0   | 3.7   | 11.8%               | Colleen Li  |
| 881                                     | Zhongsheng Hldg | Neutral | HKD            | 12.04        | 10.30                  | -14%             | RMB          | 0.58  | 0.71  | 0.99  | 16.5  | 13.5  | 9.7   | 22.4%               | Colleen Li  |
| <b>Oil &amp; Gas</b>                    |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |             |
| 857                                     | Petro China     | Buy     | HKD            | 8.76         | 10.55                  | 20%              | RMB          | 0.71  | 0.74  | 0.78  | 9.8   | 9.4   | 8.9   | -3.1%               | Michael Yuk |
| 386                                     | Sinopec Corp    | Buy     | HKD            | 6.18         | 7.20                   | 17%              | RMB          | 0.68  | 0.70  | 0.73  | 7.2   | 7.0   | 6.7   | 5.3%                | Michael Yuk |
| 883                                     | Cnooc           | Buy     | HKD            | 16.04        | 17.00                  | 6%               | RMB          | 1.44  | 1.56  | 1.69  | 8.9   | 8.2   | 7.5   | 8.5%                | Michael Yuk |
| 603                                     | China Oil & Gas | Neutral | HKD            | 1.13         | 1.45                   | 28%              | HKD          | 0.09  | 0.12  | 0.15  | 12.6  | 9.4   | 7.5   | -18.1%              | Michael Yuk |
| 342                                     | Newocean Energy | Buy     | HKD            | 5.30         | 5.30                   | 0%               | HKD          | 0.55  | 0.63  | 0.79  | 9.6   | 8.4   | 6.7   | 8.6%                | Michael Yuk |
| 467                                     | Unitedenergy Gp | Buy     | HKD            | 1.25         | 1.59                   | 27%              | HKD          | 0.10  | 0.09  | 0.09  | 12.5  | 13.9  | 13.9  | 11.6%               | Michael Yuk |
| <b>Oil &amp; Gas Services/Equipment</b> |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |             |
| 3899                                    | Cimc Enric      | Buy     | HKD            | 10.06        | 10.00                  | -1%              | RMB          | 0.49  | 0.60  | 0.72  | 16.3  | 13.3  | 11.1  | 8.9%                | Michael Yuk |
| 569                                     | Ch Automation   | Buy     | HKD            | 1.64         | 2.50                   | 52%              | RMB          | 0.26  | 0.29  | 0.33  | 5.0   | 4.5   | 4.0   | 4.5%                | Michael Yuk |
| 3337                                    | Anton Oilfield  | Neutral | HKD            | 4.52         | 5.70                   | 26%              | RMB          | 0.19  | 0.23  | 0.28  | 18.9  | 15.6  | 12.8  | -18.9%              | Michael Yuk |
| 1938                                    | Chu Kong Pipe   | Neutral | HKD            | 2.45         | 2.26                   | -8%              | RMB          | 0.11  | 0.41  | 0.56  | 17.7  | 4.8   | 3.5   | 10.4%               | Michael Yuk |
| 2883                                    | China Oilfield  | Buy     | HKD            | 20.00        | 18.00                  | -10%             | RMB          | 1.29  | 1.45  | 1.66  | 12.3  | 11.0  | 9.6   | 11.1%               | Michael Yuk |
| 3303                                    | Jutal Oil Ser   | Buy     | HKD            | 1.53         | 2.40                   | 57%              | RMB          | 0.13  | 0.17  | 0.15  | 9.4   | 7.2   | 8.1   | -13.1%              | Michael Yuk |

| Stock Code                    | Short Name      | Rating  | Price Currency | Latest Price | 12- Month Target Price | Upside Potential | EPS Currency | EPS   |       |       | P/E   |       |       | 1-Month Performance | Analyst      |
|-------------------------------|-----------------|---------|----------------|--------------|------------------------|------------------|--------------|-------|-------|-------|-------|-------|-------|---------------------|--------------|
|                               |                 |         |                |              |                        |                  |              | 2013E | 2014E | 2015E | 2013E | 2014E | 2015E |                     |              |
