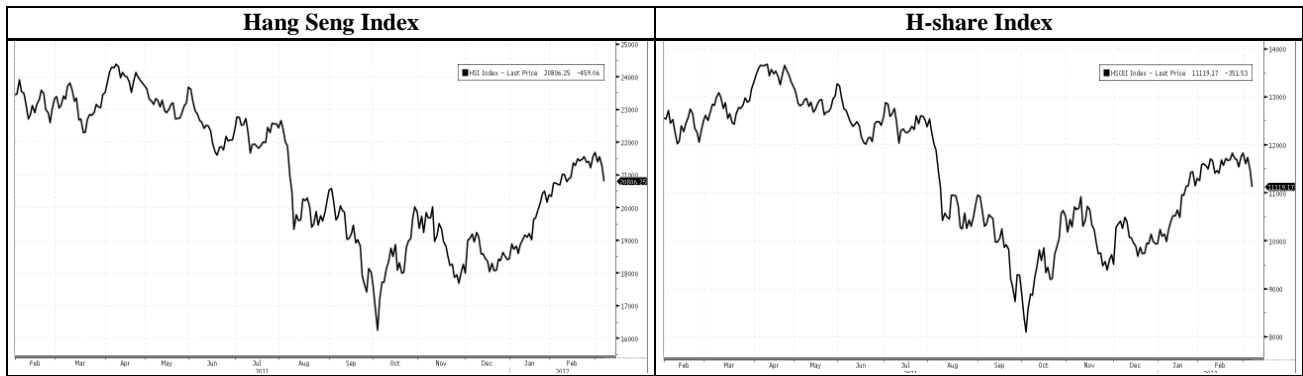


**HONG KONG STOCK MARKET SUMMARY**



**Indexes Performance**

| 07/03/2012           | PER(x) | Close     | Chg. (%) | Net Chg. | Day High  | Day Low   |                     | (HK\$m) | Chg. (%) |
|----------------------|--------|-----------|----------|----------|-----------|-----------|---------------------|---------|----------|
| Hang Seng Index      | 9.56   | 20,627.78 | -0.86%   | -178.47  | 20,732.87 | 20,521.96 | Main board turnover | 78,938  | -37.89%  |
| HSI-Finance          | 9.48   | 28,165.89 | -1.37%   | -390.11  | 28,313.09 | 27,996.29 | HSI stocks          | 31,033  | -59.70%  |
| HSI-Comm & Ind       | 9.93   | 12,311.30 | -0.55%   | -67.60   | 12,390.72 | 12,268.77 | HSCEI stocks        | 20,251  | 4.40%    |
| HSI-Properties       | 6.87   | 26,804.79 | -0.13%   | -33.68   | 26,884.94 | 26,399.47 | Derivative warrants | 9,989   | -13.92%  |
| HSI-Utilities        | 17.93  | 46,843.51 | 0.24%    | 113.91   | 46,954.62 | 46,448.02 | Callable Bull/Bear  | 10,202  | 12.77%   |
| HSI Volatility Index | -      | 23.99     | 1.61%    | 0.38     | 24.26     | 22.84     | Short-selling       | 6,589   | -8.20%   |

| 07/03/2012              | PER(x) | Close     | Chg. (%) | 07/03/2012            | Close     | Chg. (%) |
|-------------------------|--------|-----------|----------|-----------------------|-----------|----------|
| HS Composite Index      | -      | 2,870.77  | -0.74%   | HSCI-Financials       | 3,028.83  | -1.39%   |
| Red Chip Index          | 11.49  | 4,032.24  | -0.62%   | HSCI-Services         | 3,908.42  | 0.31%    |
| HS H-share Index        | 9.17   | 10,976.49 | -1.28%   | HSCI-Telecom          | 1,747.27  | -0.80%   |
| H-share Financial Index | 8.63   | 14,346.64 | -2.07%   | HSCI-Prop & con       | 2,674.92  | -0.38%   |
|                         |        |           |          | HSCI-Utilities        | 5,668.40  | -0.06%   |
|                         |        |           |          | HSCI-Energy           | 14,366.38 | -0.74%   |
|                         |        |           |          | HSCI-Materials        | 7,659.27  | -1.20%   |
|                         |        |           |          | HSCI-Industrial goods | 1,212.33  | -1.16%   |
|                         |        |           |          | HSCI-Consumer goods   | 4,701.24  | 0.74%    |
|                         |        |           |          | HSCI-I.T.             | 2,472.26  | -0.72%   |
|                         |        |           |          | HSCI-Conglomerates    | 2,223.66  | -1.30%   |

**Futures Market**

|                | Close  | Net change | Chg.(%) | Day High | Day Low | Volume | O/I     |
|----------------|--------|------------|---------|----------|---------|--------|---------|
| HSI Futures    |        |            |         |          |         |        |         |
| HSI Mar 12     | 20,569 | -122       | -0.59%  | 20,674   | 20,444  | 79,893 | 101,769 |
| HSI Apr 12     | 20,565 | -124       | -0.60%  | 20,670   | 20,400  | 1,010  | 2,780   |
| HS CEI Futures |        |            |         |          |         |        |         |
| HSCEI Mar12    | 11,036 | -63        | -0.57%  | 11,124   | 10,911  | 56,161 | 120,413 |
| HSCEI Apr 12   | 11,022 | -75        | -0.68%  | 11,114   | 10,963  | 743    | 1,746   |

