

DZ20211008

***Key points**

Macro:

*Premier Li Keqiang pointed out that China should strengthen cross cycle regulation, continue to implement macro policies around the needs of market players, and keep the economy running within a reasonable range.

*Premier Li Keqiang stressed that it would be important to maintain the stability of the industrial chain supply chain, ensure energy and power supply, create a market-oriented, legalized and international business environment, adhere to the same treatment for domestic and foreign enterprises, and promote fair competition.

*The US trade representative said that she would have a frank dialogue with China on economic and trade issues. She also put forward the concept of "long-term coexistence" between the United States and China and sought to open up a new path to change the pattern of bilateral trade between the United States and China.

*Yang Jie Chi held meeting with Assistant to the President for National Security Affairs, Sullivan. The two sides agreed to take action to implement the spirit of the call between the two heads of state on September 10, strengthen strategic communication, properly manage and control differences, avoid conflict and confrontation, seek mutual benefit and win-win results, and work together to push China-US relations back to the correct track of healthy and stable development.

Industrial:

*MIIT said that the industrial economy is still facing problems such as the slowdown of demand recovery and the continuous rise of commodity prices. It is necessary to do a good job in the research on reserve hedging policies and give advice to promote the development of the industry.

*Ministry of Commerce responded to power rationing that it will pay close attention to the operation of enterprises and help coordinate and solve difficulties.

*The 2020 power reliability index conference and the publicity and implementation meeting of safety production law were held in Beijing. The meeting required that we should make every effort to ensure the normal operation of generator units, strictly implement the demand response and orderly power consumption scheme, and make every effort to ensure people's livelihood and power supply for key users. The northern region should put heat supply in a more prominent position.

*MIIT and Ministry of Natural Resources issued the total amount control index of rare earth mining, smelting and separation in 2021.

*The reporting platform of National Press and Publication Administration to prevent minors from indulging in online games was officially launched on September 30. The reporting platform specially accepts reports on issues related to the prevention of addiction of game enterprises, including real name authentication violation reports, period length violation reports, recharge payment violation reports, etc. once the reporting clues are verified, the relevant departments will severely investigate and deal with the game enterprises in violation of regulations.

*Hao Peng, director of SASAC said that power grid enterprises should resolutely win the battle to protect electricity production, he also said that the government is going to accelerate the release of advanced coal production capacity in accordance with laws and regulations, and increase the purchase of imported coal.

*On October 2, China's first single crystal nano-copper intelligent processing production line was put into operation in Pingyang, Wenzhou. It is a key material for integrated circuit semiconductor packaging. This raw material is mainly used in chips in the fields of communication, automobile, medical treatment and industrial control.

*5G message will probably be put into commercial use nationwide in late October. China Mobile and ICBC jointly completed the digital RMB wallet based on 5G and officially launched it.

Data

*According to the preliminary statistics of China Film Administration, as of 17:00 on October 7, the box office of China's National Holiday in 2021 reached 4.246 billion yuan.

*According to the Ministry of Culture and Tourism, from October 1 to 7, 515 million domestic tourists visited the country, recovering to 70.1% of the same period before the epidemic. Domestic tourism revenue reached 389.061 billion yuan, recovering to 59.9% of the same period before the epidemic.

*According to Ministry of Commerce, from January to August this year, the total import and export of services was 3271.66 billion yuan, a year-on-year increase of 9.4%; In August, China's service import and export totaled 462.47 billion yuan, a year-on-year increase of 24.8%

Financial:

*CSRC issued the provisions on the supervision of guidance for initial public offering and listing, which stipulates that the acceptance institution shall conduct guidance and acceptance by reviewing guidance and acceptance materials, visiting guidance objects on site, interviewing relevant personnel, consulting company data, inspecting or spot checking the working papers of recommendation business, etc.

*CBIRC said it would ensure the reasonable financing needs of coal power, coal, steel, non-ferrous metal and other production enterprises.

*CBIRC said it is strictly prohibited for bank insurance funds to flow into the stock market, bond market and futures market in violation of regulations, affecting commodity prices.

*Block Trade Info

*Discount

- Haoyue Personal Care (605009 CH) saw 11 block trade worth 47mio at 47.31yuan per share, 10.92pct discount from last closing.
- Gan&Lee (603087 CH) saw 8 block trade worth 34.5mio at 69.03yuan per share, 12.8pct discount from last closing.
- Xingfa Chemicals (600141 CH) saw 13 block trade worth 62mio at 38.13yuan per share, 14.98pct discount from last closing.
- Xingqi Pharm (300573 CH) saw 3 block trade worth 81mio at 116.06yuan per share, 9.12pct discount from last closing.
- Sangfor Tech (300454 CH) saw 5 block trade worth 78mio at 222.87yuan per share, 5pct discount from last closing.

Flat

- Azure (002245 CH) saw 2 block trade worth 62mio at 20.92yuan per share, flat from last closing.

