

A-share Research Highlights (CMS Research Center)

1. Guangshen Railway (601333) – Passenger turnover growing steadily, freight situation improving MoM

[Luo Yanyan, Nov. 26, 2013] Guangshen Railway released its October 2013 operating data: passenger turnover grew 4.5% YoY, while freight turnover grew 0.8% YoY. We maintain our EPS estimates of RMB0.20, 0.21 and 0.22 for 2013, 2014 and 2015 respectively, with “Buy-A” rating unchanged. The share price has fallen below book value. But based on ROE of around 5% and a reasonable funding cost of 8%, we derive a reasonable P/B ratio of about 0.64x, corresponding to share price of RMB2.4. We suggest actively investing in this stock when the share price has a good safety margin and waiting for government policy dividends.

Comment: (1) Demand grew steadily for passenger transportation. Passenger turnover of the Guangzhou-Shenzhen rail link continued to grow relatively fast in October from a year earlier, while YoY turnover growth of long-distance trains slowed down. Turnover of the Guangzhou-Shenzhen rail link was 3.31 million person-times in October, up 7.7% YoY. That of direct trains to and from Hong Kong was 363,000 person-times, up 7.3% YoY. That of other trains was 3.03 million person-times, growing at a much slower pace of 0.9% YoY.

(2) Demand for freight transportation remained generally weak but improved MoM. Freight turnover grew 0.8% YoY in October. In the first 10 months of the year, freight turnover fell 5% YoY. The freight situation has been turning better since June with YoY decline gradually narrowing down.

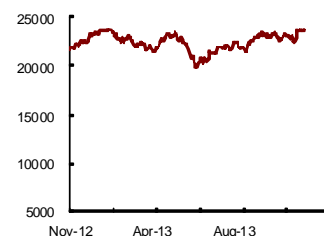
(3) Pressure remains on fundamentals of the company. We mainly have to wait for government policy support as future catalyst. The railway industry is in a reform and transition period. Reform started in the separation of government and enterprise responsibilities in early 2013. We expect the railway reform to proceed gradually. Look forward to detailed reform plans. Potential positive policies include land transfer and market-oriented rail transportation price reforms. Especially, the land transfer reform will mean huge opportunity for the company's revaluation. Market-oriented rail transportation price reforms will also mean one-off opportunities of earnings enhancement and higher flexibility of business operation. However, in terms of fundamentals, the company will continue to face two pressures in the next several years: competition from high-speed railway on the demand side and rising costs.

HK Indices	Last price	chg	% chg
HSI	23,806.35	125.0	0.53
Finance	33,522.58	153.8	0.46
Properties	29,716.85	-21.65	-0.07
Utilities	49,875.88	55.23	0.11
Commerce&Industrv	13,937.40	111.53	0.81
HSCEI	11,401.96	99.93	0.88
HSCCI	4,618.10	5.70	0.12
HKSPGEM	467.86	-0.07	-0.01

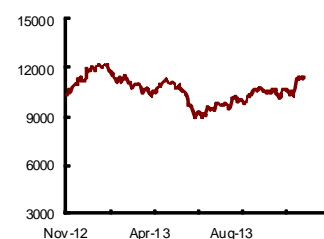
World Indices	Last price	chg	% chg
FTSE 100	6,649.47	13.25	0.20
DAX 30	9,351.13	61.06	0.66
CAC 40	4,293.06	15.49	0.36
DJIA	16,097.33	24.53	0.15
S&P500	1,807.23	4.48	0.25
Nasdaq Composite	4,044.75	27.00	0.67
Nikkei 225	15,449.63	-65.61	-0.42

Asia-Pacific Indices	Last price	chg	% chg
KOSPI	2,028.81	6.17	0.31
TWSE	8,295.88	47.86	0.58
STI	3,172.06	-1.45	-0.05
India BSE 30	20,420.26	-4.76	-0.02
S&P/ASX 200	5,354.60	21.73	0.41

HSI One Year



HSCEI One Year



Source: Bloomberg

China Merchants Securities (HK)

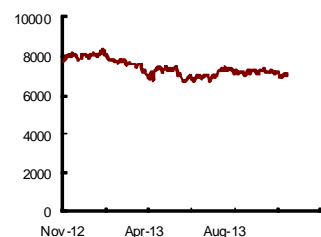
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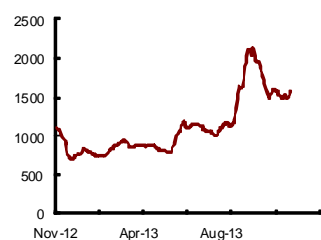
What to Watch

