

Investment Daily Note

4 Jul 2008

Summary

Equity Market Summary

Market review and analysis

- During volatile markets, defensive players such as **CLP (2.HK)** provide good capital shelter. We see a short-term investment opportunity for CLP emerging.
- Weakness in the Hong Kong stock market is lingering due to growing concerns about possible interest-rate hikes. We expect the Hong Kong market to stay weak in the near future because of 1) a lack of positive catalysts, 2) inflation concerns across the world, 3) possible rate hikes, 4) high oil prices eating into corporate earnings, 5) lingering weakness in the U.S. and in China's A-share markets.
- We expect the HSI to trade between 20,500 and 21,300 today.

Equity Comment

Company Report Highlights: KWG Property (1813.HK, HK\$5.14, Buy): Value Appearing

We remain positive on KWG over the long term due to its solid fundamentals. Any further tightening measures announced in 2H08, such as interest-rate hikes, would hurt the China property sector as a whole, especially during its recovery period. However, we see KWG as a relatively strong developer given its solid finances and high earnings visibility, and therefore value the stock at a 25% discount to NAV to factor in the worst-case scenario of further interest-rate hikes dampening demand and hurting the property market. The stock now trades at only 6.4X FY08F and 5.0X FY09F earnings. This undemanding valuation indicates value emerging for KWG, and we hence maintain our Buy rating. Please refer to the full report issued today.

Company Report Highlights: Yanzhou Coal (1171.HK, HK\$14.10, Buy): Price Cap Fears Provide Buying Opportunities

Yanzhou Coal reported impressive 1Q08 results, with earnings up 112% yoy due to a 45.9% increase in average coal-sales price to RMB599.43/tonne and a 3.2% yoy increase in sales. The stock has lagged other Chinese coal majors, even though these are expected to post less spectacular results for 2008 and 2009. Yanzhou Coal currently trades at 12X FY08F and 10.5X FY09F earnings, vs. its peers' averages of 16.7X and 13.4X. We estimate EPS growth of 62% in FY08 and 14.6% in FY09, on the back of strong coal prices despite the current cap for thermal coal. We have a Buy rating with a target price of HK\$18.00. Please refer to the full report issued today.

Company Report Highlights: New World Department Store (825.HK, HK\$6.30, Buy): Sales Pick Up in June After Earthquake

NWDS is down 37.5% ytd, due to market concerns that the high mainland CPI will hurt retail sales and the company's disappointing same-store-sales (SSS) growth of just under 15% yoy in May. Nonetheless, we remain positive following talks with management. SSS growth rebounded to 20% yoy in June and is expected to rise to over 25% yoy in 3Q once its 15th anniversary and Olympics promotions kick off. We see the current price as a good opportunity to accumulate the stock. We reiterate our Buy rating and target price of HK\$10.60, on EPS growth of 63% in FY08 and 49% in FY09 and implying 27X FY08F and 18X FY09F earnings. Please refer to the full report issued today.

Equity Indices

	Close	d-d (%)	YTD (%)
Hang Seng Index	21,243	(2.1)	(23.6)
GEM	760	(2.9)	(43.7)
HS "H-Shares"	11,140	(4.0)	(30.9)
HS Red Chips	4,640	(1.6)	(24.1)
DJIA	11,289	0.7	(14.9)
NASDAQ	2,245	(0.3)	(15.3)
S&P 500	1,263	0.1	(14.0)
FTSE-100	5,477	0.9	(15.2)
Nikkei 225	13,265	(0.2)	(13.5)
Taiwan Weighted	7,394	0.5	(13.1)
Shanghai A Share	2,835	2.0	(48.6)
Shenzhen A Share	850	3.5	(44.1)

Market Turnover

	Yesterday HK\$b	% Chg
HSI	37.8	(3.1)
HSCCI	9.7	2.7
HSCEI	25.1	10.1
HK Stocks	75.8	(0.6)

HSI Futures

	Jul	Aug
Settlement price	21,267	21,255
Premium (+) / Discount (-)	(507)	(502)
Volume	84,336	537
O.I.	100,768	354
O.I. Chg	340	167

