

DZ20211207

***Key points**

Macro

*China cuts banks' reserve ratio by 0.5% from Dec 15th with weighted avg reserve ratio of 8.4% for financial institutions after with cny 1tn long-term funds to be released.

*The Political Bureau of the CPC Central Committee held meeting on Dec 6th in analysis of economic work in 2022 which emphasized to make progress while maintaining stability with active fiscal policy and stable monetary policy to be implemented under abundant liquidity. Strategy in expanding domestic demand will be implemented to promote consumption recovery and to expand effective investment. Core competence of manufacturing industry will be improved with resilience of supply chain to be strengthened. Government subsidized housings will be promoted for healthy development of property market with reasonable housing demand to be satisfied. Breakthrough of core tech will be push forward with tech policies to be born.

Industrial Economy

*China has approved to set up world largest rare earth company as early as Dec, to be named as China Rare Earth Group and has been confirmed by Ganzhou Rare Earth, one of its unit members.

*Shanghai local government approved 3-year action plan in construction of civil aviation industrial chain in Shanghai, Shanghai Securities Journal reported.

Local News

*Hainan issued 19 measures in supporting tech opening-up and innovation of free trade ports with R&D encouraged via bonus and subsidies, major tech projects, accelerated depreciation of fixed asset, equity incentives and equipment imports supported.

Dec 7th Block Trade

*Block Trade Info

*Discount

-SMIC (688981 CH) saw 2 block trade worth 68mn at 52.96/45 yuan per share, 2/16.73 pct discount from last closing

-Shenhua Energy (601088 CH) saw 1 block trade worth 4.8mn at 22.59yuan per share, 1.8pct premium from last closing.

-China Merchants Bank (600036 CH) saw 2 block trade worth 11.5mn at 46.18/46.2yuan per share, 10.88/10.85pct discount from last closing.

-Industrial Bank (601166 CH) saw 2 block trade worth 6.6mn at 16.5/16.52 yuan per share, 10.91/10.8pct discount from last closing.

-Longi Green Energy (601012 CH) saw 1 block trade worth 9.4mn at 81.89 yuan per share, 0.00pct discount from last closing.

Premium

-Shenhua Energy (601088 CH) saw 1 block trade worth 4.8mn at 22.59yuan per share, 1.8pct premium from last closing.

-China Chemical (601117 CH) saw 1 block trade worth 5.9mn at 13.43yuan per share, 2.64pct premium from last closing.

***Margin Trade**

Total Margin Balance	1.7225trillion	Total Short Selling Balance	119.1billion
SH Margin Balance	0.9075trillion	SH Short Selling Balance	77.8billion
Top Five Margin Trade Net Bought (in CNY)		Top Five Short Selling Net Sold (in shares)	
601888	226mio	600016	5.1mio
601377	145mio	601818	4.3mio
600837	124mio	601377	3.4mio
688151	113mio	601137	3.1mio
600958	108mio	601288	2.9mio
SZ Margin Balance	0.8151trillion	SZ Short Selling Balance	41.3billion
Top Five Margin Trade Net Bought (in CNY)		Top Five Short Selling Net Sold (in shares)	
000591	251mio	159915	3.2mio
002600	223mio	000783	2.6mio
300623	195mio	159949	2.3mio
002326	162mio	002249	1.9mio
300274	131mio	000708	1.7mio

***Connection Trade**

SH-HK Connection (bn cny)			SZ-HK Connection (bn cny)		
Northbound Net Cash Flow	21.23		Northbound Net Cash Flow	-17.28	
Southbound Net Cash Flow	15		Southbound Net Cash Flow	22	
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
600030	844	3.47	300750	399	0.29
300059	697	2.34	600276	360	1.15
000001	558	1.63	601012	329	0.74
600036	394	0.37	600958	317	3.57
300014	355	1.32	002460	251	1.82

***Index Futures**

Position of Top 20 members (Unit lots)						
CSI 300 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IF2112	84,111	-6,464	71,132	173	78,190	-1,708
IF2203	17,623	1,060	43,554	1,072	49,771	666
IF2206	4,332	484	10,414	559	12,471	724
SSE 50 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IH2112	58,372	3,602	37,925	-4,568	43,741	-4,286
IH2203	12,579	2,242	16,842	525	20,802	374
CSI 500 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IC2112	71,765	2,066	82,787	-3,342	92,559	-3,831
IC2201	9,049	2,870	13,513	2,179	12,763	2,191
IC2203	20,157	4,918	61,496	1,438	75,853	2,157
IC2206	12,087	186	40,320	2,903	48,124	2,824

***Index Options**

Position of Top 20 members (Unit lots)						
CSI 300 Index Options	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IO2112	160969	19059	75015	-2660	81152	-1775

***Treasury Futures**

Position of Top 20 members (Unit lots)						
2-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
TS2112	30	-21	740	-5	740	-5
TS2203	18,871	4,697	27,411	825	29,816	1,565
5-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
TF2112	58	-104	3,610	-136	3,610	-136
TF2203	45,314	6,820	56,091	-2,754	62,737	-1,351
10-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
T2112	86	-161	490	0	490	0
T2203	101,938	-4,292	113,197	-601	123,402	-948

***Night Session Commodities Market (As of 02:30 am)**

Top 3 Gainers (Dominant Contract)					
Product	Contract	Price	Change %	Trading Volume	Open Interests
Iron Ore	i2205	644.0	+4.21%	507,761	518,476
Coke	j2205	2,962.0	+4.2%	17,567	27,345
LPG	pg2201	4,392.0	+3.66%	80,253	57,103
Top 3 Loser (Dominant Contract)					
Product	Contract	Price	Change %	Trading Volume	Open Interests
Soybean Meal	m2205	3,043.0	-1.55%	312,198	1,053,753
Glass	fg201	1,909.0	-1.24%	147,897	185,413
Tin	sn2201	279,090.0	-1.22%	28,739	42,133

Commodities (night session):

*Global crude oil price rose sharply. January NYMEX crude oil contract up 5.69% to closed at \$70.03/b, February Brent contract up 5.42% to closed at \$73.67/b, INE crude oil active contract up 1.82% to closed at 459.1 yuan/b.

* COMEX gold futures closed at \$1779.3/oz (down 0.26%). SHFE gold active contract closed at 367.76 yuan/gram (up 0.23%).

* Metals mostly closed down. LME aluminum down 1.11%, copper up 1.69%. SHFE aluminum down 0.61%, copper up 0.33%, bonded copper up 0.49%.

* Commodity futures mostly closed up. Energy & chemistry sector saw diverge performance, with LPG rose 3.66%, soda ash went up 2.73%, glass declined 1.24%. Back series mostly closed up, iron ore surged 4.21%, coke rose 4.2%, coking coal up 2.53%, whereas thermal coal down 0.55%. Agriculture commodity futures performed mixed, cotton up 1.25%, soybean meal down 1.55%.

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