| 1623                          | Hilong          | Neutral | HKD            | 4.19         | 4.58                   | 9%               | RMB          | 0.26  | 0.30  | 0.32  | 12.8  | 11.1  | 10.4  | -1.4%               | Michael Yuk  |
| <b>Property</b>               |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |              |
| 688                           | China Overseas  | Buy     | HKD            | 23.95        | 22.56                  | -6%              | HKD          | 2.29  | 2.30  | 2.68  | 10.5  | 10.4  | 8.9   | -3.0%               | DuanFeiqin   |
| 410                           | Soho China      | Neutral | HKD            | 6.58         | 6.42                   | -2%              | HKD          | 2.37  | 2.13  | 1.96  | 2.8   | 3.1   | 3.4   | 1.5%                | DuanFeiqin   |
| 813                           | Shimao Property | Neutral | HKD            | 19.06        | 16.70                  | -12%             | HKD          | 2.07  | 2.19  | 2.46  | 9.2   | 8.7   | 7.8   | 6.0%                | DuanFeiqin   |
| 1109                          | China Res Land  | Buy     | HKD            | 23.20        | 23.80                  | 3%               | HKD          | 1.81  | 1.91  | 2.20  | 12.8  | 12.2  | 10.6  | 0.7%                | DuanFeiqin   |
| 2777                          | R&F Properties  | Buy     | HKD            | 12.80        | 13.90                  | 9%               | HKD          | 2.15  | 2.23  | 2.45  | 6.0   | 5.7   | 5.2   | -1.5%               | DuanFeiqin   |
| 2007                          | Country Garden  | Neutral | HKD            | 5.10         | 4.20                   | -18%             | HKD          | 0.48  | 0.53  | 0.60  | 10.7  | 9.6   | 8.5   | 1.2%                | DuanFeiqin   |
| 3383                          | Agile Property  | Neutral | HKD            | 8.87         | 10.10                  | 14%              | HKD          | 1.81  | 1.98  | 2.02  | 4.9   | 4.5   | 4.4   | 3.1%                | DuanFeiqin   |
| 3333                          | Evergrande      | Buy     | HKD            | 3.39         | 4.38                   | 29%              | HKD          | 0.84  | 0.97  | 0.98  | 4.0   | 3.5   | 3.5   | 0.0%                | DuanFeiqin   |
| 960                           | Longfor Ppt     | Buy     | HKD            | 13.08        | 13.23                  | 1%               | HKD          | 1.50  | 1.65  | 1.81  | 8.7   | 7.9   | 7.2   | -3.1%               | DuanFeiqin   |
| 1813                          | Kwg Property    | Neutral | HKD            | 5.36         | 5.05                   | -6%              | HKD          | 1.02  | 1.10  | 1.18  | 5.2   | 4.9   | 4.5   | 4.7%                | DuanFeiqin   |
| 3366                          | Oct (Asia)      | Buy     | HKD            | 3.87         | 3.50                   | -10%             | HKD          | 0.43  | 0.54  | 0.64  | 9.0   | 7.2   | 6.1   | -6.8%               | DuanFeiqin   |
| 3900                          | Greentown China | Buy     | HKD            | 14.74        | 18.80                  | 28%              | HKD          | 3.17  | 3.33  | 3.49  | 4.7   | 4.4   | 4.2   | -5.8%               | DuanFeiqin   |
| 754                           | Hopson Dev Hold | Buy     | HKD            | 10.28        | 12.20                  | 19%              | HKD          | 1.72  | 1.98  | 2.22  | 6.0   | 5.2   | 4.6   | -1.9%               | DuanFeiqin   |
| 1918                          | Sunac           | Buy     | HKD            | 5.04         | 6.66                   | 32%              | HKD          | 1.07  | 1.26  | 1.41  | 4.7   | 4.0   | 3.6   | -12.7%              | DuanFeiqin   |
| <b>Consumer Discretionary</b> |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |              |
| 3308                          | Golden Eagle    | Neutral | HKD            | 11.82        | 13.50                  | 14%              | RMB          | 0.63  | 0.69  | 0.76  | 14.9  | 13.6  | 12.4  | -9.2%               | TangJingjing |
| 1212                          | Lifestyle       | Neutral | HKD            | 17.78        | 18.40                  | 3%               | HKD          | 1.18  | 1.30  | 1.35  | 15.1  | 13.7  | 13.2  | -1.9%               | TangJingjing |