HKMA Opening Aggregate Balance

	HK\$m
Today	4,655
Yesterday	4,655

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Equity Market Summary

Market review and analysis

Highlights:

- During volatile markets, defensive players such as **CLP (2.HK)** provide good capital shelter. We see a short-term investment opportunity for CLP emerging.
- Weakness in the Hong Kong stock market is lingering due to growing concerns about possible interest-rate hikes. We expect the Hong Kong market to stay weak in the near future because of 1) a lack of positive catalysts, 2) inflation concerns across the world, 3) possible rate hikes, 4) high oil prices eating into corporate earnings, 5) lingering weakness in the U.S. and in China's A-share markets.
- We expect the HSI to trade between 20,500 and 21,300 today.

Figure 1: Short-term trading action

Sector	Stock	Action	
Hong Kong utilities	CLP (2.HK)	Buy:	HK\$64.50
		Target:	HK\$68.50
		Stop loss:	HK\$63.00

Short-term trading action: CLP (2.HK) – defensive choice during volatile market

- CLP is a good defensive capital shelter for investors during the highly volatile market because of its 1) guaranteed-earnings business model, with returns fixed at 9.99% for 10 years from 1 January 2009, and 2) stable dividend, with a payout ratio of 56.3% in FY07 and dividend yield of 4.6%.
- On technical grounds, CLP has outperformed the market recently, and stayed above its 250-day MA despite the market undergoing a deep plunge. CLP has been picking up through its solid uptrend channel, the overall technical chart remains strong and we expect it to rise further amid the volatile market. We recommend investors buy at HK\$64.50, targeting HK\$68.50, with stop losses at HK\$63.00.

Figure 2: Technical chart –CLP (2.HK)



Source: Bloomberg and Sun Hung Kai Financial

Weakness in the Hong Kong stock market to linger on growing concerns about interest-rate hikes

The Hong Kong stock market remains weak due to growing concerns about interest-rate hikes in China and Europe. The threat of a possible rate hike in the Eurozone has spurred concerns about a weaker USD and so higher oil prices, which would spark inflation and further hurt corporate earnings across the world.

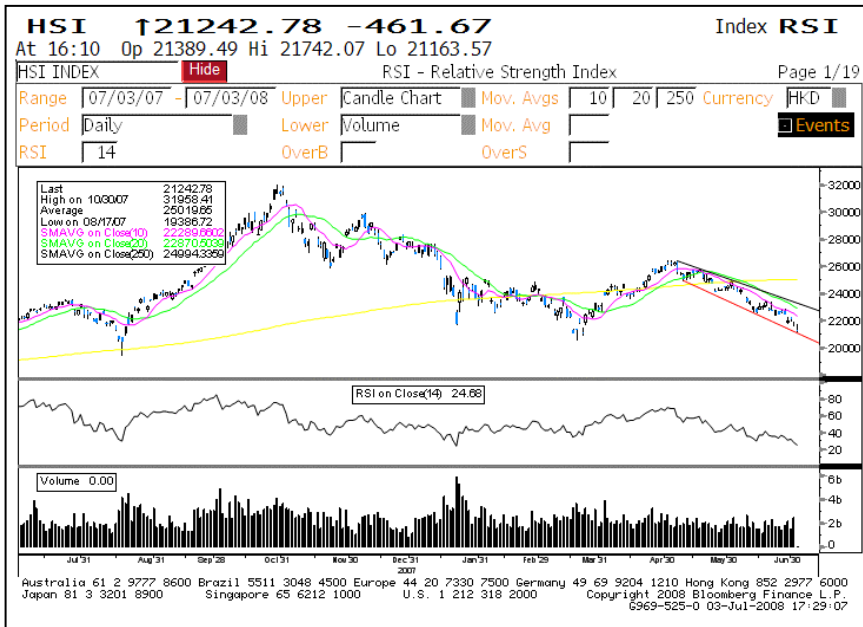
China property stocks and the China insurance sector led the market slump yesterday, under the shadow of possible interest-rate hikes in the mainland, which could hit both the property and the A-share markets. The HSI pared its early rebound and tumbled in the afternoon on high volume of HK\$76bn.