***Margin Trade**

Total Margin Balance	1.6853trillion	Total Short Selling Balance	156.2billion
SH Margin Balance	0.9070trillion	SH Short Selling Balance	98.6billion
Top Five Margin Trade Net Bought (in CNY)		Top Five Short Selling Net Sold (in shares)	
513050	121mio	510500	11.1mio
601016	99mio	688538	4.6mio
601877	73mio	512660	3.3mio
603077	72mio	601099	2.5mio
688711	64mio	510510	2.2mio
SZ Margin Balance	0.7891trillion	SZ Short Selling Balance	58.4billion
Top Five Margin Trade Net Bought (in CNY)		Top Five Short Selling Net Sold (in shares)	
300750	791mio	002382	1.6mio
002594	279mio	002701	1.5mio
300014	151mio	002385	1.5mio
002602	63mio	002065	981k
301071	61mio	002926	840k

***Connection Trade**

SH-HK Connection (bn cny)			SZ-HK Connection (bn cny)		
Northbound Net Cash Flow	-0.64		Northbound Net Cash Flow	1.61	
Southbound Net Cash Flow	N/A		Southbound Net Cash Flow	N/A	
Top 5 Northbound Inflow			Top 5 Northbound Outflow		
Name	Market Value (mio cny)	% out of ttl share outstanding	Name	Market Value (mio cny)	% out of ttl share outstanding
600900	927	1.84	600519	857	0.37
002594	599	0.89	601318	658	0.73
300750	528	0.45	000858	388	0.46
601012	344	0.78	600436	296	1.38
002709	283	2.14	000001	244	0.69

***Index Futures**

Position of Top 20 members (Unit lots)						
CSI 300 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IF2110	76,282	-44,444	50,758	-9,064	55,582	-8,780
IF2112	19,599	-9,739	51,720	-1,251	64,362	-1,055
IF2203	5,288	-606	21,634	-872	21,964	-718
SSE 50 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IH2110	56,372	-22,646	31,754	-5,983	34,556	-7,092

IH2112	15,807	-8,957	26,257	-2,028	33,381	-1,895
IH2203	4,113	-835	7,446	-11	9,994	-117
CSI 500 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IC2110	80,335	-29,980	64,215	-8,800	63,664	-8,198
IC2111	8212	-2261	11220	703	10655	674
IC2112	30,187	-12,275	74,587	-2,119	90,779	-3,016
IC2203	14,993	-3,734	52,750	1,505	62,210	545

***Index Options**

Position of Top 20 members (Unit lots)						
CSI 300 Index Options	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IO2110	97609	-88297	59871	-1984	66549	-444

***Treasury Futures**

Position of Top 20 members (Unit lots)						
2-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
TS2112	18,802	3,997	23,144	934	26,119	427
5-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
TF2112	34,535	1,487	55,546	-621	56,706	-481
10-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
T2112	88,734	-395	117,877	453	119,544	95

***Global Market Statistics during National Day 2021**

Contract/Product Name	As of 3pm on Sept 30	As of 6:30am on Oct 8	Change*	Change %*
NYMEX Natural Gas	4.861	5.76	0.899	18.49%
ICE Cotton	103.66	111.67	8.01	7.73%
NYMEX Heating Oil	2.2936	2.4699	0.1763	7.69%
ICE Brent Oil	76.67	82.48	5.81	7.58%
CBOT Soybean Oil	57.86	61.99	4.13	7.14%
ICE WTI	73.34	78.5	5.16	7.04%
Malaysia Palm Oil	4547	4845	298	6.55%
LME Silver	21.541	22.58	1.039	4.82%
CBOT Wheat	715.5	741	25.5	3.56%
LME Lead	2128	2184.5	56.5	2.66%
ICE Sugar No.11	19.41	19.85	0.44	2.27%
Japan Rubber No.2	208.6	212.5	3.9	1.87%

LME Copper	9137	9306	169	1.85%
LME Aluminum	2889	2942	53	1.83%
LME Gold	1728.6	1755.76	27.16	1.57%
LME Zinc	3029.5	3060	30.5	1.01%
Nasdaq	14512.441	14654.02	141.579	0.98%
S&P 500	4359.46	4399.76	40.3	0.92%
LME Nickel	18225	18385	160	0.88%
LME Tin	35215	35300	85	0.24%
FTSE China A50 Index	15450	15434	-16	-0.10%
USDX	94.311	94.206	-0.105	-0.11%
TSI Iron Ore	119.55	118.25	-1.3	-1.09%
CBOT Corn	543.8	533.75	-10.05	-1.85%
CBOT Soybean	1290.8	1246.75	-44.05	-3.41%
CBOT Soybean Meal	342.7	319.2	-23.5	-6.86%

* Oil price mostly went up in the global market, the November contract of WTI went up by 1.83% at \$78.85/barrel, and the December contract of Brent both went up by 1.73% at \$82.28/barrel. As the US stated that there's no plan regarding launch of strategic oil reserve at this moment, the oil price stopped falling and started to bounce back. While natural gas kept rising, especially for ICE natural gas in Britain surged 39% and hit the upper limit.

* LME metals mostly closed up with LME copper up 2.88% to \$9,306/ton, LME zinc rose by 1.51% to \$3,060/ton, LME nickel up by 1.73% to \$18,385 / ton, LME aluminum up by 1.55% to \$2,942 / ton, LME tin up by 0.38% to \$35,300 / ton, lead rose 1.56% to \$2,184.5 / ton. COMEX gold fell 0.32% to \$1,756.1 /OZ, while COMEX silver quoted 0.35% higher at \$22.61 per ounce.

* Main contracts of Agriculture on CBOT mostly closed up with CBOT Soybean up by 0.38% to 1246.75 cents/bushel; CBOT Corn quoted 0.28% higher at 533.75 cents/bushel, while CBOT wheat declined 0.67% to 741 cents/bushel.

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