**HK Stocks in the U.S.**

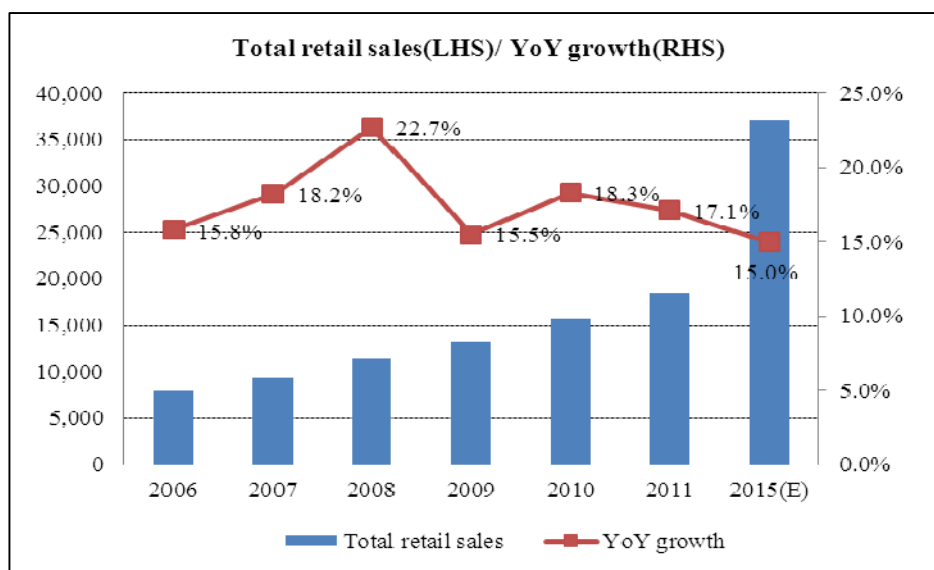
| Code | Stock         | In US (HK\$) | In HK (HK\$) | Chg.  | Code | Stock            | In US (HK\$) | In HK (HK\$) | Chg.  |
|------|---------------|--------------|--------------|-------|------|------------------|--------------|--------------|-------|
| 5    | HSBC HOLDINGS | 67.51        | 67.75        | -0.4% | 857  | PETROCHINA       | 11.18        | 11.22        | -0.3% |
| 2888 | STANCHART     | 189.97       | 187.90       | 1.1%  | 386  | SINOPEC CORP     | 8.82         | 8.80         | 0.3%  |
| 945  | MANULIFE      | 91.76        | 92.60        | -0.9% | 883  | CNOOC            | 16.59        | 16.56        | 0.2%  |
| 2628 | CHINA LIFE    | 20.93        | 20.80        | 0.6%  | 338  | SHANGHAI PEICHEM | 2.92         | 2.93         | -0.4% |
| 941  | CHINA MOBILE  | 80.18        | 79.70        | 0.6%  | 670  | CHINA EAST AIR   | 2.85         | 2.86         | -0.5% |
| 762  | CHINA UNICOM  | 14.02        | 13.86        | 1.2%  | 1055 | CHINA SOUTH AIR  | 3.84         | 3.83         | 0.2%  |
| 728  | CHINA TELECOM | 4.56         | 4.55         | 0.3%  | 902  | HUANENG POWER    | 4.69         | 4.69         | -0.1% |
| 1137 | CITY TELECOM  | 4.95         | 4.87         | 1.7%  | 1171 | YANZHOU COAL     | 17.49        | 17.52        | -0.2% |
| 700  | TENCENT       | 195.02       | 194.90       | 0.1%  | 2600 | CHALCO           | 3.92         | 3.92         | -0.1% |
| 992  | LENOVO GROUP  | 6.64         | 6.64         | 0.0%  | 525  | GUANGSHEN RAIL   | 2.92         | 2.96         | -1.4% |

**Event:** As China's CPI peaked off, we expect that net profit of consumer discretionary will grow fast than consumer staples. We prefer to consumer discretionary due to lower valuation and higher ROE compared with consumer staples. Among consumer discretionary stocks, we prefer to Chow Tai Fook (1929; HK\$12.88 ; FY12 PER14.6x; ROAE 30.8% ), Belle(1880; HK\$12.9; FY12 PER17.9x ; ROAE23.2%) and Daphne(210; HK\$9.76; FY12 PER15.1; ROAE25.4%), which have relatively low PE and high ROE with leading market position in their business segments.

**Our comment:**

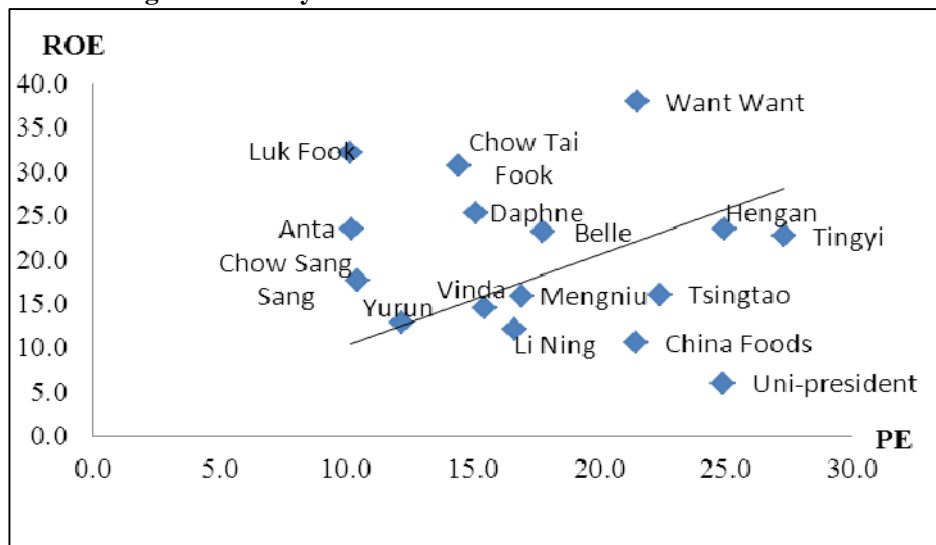
- China's retail sales grew by 17.1% yoy to Rmb18,391.9 bn in 2011. Total retail sales grew by CAGR of 14.7% in 2006-2010. Ministry of Commerce (MOC) sets target retail sales growth rate at 15% p.a. during the 12th Five-Year-Plan. We expect that total retail sales value will fetch to Rmb32,167.5 bn(pls use bn) in 2015.
- Premier Wen has mentioned in the opening session of the National People's Congress that the government will release a number of initiatives to boost consumption and target real household income will be in line with real GDP growth. We expect household income will grow by 11.5% for 2012(7.5% real GDP growth plus 4% target inflation). Increasing household income will boost up the retail sales growth.
- Currently, the HK/China retailers' average PE is 13.6x FY 2012 while consumer staples are trading at an average of 20.8x PE in FY 2012. As CPI peaked off, we expect consumer discretionary net profit to grow faster than consumer staples. Our regression analysis (Chart2) indicated that Chow Tai Fook(1929), Belle(1880) and Daphne(210), which have relatively low PE and high ROE, may be undervalued by the market. Moreover, they are market leaders in their corresponding market segments.