The benchmark index dropped 461 points or 2.1% to 21,242 yesterday, falling through its strong 21,700 support level. The HSCEI also fell 4% or 469 points to 11,139. We expect the Hong Kong stock market to remain weak in the short term because of 1) a lack of positive catalysts, 2) inflation concerns across the world, 3) possible rate hikes, 4) high oil prices eating into corporate earnings, and 5) lingering weakness in the U.S. and China A-share markets.

HSI technical analysis – we expect the HSI to trade between 20,500 and 21,300 today

The HSI reached a new recent low, falling through its downtrend channel yesterday and closing with a black candle – the technical chart has turned very weak. Although the RSI has dropped to 24.6, which indicates the benchmark index has fallen into oversold territory, there are no significant signals on the technical chart to suggest a strong rebound in the near future. We reiterate our view that the next key support level will be 20,572.

Figure 3: HSI Technical Chart



Source: Bloomberg and Sun Hung Kai Financial



HSCEI technical analysis – we expect the HSCEI to trade between 10,500 and 11,200 today

The HSCEI fell to a new recent low, dropping through its downtrend channel yesterday and closing with a black candle. Similar to HSI, the technical chart has turned very weak. Again, although the RSI already fallen to 27, which indicates the index is in oversold territory, there are no significant signals on the technical chart suggesting a strong rebound in the near future. We reiterated our view that the next key support level will be 10,449.

Figure 4: HSCEI Technical Chart



Source: Bloomberg and Sun Hung Kai Financial

Figure 5: Medium-term technical analysis

Benchmark Index	Medium-term support	Medium-term resistance	Trend
HSI	20,572	26,800	Down
HSCEI	10,449	14,970	Down

Figure 6: Summary of key support and resistance levels

Benchmark	Support 1	Support 2	Resistance 1	Resistance 2
HIS	21,163	20,572	21,742	22,289
HSCEI	11,079	10,449	11,822	11,979

U.S. indices gained, but most stocks tumbled

Although the three major U.S. benchmark indices gained last night, most stocks tumbled. More than five stocks retreated for every three stocks that rose. The DJIA rose 73 points or 0.7% to 11,288; the S&P500 gained 0.1% to 1,262; the NASDAQ fell 0.3% to 2,245. The gains last night were due to rebounds by General Motors. Next week, Alcoa and GM will kick off the 2Q08 results-announcement period, giving the market a clearer picture of the corporate-earnings outlook and market prospects.

Jeff Kwan

Equity Comment

Company Report Highlights

KWG Property (1813.HK, HK\$5.14, Buy)

Value Appearing

We remain positive on KWG over the long term due to its solid fundamentals. Any further tightening measures announced in 2H08, such as interest-rate hikes, would hurt the China property sector as a whole, especially during its recovery period. However, we see KWG as a relatively strong developer given its solid finances and high earnings visibility, and therefore value the stock at a 25% discount to NAV to factor in the worst-case scenario of further interest-rate hikes dampening demand and hurting the property market. The stock now trades at only 6.4X FY08F and 5.0X FY09F earnings. This undemanding valuation indicates value emerging for KWG, and we hence maintain our Buy rating.

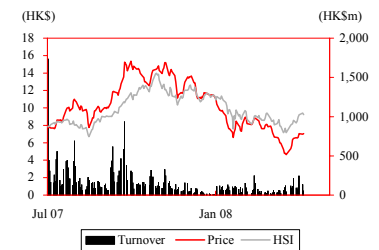
Key investment positives

- **Strong financial position.** KWG had a net-cash position in FY07, which we expect to persist in FY08. That means less policy and operating risks.
- **Diversified land bank.** KWG has increased its GFA to 5.4 million sq m and expanded and diversified its network into five cities and provinces. That should help dilute its policy risk from any single market.
- **About 40% of the FY08 sales target already locked in.** This has increased its FY08F earnings visibility and makes us more confident that it will reach its sales targets.

Key investment negatives

- **Any unexpected rapid deceleration in sales,** although we have already factored in a slowdown for FY08 compared with FY07.
- **Poor sales performance at any major projects** would have a significant negative impact on FY08F earnings.