| 1833                          | Intime          | Buy     | HKD            | 9.14         | 9.62                   | 5%               | RMB          | 0.54  | 0.63  | 0.63  | 13.5  | 11.5  | 11.5  | -1.2%               | TangJingjing |
| 178                           | Sa Sa           | Buy     | HKD            | 9.06         | 8.78                   | -3%              | HKD          | 0.26  | 0.36  | 0.43  | 34.9  | 25.2  | 21.1  | 11.9%               | TangJingjing |
| <b>Telecommunication</b>      |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |              |
| 941                           | China Mobile    | Neutral | HKD            | 88.25        | 80.00                  | -9%              | RMB          | 6.52  | 6.58  | 6.79  | 10.8  | 10.7  | 10.3  | 5.4%                | Jeff Hao     |
| 762                           | China Unicom    | Buy     | HKD            | 12.66        | 14.00                  | 11%              | RMB          | 0.44  | 0.54  | 0.63  | 22.9  | 18.6  | 16.0  | 4.6%                | Jeff Hao     |

| Stock Code                    | Short Name      | Rating  | Price Currency | Latest Price | 12- Month Target Price | Upside Potential | EPS Currency | EPS   |       |       | P/E   |       |       | 1-Month Performance | Analyst  |
|-------------------------------|-----------------|---------|----------------|--------------|------------------------|------------------|--------------|-------|-------|-------|-------|-------|-------|---------------------|----------|
|                               |                 |         |                |              |                        |                  |              | 2013E | 2014E | 2015E | 2013E | 2014E | 2015E |                     |          |
| 728                           | China Telecom   | Buy     | HKD            | 4.13         | 4.80                   | 16%              | RMB          | 0.25  | 0.29  | 0.33  | 13.1  | 11.3  | 10.0  | 3.5%                | Jeff Hao |
| <b>Information Technology</b> |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |          |
| 700                           | Tencent         | Buy     | HKD            | 418.80       | 401.00                 | -4%              | RMB          | 8.61  | 11.35 | 15.08 | 38.7  | 29.3  | 22.1  | 14.2%               | Jeff Hao |
| 3888                          | Kingsoft        | Buy     | HKD            | 18.88        | 24.37                  | 29%              | RMB          | 0.50  | 0.66  | 0.83  | 30.0  | 22.7  | 18.1  | 27.7%               | Jeff Hao |
| 1661                          | Wisdom          | Buy     | HKD            | 2.19         | 2.90                   | 32%              | RMB          | 0.13  | 0.20  | 0.25  | 13.4  | 8.7   | 7.0   | N.A.                | Jeff Hao |
| 777                           | Netdragon       | Buy     | HKD            | 17.94        | 26.27                  | 46%              | RMB          | 0.78  | 0.89  | 1.12  | 18.3  | 16.0  | 12.7  | -3.4%               | Jeff Hao |
| 354                           | Chinasoft       | Neutral | HKD            | 2.15         | 2.00                   | -7%              | RMB          | 0.10  | 0.12  | 0.15  | 17.1  | 14.2  | 11.4  | -4.9%               | Jeff Hao |
| 268                           | Kingdee         | Neutral | HKD            | 2.34         | 1.40                   | -40%             | RMB          | 0.02  | 0.04  | 0.05  | 93.0  | 46.5  | 37.2  | 9.4%                | Jeff Hao |
| <b>Port</b>                   |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |          |
| 144                           | China Mer Hold  | Neutral | HKD            | 27.50        | 26.43                  | -4%              | HKD          | 1.55  | 1.75  | 2.05  | 17.7  | 15.7  | 13.4  | 14.6%               | Kate Li  |
| 1199                          | Cosco Pacific   | Buy     | HKD            | 11.82        | 12.58                  | 6%               | USD          | 0.26  | 0.13  | 0.14  | 5.9   | 11.7  | 10.9  | 4.6%                | Kate Li  |
| <b>Shipping</b>               |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |          |
| 368                           | Sinotrans Ship  | Buy     | HKD            | 2.40         | 2.40                   | 0%               | USD          | 0.01  | 0.02  | 0.03  | 31.0  | 15.5  | 10.3  | 19.4%               | Kate Li  |
