

MARKET OVERVIEW

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Hong Kong stocks declined and reached a new 13-month low as capital outflow from A-share markets. Wuxi Bio (2269 HK) slumped for second days after analysts cut its earnings forecast and target price. The Hang Seng Index fell 318pts to 16,327pts with a daily turnover of HKD118b. According to ig.com, the Hang Seng Index is expected to open c.150pts higher this morning to c.16,500pts.

SECTOR / COMPANY NEWS

China Auto - Decent Nov Sales Volume Growth

Several companies released their sales volume in Nov as follow:

- 1) Xpeng-W (9868 HK): Recorded new monthly record of 20,041 vehicles delivered in Nov (+245% YoY);
- 2) Nio-SW (9866 HK): Nio delivered 15,959 vehicles in Nov (+12.6% YoY). The deliveries consisted of 10,545 premium smart electric SUVs, and 5,414 premium smart electric sedans;
- 3) Li Auto-W (2015 HK): Li Auto delivered 41,030 vehicles in Nov (+172.9% YoY). Cumulative YTD deliveries of Li Auto vehicles reached 325,677 as of the end of Nov, achieving its 2023 target of 300k vehicles ahead of schedule;
- 4) Geely Auto (175 HK): ZEEKR, a premium intelligent electric vehicle company, delivered 13,104 units of vehicle in Nov (+19% YoY);
- 5) BYD (1211 HK): new energy vehicle amounted to 301,903 (+64.8% YoY) units. The installed capacity of NEV power battery and energy storage battery was c.16.945 GWh in Nov.

Tencent (700 HK, TP: HKD445.16, Buys: 97.1%, Not Rated)

According to Sensor Tower, China iOS grossing was flattish YoY in Nov (vs. Oct of 5% YoY growth). Tencent flagship title HoK's iOS grossing declined by 13% MoM in Nov after a 12% MoM increase in Oct. In Nov, Tencent conducted testing on several games: started limited testing on PC FPS game Delta Force on 3 Nov; started final testing on open-world, cooperative sandbox game Our Planet on Android platform on 9 Nov; started limited testing and final testing on casual party game Dream Star and RPG game Ash Echoes, respectively on 17 Nov; published casual mobile game Bao Shi Da Luan Dou and PC shooting game The Division 2 on 29 Nov.

China Movie - Box Office Slowdown in Nov

China's Nov monthly box office reached RMB1.68b (vs. Oct of RMB3.68b and 2022 Oct of RMB0.57b). In Nov, Last Suspect, a crime movie rated 9.3/10 at Maoyan Ent. (1896 HK), generated total box office of RMB494m and ranked top one for the month. Across the Furious Sea achieved box office of RMB287m as of 30 Nov 2023. Be My Family, generated box office of RMB11.3m at first day and total box office of RMB137.3m for the month. The Marvels reached total box office of RMB110.3m in China and USD78m in the US. There are a solid pipeline titles in Dec, including San Da Dui (Crime), So Long For Love (Family), If We Were Lucky (Romance), Shining For One Thing (Romance), The Invisible Guest (Crime), Love Life Light (Romance), Aquaman and The Lost Kingdom (Fiction), and The Goldfinger (Crime).

XPeng-W (9868 HK)

TP: HKD79.67, Buys:
71.4%, Not Rated

**IDEAS OF
THE DAY**

XPeng recorded new monthly record of 20,041 vehicles delivered in Nov (+245% YoY), surpassing monthly deliveries of 20k for the second straight month. Its G6's Nov deliveries reached 8,750 units with the starting price of RMB200k. XPeng's vehicle deliveries have grown MoM for the past 10 consecutive months, reaching a year-to-date total of 121,486 units and surpassing total deliveries for 2022. On 17 Nov, XPeng officially showcased the X9, its all-new flagship model built upon SEPA2.0 architecture, at Auto Guangzhou 2023, with presale pricing starting from RMB388,000. On 28 Nov, XPeng brought G9, G6 and P7i owners an even more advanced driving experience with the latest OTA updates delivered through its smart cockpit operating system, Xmart OS 4.4.0.

Price for Hang Seng Index (HK)



Source: FactSet

Equity Indices	Last Close	Weekly Δ (%)	YTD Δ (%)	52-wk Low	52-wk High
HSI	16,328	-5.91%	-17.46%	16,229	22,701
Dow Jones	36,204	2.2%	9.2%	31,430	36,265
S&P500	4,567	0.3%	19.0%	3,764	4,607
Nasdaq	14,230	-0.36%	36.0%	10,207	14,447
Nikkei 225	32,776	-1.89%	25.6%	25,662	33,853
KLCI	1,449	0.1%	-3.08%	1,375	1,500
SH Comp	2,972	-2.18%	-3.79%	2,924	3,419
Kospi	2,494	-1.09%	11.5%	2,181	2,668
TWSE	17,328	-0.08%	22.6%	13,982	17,517
STI	3,077	0.4%	-5.36%	3,042	3,408
JKSE	7,101	0.8%	3.7%	6,543	7,149
SET	1,384	-0.71%	-17.09%	1,366	1,696

Source: FactSet

Note: Bloomberg consensus target price as of last trading day

UPCOMING CALENDAR

7 Dec: China Nov Balance of Trade, Exports YoY, Imports YoY

9 Dec: China Nov Inflation Rate, PPI

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