**Chart 1:**



Source: NBSC, ABCI Securities

**Chart 2: Regression analysis**



Source: Bloomberg, ABCI Securities

**Chart 3: Valuation**

| Code          | Name          | Price(HK\$) | Market Cap(HK\$m) | Price Chg_5D | Price Chg_YTD | Short selling | RSI_14D | Historical PE | FY 2012 PE | ROAE  |
|---------------|---------------|-------------|-------------------|--------------|---------------|---------------|---------|---------------|------------|-------|
| 322           | TINGYI        | 22.65       | 126,620           | -1.7%        | -4.0%         | 28.7%         | 49      | 34.8          | 27.3       | 22.8% |
| 151           | WANT WANT     | 8.37        | 110,650           | 8.4%         | 8.0%          | 15.1%         | 71      | 29.3          | 21.6       | 36.9% |
| 168           | TSINGTAO      | 40.95       | 55,195            | -2.3%        | -4.8%         | 26.9%         | 46      | 39.1          | 22.5       | 16.1% |
| 2319          | CHINA MENGNIU | 21.25       | 37,558            | -3.4%        | 17.0%         | 1.8%          | 47      | 28.4          | 17.0       | 15.9% |
| 1068          | CHINA YURUN   | 11.6        | 21,144            | -1.5%        | 13.7%         | 11.8%         | 48      | 18.7          | 12.3       | 12.9% |
| 506           | CHINA FOODS   | 6.73        | 18,796            | -0.9%        | 11.6%         | 16.3%         | 60      | 36.1          | 21.6       | 10.6% |
| 220           | UNI-PRESIDENT | 5.02        | 18,069            | -0.6%        | 8.0%          | 3.1%          | 61      | 26.2          | 24.9       | 6.0%  |
| 1044          | HENGAN        | 70.5        | 86,645            | 0.1%         | -3.0%         | 10.5%         | 52      | 24.9          | 24.9       | 23.6% |
| 3331          | VINDA         | 11.62       | 10,902            | 10.9%        | 16.5%         | 14.1%         | 81      | 15.5          | 15.5       | 14.5% |
| <b>Simply</b> |               |             |                   |              |               |               |         |               |            |       |
| <b>ave.</b>   |               |             |                   |              |               |               |         | 28.1          | 20.8       | 17.7% |
| 1880          | BELLE         | 12.9        | 108,802           | 0.6%         | -4.7%         | 8.0%          | 51      | 27.0          | 17.9       | 23.2% |
| 2020          | ANTA SPORTS   | 8.27        | 20,627            | -4.1%        | -10.4%        | 2.3%          | 47      | 19.2          | 10.3       | 23.6% |
| 590           | LUK FOOK      | 27.25       | 16,053            | -7.9%        | 0.6%          | 2.9%          | 42      | 7.6           | 10.2       | 32.1% |
| 210           | DAPHNE        | 9.76        | 16,016            | 0.1%         | 12.8%         | 10.0%         | 56      | 23.1          | 15.1       | 25.4% |
| CHOW SANG     |               |             |                   |              |               |               |         |               |            |       |
| 116           | SANG          | 20          | 13,538            | -5.7%        | 14.3%         | 4.3%          | 50      | 11.2          | 10.5       | 17.8% |
| 2331          | LI NING       | 9.1         | 9,609             | -2.4%        | 47.5%         | 4.9%          | 55      | 32.0          | 16.7       | 12.1% |
| 1929          | CHOW TAI FOOK | 12.88       | 128,800           | -2.1%        | -7.5%         | -             | -       | -             | 14.6       | 30.8% |
| <b>Simply</b> |               |             |                   |              |               |               |         |               |            |       |
| <b>ave.</b>   |               |             |                   |              |               |               |         | 17.2          | 13.6       | 23.6% |

Source: Bloomberg, ABCI Securities

Analyst: Judy Hu

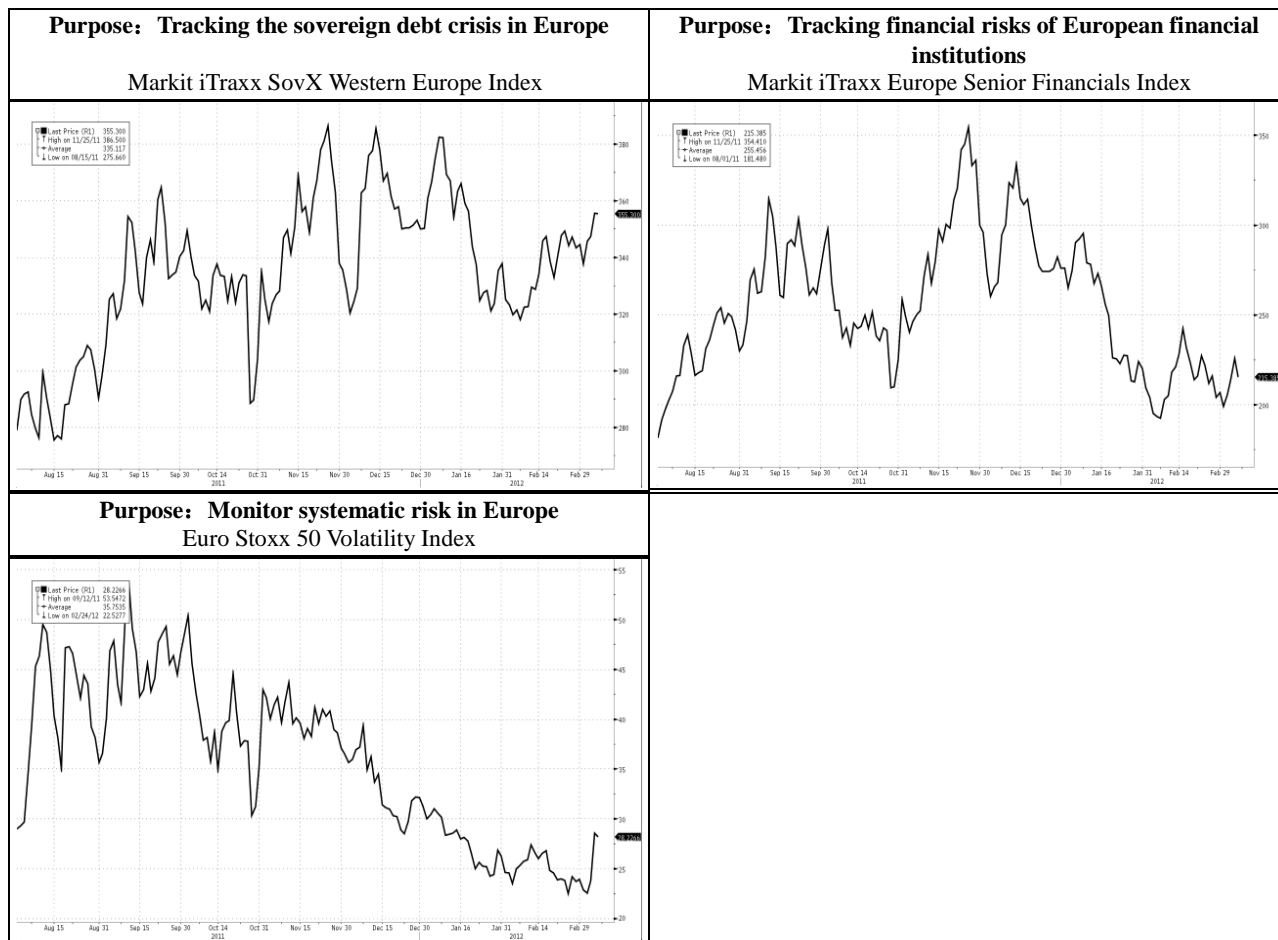
**HK stock market risks monitor**

China 5-year and HK 5-year CDS continued to drop on 7 Mar. The HK\$ traded at 7.7637 against US\$ in the morning of 8 Mar.