| 316                           | Ooil            | Buy     | HKD            | 46.90        | 52.30                  | 12%              | USD          | 0.37  | 0.52  | 0.69  | 16.4  | 11.6  | 8.8   | 3.4%                | Kate Li  |
| 2866                          | Cscl            | Neural  | HKD            | 2.14         | 1.82                   | -15%             | RMB          | -0.06 | 0.03  | 0.07  | N.A.  | 56.7  | 24.3  | 3.9%                | Kate Li  |
| <b>Alternative Energy</b>     |                 |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |          |
| 3800                          | Gcl-Poly Energy | Buy     | HKD            | 2.09         | 1.97                   | -6%              | HKD          | 0.01  | 0.05  | 0.07  | 209.0 | 41.8  | 29.9  | 4.5%                | Yin Lei  |
| 712                           | Comtec Solar    | Buy     | HKD            | 1.71         | 1.76                   | 3%               | RMB          | 0.05  | 0.11  | 0.16  | 27.2  | 12.4  | 8.5   | -24.7%              | Yin Lei  |
| 750                           | Singyes Solar   | Buy     | HKD            | 7.58         | 9.40                   | 24%              | RMB          | 0.81  | 0.91  | 1.04  | 7.4   | 6.6   | 5.8   | -0.7%               | Yin Lei  |
| 2208                          | Goldwind        | Buy     | HKD            | 4.72         | 5.52                   | 17%              | RMB          | 0.17  | 0.21  | 0.27  | 22.1  | 17.9  | 13.9  | 9.3%                | Yin Lei  |
| 916                           | Longyuan Power  | Neutral | HKD            | 7.82         | 8.16                   | 4%               | RMB          | 0.36  | 0.43  | 0.52  | 17.3  | 14.5  | 12.0  | -6.9%               | Yin Lei  |
| 1798                          | Datang Power    | Neutral | HKD            | 1.53         | 1.99                   | 30%              | RMB          | 0.08  | 0.14  | 0.21  | 15.2  | 8.7   | 5.8   | -13.6%              | Yin Lei  |
| 816                           | Huadian Fuxin   | Buy     | HKD            | 2.15         | 2.99                   | 39%              | RMB          | 0.19  | 0.24  | 0.28  | 9.0   | 7.1   | 6.1   | -10.0%              | Yin Lei  |
| 579                           | Jingneng        | Buy     | HKD            | 2.71         | 3.62                   | 34%              | RMB          | 0.18  | 0.24  | 0.29  | 12.0  | 9.0   | 7.4   | -4.6%               | Yin Lei  |

| Stock Code                                   | Short Name             | Rating  | Price Currency | Latest Price | 12- Month Target Price | Upside Potential | EPS Currency | EPS   |       |       | P/E   |       |       | 1-Month Performance | Analyst      |
|--|------------------------|---------|----------------|--------------|------------------------|------------------|--------------|-------|-------|-------|-------|-------|-------|---------------------|--------------|
|  |                        |         |                |              |                        |                  |              | 2013E | 2014E | 2015E | 2013E | 2014E | 2015E |                     |              |
| <b>Food &amp; Beverage</b>                   |                        |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |              |
| 322  | Tingyi                 | Buy     | HKD            | 21.40        | 23.10                  | 8%               | USD          | 0.09  | 0.11  | 0.13  | 31.4  | 26.3  | 21.2  | 9.1%                | Ling Hua     |
| 2319   | Mengniu Dairy          | Buy     | HKD            | 34.35        | 33.26                  | -3%              | RMB          | 0.85  | 1.10  | 1.48  | 32.1  | 24.8  | 18.5  | 8.4%                | Ling Hua     |
| 506  | China Foods            | Neutral | HKD            | 2.99         | 4.25                   | 42%              | HKD          | 0.17  | 0.22  | 0.27  | 17.6  | 13.6  | 11.1  | -6.3%               | Ling Hua     |
| 151  | Want Want China        | Neutral | HKD            | 11.76        | 12.10                  | 3%               | USD          | 0.05  | 0.06  | 0.07  | 30.3  | 25.3  | 21.7  | 9.5%                | Ling Hua     |