KWG – Price vs. HSI, Share Data



Price – HK\$	5.14
HSI	21,242.78
52W high/low (HK\$)	16.50/4.41
Shares in issue – m	2,593.75
Market cap – HK\$m	13,331.88
3M avg. turnover – HK\$m	53.65
Major shareholders - %	
Kong Jian Nan	67.50

Sources: Bloomberg and Sun Hung Kai Financial

Figure 1: Earnings Summary

Year ending 31 Dec	FY05	FY06	FY07	FY08F	FY09F
Net profit - RMBm	52.6	49.6	967.0	2,043.8	2,691.0
Net-profit growth - %	(29.3)	(5.7)	1,849.6	111.4	31.7
EPS - RMB fen	N/A	N/A	37.0	74.7	93.4
EPS growth- %	N/A	N/A	N/A	101.8	25.1
P/E - X	N/A	N/A	12.9	6.4	5.0
DPS - RMB fen	N/A	N/A	15.0	20.9	26.2
Dividend yield - %	N/A	N/A	2.8	3.9	4.8
BVPS - RMB	N/A	N/A	3.29	4.16	4.86
P/BV - X (HK)	N/A	N/A	1.5	1.1	1.0
Net debt per share - RMB fen	N/A	N/A	(27.6)	7.4	(10.7)
Net debt/price - %	N/A	N/A	(5.1)	1.4	(2.0)
Issued shares - millions	N/A	N/A	2,593.8	2,593.8	2,593.8

Source: Bloomberg and Sun Hung Kai Financial

Please refer to the full report issued today.

Christina Ngai

Company Report Highlights

Yanzhou Coal (1171.HK, HK\$14.10, Buy)

Price Cap Fears Provide Buying Opportunities

Yanzhou Coal reported impressive 1Q08 results, with earnings up 112% yoy due to a 45.9% increase in average coal-sales price to RMB599.43/tonne and a 3.2% yoy increase in sales. The stock has lagged other Chinese coal majors, even though these are expected to post less spectacular results for 2008 and 2009. Yanzhou Coal currently trades at 12X FY08F and 10.5X FY09F earnings, vs. its peers' average of 16.7X and 13.4X.

We estimate EPS growth of 62% in FY08 and 14.6% in FY09, on the back of strong coal prices despite the current cap for thermal coal. Yanzhou Coal is the most leveraged coal player to spot-coal prices, which will continue to drive earnings growth through 2008 and 2009. We have a Buy rating with a target price of HK18.00.

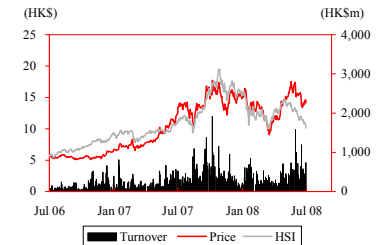
Least affected by price caps on thermal coal

- The NDRC last month froze coal prices at the 19 June level. However, this cap is only for thermal coal and not coking coal. Domestic thermal-coal sales make up only 21% of Yanzhou Coal's net sales, less than the other Chinese coal majors **China Shenhua (1088.HK)** and **China Coal (1898.HK)**. The company can also still increase prices for semi-soft coking coal to compensate for shortfalls in thermal coal.

Spot coal is still the best play

- We estimate 70% of sales are based on spot prices, resulting in a higher average coal-sale price than its peers. We see continued strength in coal prices due to demand growth outpacing supply, and transport bottlenecks. Spot prices will remain strong and Yanzhou Coal can benefit the most as it has the greatest exposure to spot-coal prices among the Chinese coal majors.

