

DZ20211011

**\*Key points**

China-U.S. relationship

\*On the morning of October 9, Liu He held a video call with Katherine Tai, the US trade representative. The two sides discussed three issues: first, China-US economic and trade relations are very important to both countries and the world, and bilateral economic and trade exchanges and cooperation should be strengthened. Second, the two sides exchanged views on the implementation of the China-US economic and trade agreement. Third, the two sides expressed their core concerns and agreed to resolve their legitimate concerns through consultation. China negotiated the cancellation of tariffs and sanctions, and clarified its position on China's economic development model and industrial policy.

Macro:

\*The CPC Central Committee and the State Council issued the national standardization development outline, which designs artificial intelligence, quantum information, biotechnology, big data, blockchain, health, new energy, new materials, intelligent ships, high-speed railways, new energy vehicles, intelligent networked vehicles and robotics.

\*Li Keqiang proposed that on the premise of stabilizing the electricity prices of residents, agriculture and public welfare undertakings, the fluctuation range of market transaction electricity prices should be adjusted from no more than 10% and 15% respectively to no more than 20% in principle.

Industrial:

\*The CPC Central Committee and State Council require the establishment and improvement of carbon peak and carbon neutralization standards and the increase of energy consumption quota requirements for key products.

\*NDRC solicited public opinions on the negative list of market access (2021 Edition).

\*The CPC Central Committee and State Council issued the outline of the plan for ecological protection and high-quality development of the Yellow River Basin.

Financial:

\*Yi Gang, governor of PBoC, said at the International Conference on the supervision of large technology companies by BIS that China's regulatory response to large financial technology companies is reflected in the following three regulatory practices. First, as a franchise industry, finance must be licensed. The second is to establish an appropriate firewall to avoid the spread of financial risks across departments and industries. Third, disconnect the improper connection between financial information and business information to prevent the monopoly caused by the closed-loop effect of "data-network effect-financial business". He also said that the government will implement the supervision of financial holding companies, implement consolidated management,

standardize related party transactions and strengthen prudential supervision and support the healthy development of private economy, internet economy and digital economy

#### Co Focus

\*The State Administration for Market Supervision imposed an administrative penalty on the monopoly of "one of MEITUAN Takeout, refunded the exclusive cooperation deposit of RMB 1.289 billion in full, and imposed a fine of 3% of its domestic sales of RMB 114.748 billion in 2020, totaling RMB 3.442 billion.

#### \*Block Trade Info

##### \*Discount

- Aier Eye Hospital (300015,CH) saw 4 block trade worth 80.23 mn at 50.52 yuan per share, 5.00 discount from last closing.
- KWEICHOW MOUTAI (600519,CH) saw 2 block trade worth 6.22 mn at 1830.00 yuan per share, 0.52 discount from last closing.

##### \*Flat

- GREE (000651,CH) saw 4 block trade worth 59.60 mn at 39.81 yuan per share, flat from last closing.
- Sungrow Power (300274,CH) saw 1 block trade worth 57.46 mn at 150.20 yuan per share, flat from last closing.
- HKVision (002415,CH) saw 1 block trade worth 18.07 mn at 56.48 yuan per share, flat from last closing.
- FOSUN Pharmaceutical (600196,CH) saw 1 block trade worth 12.87 mn at 51.50 yuan per share, flat from last closing.

#### \*Margin Trade

<b>Total Margin Balance</b>	<i>1.6961trillion</i>	<b>Total Short Selling Balance</b>	<i>158.1billion</i>
<b>SH Margin Balance</b>	<i>0.9014 trillion</i>	<b>SH Short Selling Balance</b>	<i>97.8 billion</i>
<b>Top Five Margin Trade Net Bought (in CNY)</b>		<b>Top Five Short Selling Net Sold (in shares)</b>	
601012	326mio	601198	16.57mio
600111	259mio	600089	3.21mio
600519	251mio	600011	3.17mio
600256	243mio	600010	2.76mio
603026	174mio	601669	2.64mio
<b>SZ Margin Balance</b>	<i>0.7947trillion</i>	<b>SZ Short Selling Balance</b>	<i>59.2 billion</i>
<b>Top Five Margin Trade Net Bought (in CNY)</b>		<b>Top Five Short Selling Net Sold (in shares)</b>	
000937	322mio	000100	6.48mio
002756	222mio	002065	5.35mio
002407	210mio	002610	3.62mio
002601	171mio	300398	2.02mio
002340	169mio	002340	1.85mio