| 345  | Vitasoy                | Buy     | HKD            | 9.68         | 9.00                   | -7%              | HKD          | 0.31  | 0.35  | 0.48  | 31.2  | 27.7  | 20.2  | 2.0%                | Ling Hua     |
| <b>Machinery &amp; Equipment</b>             |                        |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |              |
| 1157   | Zoomlion               | Buy     | HKD            | 7.04         | 7.40                   | 5%               | RMB          | 0.79  | 0.96  | 1.04  | 7.1   | 5.8   | 5.4   | 7.8%                | Jiao Yiding  |
| <b>Electricity</b>                           |                        |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |              |
| 902  | Huaneng Power          | Buy     | HKD            | 7.81         | 11.00                  | 41%              | RMB          | 0.79  | 0.86  | 0.93  | 7.9   | 7.2   | 6.7   | -8.1%               | Vera Liang   |
| 991  | Datang Power           | Buy     | HKD            | 3.61         | 4.10                   | 14%              | RMB          | 0.40  | 0.42  | 0.52  | 7.2   | 6.8   | 5.5   | 3.7%                | Vera Liang   |
| <b>Pharmaceuticals &amp; Medical Devices</b> |                        |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |              |
| 2348   | Dawnrays Pharma        | Buy     | HKD            | 3.07         | 3.20                   | 4%               | RMB          | 0.18  | 0.14  | 0.17  | 13.6  | 17.4  | 14.4  | 21.8%               | Jonathan Hsu |
| <b>US Stock</b>                              |                        |         |                |              |                        |                  |              |       |       |       |       |       |       |                     |              |
| BIDU   | Baidu Inc              | Buy     | USD            | 143.81       | 149.50                 | 4%               | USD          | 4.89  | 7.36  | 9.67  | 29.4  | 19.5  | 14.9  | 6.8%                | Mike Chen    |
| SINA   | Sina Corp              | Buy     | USD            | 81.46        | 90.70                  | 11%              | USD          | -0.36 | 2.51  | 4.49  | N.A.  | 32.5  | 18.1  | 1.8%                | Mike Chen    |
| SOHU   | Sohu.Com Inc           | Neutral | USD            | 67.76        | 64.20                  | -5%              | USD          | 2.42  | 2.97  | 3.56  | 28.0  | 22.8  | 19.0  | 11.0%               | Mike Chen    |
| NTES   | Netease Inc            | Buy     | USD            | 74.18        | 85.50                  | 15%              | USD          | 5.56  | 5.80  | 6.60  | 13.3  | 12.8  | 11.2  | 16.7%               | Mike Chen    |
| QIHU   | Qihoo 360              | Buy     | USD            | 84.51        | 94.47                  | 12%              | USD          | 1.16  | 2.00  | 3.68  | 72.9  | 42.3  | 23.0  | 21.7%               | Mike Chen    |
| YOKU   | Youku Tudou Inc        | Neutral | USD            | 27.03        | 23.82                  | -12%             | USD          | -0.47 | -0.18 | 0.19  | N.A.  | N.A.  | 142.3 | 27.3%               | Mike Chen    |
| EDU  | New Oriental Education | Buy     | USD            | 23.97        | 24.50                  | 2%               | USD          | 0.89  | 1.25  | 1.43  | 26.9  | 19.2  | 16.8  | 6.6%                | Mike Chen    |
| DANG   | Dangdang               | Neutral | USD            | 9.04         | 6.40                   | -29%             | USD          | -0.82 | -0.52 | -0.18 | N.A.  | N.A.  | N.A.  | -3.9%               | Mike Chen    |
| CTRP   | Ctrip                  | Buy     | USD            | 49.06        | 25.70                  | -48%             | USD          | 1.15  | 1.48  | 1.76  | 42.7  | 33.2  | 27.9  | 6.6%                | Mike Chen    |
| HMIN   | Home Inns              | Neutral | USD            | 34.20        | 27.40                  | -20%             | USD          | 1.09  | 1.62  | 2.04  | 31.4  | 21.1  | 16.8  | 5.7%                | Mike Chen    |

## HSI Index Components Performance

## HSCEI Index Components Performance

Last price

| Code | Name             | Price | Chg 1D (%) | Code | Name             | Price | Chg 1D (%) |
|------|------------------|-------|------------|------|------------------|-------|------------|
| 1    | CHEUNG KONG      | 116.4 | 1.0        | 168  | TSINGTAO BREW-H  | 60.45 | 0.8        |