**Europe debt crisis monitor (Update to 07/03/2012)**

Markit iTraxx SovX Western Europe Index which tracks CDS of 15 Western European and the Markit iTraxx Europe Senior Financials Index which tracks CDS of major financial institutions in Europe dropped on 07Mar.



Remarks: Indices indicate the default risks of sovereign debt and debts of financial institutions. Increase in index implies risk of debt crisis is rising and vice versa.

Source: Bloomberg, Markit

**SHORT SELLING ACTIVITIES (07/03/2012)**

| Code | Stock            | Price (HK\$) | Price Chg | Short sell ratio | Notes:   |
|------|------------------|--------------|-----------|------------------|--|
| 23   | BANK EAST ASIA   | 30.40        | -0.33%    | 49%              | The main short selling sector:<br><ul style="list-style-type: none"> <li>Properties &amp; Construction- China Resources Cement(1313), Sino Ocean Land(3377),China Communications Construction(1800)</li> <li>Consumer goods- Sinopharm (1099), Tsing Tao Brewery(168)</li> </ul> |
| 1313 | CHINA RES CEMENT | 5.99         | 1.01%     | 36%              |  |
| 1099 | SINOPHARM-H      | 19.60        | -0.41%    | 34%              |  |
| 2238 | GUANGZHOU AUTO-H | 8.36         | 1.09%     | 34%              |  |
| 3377 | SINO OCEAN LAND  | 4.04         | -2.65%    | 32%              |  |
| 1800 | CHINA COM CONS-H | 7.48         | -0.66%    | 32%              |  |
| 1919 | CHINA COSCO HO-H | 4.88         | -2.98%    | 31%              |  |
| 358  | JIANGXI COPPER-H | 18.82        | -1.88%    | 29%              |  |
| 267  | CITIC PACIFIC    | 13.60        | -2.02%    | 29%              |  |
| 168  | TSINGTAO BREW-H  | 40.95        | 0.86%     | 27%              |  |
| 16   | SUN HUNG KAI PRO | 115.30       | 0.26%     | 25%              |  |
| 916  | CHINA LONGYUAN-H | 7.07         | 1.29%     | 24%              |  |
| 19   | SWIRE PACIFIC-A  | 85.90        | -0.12%    | 23%              |  |
| 270  | GUANGDONG INVEST | 5.29         | 2.12%     | 23%              |  |
| 1186 | CHINA RAIL CN-H  | 5.50         | -0.18%    | 22%              |  |

Remark: Ranked by top 15 short-selling turnover to total stock turnover ratios among Hang Seng Index, Red-chip index or H-share index. Short sell ratio = Short selling transaction value of the stock/total transaction value of the stock

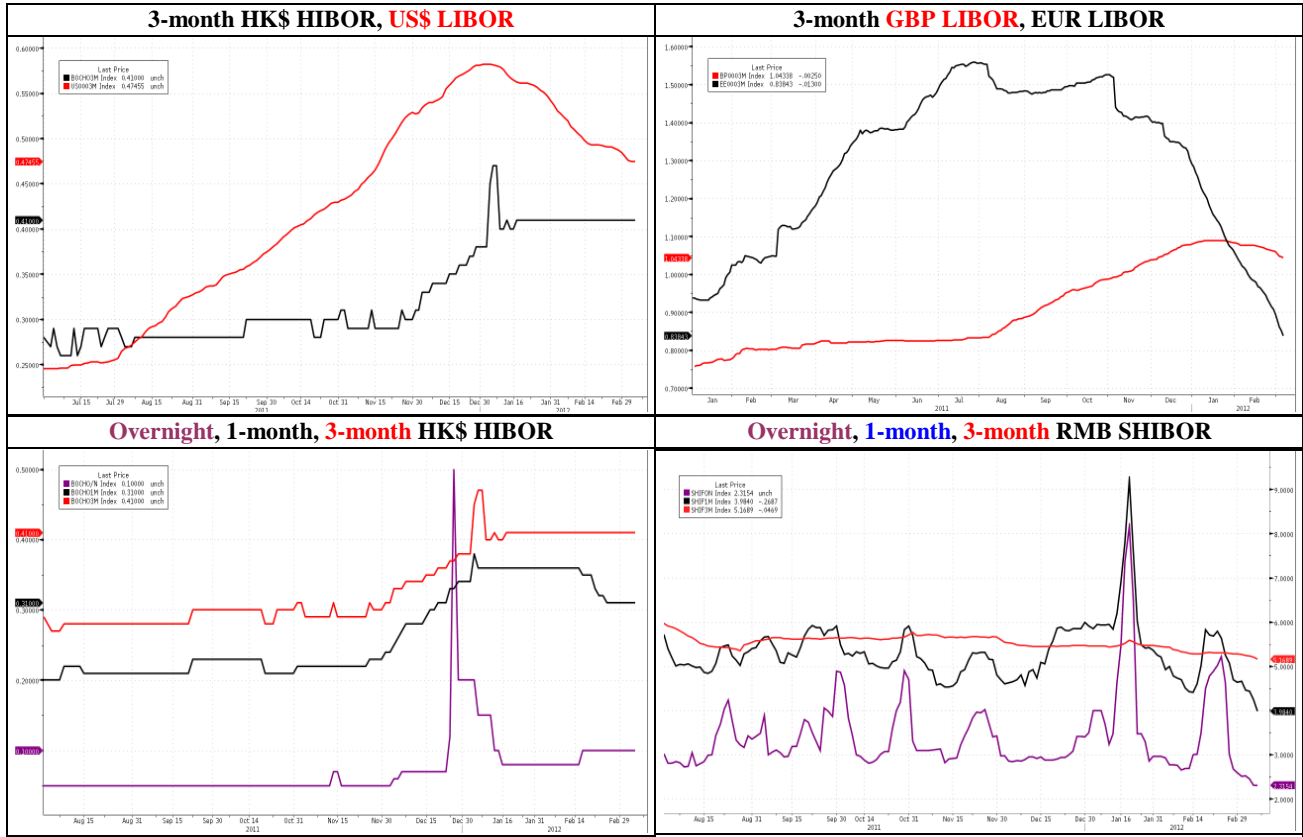
**Top 10 Percentage Gainers and Losers (07/03/2012)**