Economic Data	HK: Nil US: Nil		
Date	Ticker	Stock Name	Earnings
2013/11/28	00025	CHEVALIER INT'L	Interim
2013/11/28	00040	GOLD PEAK	Interim
2013/11/28	00052	FAIRWOOD HOLD	Interim
2013/11/28	00064	GET NICE	Interim
2013/11/28	00077	AMS TRANSPORT	Interim
2013/11/28	00084	STELUX HOLDINGS	Interim
2013/11/28	00105	ASSO INT HOTELS	Interim
2013/11/28	00113	DICKSON CONCEPT	Interim
2013/11/28	00114	HERALD HOLD	Interim
2013/11/28	00120	COSMOPOL INT'L	Interim
2013/11/28	00139	ICUBE TECH-NEW	Interim
2013/11/28	00160	HON KWOK LAND	Interim
2013/11/28	00172	GOLDBOND GROUP	Interim
2013/11/28	00213	NATIONAL ELEC H	Interim
2013/11/28	00216	CHINNEY INV	Interim
2013/11/28	00224	PIONEER GLOBAL	Interim
2013/11/28	00237	SAFETY GODOWN	Interim
2013/11/28	00241	CITIC 21CN	Interim
2013/11/28	00252	SE ASIA PPT	Interim
2013/11/28	00264	CHANCO INT'L	Interim
2013/11/28	00266	TIAN TECK LAND	Interim
2013/11/28	00275	HANNY HOLDINGS	Interim
2013/11/28	00278	WAH HA REALTY	Interim
2013/11/28	00320	COMPUTIME	Interim
2013/11/28	00348	LUNG CHEONG	Interim
2013/11/28	00364	PING SHAN TEA	Interim
2013/11/28	00367	CHUANG'S INT'L	Interim
2013/11/28	00439	CLIMAX INT'L	Interim
2013/11/28	00485	STARLIGHT INT'L	Interim
2013/11/28	00499	HYCOMM WIRELESS	Interim
2013/11/28	00518	TUNGTEX	Interim
2013/11/28	00558	LK TECH	Interim
2013/11/28	00601	GROUP SENSE	Interim
2013/11/28	00638	KIN YAT HOLD	Interim
2013/11/28	00674	CULTURELANDMARK	Interim
2013/11/28	00736	CHINA PPT INV	Interim

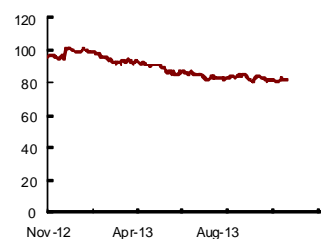
LME Copper Commodity One Year



BDI One Year



API Coal One Year



Source: Bloomberg

2013/11/28	00777	NETDRAGON	3rd Quarter
2013/11/28	00835	ASIA COAL	Interim
2013/11/28	00859	HENRY GROUP	Interim
2013/11/28	00899	ASIA RESOURCES	Interim
2013/11/28	00907	ELEGANCEOPTICAL	Interim
2013/11/28	00923	IWS	Interim
2013/11/28	00927	FUJIKON IND	Interim
2013/11/28	00928	TACK FIORI	Interim
2013/11/28	00986	CH ENV ENERGY	Interim
2013/11/28	00989	CHINA MOTION	Interim
2013/11/28	01013	WAI CHUN GROUP	Interim
2013/11/28	01050	KARRIE INT'L	Interim
2013/11/28	01124	COASTAL GL	Interim
2013/11/28	01131	AGRITRADE RES	Interim
2013/11/28	01140	OP Fin Inv	Interim
2013/11/28	01141	POLY CAPITAL	Interim
2013/11/28	01235	TRAVEL EXPERT	Interim
2013/11/28	01314	TSUI WAH HLDG	Interim
2013/11/28	01830	PERFECT SHAPE	Interim
2013/11/28	02322	Noble Century	Interim
2013/11/28	03998	BOSIDENG	Interim
2013/11/28	08228	National Arts	3rd Quarter
Date	Ticker	Stock Name	Issue Price
2013/11/28	01370	HENGSHIMINING	3.200