| 2    | CLP HLDGS LTD    | 63.50 | 0.2        | 177  | JIANGSU EXPRES-H | 8.94  | 1.0        |
| 3    | HONG KG CHINA GS | 18.40 | 0.2        | 323  | MAANSHAN IRON-H  | 2.10  | -2.3       |
| 4    | WHARF HLDG       | 67.20 | -1.3       | 338  | SINOPEC SHANG-H  | 2.93  | 1.7        |
| 5    | HSBC HLDGS PLC   | 86.20 | -1.0       | 347  | ANGANG STEEL-H   | 5.16  | -1.5       |
| 6    | POWER ASSETS HOL | 67.70 | 1.2        | 358  | JIANGXI COPPER-H | 15.78 | -2.4       |
| 11   | HANG SENG BK     | 126.7 | -0.2       | 386  | CHINA PETROLEU-H | 6.18  | -0.2       |
| 12   | HENDERSON LAND D | 47.10 | 0.3        | 390  | CHINA RAIL GR-H  | 4.36  | -1.1       |
| 13   | HUTCHISON WHAMPO | 92.35 | -1.1       | 489  | DONGFENG MOTOR-H | 11.36 | 0.9        |
| 16   | SUN HUNG KAI PRO | 102.6 | 0.0        | 552  | CHINA COMM SER-H | 4.91  | -0.8       |
| 17   | NEW WORLD DEV    | 11.68 | 0.0        | 576  | ZHEJIANG EXPRESS | 7.05  | 0.7        |
| 19   | SWIRE PACIFIC-A  | 91.80 | -0.6       | 694  | BEIJING CAP AI-H | 5.15  | 1.2        |
| 23   | BANK EAST ASIA   | 33.55 | 5.7        | 728  | CHINA TELECOM-H  | 4.13  | -0.2       |
| 66   | MTR CORP         | 30.90 | 0.8        | 753  | AIR CHINA LTD-H  | 5.72  | 0.2        |
| 83   | SINO LAND CO     | 10.86 | 0.4        | 857  | PETROCHINA CO-H  | 8.76  | -0.7       |
| 101  | HANG LUNG PROPER | 26.00 | 0.8        | 902  | HUANENG POWER-H  | 7.81  | 0.8        |
| 144  | CHINA MERCHANT   | 27.50 | -1.4       | 914  | ANHUI CONCH-H    | 26.20 | -2.8       |
| 267  | CITIC PACIFIC    | 9.92  | 0.0        | 939  | CHINA CONST BA-H | 6.13  | -0.2       |
| 291  | CHINA RES ENTERP | 24.75 | 0.6        | 991  | DATANG INTL PO-H | 3.61  | 0.6        |
| 293  | CATHAY PAC AIR   | 14.78 | 0.7        | 998  | CHINA CITIC BK-H | 4.24  | -0.7       |
| 330  | ESPRIT HLDGS     | 12.12 | -1.0       | 1088 | CHINA SHENHUA-H  | 25.50 | -0.4       |
| 386  | CHINA PETROLEU-H | 6.18  | -0.2       | 1133 | HARBIN ELECTRIC  | 4.92  | -0.6       |
| 388  | HONG KONG EXCHNG | 129.0 | -0.2       | 1138 | CHINA SHIPPING-H | 4.20  | -5.2       |
| 494  | LI & FUNG LTD    | 11.60 | 0.0        | 1171 | YANZHOU COAL-H   | 7.86  | 0.5        |
| 551  | YUE YUEN INDUS   | 21.95 | -0.2       | 1186 | CHINA RAIL CN-H  | 8.48  | -0.2       |
| 688  | CHINA OVERSEAS   | 23.95 | 0.2        | 1398 | IND & COMM BK-H  | 5.54  | 0.0        |
| 700  | TENCENT HOLDINGS | 418.8 | -0.6       | 1800 | CHINA COM CONS-H | 6.47  | 0.2        |
| 762  | CHINA UNICOM HON | 12.66 | -0.2       | 1898 | CHINA COAL ENE-H | 5.04  | -2.7       |
| 857  | PETROCHINA CO-H  | 8.76  | -0.7       | 1919 | CHINA COSCO HO-H | 3.90  | -1.3       |
| 883  | CNOOC LTD        | 16.04 | -1.0       | 2318 | PING AN INSURA-H | 60.05 | -0.7       |
| 939  | CHINA CONST BA-H | 6.13  | -0.2       | 2328 | PICC PROPERTY &  | 11.20 | -0.7       |
| 941  | CHINA MOBILE     | 88.25 | -0.1       | 2600 | ALUMINUM CORP-H  | 2.84  | 0.0        |
| 1088 | CHINA SHENHUA-H  | 25.50 | -0.4       | 2628 | CHINA LIFE INS-H | 21.05 | -1.9       |
| 1199 | COSCO PAC LTD    | 11.82 | 0.2        | 2727 | SHANGHAI ELECT-H | 2.77  | -1.8       |
| 1398 | IND & COMM BK-H  | 5.54  | 0.0        | 2777 | GUANGZHOU R&F -H | 12.80 | 1.4        |
| 2038 | FIH MOBILE LTD   | 4.68  | -1.9       | 2866 | CHINA SHIPPING-H | 2.14  | -1.8       |
| 2318 | PING AN INSURA-H | 60.05 | -0.7       | 2883 | CHINA OILFIELD-H | 20.00 | -3.6       |
| 2388 | BOC HONG KONG HO | 24.90 | 0.0        | 2899 | ZIJIN MINING-H   | 1.85  | -2.1       |
| 2600 | ALUMINUM CORP-H  | 2.84  | 0.0        | 3323 | CHINA NATL BDG-H | 7.76  | -2.3       |
| 2628 | CHINA LIFE INS-H | 21.05 | -1.9       | 3328 | BANK OF COMMUN-H | 5.87  | -0.3       |
| 3328 | BANK OF COMMUN-H | 5.87  | -0.3       | 3968 | CHINA MERCH BK-H | 14.80 | 1.9        |
| 3988 | BANK OF CHINA-H  | 3.60  | 0.0        | 3988 | BANK OF CHINA-H  | 3.60  | 0.0        |
|      |                  |       |            | 3993 | CHINA MOLYBDENUM | 3.00  | -2.0       |



A+H Company Performance  
 Last price

| Name(H)          | Code (H) | Price (H) | Code (A) | Price (A) | Spread (%) |
|------------------|----------|-----------|----------|-----------|------------|
| TIANJIN CAP-H    | 1065     | 2.83      | 600874   | 8.15      | 264.8      |