| Hang Seng Index stocks     |      |                  |              |        |                            |                  |              |        |  |
|----------------------------|------|------------------|--------------|--------|----------------------------|------------------|--------------|--------|--|
| Top 10 percent gain stocks |      |                  |              |        | Top 10 percent loss stocks |                  |              |        |  |
| Rank                       | Code | Stock            | Price (HK\$) | Change | Code                       | Stock            | Price (HK\$) | Change |  |
| 1                          | 151  | WANT WANT CHINA  | 8.37         | 7.03%  | 2628                       | CHINA LIFE INS-H | 20.8         | -6.09% |  |
| 2                          | 1299 | AIA GROUP LTD    | 27.50        | 2.80%  | 2318                       | PING AN INSURA-H | 59.3         | -4.05% |  |
| 3                          | 762  | CHINA UNICOM HON | 13.86        | 2.67%  | 4                          | WHARF HLDG       | 43.45        | -2.80% |  |
| 4                          | 1044 | HENGAN INTL      | 70.50        | 1.59%  | 17                         | NEW WORLD DEV    | 9.47         | -2.57% |  |
| 5                          | 101  | HANG LUNG PROPER | 27.95        | 1.27%  | 883                        | CNOOC LTD        | 16.56        | -2.36% |  |
| 6                          | 386  | CHINA PETROLEU-H | 8.80         | 1.03%  | 267                        | CITIC PACIFIC    | 13.6         | -2.02% |  |
| 7                          | 83   | SINO LAND CO     | 13.34        | 0.91%  | 1109                       | CHINA RES LAND   | 13.46        | -1.61% |  |
| 8                          | 836  | CHINA RES POWER  | 14.78        | 0.68%  | 5                          | HSBC HLDGS PLC   | 67.75        | -1.53% |  |
| 9                          | 2    | CLP HLDGS LTD    | 68.35        | 0.59%  | 322                        | TINGYI HLDG CO   | 22.65        | -1.52% |  |
| 10                         | 144  | CHINA MERCHANT   | 25.80        | 0.58%  | 939                        | CHINA CONST BA-H | 6.14         | -1.44% |  |

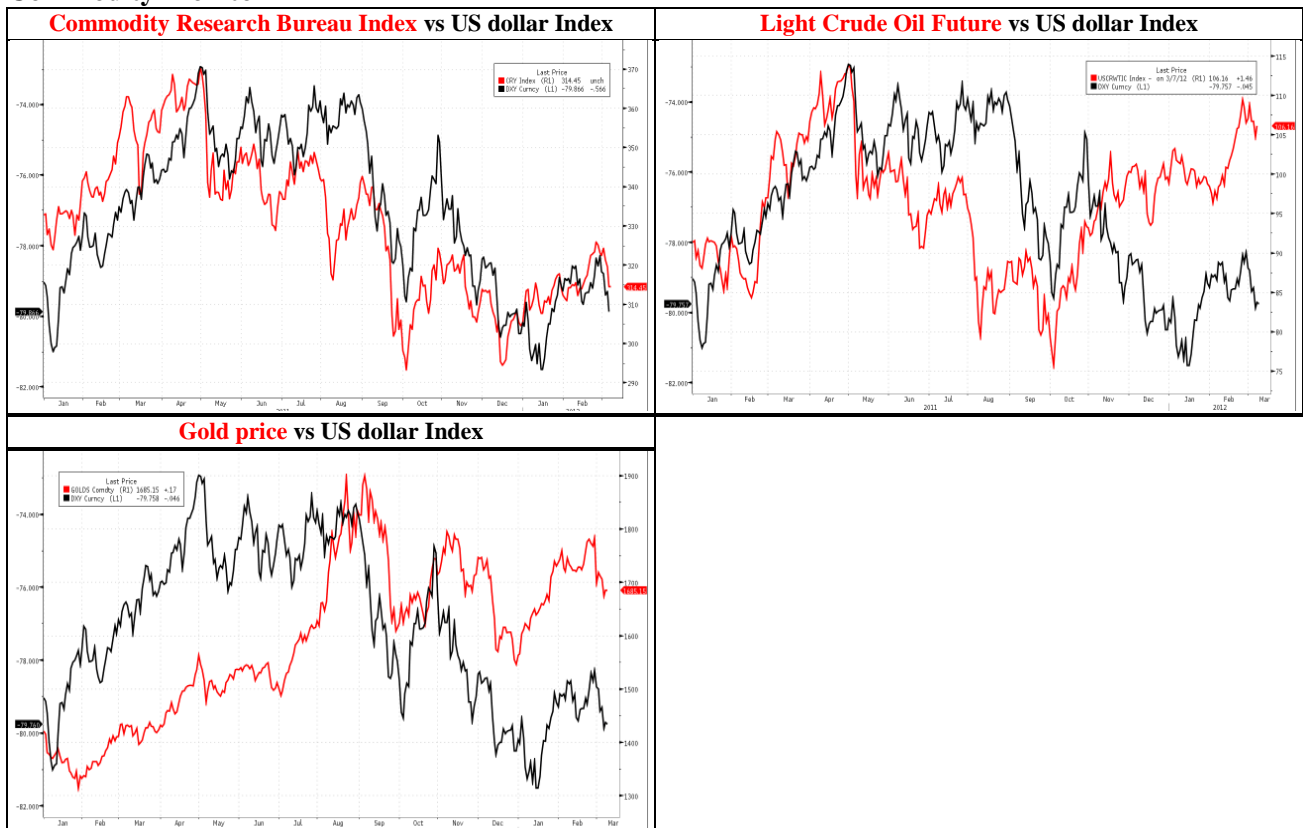
| H-share Index stocks       |      |                  |              |        |                            |                  |              |        |  |
|----------------------------|------|------------------|--------------|--------|----------------------------|------------------|--------------|--------|--|
| Top 10 percent gain stocks |      |                  |              |        | Top 10 percent loss stocks |                  |              |        |  |
| Rank                       | Code | Stock            | Price (HK\$) | Change | Code                       | Stock            | Price (HK\$) | Change |  |
| 1                          | 1211 | BYD CO LTD-H     | 22.15        | 3.26%  | 2628                       | CHINA LIFE INS-H | 20.80        | -6.09% |  |
| 2                          | 489  | DONGFENG MOTOR-H | 14.32        | 2.73%  | 2318                       | PING AN INSURA-H | 59.30        | -4.05% |  |
| 3                          | 916  | CHINA LONGYUAN-H | 7.07         | 1.29%  | 2338                       | WEICHAI POWER-H  | 37.75        | -3.33% |  |
| 4                          | 2238 | GUANGZHOU AUTO-H | 8.36         | 1.09%  | 2601                       | CHINA PACIFIC-H  | 24.70        | -3.14% |  |
| 5                          | 386  | CHINA PETROLEU-H | 8.80         | 1.03%  | 1919                       | CHINA COSCO HO-H | 4.88         | -2.98% |  |
| 6                          | 168  | TSINGTAO BREW-H  | 40.95        | 0.86%  | 390                        | CHINA RAIL GR-H  | 2.86         | -2.39% |  |
| 7                          | 3323 | CHINA NATL BDG-H | 9.86         | 0.61%  | 1157                       | ZOOMLION HEAVY-H | 10.76        | -2.18% |  |
| 8                          | 857  | PETROCHINA CO-H  | 11.22        | 0.36%  | 2328                       | PICC PROPERTY &  | 10.16        | -2.12% |  |
| 9                          | 1988 | CHINA MINSHENG-H | 7.10         | 0.28%  | 902                        | HUANENG POWER-H  | 4.69         | -1.88% |  |
| 10                         | 2600 | ALUMINUM CORP-H  | 3.92         | 0.26%  | 358                        | JIANGXI COPPER-H | 18.82        | -1.88% |  |