China Merchants Securities (Hong Kong) Stock Pool Update Weekly
 2013-11-28

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		
Textiles, Apparel & Luxury Goods															
589	Ports	Neutral	HKD	6.10	5.30	-13%	RMB	0.55	0.56	0.64	8.8	8.6	7.5	4.8%	Ivy Zhao
1880	Belle	Buy	HKD	9.56	14.03	47%	RMB	0.55	0.62	0.69	13.7	12.1	11.0	-8.8%	Ivy Zhao
1368	Xtep	Neutral	HKD	4.12	4.00	-3%	RMB	0.27	0.27	0.29	12.1	12.1	11.2	11.1%	Ivy Zhao
2020	Anta Sports	Buy	HKD	11.12	13.47	21%	RMB	0.49	0.54	0.60	18.1	16.4	14.6	4.5%	Ivy Zhao
1361	361 Degrees	Neutral	HKD	2.32	1.71	-26%	RMB	0.17	0.16	0.16	10.9	11.6	11.5	7.9%	Ivy Zhao
1968	Peak Sport	Neutral	HKD	1.91	1.48	-23%	RMB	0.16	0.17	0.19	9.6	8.8	7.8	7.3%	Ivy Zhao
2331	Li Ning	Buy	HKD	7.02	5.20	-26%	RMB	-0.10	0.18	0.20	N.A.	31.6	27.9	1.5%	Ivy Zhao
3818	China Dongxiang	Buy	HKD	1.21	1.64	36%	RMB	0.04	0.04	0.05	25.9	22.8	20.4	-0.8%	Ivy Zhao
953	Meike	Neutral	HKD	0.49	0.30	-39%	RMB	0.04	0.05	0.06	10.8	8.4	7.1	-31.9%	Ivy Zhao
1234	China Lilang	Buy	HKD	5.16	5.25	2%	RMB	0.41	0.41	0.47	10.0	10.0	8.7	3.8%	Ivy Zhao
891	Trinity	Buy	HKD	2.94	4.63	57%	RMB	0.21	0.25	0.30	11.1	9.3	7.8	6.1%	Ivy Zhao
873	C Taifeng Bed	Buy	HKD	2.11	2.86	36%	RMB	0.52	0.65	0.80	3.2	2.6	2.1	20.6%	Ivy Zhao
Metals & Mining															
1818	Zhaojin Mining	Neutral	HKD	5.15	6.00	17%	RMB	0.43	0.38	0.34	9.5	10.7	12.0	-18.1%	Li Xiang
2899	Zijin Mining	Neutral	HKD	1.80	1.69	-6%	RMB	0.14	0.15	0.12	10.2	9.5	11.9	0.0%	Li Xiang
358	Jiangxi Copper	Buy	HKD	14.84	15.20	2%	RMB	1.02	1.05	0.85	11.5	11.2	13.8	3.6%	Li Xiang
3993	Cmcc	Neutral	HKD	3.35	3.10	-7%	RMB	0.19	0.20	0.21	13.7	13.5	12.8	7.7%	Li Xiang
2600	Chalco	Sell	HKD	2.88	1.60	-44%	RMB	-0.28	-0.11	-0.10	N.A.	N.A.	N.A.	-2.0%	Li Xiang
1378	China Hongqiao	Buy	HKD	4.75	5.80	22%	RMB	0.97	1.11	1.23	3.9	3.4	3.1	-0.6%	Li Xiang
486	Rusal	Sell	HKD	2.31	2.03	-12%	USD	0.01	0.04	0.05	29.8	7.5	6.0	-2.9%	Li Xiang
3948	Yitai Coal	Buy	HKD	14.50	25.10	73%	RMB	1.88	2.11	2.22	6.1	5.5	5.2	-4.0%	Li Xiang

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								2013E	2014E	2015E	2013E	2014E	2015E		
1088	China Shenhua	Buy	HKD	26.15	36.40	39%	RMB	2.44	2.90	3.07	8.5	7.1	6.7	10.8%	Li Xiang
1898	China Coal	Neutral	HKD	5.11	5.00	-2%	RMB	0.47	0.43	0.42	8.6	9.4	9.6	9.7%	Li Xiang
Auto & Others															
1211	Byd Company	Neutral	HKD	38.85	13.00	-67%	RMB	0.33	0.68	1.10	93.1	45.2	27.9	0.1%	Colleen Li
489	Dongfeng Group	Buy	HKD	12.22	14.17	16%	RMB	1.13	1.26	1.29	8.6	7.7	7.5	11.9%	Colleen Li
175	Geely Auto	Buy	HKD	4.04	5.04	25%	RMB	0.32	0.36	0.38	10.0	8.9	8.4	8.9%	Colleen Li
2333	Greatwall Motor	Neutral	HKD	47.40	38.62	-19%	RMB	2.78	3.41	3.74	13.5	11.0	10.0	5.2%	Colleen Li
1114	Brilliance Chi	Buy	HKD	13.60	12.00	-12%	RMB	0.71	0.80	0.89	15.2	13.5	12.1	-5.8%	Colleen Li
425	Mint Group	Buy	HKD	16.08	13.20	-18%	RMB	0.78	0.87	0.97	16.3	14.6	13.1	-2.9%	Colleen Li
1728	Zhengtong Auto	Buy	HKD	5.25	5.85	11%	RMB	0.55	0.81	1.11	7.6	5.1	3.7	-3.5%	Colleen Li
881	Zhongsheng Hldg	Neutral	HKD	10.60	10.30	-3%	RMB	0.58	0.71	0.99	14.5	11.8	8.5	-16.1%	Colleen Li
Oil & Gas															
857	Petro China	Buy	HKD	9.19	10.55	15%	RMB	0.71	0.74	0.78	10.2	9.8	9.3	5.4%	Michael Yuk
386	Sinopec Corp	Buy	HKD	6.71	7.20	7%	RMB	0.68	0.70	0.73	7.8	7.6	7.3	11.8%	Michael Yuk
883	Cnooc	Buy	HKD	15.58	17.00	9%	RMB	1.44	1.56	1.69	8.6	7.9	7.3	3.3%	Michael Yuk
603	China Oil & Gas	Neutral	HKD	1.41	1.45	3%	HKD	0.09	0.12	0.15	15.7	11.8	9.4	23.7%	Michael Yuk
342	Newocean Energy	Buy	HKD	5.19	5.30	2%	HKD	0.55	0.63	0.79	9.4	8.2	6.6	8.4%	Michael Yuk
467	Unitedenergy Gp	Buy	HKD	1.16	1.59	37%	HKD	0.10	0.09	0.09	11.6	12.9	12.9	-5.7%	Michael Yuk
Oil & Gas Services/Equipment															
3899	Cimc Enric	Buy	HKD	12.04	10.00	-17%	RMB	0.49	0.60	0.72	19.4	15.9	13.2	4.5%	Michael Yuk
569	Ch Automation	Buy	HKD	1.80	2.50	39%	RMB	0.26	0.29	0.33	5.5	4.9	4.3	13.9%	Michael Yuk
3337	Anton Oilfield	Buy	HKD	4.82	4.75	-1%	RMB	0.19	0.23	0.28	20.1	16.6	13.6	2.6%	Michael Yuk
1938	Chu Kong Pipe	Buy	HKD	3.12	2.26	-28%	RMB	0.11	0.40	0.55	22.4	6.2	4.5	10.6%	Michael Yuk
2883	China Oilfield	Buy	HKD	23.15	18.00	-22%	RMB	1.29	1.45	1.66	14.2	12.6	11.0	14.6%	Michael Yuk