| BEIREN PRINT-H   | 187      | 3.72      | 600860   | 10.44     | 255.5      |
| NORTHEAST ELEC-H | 42       | 0.95      | 000585   | 2.48      | 230.7      |
| SHENJI GROUP-H   | 300      | 1.93      | 600806   | 5.03      | 230.2      |
| CHONGQING IRON-H | 1053     | 1.15      | 601005   | 2.85      | 214.0      |
| NANJING PANDA-H  | 553      | 3.37      | 600775   | 7.79      | 192.8      |
| SHANDONG XINHU-H | 719      | 1.99      | 000756   | 4.54      | 189.0      |
| SINOPEC YIZHEN-H | 1033     | 1.99      | 600871   | 4.25      | 170.6      |
| JINGWEI TEXTIL-H | 350      | 5.37      | 000666   | 9.51      | 124.4      |
| BEIJING NORTH-H  | 588      | 1.79      | 601588   | 3.02      | 113.7      |
| GUANGZHOU SHIP-H | 317      | 7.69      | 600685   | 11.93     | 96.5       |
| HISENSE KELON -H | 921      | 5.66      | 000921   | 8.66      | 93.8       |
| SINOPEC SHANG-H  | 338      | 2.93      | 600688   | 4.16      | 79.9       |
| YANZHOU COAL-H   | 1171     | 7.86      | 600188   | 10.40     | 67.6       |
| DATANG INTL PO-H | 991      | 3.61      | 601991   | 4.65      | 63.2       |
| ALUMINUM CORP-H  | 2600     | 2.84      | 601600   | 3.61      | 61.0       |
| CHINA SHIPPING-H | 1138     | 4.20      | 600026   | 4.77      | 43.9       |
| GUANGZHOU BAIYUN | 874      | 28.45     | 600332   | 31.75     | 41.4       |
| ZTE CORP-H       | 763      | 14.66     | 000063   | 15.92     | 37.6       |
| SHENZHEN EXPRE-H | 548      | 2.96      | 600548   | 3.09      | 32.3       |
| JIANGXI COPPER-H | 358      | 15.78     | 600362   | 16.46     | 32.1       |
| ANHUI EXPRESS-H  | 995      | 4.26      | 600012   | 4.39      | 30.6       |
| DONGFANG ELECT-H | 1072     | 11.40     | 600875   | 11.27     | 25.2       |
| HUADIAN POWER-H  | 1071     | 3.24      | 600027   | 3.17      | 24.0       |
| CHINA SOUTHERN-H | 1055     | 3.11      | 600029   | 2.94      | 19.8       |
| CHINA CITIC BK-H | 998      | 4.24      | 601998   | 3.91      | 16.8       |
| MAANSHAN IRON-H  | 323      | 2.10      | 600808   | 1.80      | 8.6        |
| LUOYANG GLASS-H  | 1108     | 1.45      | 600876   | 5.37      | 0.0        |
| BANK OF CHINA-H  | 3988     | 3.60      | 601988   | 2.78      | -2.2       |
| GUANGSHEN RAIL-H | 525      | 4.00      | 601333   | 3.03      | -4.0       |
| CHINA MERCH BK-H | 3968     | 14.80     | 600036   | 11.19     | -4.2       |
| BANK OF COMMUN-H | 3328     | 5.87      | 601328   | 4.41      | -4.8       |
| AIR CHINA LTD-H  | 753      | 5.72      | 601111   | 4.17      | -7.7       |
| CHINA PETROLEU-H | 386      | 6.18      | 600028   | 4.47      | -8.4       |
| IND & COMM BK-H  | 1398     | 5.54      | 601398   | 3.93      | -10.1      |
| HUANENG POWER-H  | 902      | 7.81      | 600011   | 5.49      | -11.0      |
| CHINA LIFE INS-H | 2628     | 21.05     | 601628   | 14.46     | -13.0      |
| TSINGTAO BREW-H  | 168      | 60.45     | 600600   | 40.77     | -14.6      |
| WEICHAJ POWER-H  | 2338     | 30.65     | 000338   | 20.12     | -16.8      |
| PING AN INSURA-H | 2318     | 60.05     | 601318   | 37.78     | -20.3      |
| JIANGSU EXPRES-H | 177      | 8.94      | 600377   | 5.58      | -20.9      |
| ANGANG STEEL-H   | 347      | 5.16      | 000898   | 3.22      | -21.0      |
| ANHUI CONCH-H    | 914      | 26.20     | 600585   | 15.58     | -24.7      |

## Recently Published Research

| Date published | Name of report   | Analyst                                   |
|----------------|--|---|
| 12-Sep-13      | CHINA MERCHANTS HOLDINGS (144.HK)                          | Kate Li                                   |
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| 12-Sep-13      | Qihoo 360 Technology (QIHU.N)                              | Mike Chen                                 |
| 10-Sep-13      | Anton Oilfield Services (03337.HK)                         | Michael Yuk                               |
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| 10-Sep-13      | MINTH GROUP LTD (425 HK)                                   | Colleen Li                                |
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| 6-Sep-13       | Kingsoft (03888.HK)  | Jeff Hao                                  |
