

Today's Forecast

HSI Expected Range	22,600-23,000pts
Market Focus	Natural resources sector Chinese securities sector NEXTEER (01316)

Last Trading Day Performance

HSI Range	22,550 - 22,745pts
Turnover	HKD62.287bn

Global Market performance

HSI	22,744.9	+0.83%
HSCE	9,664.2	+0.64%
CSI 300	3,358.3	-0.17%
Shanghai Comp	3,161.7	-0.30%
DJIA	19,855.5	-0.16%
S&P 500	2,268.9	+0.00%
Nasdaq Composite	5,551.8	+0.36%
FTSE 100	7,275.5	+0.52%
DAX	11,583.3	+0.17%
CAC40	4,888.2	+0.01%

**SH-HK and SZ-HK Stock Connect
Daily Quota Balance**

(in RMB Bn)	SH-HK	SZ-HK
Northbound	13.566	12.047
Southbound	9.866	10.169

HSI Futures

	Jan-17	Feb-17
Last Price	22,739	22,687
Up(Down)	+166	+156
Volume	76,891	569

Forex

EUR/USD	1.0554
GBP/USD	1.2181
AUD/USD	0.7362
USD/JPY	115.88
USD/CNY	6.9215
USD/HKD	7.7547

Commodities

WTI Crude Oil	50.98
Brent Oil	53.64
Gold Spot	1,187.52
COMEX Copper	261.60

Data Source : Aastocks 、 Bloomberg.com 、 Et-net 、 Hkex

Today's View : HSI is expected to range trade at 22,800 pts
Today's Forecast:

- The performance of ADRs on HK stocks indicated HSI might open higher by 101pts this morning and breakthrough 22,800 pts. The index is expected to range trade at mentioned level today.

Market Review :

Global market : European and US stocks posted mixed performance

- European stocks advanced at closure overnight as gains among retailers and a rally in mining stocks offset weak financials. Thus, the three major European stock indexes closed up generally while Britain's FTSE 100 Index ended at its record high.
- US stock markets posted mixed performance at closure as lower oil prices dragged down energy stocks. Coupled with the declines in IBM and Merck & Co, market sentiment was dampened. Thus, DJI closed down and S&P ended flat while the Nasdaq ended at another record high.

Mainland Market : Retreated

- Shanghai Composite Index (SHCI) and Shenzhen Composite Index (SZCI) opened lower and stayed weak yesterday. Eventually, SHCI ended lower by 0.30% while SZCI declined by 0.25%. Amongst, natural resources and retail related stocks outperformed the market.

HK Market : Rallied

- HSI opened 2 pts higher and managed to continue the upward trend yesterday. Eventually, HSI closed up by 0.83% while HSCEI rose by 0.64 %. Market turnover recorded as HKD 62.287 bn. Retail sector outperformed the market. Amongst, BELLE INT'L (01880) rose 3.35%, being the best performing blue chip.

Sector/Company news :

Sector/Company	Event	Content
Nexteer (01316)	Operating info	The Company announced to establish a joint venture with Continental Aktiengesellschaft in the USA. The Joint Venture Company will principally engage in research and development activities for the advancement of optimised longitudinal and lateral vehicle motion control systems for assisted and automated driving.
BBMG (02009)	Positive Profit alert	The Company expected its net profit for FY 2016 to increase by 20%-45% on a year-on year basis as compared to the net profit of RMB 2.017 bn in FY2015.
China State Con (03311)	Operating info	The Company recorded an accumulated new contracted value of HKD 83.77bn in FY2016, which achieved the full year target. The Company targeted for not less than HKD 90bn in term of new contracts value in FY2017.