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								2013E	2014E	2015E	2013E	2014E	2015E		
3303	Jutal Oil Ser	Buy	HKD	1.56	2.40	54%	RMB	0.13	0.17	0.15	9.5	7.3	8.2	5.4%	Michael Yuk
1623	Hilong	Buy	HKD	6.42	5.10	-21%	RMB	0.16	0.28	0.29	31.0	18.3	17.6	21.4%	Michael Yuk
Property															
688	China Overseas	Buy	HKD	23.45	22.56	-4%	HKD	2.29	2.30	2.68	10.2	10.2	8.8	1.1%	DuanFeiqin
410	Soho China	Neutral	HKD	7.01	6.42	-8%	HKD	2.37	2.13	1.96	3.0	3.3	3.6	5.7%	DuanFeiqin
813	Shimao Property	Neutral	HKD	18.46	16.70	-10%	HKD	2.07	2.19	2.46	8.9	8.4	7.5	3.6%	DuanFeiqin
1109	China Res Land	Buy	HKD	20.55	23.80	16%	HKD	1.81	1.91	2.20	11.4	10.8	9.3	-1.7%	DuanFeiqin
2777	R&F Properties	Buy	HKD	12.22	13.90	14%	HKD	2.15	2.23	2.45	5.7	5.5	5.0	-2.4%	DuanFeiqin
2007	Country Garden	Neutral	HKD	5.00	4.68	-6%	HKD	0.48	0.53	0.60	10.5	9.4	8.3	-0.4%	DuanFeiqin
3383	Agile Property	Neutral	HKD	8.49	10.10	19%	HKD	1.81	1.98	2.02	4.7	4.3	4.2	-7.5%	DuanFeiqin
3333	Evergrande	Buy	HKD	3.22	4.38	36%	HKD	0.84	0.97	0.98	3.8	3.3	3.3	0.6%	DuanFeiqin
960	Longfor Ppt	Buy	HKD	11.60	13.23	14%	HKD	1.50	1.65	1.81	7.7	7.0	6.4	-8.4%	DuanFeiqin
1813	Kwg Property	Neutral	HKD	4.63	5.05	9%	HKD	1.02	1.10	1.18	4.5	4.2	3.9	-4.9%	DuanFeiqin
3366	Oct (Asia)	Buy	HKD	3.77	3.50	-7%	HKD	0.43	0.54	0.64	8.8	7.0	5.9	6.5%	DuanFeiqin
3900	Greentown China	Buy	HKD	13.16	18.80	43%	HKD	3.17	3.33	3.49	4.2	4.0	3.8	-12.4%	DuanFeiqin
754	Hopson Dev Hold	Buy	HKD	9.41	12.20	30%	HKD	1.72	1.98	2.22	5.5	4.8	4.3	3.2%	DuanFeiqin
1918	Sunac	Buy	HKD	5.17	6.66	29%	HKD	1.07	1.26	1.41	4.8	4.1	3.7	2.0%	DuanFeiqin
Consumer Discretionary															
1833	Intime	Buy	HKD	8.93	10.50	18%	RMB	0.54	0.64	0.75	13.1	11.0	9.4	-1.4%	Gloria Wang
1700	Springland	Neutral	HKD	3.96	4.50	14%	RMB	0.29	0.33	0.37	10.8	9.5	8.5	-8.3%	Gloria Wang
Telecommunication															
941	China Mobile	Neutral	HKD	82.95	78.00	-6%	RMB	6.37	6.26	6.27	10.3	10.5	10.5	3.6%	Jeff Hao
762	China Unicom	Buy	HKD	11.92	14.08	18%	RMB	0.45	0.58	0.69	21.0	16.3	13.7	-1.2%	Jeff Hao
728	China Telecom	Buy	HKD	4.11	4.67	14%	RMB	0.24	0.27	0.31	13.6	12.0	10.5	1.7%	Jeff Hao