Yanzhou Coal – Price vs. HSI, Share Data



Price – HK\$	14.10
HSI	21,242.78
52W high/low (HK\$)	17.94/8.96
Shares in issue – m	1,958.40
Market cap - HK\$m	96,314.91
3M avg turnover - HK\$m	442.19
Major shareholders - %	
Penta Investment Advisers	10.91

Sources: Bloomberg and Sun Hung Kai Financial

Figure 1: Earnings Summary

Year ended 31 Dec	FY04	FY05	FY06	FY07	FY08F	FY09F
Net Profit –RMBm	3,154.3	2,881.5	2,373.0	3,230.5	5,339.2	6,118.3
Net-profit growth - %	127.5	(8.7)	(17.6)	36.1	65.3	14.6
EPS – RMB fens	66.0	59.0	48.0	66.0	108.6	124.4
EPS growth – %	120.0	(10.6)	(18.6)	37.5	64.5	14.6
P/E – X	17.9	20.0	24.6	17.9	10.9	9.5
DPS –RMB fens	16.3	15.0	12.0	17.0	20.4	22.4
Dividend yield – %	1.4	1.3	1.0	1.4	1.7	1.9
BVPS –RMB	3.2	3.6	3.9	4.4	5.0	5.8
P/B – X	3.7	3.3	3.1	2.7	2.4	2.0
Op. cash flow/share –RMB fens	89.8	80.1	76.6	92.7	118.3	151.4
Free cash flow/share –RMB fens	74.7	53.3	12.8	36.1	44.1	95.8
Free-cash-flow yield – %	6.3	4.5	1.1	3.1	3.7	8.1
Net debt per share –RMB fens	(97.9)	(142.6)	(109.2)	(106.8)	(122.4)	(160.2)
Net cash/ price – %	(8.3)	(12.1)	(9.3)	(9.1)	(10.4)	(13.6)
Issued shares – millions	4,918.4	4,918.4	4,918.4	4,918.4	4,918.4	4,918.4

Sources: Bloomberg and Sun Hung Kai Financial

Please refer to the full report issued today.

Michael Yuk

Company Report Highlights

New World Department Store (825.HK, HK\$6.30, Buy)

Sales Pick Up in June After Earthquake

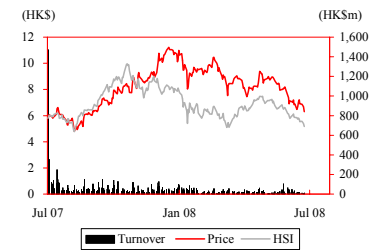
NWDS is down 37.5% ytd, underperforming the HSI's 22% fall, due to market concerns that the high mainland CPI will hurt retail sales and the company's disappointing same-store-sales (SSS) growth of just under 15% yoy in May. Nonetheless, we remain positive following talks with management. SSS growth rebounded to 20% yoy in June and is expected to rise to over 25% yoy in 3Q once its 15th anniversary and Olympics promotions kick off. We see the current price as a good opportunity to accumulate the stock.

We maintain our conservative earnings estimates from our April report. At the time, our earnings- and EPS-growth figures were below the consensus, but they are now in line following downward revisions in the market. We reiterate our Buy rating and target price of HK\$10.60, on EPS growth of 63% in FY08 and 49% in FY09 and implying 27X FY08F and 18X FY09F earnings.

Investment Summary

- Rebound in June and positive outlook for 3Q.** June figures up to 20 June show SSS growth has rebounded to 20% yoy. We remain positive on 3Q, as the company will kick off its 15th anniversary promotion soon and Beijing Olympics promotion in mid-July. We expect SSS growth of over 25% yoy in 3Q.
- Maintain EPS-growth forecasts of 63% in FY08 and 49% in FY09.** 36.8% of self-owned stores and 53.8% of managed stores have been in operation less than three years and will enter the high-growth phase soon. We expect strong sales growth as NWDS's stores are in prime locations (leveraging NWD's and NWCL's abilities) and benefit from almost fixed rentals. We forecast NWDS to deliver EPS growth of 63% in FY08 and 49% in FY09.
- Store openings on track.** Management targets to open the Beijing Liying store, in the Chaoyang CBD, at end-2008. Three managed stores owned by parent will be acquired later, and we expect a re-rating after this announcement.
- Valuation.** We maintain our conservative earnings estimates from our April report. At the time, our earnings- and EPS-growth figures were below the consensus, but they are now in line following downward revisions in the market. We reiterate our Buy rating and target price of HK\$10.60, on EPS growth of 63% in FY08 and 49% in FY09 and implying 27X FY08F and 18X FY09F earnings.