Global market performance

HSI performance in last 3 months



HSCE performance in last 3 months



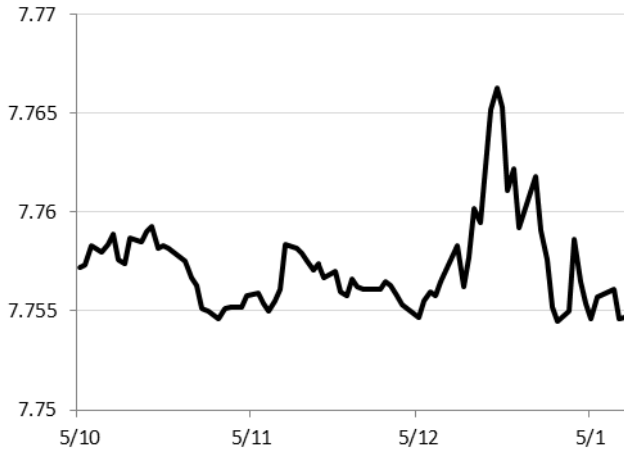
Shanghai Composite performance in last 3 months



Dow Jones Industry Avg Index in last 3 months



USD/HKD performance in last 3 months



US 10-year treasury yield in last 3 months



Data source : Yahoo Finance 、 Google Finance 、 Investing.com 、 US Department of Treasury

Top 5 stocks
Top Gainer

Code	Name	Price	%	Turn(HKD) ^
01833	INTIME	9.540	+35.7%	18.60
00989	GROUND INTL DEV	1.920	+28.0%	0.555
01682	HIGHLIGHT IOT	1.220	+22.0%	0.254
02168	YINGDE GASES	3.850	+15.3%	1.269
00555	REXLOT HOLDINGS	0.140	+14.8%	0.557

Top Loser

Code	Name	Price	%	Turn(HKD) ^
01367	HANBO ENT HLDGS	3.020	-13.0%	0.645
01150	MILAN STATION	0.345	-11.5%	0.075
06388	COACH-DRS-RS	25.250	-9.5%	2.550
03303	JUTAL OIL SER	1.090	-9.2%	1.252
00559	DETAI NEWENERGY	0.255	-8.9%	0.199

Top Volume

Code	Name	Price	%	Volume ^
00136	HENG TEN NET	0.385	+1.3%	5.657
00555	REXLOT HOLDINGS	0.140	+14.8%	4.013
00364	PING SHAN TEA	0.058	-6.5%	3.623
00939	CCB	5.900	+1.2%	2.382
03988	BANK OF CHINA	3.510	+0.3%	2.286

Top Turnover

Code	Name	Price	%	Turn(HKD) ^
00700	TENCENT	198.0	+1.2%	30.81
01299	AIA	46.20	+1.9%	20.00
01833	INTIME	9.540	+35.7%	18.60
00939	CCB	5.900	+1.2%	14.00
00005	HSBC HOLDINGS	63.35	-0.5%	13.82

^ in 100 million

AH Share
Top 10 H shares with the highest discount

	H Share Code	A Share Code	H-share Price (HKD)	A-share Price (RMB)	H-share Premium (Discount)
LUOYANG GLASS	01108	600876	5.07	25.61	-82.3%
ZHEJIANG SHIBAO	01057	002703	9.13	36.95	-77.9%
SHANDONG MOLONG	00568	002490	2.77	10.17	-75.7%
NE ELECTRIC	00042	000585	2.51	8.12	-72.4%
JINGCHENG MAC	00187	600860	3.78	11.79	-71.4%
KUNMING MACHINE	00300	600806	2.58	7.85	-70.7%
XINHUA WINSHARE	00811	601811	7.02	21.10	-70.3%
SINOPEC SSC	01033	600871	1.51	4.21	-68.0%
FIRST TRACTOR	00038	601038	4.49	12.16	-67.0%
COMEC	00317	600685	12.52	32.05	-65.1%

Top 10 H shares with the highest premium

	H Share Code	A Share Code	H-share Price (HKD)	A-share Price (RMB)	H-share Premium (Discount)
FUYAO GLASS	03606	600660	23.70	18.37	+15.2%
WEICHAI POWER	02338	000338	13.26	10.57	+12.0%
ANHUI CONCH	00914	600585	22.15	17.73	+11.5%
JIANGSU EXPRESS	00177	600377	9.85	8.63	+1.9%
PING AN	02318	601318	39.80	35.23	+0.9%
CCB	00939	601939	5.90	5.47	-3.7%
ICBC	01398	601398	4.71	4.46	-5.7%
CM BANK	03968	600036	18.76	17.94	-6.6%
ABC	01288	601288	3.27	3.13	-6.7%
FOSUN PHARMA	02196	600196	24.00	23.29	-8.0%

Data Source: Et-net

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