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								2013E	2014E	2015E	2013E	2014E	2015E		
Information Technology															
700	Tencent	Buy	HKD	441.40	455.00	3%	RMB	8.58	11.47	15.37	40.7	30.4	22.7	3.6%	Jeff Hao
3888	Kingsoft	Buy	HKD	18.72	24.37	30%	RMB	0.50	0.66	0.83	29.6	22.4	17.8	-14.7%	Jeff Hao
1661	Wisdom	Buy	HKD	3.60	2.90	-19%	RMB	0.13	0.20	0.25	21.9	14.2	11.4	24.1%	Jeff Hao
777	Netdragon	Buy	HKD	16.00	26.27	64%	RMB	0.78	0.89	1.12	16.2	14.2	11.3	-43.5%	Jeff Hao
354	Chinasoft	Neutral	HKD	2.13	2.00	-6%	RMB	0.10	0.12	0.15	16.9	14.0	11.2	-9.0%	Jeff Hao
268	Kingdee	Neutral	HKD	2.28	1.40	-39%	RMB	0.02	0.04	0.05	90.2	45.1	36.1	-11.6%	Jeff Hao
Port															
144	China Mer Hold	Neutral	HKD	28.90	26.43	-9%	HKD	1.55	1.75	2.05	18.7	16.5	14.1	5.3%	Kate Li
1199	Cosco Pacific	Buy	HKD	11.24	12.58	12%	USD	0.26	0.13	0.14	5.6	11.2	10.4	4.3%	Kate Li
Shipping															
368	Sinotrans Ship	Buy	HKD	2.56	2.40	-6%	USD	0.01	0.02	0.03	33.0	16.5	11.0	0.8%	Kate Li
316	Ooil	Buy	HKD	40.20	51.00	27%	USD	0.17	0.23	0.41	30.5	22.6	12.7	1.3%	Kate Li
2866	Cscl	Neural	HKD	2.02	1.82	-10%	RMB	-0.06	0.03	0.07	N.A.	53.3	22.8	2.0%	Kate Li
Alternative Energy															
3800	Gcl-Poly Energy	Buy	HKD	2.55	1.97	-23%	HKD	0.01	0.05	0.07	255.0	51.0	36.4	2.8%	Yin Lei
712	Comtec Solar	Buy	HKD	1.62	1.76	9%	RMB	0.05	0.11	0.16	25.6	11.7	8.0	-9.5%	Yin Lei
750	Singyes Solar	Buy	HKD	8.70	9.40	8%	RMB	0.81	0.91	1.04	8.5	7.6	6.6	5.2%	Yin Lei
2208	Goldwind	Buy	HKD	7.27	10.04	38%	RMB	0.15	0.32	0.45	38.3	18.0	12.8	-4.3%	Yin Lei
916	Longyuan Power	Neutral	HKD	10.00	8.16	-18%	RMB	0.36	0.43	0.52	22.0	18.4	15.2	11.4%	Yin Lei
1798	Datang Power	Neutral	HKD	1.47	1.59	8%	RMB	0.05	0.08	0.13	23.3	14.5	8.9	-9.8%	Yin Lei
816	Huadian Fuxin	Buy	HKD	2.63	2.99	14%	RMB	0.19	0.24	0.28	11.0	8.7	7.4	8.7%	Yin Lei
579	Jingneng	Buy	HKD	3.65	3.62	-1%	RMB	0.18	0.24	0.29	16.0	12.0	10.0	16.2%	Yin Lei
Food & Beverage															

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								2013E	2014E	2015E	2013E	2014E	2015E		
322	Tingyi	Buy	HKD	22.85	21.10	-8%	USD	0.08	0.11	0.12	36.9	28.1	24.6	8.6%	Ling Hua
2319	Mengniu Dairy	Buy	HKD	34.40	33.26	-3%	RMB	0.85	1.10	1.48	32.0	24.7	18.4	-3.4%	Ling Hua
506	China Foods	Neutral	HKD	3.68	4.25	15%	HKD	0.17	0.22	0.27	21.7	16.7	13.6	-1.1%	Ling Hua
151	Want Want China	Neutral	HKD	11.14	12.10	9%	USD	0.05	0.06	0.07	28.7	24.0	20.5	0.2%	Ling Hua
345	Vitasoy	Buy	HKD	11.04	9.00	-18%	HKD	0.31	0.35	0.48	35.6	31.5	23.0	13.5%	Ling Hua
Machinery & Equipment															
1157	Zoomlion	Neutral	HKD	7.63	7.20	-6%	RMB	0.60	0.67	0.80	10.1	9.0	7.5	13.9%	Jiao Yiding
631	Sany	Buy	HKD	2.66	3.40	28%	RMB	0.22	0.24	0.26	9.6	8.8	8.1	16.7%	Jiao Yiding
Electricity															
902	Huaneng Power	Buy	HKD	7.43	11.00	48%	RMB	0.89	0.87	0.93	6.6	6.8	6.3	-6.3%	Vera Liang
991	Datang Power	Buy	HKD	3.49	3.90	12%	RMB	0.37	0.38	0.47	7.5	7.3	5.9	0.6%	Vera Liang
1071	Huadian Power	Neutral	HKD	3.21	3.80	18%	RMB	0.46	0.45	0.55	5.5	5.6	4.6	-7.0%	Vera Liang
Semi and Hardware Technology															
992	Lenove	Buy	HKD	9.20	9.20	0%	USD	0.06	0.08	0.09	19.8	14.8	13.2	14.0%	Alex Ng
2382	Sunny Optical	Neutral	HKD	7.54	8.37	11%	RMB	0.41	0.54	0.73	14.6	11.0	8.2	-0.1%	Alex Ng
732	Truly	Buy	HKD	4.46	7.15	60%	HKD	0.56	0.67	0.79	8.0	6.7	5.7	-12.0%	Alex Ng
2018	Aac Tech	Neutral	HKD	34.30	40.00	17%	RMB	1.83	2.16	2.48	14.8	12.6	10.9	2.2%	Alex Ng
2618	Tcl Comm	Buy	HKD	7.34	8.52	16%	HKD	0.28	0.76	0.96	26.2	9.7	7.7	10.9%	Alex Ng
2369	China Wireless	Neutral	HKD	2.56	3.10	21%	HKD	0.20	0.24	0.30	12.8	10.7	8.5	-9.2%	Alex Ng
Pharmaceuticals & Medical Devices															
2348	Dawnrays Pharma	Buy	HKD	4.29	3.20	-25%	RMB	0.18	0.14	0.17	18.9	24.2	20.0	11.4%	Jonathan Hsu
460	Sihuan Pharm	Buy	HKD	5.98	8.00	34%	RMB	0.16	0.17	0.19	29.6	27.8	24.9	2.4%	Jonathan Hsu
1177	Sino Biopharm	Buy	HKD	6.10	6.70	10%	HKD	0.09	0.18	0.22	67.8	33.9	27.7	13.4%	Jonathan Hsu
1093	CSPC Pharm	Buy	HKD	4.90	5.70	16%	HKD	1.48	0.20	0.24	3.3	24.5	20.4	9.6%	Jonathan Hsu