NWDS – Price vs. HSI, Share Data



Price – HK\$	6.30
HSI	21,242.78
52W high/low (HK\$)	11.56/4.13
Shares in issue – millions	1,686.15
Market cap – HK\$m	10,622.71
3M avg turnover – HK\$m	23.68
Major shareholders – %	
Centennial Success	72.29

Sources: Bloomberg and Sun Hung Kai Financial

Figure 1: Earnings Summary

Year ending 31 Dec	FY05	FY06	FY07	FY08F	FY09F
Net profit – HK\$m	100.8	157.9	302.8	399.3	596.4
Net-profit growth – %	34.5	56.8	91.7	31.9	49.4
EPS – HK cents	6.0	9.4	14.5	23.7	35.4
EPS growth – %	34.5	56.8	55.0	63.1	49.4
P/E – X	106.8	68.1	43.9	26.9	18.0
DPS – HK cents	0.0	0.0	0.0	8.0	12.7
Dividend yield – %	0.0	0.0	0.0	1.3	2.0
BVPS – HK\$	0.0	0.1	0.5	2.3	2.5
P/B – X	303.3	57.1	12.5	2.8	2.6
Oper. cash flow/share – HK cents	11.8	22.4	37.8	29.9	48.4
Free cash flow/share – HK cents	6.2	10.2	31.9	(23.5)	15.7
Free-cash-flow yield – %	1.0	1.6	5.0	(3.7)	2.5
Net debt/share (net cash) – HK cents	(41.2)	(51.1)	(55.1)	(178.6)	(186.1)
Net cash/price – %	(6.5)	(8.0)	(8.6)	(28.0)	(29.2)
Issued shares - millions	1,686.1	1,686.1	1,686.1	1,686.1	1,686.1

Sources: Bloomberg and Sun Hung Kai Financial

Please refer to the full report issued today.

Fiona Wong

Forex and Commodities Comment

At the New York closed on Thursday, the dollar rose 0.73 Yen to 106.69 Yen

At the New York closed on Thursday, the dollar rose 0.73 Yen to 106.69 Yen. The Euro fell 1.87 cents to \$1.5696. Sterling fell 1.18 cents to \$1.9816. The Australian Dollar fell 0.38 cents to \$0.9593.

The N.Y. Dow Jones Industrials index closed 73 higher at 11,288.54. The NASDAQ Composite Index closed 6.08 lower at 2245.38. August gold closed \$13 lower at \$933.5. Sep silver closed 5.5 cents lower at \$18.37. August crude oil closed \$1.00 higher at \$144.57. 30-year Treasuries yields fell to 4.535%.