| Red Chip Index stocks      |      |                  |              |        |                            |                  |              |        |  |
|----------------------------|------|------------------|--------------|--------|----------------------------|------------------|--------------|--------|--|
| Top 10 percent gain stocks |      |                  |              |        | Top 10 percent loss stocks |                  |              |        |  |
| Rank                       | Code | Stock            | Price (HK\$) | Change | Code                       | Stock            | Price (HK\$) | Change |  |
| 1                          | 762  | CHINA UNICOM HON | 13.86        | 2.67%  | 966                        | CHINA TAIPING IN | 15.50        | -6.51% |  |
| 2                          | 270  | GUANGDONG INVEST | 5.29         | 2.12%  | 817                        | FRANSHION PROP   | 1.91         | -3.54% |  |
| 3                          | 3360 | FAR EAST HORIZON | 6.80         | 1.19%  | 297                        | SINOFERT HOLDING | 2.19         | -2.67% |  |
| 4                          | 1313 | CHINA RES CEMENT | 5.99         | 1.01%  | 883                        | CNOOC LTD        | 16.56        | -2.36% |  |
| 5                          | 1114 | BRILLIANCE CHINA | 8.66         | 0.93%  | 267                        | CITIC PACIFIC    | 13.60        | -2.02% |  |
| 6                          | 836  | CHINA RES POWER  | 14.78        | 0.68%  | 992                        | LENOVO GROUP LTD | 6.64         | -1.63% |  |
| 7                          | 144  | CHINA MERCHANT   | 25.80        | 0.58%  | 1109                       | CHINA RES LAND   | 13.46        | -1.61% |  |
| 8                          | 3808 | SINOTRUK HK LTD  | 5.29         | 0.57%  | 363                        | SHANG INDUS HLDG | 25.85        | -1.34% |  |
| 9                          |      |                  |              |        | 1199                       | COSCO PAC LTD    | 11.10        | -1.25% |  |
| 10                         |      |                  |              |        | 941                        | CHINA MOBILE     | 79.70        | -1.24% |  |