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		
1099	Sinopharm	Buy	HKD	22.95	24.40	6%	RMB	0.66	0.82	1.01	27.5	22.1	18.0	9.8%	Jonathan Hsu
2877	Shineway Pharm	Neutral	HKD	11.12	12.30	11%	RMB	0.91	0.78	0.89	9.7	11.3	9.9	-5.3%	Jonathan Hsu
US Stock															
BIDU	Baidu Inc	Buy	USD	162.99	151.10	-7%	USD	4.89	7.36	9.67	33.3	22.2	16.9	2.3%	Mike Chen
SINA	Sina Corp	Buy	USD	77.66	97.50	26%	USD	0.53	2.43	4.20	146.5	32.0	18.5	-6.7%	Mike Chen
SOHU	Sohu.Com Inc	Neutral	USD	64.80	61.40	-5%	USD	1.48	2.44	3.28	43.8	26.6	19.8	-20.4%	Mike Chen
NTES	Netease Inc	Buy	USD	70.53	85.50	21%	USD	5.56	5.80	6.60	12.7	12.2	10.7	-3.2%	Mike Chen
QIHU	Qihoo 360	Buy	USD	82.15	94.47	15%	USD	1.16	2.00	3.68	70.8	41.1	22.3	-3.1%	Mike Chen
YOKU	Youku Tudou Inc	Neutral	USD	27.17	23.82	-12%	USD	-0.47	-0.18	0.19	N.A.	N.A.	143.0	-4.1%	Mike Chen
EDU	New Oriental Education	Buy	USD	29.53	24.50	-17%	USD	0.89	1.25	1.43	33.2	23.6	20.7	9.0%	Mike Chen
DANG	Dangdang	Neutral	USD	9.35	6.40	-32%	USD	-0.82	-0.52	-0.18	N.A.	N.A.	N.A.	-1.6%	Mike Chen
CTRP	Ctrip	Buy	USD	47.37	25.70	-46%	USD	1.15	1.48	1.76	41.2	32.0	26.9	-15.0%	Mike Chen
HMIN	Home Inns	Neutral	USD	39.89	27.40	-31%	USD	1.09	1.62	2.04	36.6	24.6	19.6	11.8%	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	122.7	0.0	168	TSINGTAO BREW-H	64.70	-0.5
2	CLP HLDGS LTD	63.55	-0.2	177	JIANGSU EXPRES-H	9.88	0.3
3	HONG KG CHINA GS	18.36	0.0	323	MAANSHAN IRON-H	2.14	0.9
4	WHARF HLDG	64.75	0.2	338	SINOPEC SHANG-H	2.29	1.3
5	HSBC HLDGS PLC	87.00	0.4	347	ANGANG STEEL-H	5.25	0.2
6	POWER ASSETS HOL	63.20	0.4	358	JIANGXI COPPER-H	14.84	0.4
11	HANG SENG BK	126.6	-0.5	386	CHINA PETROLEU-H	6.71	0.9
12	HENDERSON LAND D	45.70	-0.2	390	CHINA RAIL GR-H	4.52	0.4
13	HUTCHISON WHAMPO	98.90	1.2	489	DONGFENG MOTOR-H	12.22	-0.7
16	SUN HUNG KAI PRO	99.95	0.2	552	CHINA COMM SER-H	4.88	-0.4
17	NEW WORLD DEV	10.54	-0.2	576	ZHEJIANG EXPRESS	7.11	0.9
19	SWIRE PACIFIC-A	92.05	1.0	694	BEIJING CAP AI-H	5.85	-1.2
23	BANK EAST ASIA	34.35	0.3	728	CHINA TELECOM-H	4.11	0.5
66	MTR CORP	30.25	1.2	753	AIR CHINA LTD-H	6.04	-0.7
83	SINO LAND CO	10.78	-0.2	857	PETROCHINA CO-H	9.19	-0.4
101	HANG LUNG PROPER	26.30	0.8	902	HUANENG POWER-H	7.43	0.8
144	CHINA MERCHANT	28.90	-1.2	914	ANHUI CONCH-H	29.90	3.1
267	CITIC PACIFIC	11.14	0.9	939	CHINA CONST BA-H	6.25	0.5
291	CHINA RES ENTERP	27.55	0.6	991	DATANG INTL PO-H	3.49	1.2
293	CATHAY PAC AIR	16.52	0.2	998	CHINA CITIC BK-H	4.50	0.7
330	ESPRIT HLDGS	16.54	-2.7	1088	CHINA SHENHUA-H	26.15	-0.2
386	CHINA PETROLEU-H	6.71	0.9	1133	HARBIN ELECTRIC	5.09	0.6
388	HONG KONG EXCHNG	137.7	1.1	1138	CHINA SHIPPING-H	4.88	-1.2
494	LI & FUNG LTD	10.58	-1.1	1171	YANZHOU COAL-H	8.47	1.3
551	YUE YUEN INDUS	24.55	3.8	1186	CHINA RAIL CN-H	8.67	0.4
688	CHINA OVERSEAS	23.45	-0.4	1398	IND & COMM BK-H	5.55	0.7
700	TENCENT HOLDINGS	441.4	1.0	1800	CHINA COM CONS-H	6.50	0.2
762	CHINA UNICOM HON	11.92	-1.7	1898	CHINA COAL ENE-H	5.11	1.8
857	PETROCHINA CO-H	9.19	-0.4	1919	CHINA COSCO HO-H	3.77	0.5
883	CNOOC LTD	15.58	0.0	2318	PING AN INSURA-H	72.55	0.8
939	CHINA CONST BA-H	6.25	0.5	2328	PICC PROPERTY &	12.84	2.4
941	CHINA MOBILE	82.95	1.6	2600	ALUMINUM CORP-H	2.88	1.4
1088	CHINA SHENHUA-H	26.15	-0.2	2628	CHINA LIFE INS-H	24.90	1.0
1199	COSCO PAC LTD	11.24	-0.7	2727	SHANGHAI ELECT-H	2.80	0.7
1398	IND & COMM BK-H	5.55	0.7	2777	GUANGZHOU R&F -H	12.22	-1.0
2038	FIH MOBILE LTD	3.87	1.0	2866	CHINA SHIPPING-H	2.02	0.5
2318	PING AN INSURA-H	72.55	0.8	2883	CHINA OILFIELD-H	23.15	0.9
2388	BOC HONG KONG HO	26.05	-1.3	2899	ZIJIN MINING-H	1.80	0.0
2600	ALUMINUM CORP-H	2.88	1.4	3323	CHINA NATL BDG-H	8.74	3.2
2628	CHINA LIFE INS-H	24.90	1.0	3328	BANK OF COMMUN-H	5.74	0.7
3328	BANK OF COMMUN-H	5.74	0.7	3968	CHINA MERCH BK-H	16.54	2.1
3988	BANK OF CHINA-H	3.74	1.1	3988	BANK OF CHINA-H	3.74	1.1
				3993	CHINA MOLYBDENUM	3.35	0.6