David Lee



Companies listed on both the A-share and H-share markets

Company	H-share code	Last price	A-share code	Last price	A-share premium to H-share (%)
Beiren Printing Machinery	187	1.190	600860	5.600	435.6
Sinopec Yizheng Chemical Fibre	1033	1.050	600871	4.320	368.3
Tianjin Capital Environmental Protection	1065	2.060	600874	8.250	355.8
Luoyang Glass	1108	0.870	600876	3.330	335.6
Nanjing Panda Electronics	553	1.600	600775	5.570	296.2
Northeast Electric	42	0.970	000585	3.340	291.9
Beijing North Star	588	2.010	601588	6.900	290.7
Jingwei Textile Machinery	350	1.510	000666	4.750	258.0
Shandong Xinhua Pharmaceutical	719	1.600	000756	4.890	247.8
China Eastern Airlines	670	2.200	600115	6.550	238.9
Datang International Power	991	4.180	601991	10.300	180.4
Sinopec Shanghai Petrochemical	338	2.510	600688	6.180	180.2
China Southern Airlines	1055	2.920	600029	7.130	177.9
Huadian Power	1071	2.010	600027	4.820	172.9
Air China	753	3.550	601111	8.430	170.3
Guangzhou Pharmaceutical	874	4.980	600332	11.260	157.3
Jiaoda Kunji High-Tech	300	5.900	600806	11.910	129.7
Chongqing Iron & Steel	1053	2.800	601005	5.180	110.6
Jiangxi Copper	358	14.440	600362	25.510	101.1
China Oilfield Services	2883	13.460	601808	23.760	100.9
ZTE Corporation	763	37.950	000063	65.000	94.9
Chalco	2600	8.310	601600	13.810	89.1
PetroChina	857	9.550	601857	14.710	75.3
Yanzhou Coal Mining	1171	14.100	600188	20.390	64.6
Dongfang Electrical Machinery	1072	22.050	600875	31.650	63.4
China Petroleum & Chemical	386	6.840	600028	9.730	61.9
Tsingtao Brewery	168	15.600	600600	21.720	58.5
Huaneng Power	902	4.950	600011	6.840	57.3
Guangzhou Shipyard	317	18.320	600685	25.030	55.5
Shenzhen Expressway	548	4.150	600548	5.460	49.7
Maanshan Iron & Steel	323	4.200	600808	5.360	45.2
Guangshen Railway	525	3.460	601333	4.320	42.1
China Shenhua	1088	28.400	601088	34.790	39.4
China CITIC Bank	998	4.260	601998	5.160	37.9
Bank of China	3988	3.360	601988	4.030	36.5
China COSCO Holdings	1919	18.180	601919	19.670	23.1
China Construction Bank	939	5.840	601939	5.720	11.5
Jiangsu Expressway	177	6.350	600377	6.090	9.2
ICBC	1398	5.010	601398	4.750	7.9
China Merchants Bank	3968	22.400	600036	21.150	7.5
Anhui Expressway	995	5.310	600012	4.980	6.7
China Shipping Development	1138	22.250	600026	19.870	1.6
China Life	2628	25.400	601628	22.210	(0.5)
Angang Steel	347	14.520	000898	12.650	(0.8)
Bank of Communications	3328	8.570	601328	7.310	(2.9)
Ping An Insurance	2318	48.900	601318	40.550	(5.6)
Anhui Conch Cement	914	48.150	600585	39.130	(7.5)

Source: Bloomberg

Previous day's main gainers and losers

	Code	Price (HKD)	1 Day % Chg	1 Week % Chg	1 Month % Chg	Year to date % Chg	Turnover (HK\$M)
Gainers							
Midland Holdings Ltd	1200.HK	4.710	7.53	(12.78)	(38.27)	(61.77)	54.8
Sinotruk Hong Kong Ltd	3808.HK	7.600	3.68	(6.75)	(20.83)	(37.29)	13.8
Dongfeng Motor Group Co Ltd	489.HK	3.250	3.50	4.84	(8.71)	(40.91)	103.0
AAC Acoustic Technologies	2018.HK	6.670	2.46	(4.03)	(5.66)	(36.48)	21.4
Shandong Molong Petroleum	568.HK	0.790	1.28	(21.00)	(12.22)	(48.70)	2.9
Losers							
China Infrastructure Machinery	3339.HK	6.300	(12.50)	(14.87)	(27.17)	(48.95)	16.2
FAVA International Holdings Ltd	8108.HK	0.520	(8.77)	(8.77)	(10.35)	(60.31)	0.3
Lee & Man Paper Manufacturing Ltd	2314.HK	10.680	(8.56)	(9.18)	(31.89)	(68.82)	56.2
Anhui Tianda Oil Pipe Co Ltd	839.HK	1.560	(7.69)	(18.75)	(37.10)	(60.00)	1.4
Aluminum Corp of China Ltd	2600.HK	8.310	(7.36)	(7.05)	(36.08)	(48.39)	595.4

Share Buy backs

	No of Shares
CHINA TING	1,266,000
CHINESE EST H	1,345,000
LENOVO GROUP	1,000,000
REGAL INT'L	1,244,000
SHENZHEN INT'L	10,000,000
SINO-OCEAN LAND	784,000

Interest Rates

	Closing (%)	5 Day chg (bps)	30 Day chg (bps)	YTD chg (bps)	yoy chg (bps)
HK Prime Rate	5.3	0.0	0.0	(150.0)	(250.0)
US Fed Funds Rate	2.0	0.0	0.0	(225.0)	(325.0)
US 10-Yr Bond Yield	4.0	(5.8)	(0.1)	(4.8)	(106.2)
HK 1-Mth Hibor	1.8	5.1	25.1	(140.4)	(278.4)
HK 3-Mth Hibor	2.3	(0.6)	35.1	(113.2)	(222.4)