**Interest Rates Monitor**



**Commodity Monitor**





**Appendix: H-Share and A-share Price Comparison Table (07/03/2012)**

| H-share Code | A-share Code | Stock Name       | H-share      |               | A-share     |               | H-share premium       |        | 2010 PER | 2011 PER | 2012 PER | 2011 P/B |
|--------------|--------------|------------------|--------------|---------------|-------------|---------------|-----------------------|--------|----------|----------|----------|----------|
|              |              |                  | Price (HK\$) | price chg (%) | Price (RMB) | price chg (%) | (discount) to A-share |        |          |          |          |          |
| 939          | 601939       | CCB              | 6.14         | -1.4%         | 4.78        | -0.6%         | 4.5%                  | 7.67   | 7.46     | 6.70     | 1.61     |          |
| 1398         | 601398       | ICBC             | 5.20         | -1.1%         | 4.32        | -0.5%         | -2.1%                 | 7.36   | 7.18     | 6.45     | 1.64     |          |
| 1288         | 601288       | ABC              | 3.62         | -0.8%         | 2.69        | -0.7%         | 9.4%                  | 7.59   | 7.42     | 6.33     | 1.54     |          |
| 3988         | 601988       | BANK OF CHINA    | 3.19         | -1.2%         | 3.01        | -0.3%         | -13.8%                | 6.03   | 6.06     | 5.60     | 1.08     |          |
| 3328         | 601328       | BANKCOMM         | 6.00         | -1.3%         | 4.89        | -0.8%         | -0.2%                 | 6.72   | 6.07     | 5.61     | 1.22     |          |
| 3968         | 600036       | CM BANK          | 16.36        | -0.8%         | 12.41       | -1.4%         | 7.2%                  | 9.24   | 8.26     | 7.71     | 1.97     |          |
| 998          | 601998       | CITIC BANK       | 4.88         | -1.4%         | 4.51        | -1.5%         | -12.0%                | 6.20   | 6.00     | 5.82     | 1.22     |          |
| 1988         | 600016       | MINSHENG BANK    | 7.10         | 0.3%          | 6.41        | -1.2%         | -9.9%                 | 5.95   | 5.94     | 5.51     | 1.26     |          |
| 2628         | 601628       | CHINA LIFE       | 20.80        | -6.1%         | 17.50       | -1.1%         | -3.3%                 | 16.75  | 20.63    | 14.39    | 2.43     |          |
| 2318         | 601318       | PING AN          | 59.30        | -4.0%         | 39.14       | -0.8%         | 23.2%                 | 18.02  | 19.05    | 14.30    | 2.84     |          |
| 2601         | 601601       | CPIC             | 24.70        | -3.1%         | 20.26       | 0.1%          | -0.8%                 | 20.09  | 18.05    | 14.21    | 2.15     |          |
| 1336         | 601336       | NEW CHINA LIFE   | 31.35        | -1.7%         | 29.01       | -0.5%         | -12.1%                | 13.63  | 24.17    | 19.54    | -        |          |
| 6030         | 600030       | CITIC SEC        | 15.98        | -2.4%         | 12.09       | -0.7%         | 7.5%                  | 11.40  | 23.21    | 20.03    | 1.84     |          |
| 857          | 601857       | PETROCHINA       | 11.22        | 0.4%          | 10.28       | -0.4%         | -11.2%                | 11.90  | 12.17    | 10.60    | 1.71     |          |
| 386          | 600028       | SINOPEC CORP     | 8.80         | 1.0%          | 7.43        | -0.3%         | -3.7%                 | 8.01   | 8.25     | 7.39     | 1.37     |          |
| 338          | 600688       | SHANGHAI PEICHEM | 2.93         | -0.7%         | 6.37        | -0.5%         | -62.6%                | -      | 11.46    | 9.38     | 0.93     |          |
| 1033         | 600871       | YIZHENG CHEM     | 2.28         | -3.8%         | 7.60        | -0.5%         | -75.6%                | 5.36   | 6.87     | 7.63     | 0.85     |          |
| 2883         | 601808       | CHINA OILFIELD   | 12.58        | -0.3%         | 17.01       | -0.2%         | -39.9%                | 11.43  | 11.15    | 9.65     | 1.72     |          |
| 568          | 002490       | SHANDONG MOLONG  | 5.00         | -1.2%         | 11.59       | 2.9%          | -64.9%                | 4.68   | 4.78     | 6.56     | 1.00     |          |
| 1088         | 601088       | SHENHUA ENERGY   | 34.05        | -1.2%         | 26.53       | -1.3%         | 4.4%                  | 13.24  | 11.91    | 10.70    | 2.71     |          |
| 1898         | 601898       | CHINA COAL       | 9.34         | -1.0%         | 9.48        | -1.3%         | -19.9%                | 13.33  | 10.02    | 8.88     | 1.30     |          |
| 1171         | 600188       | YANZHOU COAL     | 17.52        | -0.2%         | 24.44       | -2.3%         | -41.7%                | 5.96   | 7.92     | 7.76     | 1.76     |          |
| 902          | 600011       | HUANENG POWER    | 4.69         | -1.9%         | 5.21        | -1.0%         | -26.8%                | 19.42  | 31.27    | 11.52    | 1.03     |          |
| 991          | 601991       | DATANG POWER     | 2.70         | -0.4%         | 5.40        | -0.6%         | -59.3%                | 10.50  | 16.76    | 9.76     | 0.76     |          |
| 1071         | 600027       | HUADIAN POWER    | 1.77         | -2.7%         | 3.14        | -0.9%         | -54.2%                | 38.59  | -        | 9.73     | 0.60     |          |
| 670          | 600115       | CHINA EAST AIR   | 2.86         | -0.7%         | 4.22        | -0.7%         | -44.9%                | 4.85   | 5.28     | 5.80     | 1.50     |          |
| 1055         | 600029       | CHINA SOUTH AIR  | 3.83         | -0.8%         | 5.19        | -1.0%         | -40.0%                | 4.38   | 5.83     | 6.64     | 1.03     |          |
| 753          | 601111       | AIR CHINA        | 5.67         | 0.0%          | 6.88        | -0.4%         | -33.0%                | 4.78   | 6.98     | 7.52     | 1.36     |          |
| 390          | 601390       | CHINA RAILWAY    | 2.86         | -2.4%         | 2.70        | -0.4%         | -13.9%                | 7.40   | 8.88     | 8.05     | 0.73     |          |
| 1186         | 601186       | CHINA RAIL CONS  | 5.50         | -0.2%         | 4.32        | 0.2%          | 3.5%                  | 12.41  | 7.89     | 7.69     | 0.91     |          |
| 1766         | 601766       | CSR              | 5.39         | -1.8%         | 4.73        | -1.3%         | -7.3%                 | 15.12  | 13.96    | 12.63    | 2.50     |          |
| 525          | 601333       | GUANGSHEN RAIL   | 2.96         | -1.3%         | 3.47        | -0.6%         | -30.6%                | 9.59   | 9.59     | 10.24    | 0.70     |          |
| 177          | 600377       | JIANGSU EXPRESS  | 7.90         | -2.0%         | 6.18        | 0.0%          | 4.0%                  | 12.78  | 12.57    | 11.62    | 1.90     |          |
| 548          | 600548       | SHENZHEN EXPRESS | 3.35         | -0.9%         | 4.06        | -0.2%         | -32.9%                | 8.04   | 7.81     | 7.23     | 0.69     |          |
| 995          | 600012       | ANHUI EXPRESSWAY | 4.70         | -0.8%         | 4.66        | 0.9%          | -18.0%                | 7.33   | 7.25     | 6.65     | 1.06     |          |
| 107          | 601107       | SICHUAN EXPRESS  | 3.50         | -0.8%         | 3.98        | 0.5%          | -28.5%                | 7.94   | 7.28     | 6.79     | 1.01     |          |
| 1065         | 600874       | TIANJIN CAPITAL  | 2.14         | -1.4%         | 5.85        | -1.0%         | -70.2%                | 8.75   | 9.41     | 9.95     | 0.72     |          |
| 1211         | 002594       | BYD COMPANY      | 22.15        | 3.3%          | 27.29       | 2.4%          | -34.0%                | 109.25 | 42.79    | 32.34    | 2.11     |          |
| 2333         | 601633       | GREATWALL MOTOR  | 14.74        | 3.5%          | 14.17       | 0.0%          | -15.4%                | 9.02   | 10.12    | 8.95     | 2.92     |          |
| 2338         | 000338       | WEICHAI POWER    | 37.75        | -3.3%         | 34.10       | -1.9%         | -10.0%                | 7.26   | 8.55     | 7.99     | 2.43     |          |
| 1157         | 000157       | ZOOMLION         | 10.76        | -2.2%         | 9.74        | -1.1%         | -10.2%                | 7.61   | 8.77     | 8.33     | 1.62     |          |
| 187          | 600860       | BEIREN PRINTING  | 1.72         | 1.8%          | 5.09        | 3.5%          | -72.5%                | 10.20  | -        | -        | 0.78     |          |
| 300          | 600806       | JIAODA HIGHTECH  | 2.45         | 0.0%          | 6.54        | -3.1%         | -69.5%                | 7.62   | 3.02     | 2.40     | 0.76     |          |
| 42           | 000585       | NE ELECTRIC      | 0.81         | -3.6%         | 3.01        | 0.0%          | -78.1%                | 27.92  | -        | -        | 1.72     |          |
| 1072         | 600875       | DONGFANG ELEC    | 20.90        | 0.5%          | 23.68       | 0.3%          | -28.2%                | 10.92  | 10.94    | 9.84     | 2.77     |          |
| 2727         | 600627       | SH ELECTRIC      | 4.07         | -1.7%         | 5.71        | 0.2%          | -42.0%                | 14.07  | 13.24    | 11.70    | 1.53     |          |
| 2208         | 002202       | GOLDWIND         | 4.56         | -1.7%         | 8.54        | -0.8%         | -56.6%                | 3.75   | 13.15    | 14.21    | 0.75     |          |
| 350          | 000666       | JINGWEI TEXTILE  | 4.83         | -1.6%         | 11.10       | -2.2%         | -64.6%                | 5.49   | 4.73     | -        | 0.72     |          |
| 168          | 600600       | TSINGTAO BREW    | 40.95        | 0.9%          | 33.14       | -1.4%         | 0.5%                  | 23.66  | 26.78    | 22.46    | 4.35     |          |
| 719          | 000756       | SHANDONG XINHUA  | 2.28         | -0.9%         | 6.15        | -1.9%         | -69.8%                | 8.39   | -        | -        | 0.49     |          |