A+H Company Performance
 Last price

Name(H)	Code (H)	Price (H)	Code (A)	Price (A)	Spread (%)
NORTHEAST ELEC-H	42	0.93	000585	2.59	254.4
BEIREN PRINT-H	187	3.09	600860	8.51	250.4
TIANJIN CAP-H	1065	3.31	600874	8.71	234.8
SHANDONG XINHU-H	719	2.06	000756	4.72	191.6
CHONGQING IRON-H	1053	1.15	601005	2.60	187.7
SHENJI GROUP-H	300	2.11	600806	4.75	186.5
NANJING PANDA-H	553	3.86	600775	8.01	164.1
SINOPEC YIZHEN-H	1033	1.53	600871	2.95	145.3
SINOPEC SHANG-H	338	2.29	600688	4.25	136.2
BEIJING NORTH-H	588	1.74	601588	2.87	109.9
JINGWEI TEXTIL-H	350	5.56	000666	9.13	109.0
ALUMINUM CORP-H	2600	2.88	601600	3.93	73.6
DATANG INTL PO-H	991	3.49	601991	4.31	57.1
YANZHOU COAL-H	1171	8.47	600188	10.12	52.0
SHENZHEN EXPRE-H	548	3.53	600548	3.81	37.3
GUANGZHOU BAIYUN	874	26.25	600332	26.85	30.2
JIANGXI COPPER-H	358	14.84	600362	14.77	26.6
HUADIAN POWER-H	1071	3.21	600027	3.17	25.7
HISENSE KELON -H	921	10.44	000921	10.13	23.5
ZTE CORP-H	763	17.32	000063	16.53	21.4
ANHUI EXPRESS-H	995	4.43	600012	4.09	17.5
DONGFANG ELECT-H	1072	13.06	600875	11.90	15.9
CHINA SHIPPING-H	1138	4.88	600026	4.37	14.0
CHINA CITIC BK-H	998	4.50	601998	4.01	13.4
GUANGZHOU SHIP-H	317	17.18	600685	15.16	12.3
CHINA SOUTHERN-H	1055	3.43	600029	2.91	8.0
MAANSHAN IRON-H	323	2.14	600808	1.77	5.2
LUOYANG GLASS-H	1108	1.39	600876	5.11	0.0
GUANGSHEN RAIL-H	525	3.95	601333	3.00	-3.4
BANK OF CHINA-H	3988	3.74	601988	2.81	-4.4
HUANENG POWER-H	902	7.43	600011	5.49	-6.0
BANK OF COMMUN-H	3328	5.74	601328	4.12	-8.7
CHINA PETROLEU-H	386	6.71	600028	4.72	-10.5
TSINGTAO BREW-H	168	64.70	600600	44.76	-12.0
AIR CHINA LTD-H	753	6.04	601111	4.15	-12.6
IND & COMM BK-H	1398	5.55	601398	3.79	-13.1
CHINA MERCH BK-H	3968	16.54	600036	10.86	-16.5
CHINA LIFE INS-H	2628	24.90	601628	15.77	-19.4
ANGANG STEEL-H	347	5.25	000898	3.12	-24.4
JIANGSU EXPRES-H	177	9.88	600377	5.80	-25.3
WEICHAJ POWER-H	2338	34.35	000338	19.89	-26.3
PING AN INSURA-H	2318	72.55	601318	41.44	-27.3
ANHUI CONCH-H	914	29.90	600585	16.93	-28.0