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| 4-Sep-13       | Overseas Economic Outlook 4Q2013                           | Cliff Zhao, Qing Li, Lynn Song,David Xie  |
| 4-Sep-13       | Wisdom Holdings Group (1661.HK)                            | Jeff Hao                                  |
| 3-Sep-13       | ZHONGSHENG GROUP (881 HK)                                  | Colleen Li                                |
| 3-Sep-13       | PORTS DESIGN LTD(589 HK)                                   | Ivy Zhao                                  |
| 2-Sep-13       | Monthly Review   | Cliff Zhao, George Chen                   |
| 2-Sep-13       | CHINA SHIPPING CONT-H (2866 .HK )                          | Kate Li, Colleen Li                       |
| 2-Sep-13       | Forecast of August Economic Data                           | David Xie, Cliff Zhao, Qing Li            |
| 2-Sep-13       | Sinopec (00386.HK)   | Michael Yuk                               |
| 30-Aug-13      | COSCO PACIFIC (1199 .HK )                                  | Kate Li, Colleen Li                       |
| 29-Aug-13      | TINGYI HOLDING (322 HK)                                    | Hua Ling                                  |
| 29-Aug-13      | XINJIANG GOLDWIND (2208.HK)                                | Yin Lei                                   |
| 28-Aug-13      | Comment on HSBC August Flash PMI                           | David Xie, Cliff Zhao, Qing Li            |
| 28-Aug-13      | DATANG INTL PO-H(991.HK)                                   | Vera Liang                                |
| 28-Aug-13      | EVERGRANDE REAL(3333.HK)                                   | Duan Feiqin                               |
| 27-Aug-13      | Chu Kong Petroleum   | Michael Yuk                               |
| 27-Aug-13      | Wisdom Holdings Group (1661.HK)                            | Jeff Hao                                  |
| 27-Aug-13      | NetEase Inc. (NTES.O)                                      | Mike Chen                                 |
| 27-Aug-13      | XTEP INTERNATIONAL(1368.HK)                                | Ivy Zhao                                  |
| 26-Aug-13      | PetroChina (00857.HK)                                      | Michael Yuk                               |
| 26-Aug-13      | CHINA TELECOM-H (00728.HK)                                 | Jeff Hao                                  |
| 26-Aug-13      | Wisdom Holdings Group (1661.HK)                            | Jeff Hao                                  |
| 26-Aug-13      | CHINA DONGXIANG(3818.HK)                                   | Ivy Zhao                                  |
| 23-Aug-13      | TENCENT HOLDINGS (00700.HK)                                | Jeff Hao                                  |
| 23-Aug-13      | Commentary On Ongoing Emerging Market Turbulence           | David Xie, Cliff Zhao, Qing Li            |
| 22-Aug-13      | CNOOC (00883.HK)   | Michael Yuk                               |
| 22-Aug-13      | GEELY AUTOMOBILE (175.HK)                                  | Colleen Li                                |
| 22-Aug-13      | Special Report on International Capital Flows in China VII | Cliff Zhao, Qing Li, Lynn Song            |
| 22-Aug-13      | Truly International (732 HK)                               | Alex Ng                                   |

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|--------------------|--|
| <b>OVERWEIGHT</b>  | Expected to outperform the market index by > 10% over the next 12 months                           |
| <b>NEUTRAL</b>     | Expected to outperform or underperform the market index by 10% or less over the next twelve months |
| <b>UNDERWEIGHT</b> | Expected to underperform the market index by >10% over the next 12 months                          |

| <b>COMPANY</b> | <b>DEFINITION</b>  |
|----------------|--|
| <b>BUY</b>     | Expected to outperform the market index by >10% over the next twelve months                        |
| <b>NEUTRAL</b> | Expected to outperform or underperform the market index by 10% or less over the next twelve months |
| <b>SELL</b>    | Expected to underperform the market index by >10% over the next twelve months                      |

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