

DZ20220406

*Key points

Covid-19

*An expert evaluation meeting report released by WHO affirmed the safety and effectiveness of traditional Chinese medicine in treating COVID-19, and encouraged the member states of the World Health Organization to consider the integrated traditional Chinese and Western medicine model (integrated medical model).

*Shanghai lockdown continues as it reported more than 13,000 daily Covid-19 cases on Tuesday for the first time.

Financials

*CSRC and 3 other departments jointly issued revised opinion to strengthen overseas stock issuance as well as listing related confidentiality and record management which deleted statement of "live inspection by Chinese supervisory institutions shall be prioritized", showing attitude of opening-up and system protection for cooperation of cross-border supervision.

*Another shareholding asset management company plans on self-purchase with amount to hit new high within the sector, to exceed cny 1bn together with its peer, according to someone familiar with this matter, China Securities Journal reported.

Property

*Hebei Qinghuangdao abolished opinions to strengthen adjustment of property market from March 26th for reason that they no longer fit current development trend.

*Zhejiang Quzhou canceled restrictions of house purchase and sales as the first city nationwide with notice issued to promote benign cycle and healthy development of property industry.

Holiday Data

*China passenger delivery through highway of 46.34mio during Ching Ming 3-day holiday, down 53.2% y/y and civil aviation of 562k, down 87% y/y and 53.8% vs 2020.

*Domestic tourism revenue during Ching Ming 3-day holiday was 18.78bn yuan, a decline of 30.9% y/y, only at 39.2% of the 2019 level, according to Ministry of Culture and Tourism.

Industrial Economy

*PBoC held work forum regarding R&D of digital currency which said to expand range in trial with 6 more cities to add in.

*Health China Action 2022 was issued which said to formulate national standard and administrative methods of e-cigarettes, healthy elderly and child care plan during the 14th FY.

Co Focus

*The strategic investment and reorganization of China Aoyuan (3883 HK) has kicked off with due diligence been conducted by state-owned capital and progress to be announced shortly, according to someone familiar with this matter and Shanghai Securities Journal reported.

*BYD automobile announced to stop production of fuel consuming vehicles from March 2022 due to needs of strategic development and to focus on pure and mixed electric vehicles after.

*Wang Chuanfu, president of BYD said to overall challenge of surging price of raw materials with domestic exploration and overseas imports to increase to stabilize price expectation.

*New battery technology of Longi expects to see massive production in Q4, 21st century economy reported.

*Tianqi Lithium was approved to be a member of Chile National Coal Association with further detailed cooperation to be carried out, Securities Journal reported.

Apr 1st Block Trade

*Block Trade Info

*Discount

- Sinovatio Tech (002912 CH) saw 7 block trades worth 30mn at 23.66yuan per share, 9.14 pct discount from last closing.
- China Gold (600916 CH) saw 8 block trades worth 86mn at 11.31yuan per share, 7.14 discount from last closing.
- 37 Entertainment (002555 CH) saw 8 block trades worth 58mn at 22.75yuan per share, 7.56pct discount from last closing.
- 360 Security (601360 CH) saw 2 block trades worth 68mn at 9 yuan per share, 10.00pct discount from last closing.
- Pudong Development Bank (600000 CH) saw 2 block trades worth 66mn at 7.82 yuan per share, 3.1pct discount from last closing.
- Pharmaron (300759 CH) saw 2 block trades worth 122mn at 116.65yuan per share, 0.64 pct discount from last closing.

*Flat

- China Shenhua (601088 CH) saw 1 block trade worth 21mn at 29.53yuan per share, 0.00pct discount from last closing.

*Margin Trade

| | | | |
|--|-----------------|--|--------------|
| Total Margin Balance | 1.5700 trillion | Total Short Selling Balance | 90.5 billion |
| SH Margin Balance | 0.8298 trillion | SH Short Selling Balance | 58.5 billion |
| Top Five Margin Trade Net Bought (in CNY) | | Top Five Short Selling Net Sold (in shares) | |
| 601919 | 181mio | 600959 | 8.27mio |
| 688048 | 158mio | 601880 | 3.83mio |
| 600325 | 130mio | 600157 | 2.81mio |
| 600703 | 99.7mio | 600916 | 2.62mio |
| 601696 | 80mio | 510330 | 1.68mio |
| SZ Margin Balance | 0.7402 trillion | SZ Short Selling Balance | 32 billion |
| Top Five Margin Trade Net Bought (in CNY) | | Top Five Short Selling Net Sold (in shares) | |
| 002285 | 119mio | 000563 | 0.72mio |
| 002268 | 98mio | 000002 | 0.72mio |
| 000671 | 92.7mio | 000961 | 0.69mio |
| 000661 | 86mio | 002500 | 0.64mio |
| 000776 | 83mio | 000158 | 0.60mio |