**\*Connection Trade**

SH-HK Connection (bn cny)			SZ-HK Connection (bn cny)		
Northbound Net Cash Flow	-0.35		Northbound Net Cash Flow	-2.21	
Southbound Net Cash Flow	1.07		Southbound Net Cash Flow	1.32	
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
600887	137.5	6.00	002475	838	3.33
601318	131.7	1.49	000333	515	1.06
601601	550	2.11	002352	464	1.56
600900	500	1.00	002304	313	1.25
601888	457	0.90	000998	221	7.84

**\*Index Futures**

Position of Top 20 members (Unit lots)						
CSI 300 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IF2110	99,418	24,387	56,295	5,809	60,586	5,473
IF2112	28,175	9,269	53,082	1,635	64,969	811
IF2203	7,421	2,519	21,954	535	22,393	429
SSE 50 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IH2110	68,916	12,724	35,319	3,831	37,635	3,397
IH2112	19,169	3,696	26,474	455	33,931	550
IH2203	4,143	105	7,259	-151	9,780	-194
CSI 500 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IC2110	81,724	2,000	63,585	-337	61,618	-1,871
IC2111	14,094	7,083	14,406	3,219	13,998	3,817
IC2112	30,457	682	77,872	3,376	92,252	2,148
IC2203	12,942	-454	53,629	879	62,926	953

**\*Index Options**

Position of Top 20 members (Unit lots)						
CSI 300 Index Options	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IO2110	162,291	65,139	53,935	-5,877	58,636	-7,913

IO2111	39216	39216	26143	26143	24952	24952
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**\*Treasury Futures**

Position of Top 20 members (Unit lots)						
2-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
TS2112	20,138	2,463	23,105	8	25,566	-434
5-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
TF2112	39,355	5,833	57,758	2,212	57,570	910
10-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
T2112	87,626	2,592	120,036	2,159	120,155	974

Top 3 Gainers (Dominant Contract)					
Product	Contract	Price	Change %	Trading Volume	Open Interests
PVC	V2201	12,785.0	+4.62%	405,859	423,424
Methanol	MA201	3,885.0	+4.58%	1,001,197	998,586
Soda Ash	SA201	3,467.0	+4.18%	333,454	315,190
Top 3 Loser (Dominant Contract)					
Product	Contract	Price	Change %	Trading Volume	Open Interests
Corn Starch	CS2111	2,964.0	-0.87%	41,099	87,953
Crude Oil	SC2111	522.4	-0.85%	54,015	25,271
Coke	J2201	3,527.5	-0.3%	14,144	75,936

\* The natural gas futures in the US closed with a 3% increase, and now quoted at USD 5.732/btu. After crude oil and coal, prices of natural gas have been rising sharply. JKM, an important indicator of LNG price in Asia, has just hit USD 56.326 with a 56% intra-day rise, the most over the past 14 years. Now South Korea is considering to raise urban natural gas prices. Affected by the sharp increase in seasonal demand and continuous rise in European natural gas, a panic buying came up and further pushed up the LNG prices.

\* Oil price mostly went up in the global market, the November contract of WTI rose by 1.65%, the new highest since November in 2014, and the December contract of Brent went up by 0.94% at \$82.72/barrel.

\* LME metals mostly closed up with LME copper up 0.75% to \$9,350/ton, LME zinc rose by 3.9% to \$3,168.5/ton, LME nickel up by 4.91% to \$19,160 / ton, LME aluminum up by 0.46% to \$2,959.5 / ton, LME tin up by 2.85% to \$36,290 / ton, lead rose 2.37% to \$2,225/ton.

\* For the night trading session on Oct 8, crude oil futures closed down with a 0.85% decrease, quoted at yuan 522.4/barrel, while PTA went up by 3.76% leading the upside, iron ore up by 1.27% and palm oil closed 1.93% compared to the last trading day.

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