Exchange Rates

	Closing	5 Day % chg	30 Day % chg	YTD % chg	yoy % chg
USD/HKD	7.7985	(0.1)	(0.1)	(0.0)	(0.2)
EURO/USD	1.5685	(0.7)	1.6	7.5	15.2
GBP/USD	1.9841	(0.5)	1.4	(0.0)	(1.6)
USD/JPY	106.7050	0.5	1.3	(4.5)	(13.0)
AUD/USD	0.9600	(0.1)	0.3	9.7	12.0
NZD/USD	0.7555	(0.7)	(3.1)	(1.4)	(3.3)
USD/CAD	1.0187	0.8	0.0	2.0	(3.7)
USD Index	72.7490	0.5	(0.9)	(5.1)	(10.7)

Energy and Raw Material Prices

	Closing	5 Day % chg	30 Day % chg	YTD % chg	yoy % chg
Gold (USD/oz)	933.2	0.6	5.9	11.9	42.6
Silver (USD/oz)	18.2	4.0	8.2	23.1	43.9
Aluminum (USD/t)	3,184.0	2.7	8.9	32.2	14.4
Copper (USD/t)	8,645.0	2.4	9.3	29.5	10.5
Hot roll steel (USD/t)	1,052.5	0.0	8.5	78.4	91.4
Cotton (USD/lb)	65.9	(7.3)	10.0	0.0	9.7
CRB Index	472.4	2.0	12.5	31.7	49.2
Brent (USD/barrel)	142.3	4.0	11.5	49.9	96.0
WTI (USD/barrel)	145.3	4.0	16.9	51.3	103.5

Most Recent Reports

Date	Type	Title	Analyst
2-Jul-08	Company Report	Dalian Port (2880.HK): Value Reemerging	Eva Yip
2-Jul-08	Sector Report	Oil Prospector	Michael Yuk
27-Jun-08	Company Report	NagaCorp (3918.HK): A Rising Star in Casino Gaming	Desmond Chan
26-Jun-08	Strategy	Hong Kong and China Equities Market Outlook 2H 2008	Sun Hung Kai Research
26-Jun-08	WideSCREEN	Value Stocks	Angel Tsao / Steven Wang
20-Jun-08	Trading Express	Fuel and Electricity Prices Rise, Coal Prices Capped	Jeff Kwan / Vivien Chan / Eva Yip / Michael Yuk
17-Jun-08	Sector Report	Consumer Sector: Consumption Slowdown?	Fiona Wong
11-Jun-08	Sector Report	China Property Sector: Uncertain Outlook	Christina Ngai
11-Jun-08	Company Report	Arts Optical (1120.HK): Steady Earnings Growth and Yield Confirmed	Eva Yip
11-Jun-08	Equity Dashboard	Market Still Quiet	Sun Hung Kai Research
4-Jun-08	Company Report	Parkson Retail (3368.HK): Opportunity to Buy a Nationwide Player	Fiona Wong
2-Jun-08	Company Report	China Shineway Pharmaceutical (2877.HK): Defensive Player with Bright Future	Christina Ngai
29-May-08	Sector Report	Oil Prospector	Michael Yuk
28-May-08	Company Report	CNOOC (883.HK): Time to Take a Rest	Michael Yuk
28-May-08	Technical Action	CNOOC (883.HK): Time to Take Profit	Jeff Kwan
26-May-08	Sector Report	China Handset Sector - Focus on China Growth	Eva Yip
23-May-08	WideSCREEN	Relative Momentum Investing Recommendation	Steven Wang
23-May-08	Key Takeaways	Xinyi Glass (868.HK)	Vivien Chan
21-May-08	Key Takeaways	Hang Fung Gold (870.HK)	Fiona Wong
20-May-08	Equity Dashboard	Market Rebounds on Low Volatility and Turnover	Sun Hung Kai Research
16-May-08	WideSCREEN	Relative Momentum Investing Recommendation	Steven Wang
14-May-08	Key Takeaways	Addchance (3344.HK)	Fiona Wong

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