Recently Published Research

Date published	Name of report	Analyst
26-Nov-13	Gome Electrical (493 HK)	Wang Xiaodi
26-Nov-13	Truly International (732 HK)	Alex Ng
25-Nov-13	China Property Sector Comment	Duan Feiqin
25-Nov-13	China Datang (1798 HK)	Yin Lei
22-Nov-13	Kingsoft (03888.HK)	Jeff Hao
22-Nov-13	October FOMC meeting minutes	Qing Li, Cliff Zhao, David Xie
19-Nov-13	Comment on Chinese Railway	Colleen Li
19-Nov-13	Qihoo 360 Technology (QIHU.N)	Mike Chen
18-Nov-13	Comment on Fed monetary policy	Qing Li, Cliff Zhao, David Xie
18-Nov-13	China Property Sector Comment	Duan Feiqin
18-Nov-13	Comment on Eurozone 3Q13 GDP	Lynn Song, Cliff Zhao, David Xie
18-Nov-13	NewOcean Energy Ltd. (00342.HK)	Michael Yuk
14-Nov-13	Comment on Japan's 3Q13 GDP data	Lynn Song, Cliff Zhao, David Xie
13-Nov-13	HK Stock Market Strategy Comments	Cliff Zhao, George Chen
13-Nov-13	Comment on Communiqué of Third Plenum of 18TH CPC Central Committee	David Xie, Cliff Zhao, Qing Li
13-Nov-13	NetDragon (00777.HK)	Jeff Hao
13-Nov-13	Nov.11 Online Sales Comment	Wang Xiaodi
12-Nov-13	Comment on the ECB benchmark interest rate cut	Lynn Song, Cliff Zhao, David Xie
12-Nov-13	XINJIANG Goldwind-H(2208.HK)	Yin Lei
8-Nov-13	China Dongxiang (3818 HK)	Ivy Zhao
8-Nov-13	Comment on U.S. GDP 3Q2013	Qing Li, Cliff Zhao, David Xie
8-Nov-13	Comment on the ECB benchmark interest rate cut	Lynn Song, Cliff Zhao, David Xie
7-Nov-13	Baidu Inc. (BIDU.O)	Mike Chen
5-Nov-13	ANTA Sports Products (2020.HK)	Ivy Zhao
5-Nov-13	361 DEGREES	Ivy Zhao
5-Nov-13	Monthly Review Nov 2013	Cliff Zhao, George Chen
4-Nov-13	Datang International (991.HK)	Vera Liang
4-Nov-13	TCL Communication (2618 HK)	Alex Ng
1-Nov-13	Huadian Power (1071HK)	Vera Liang
1-Nov-13	Zoomlion Heavy (1157 HK)	Yiding Jiao
1-Nov-13	CSR CORP LTD (1766.HK)	Colleen Li
1-Nov-13	China Property Sector Comment	Duan Feiqin
31-Oct-13	Sohu.com Inc. (SOHU.O)	Mike Chen
31-Oct-13	Sinopec (00386.HK)	Michael Yuk
31-Oct-13	PetroChina (00857.HK)	Michael Yuk
31-Oct-13	Monthly Review Nov 2013	Cliff Zhao, George Chen
30-Oct-13	Huadian Power (1071 HK)	Vera Liang
30-Oct-13	Report on capital flow to Europe	Lynn Song, Cliff Zhao, David Xie
30-Oct-13	CHINA UNICOM (00762.HK)	Jeff Hao
30-Oct-13	China Telecom (00728.HK)	Jeff Hao
30-Oct-13	Orient Overseas (316 HK)	Kate Li
29-Oct-13	Monthly Report on HK Stock Market Fund Flows	Qing Li, Cliff Zhao, David Xie
29-Oct-13	CNOOC (00883.HK)	Michael Yuk
29-Oct-13	China Coal Energy (1898.HK)	Li Xiang

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INDUSTRY	DEFINITION
OVERWEIGHT	Expected to outperform the market index by > 10% over the next 12 months
NEUTRAL	Expected to outperform or underperform the market index by 10% or less over the next twelve months
UNDERWEIGHT	Expected to underperform the market index by >10% over the next 12 months

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

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