|      |        |                |       |       |       |       |        |       |       |       |      |
|------|--------|----------------|-------|-------|-------|-------|--------|-------|-------|-------|------|
| 874  | 600332 | GUANGZHOU PHAR | 6.07  | 0.0%  | -     | -     | -      | 13.91 | 10.69 | 9.60  | 1.06 |
| 2607 | 601607 | SH PHARMA      | 13.40 | 0.1%  | 11.86 | -0.2% | -8.1%  | 15.79 | 14.47 | 13.47 | 2.38 |
| 1618 | 601618 | MCC            | 1.99  | -1.0% | 2.75  | -0.7% | -41.1% | 6.23  | 7.10  | 5.93  | 0.67 |
| 347  | 000898 | ANGANG STEEL   | 5.25  | 2.5%  | 4.81  | 0.0%  | -11.2% | -     | -     | 34.44 | 0.58 |
| 323  | 600808 | MAANSHAN IRON  | 2.32  | 0.9%  | 2.71  | 0.0%  | -30.4% | 39.23 | 58.96 | 18.32 | 0.53 |
| 1053 | 601005 | CHONGQING IRON | 1.38  | 0.0%  | 3.27  | 0.0%  | -65.7% | 85.26 | 74.83 | 34.01 | 0.35 |
| 2600 | 601600 | CHALCO         | 3.92  | 0.3%  | 7.23  | -1.4% | -55.9% | 64.67 | 55.93 | 79.70 | 0.83 |
| 358  | 600362 | JIANGXI COPPER | 18.82 | -1.9% | 25.61 | -3.1% | -40.2% | 7.25  | 7.18  | 7.33  | 1.40 |
| 2899 | 601899 | ZIJIN MINING   | 3.34  | -1.8% | 4.46  | -1.5% | -39.1% | 11.38 | 9.40  | 8.01  | 2.56 |
| 914  | 600585 | ANHUI CONCH    | 23.60 | -1.9% | 16.86 | -1.9% | 13.8%  | 9.82  | 8.50  | 8.75  | 2.55 |
| 2009 | 601992 | BBMG           | 7.13  | 0.6%  | 9.56  | -3.9% | -39.3% | 8.28  | 6.65  | 5.72  | 1.39 |
| 588  | 601588 | BEIJING N STAR | 1.55  | -0.6% | 2.98  | -0.7% | -57.7% | 3.10  | 9.70  | -     | 0.31 |
| 763  | 000063 | ZTE            | 22.20 | 0.0%  | 16.93 | -0.4% | 6.6%   | 18.46 | 19.95 | 15.83 | 2.25 |
| 553  | 600775 | NANJING PANDA  | 1.67  | -3.5% | 6.22  | -1.0% | -78.2% | 16.56 | -     | -     | 0.59 |
| 317  | 600685 | GUANGZHOU SHIP | 7.83  | -0.4% | 18.03 | 2.6%  | -64.7% | 6.51  | 6.21  | 5.75  | 1.06 |
| 1919 | 601919 | CHINA COSCO    | 4.88  | -3.0% | 5.49  | -2.7% | -27.7% | 61.92 | -     | -     | 0.93 |
| 2866 | 601866 | CSCL           | 2.75  | 2.2%  | 2.94  | -1.3% | -23.9% | 10.86 | -     | -     | 0.92 |
| 1138 | 600026 | CHINA SHIP DEV | 5.38  | -2.9% | 6.45  | -1.1% | -32.2% | 10.48 | 14.88 | 13.89 | 0.66 |
| 2880 | 601880 | DALIAN PORT    | 2.05  | -3.3% | 2.78  | -0.7% | -40.0% | 8.68  | 10.04 | 8.87  | 0.60 |
| 921  | 000921 | HISENSE KELON  | 1.75  | -2.8% | 4.43  | -1.6% | -67.9% | 3.35  | -     | -     | 2.34 |
| 1108 | 600876 | LUOYANG GLASS  | 1.75  | -1.1% | 6.75  | -2.6% | -78.9% | 4.50  | -     | -     | 4.37 |
| 1812 | 000488 | CHENMING PAPER | 4.18  | 0.7%  | 5.39  | -1.3% | -36.9% | 5.86  | 6.54  | 4.77  | 0.53 |

Source: Bloomberg

---

## **Analyst Certification and Disclosure**

### **Analyst Certification**

I, Chan Sung-yan, Philip, being the person primarily responsible for the content of this research report, in whole or in part, hereby certify that all of the views expressed in this report accurately reflect my personal view about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. I and/or my associates have no financial interests in relation to the listed company (ies) covered in this report, and I and/or my associates do not serve as officer(s) of the listed company (ies) covered in this report.

I, Li Hong-ying, Vivian, being the person primarily responsible for the content of this research report, in whole or in part, hereby certify that all of the views expressed in this report accurately reflect my personal view about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. I and/or my associates have no financial interests in relation to the listed company (ies) covered in this report, and I and/or my associates do not serve as officer(s) of the listed company (ies) covered in this report.

I, Lee Oi-yee, Lisa, being the person primarily responsible for the content of this research report, in whole or in part, hereby certify that all of the views expressed in this report accurately reflect my personal view about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. I and/or my associates have no financial interests in relation to the listed company (ies) covered in this report, and I and/or my associates do not serve as officer(s) of the listed company (ies) covered in this report.

I, Hu Zhao-ling, Judy, being the person primarily responsible for the content of this research report, in whole or in part, hereby certify that all of the views expressed in this report accurately reflect my personal view about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. I and/or my associates have no financial interests in relation to the listed company (ies) covered in this report, and I and/or my associates do not serve as officer(s) of the listed company (ies) covered in this report.

### **Disclosures of Interests**

ABCI Securities Company Limited and/or its member companies ("ABCI") may pursue financial interests to the companies mentioned in the report.

### **Disclaimer**

This report is for our clients only and is for distribution only under such circumstances as may be permitted by applicable law. It has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. It is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. No representation or warranty, either expresses or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein. This report should not be regarded by recipients as a substitute for the exercise of their own judgment. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas as a result of using different assumptions and criteria. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. The analyst(s) responsible for the preparation of this report may interact with trading desk personnel, sales personnel and other constituencies for the purpose of gathering, synthesizing and interpreting market information. ABCI Securities Company Limited is under no obligation to update or keep current the information contained herein. ABCI Securities Company Limited relies on information barriers to control the flow of information contained in one or more areas within ABCI Securities Company Limited, into other areas, units, groups or affiliates of ABCI Securities Company Limited. The compensation of the analyst who prepared this report is determined exclusively by research management and senior management (not including investment banking). Analyst compensation is not based on investment banking revenues, however, compensation may relate to the revenues of ABCI Securities Company Limited as a whole, of which investment banking, sales and trading are a part. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. The price and value of the investments referred to in this research and the income from them may fluctuate. Past performance is not necessarily indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument mentioned in this report. For investment advice, trade execution or other enquiries, clients should contact their local sales representative. Neither ABCI Securities Company Limited nor any of its affiliates, directors, employees or agents accepts any liability for any loss or damage arising out of the use of all or any part of this report. Additional information will be made available upon request.

---

Copyright 2012 ABCI Securities Company Limited

No part of this material may be (i) copied, photocopied or duplicated in any form by any means or (ii) redistributed without the prior written consent of ABCI Securities Company Limited.

**Office address: ABCI Securities Company Limited, 13/F Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong.**

**Tel: (852) 2868 2183**