

DZ20211230

***Key points**

Financials

*The State Council general meeting decided to extend preferential policies of personal income tax to end 2022 with tax reduction of cny 110bn in total.

*Measure of supervisory talk been adopted on CICC given its lack of diligence during sponsor of Lenovo group in application of STAR board listing, as announced by CSRC.

Industrial Economy

*CPCAAUTO: the narrowly defined retail sales data of passenger vehicles of 1.61 mio units in Dec, up 24% m/m.

*Beijing adjusted up NEV quota to 70k in 2022 and quota allocated to small passenger vehicles of 100k.

*Shanghai issued AI industry development plan during the 14th 5-year plan period which said to realize annual growth of AI industry over 12% by 2025 to cny 400bn with innovation development highland to be built up.

Co Focus

*Alibaba said to explore options for weibo stake with state firm, Shanghai Media Group to be specific, according to someone familiar with this matter.

*Block Trade Info

*Discount

- SMIC (688981 CH) saw 1 block trade worth 15mn at 48 yuan per share, 8.97pct discount from last closing.

- China Tianying (000035 CH) saw 2 block trade worth 40mn at 5.65yuan per share, 3.09pct discount from last closing.

- New Media Co (300770 CH) saw 1 block trade worth 10mn at 177.8yuan per share, 2pct discount from last closing.

- Wens Foodstuff (300498 CH) saw 1 block trade worth 9.2mn at 15.31yuan per share, 19.63 pct discount from last closing.

- Tonze Electric Co (002759 CH) saw 3 block trade worth 55mn at 25.5yuan per share, 11.8pct discount from last closing.

- Shanghai Construction (600170 CH) saw 1 block trade worth 317mn at 3.56yuan per share, 0.00 pct discount from last closing.

- Sany Heavy Industry (600031 CH) saw 1 block trade worth 38mn at 23.12yuan per share, 0.99pct discount from last closing.

Premium

- New Media Co (300770 CH) saw 2 block trade worth 100mn at 55.54yuan per share, 0.63 pct discount from premium closing.

***Margin Trade**

Total Margin Balance	1.7212 trillion	Total Short Selling Balance	116.3 billion
SH Margin Balance	0.9086trillion	SH Short Selling Balance	74.7 billion
Top Five Margin Trade Net Bought (in CNY)		Top Five Short Selling Net Sold (in shares)	
600036	381mio	600036	4.61mio
600884	114mio	600959	3.1mio
600905	107mio	601988	2.44mio
600699	77mio	601989	2.17mio
600919	72mio	600848	1.9mio
SZ Margin Balance	0.8125 trillion	SZ Short Selling Balance	41.6 billion
Top Five Margin Trade Net Bought (in CNY)		Top Five Short Selling Net Sold (in shares)	
002594	211mio	002610	3.05mio
300059	179mio	000783	2.45mio
002610	164mio	300433	2.45mio
002129	135mio	000725	2.2mio
002129	127mio	300182	1.61mio

***Connection Trade**

Southbound trading was suspended on Dec 29th

SH-HK Connection (bn cny)			SZ-HK Connection (bn cny)		
Northbound Net Cash Flow	+0.2		Northbound Net Cash Flow	+0.5	
Southbound Net Cash Flow	-		Southbound Net Cash Flow	-	
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
300750	618	0.52	600036	870	0.85
000568	360	0.94	603259	479	1.58
002240	269	6.84	300059	311	0.97
603589	247	5.18	002304	210	0.97
600745	204	1.65	002821	189	1.78

***Index Futures**

Position of Top 20 members (Unit lots)						
CSI 300 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IF2201	86,125	1,891	57,152	-319	59,962	-112
IF2203	28,965	-194	50,720	-736	70,162	-915
IF2206	8,875	1,589	24,020	1,252	31,958	1,282
SSE 50 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IH2201	59,156	4,024	41,376	1,564	45,383	1,274
IH2203	16,397	1,544	27,142	1,173	35,354	1,764
IH2206	7,173	3,273	12,904	1,298	18,472	1,724
CSI 500 Index Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IC2201	52,695	-4,522	70,593	771	67,153	71
IC2203	13,739	-2,389	62,710	-691	78,982	-1,087
IC2206	7,899	-747	55,724	-144	70,578	53

***Index Options**

Position of Top 20 members (Unit lots)						
CSI 300 Index Options	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
IO2201	154592	24985	88596	5711	92540	7069

***Treasury Futures**

Position of Top 20 members (Unit lots)						
2-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
TS2203	25,669	-10,021	39,129	32	43,586	-177
5-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
TF2203	33,881	-5,598	70,124	1,221	79,968	1,104
10-Year Treasury Bond Futures	Trading Volume	Change*	Long OI	Change*	Short OI	Change*
T2203	79,743	7,799	129,769	628	134,834	645
T2206	5,234	2,000	9,318	339	9,029	280

***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	677.5	+2.19%	298,833	650,889
Bleached Softwood Kraft Pulp	SP2205	5,952.0	+1.57%	189,712	196,761
Coking Coal	JM2205	2,198.0	+1.48%	18,813	41,923
Top 3 Loser (Dominant Contract)					
Product	Contract	Price	Change %	Trading Volume	Open Interests
LPG	PG2202	4,558.0	-1.7%	81,492	74,282
Methanol	SA205	2,262.0	-1.44%	235,330	376,294
Low Sulfur Fuel Oil	LU2203	3,666.0	-1.11%	18,755	24,198

* Global oil prices mostly went up with February contract of WTI rose by 0.8%, quoted at \$76.59/barrel, and the March contract of Brent up by 0.71%, closed at \$79.23/barrel. According to EIA, the US SPR inventory has dropped to the lowest level ever since November 2002.

* According to industry analysts, due to the impact of the covid-19 epidemic, resulting in a flood of liquidity and a global protection from inflation. World Gold Council (WGC) statistics show the number of increased gold exceeded 4500 tons. Total holdings as of September 2021 increased by 15% compared to 10 years before to approximately 36,000 tons, recorded the highest for the past 31 years.

* For the night session on December 29, commodity market mostly closed up with black series leading the upside, iron ore rose by 2.19%, coking coal and steel rebar went up by 1.48% and 1.09% respectively. Chemical and energy sector closed mixed for paper pulp rose by 1.57%, while LPG shifted 1.7% lower. In terms of agriculture, cotton yarn closed up by 0.97%, while No.1 soybean quoted 0.86% lower.

* LME metals closed mixed with LME copper rose by 1.11% to \$9,674.5/ton, LME zinc fell by 0.44% to \$3,503.5/ton, LME nickel went up by 2.02% to \$20,450 ton, LME aluminum fell by 0.88% to \$2,812/ton, LME tin fell by 0.34% to \$39,125/ ton, while LME lead closed flat at \$2,278/ton.

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