***Connection Trade**

-Southbound trading was suspended on Mar 31st.

| SH-HK Connection (bn cny) | | | SZ-HK Connection (bn cny) | | |
|---------------------------|------------------------|--------------------------------|---------------------------|------------------------|--------------------------------|
| Northbound Net Cash Flow | +1.7 | | Northbound Net Cash Flow | +2.7 | |
| 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 |
| 601919 | 723 | 3.69 | 601888 | 369 | 1.15 |
| 601668 | 462 | 2.08 | 600036 | 221 | 0.23 |
| 601012 | 381 | 0.98 | 600309 | 209 | 0.82 |
| 002594 | 342 | 1.29 | 600690 | 202 | 1.38 |
| 000858 | 291 | 0.48 | 002241 | 200 | 1.98 |

***Index Futures**

| Position of Top 20 members (Unit lots) | | | | | | |
|--|----------------|---------|---------|---------|----------|---------|
| CSI 300 Index Futures | Trading Volume | Change* | Long OI | Change* | Short OI | Change* |
| IF2204 | 116,035 | 22,909 | 70,813 | 7,091 | 74,387 | 5,507 |
| IF2206 | 35,057 | 11,067 | 52,725 | 1,270 | 64,697 | 288 |
| IF2209 | 14,778 | 5,377 | 23,729 | 2,083 | 30,094 | 2,214 |
| SSE 50 Index Futures | Trading Volume | Change* | Long OI | Change* | Short OI | Change* |
| IH2204 | 62,106 | 19,686 | 30,067 | 4,062 | 32,687 | 4,262 |
| IH2206 | 20,829 | 8,607 | 23,782 | 1,241 | 30,648 | 1,106 |
| IH2209 | 7,809 | 2,962 | 13,426 | 1,166 | 18,573 | 991 |
| CSI 500 Index Futures | Trading Volume | Change* | Long OI | Change* | Short OI | Change* |
| IC2204 | 79,410 | 9,185 | 73,838 | -910 | 70,603 | 328 |
| IC2205 | 11,308 | 4,771 | 10,051 | 2,999 | 10,187 | 3,330 |
| IC2206 | 24,309 | 2,621 | 84,560 | 539 | 98,951 | 296 |
| IC2209 | 13,597 | 2,115 | 76,239 | 2,037 | 83,938 | 1,889 |

***Index Options**

| Position of Top 20 members (Unit lots) | | | | | | |
|--|----------------|---------|---------|---------|----------|---------|
| CSI 300 Index Options | Trading Volume | Change* | Long OI | Change* | Short OI | Change* |
| IO2204 | 171795 | 67658 | 76046 | 48 | 86317 | 487 |
| IO2205 | 28173 | 28173 | 24814 | 24814 | 25773 | 25773 |
| IO2206 | 9790 | 6086 | 22370 | 235 | 26525 | 216 |

***Treasury Futures**

| Position of Top 20 members (Unit lots) | | | | | | |
|--|----------------|---------|---------|---------|----------|---------|
| 2-Year Treasury Bond Futures | Trading Volume | Change* | Long OI | Change* | Short OI | Change* |
| TS2206 | 23,392 | -443 | 37,503 | 511 | 39,776 | 1,266 |
| 5-Year Treasury Bond Futures | Trading Volume | Change* | Long OI | Change* | Short OI | Change* |
| TF2206 | 51,764 | 5,574 | 85,889 | 896 | 93,825 | 2,158 |
| 10-Year Treasury Bond Futures | Trading Volume | Change* | Long OI | Change* | Short OI | Change* |
| T2206 | 84,791 | -5,829 | 129,390 | 2,643 | 140,092 | 1,520 |
| T2209 | 3015 | -2492 | 14875 | 49 | 15085 | 106 |

***Global Market during 2022 Qingming Holidays**

| Product | 2022/04/01 (15:00) | 2022/04/05 (9:30) | Change | Change% |
|-------------------|--------------------|-------------------|--------|---------|
| NYMEX Fuel Oil | 3.3163 | 3.5855 | 0.2692 | 8.12% |
| WTI | 98.79 | 104.92 | 6.13 | 6.21% |
| Brent | 103.32 | 109.25 | 5.93 | 5.74% |
| CBOT Soybean Oil | 69.09 | 72.66 | 3.57 | 5.17% |
| Malaysia Palm Oil | 5494 | 5730 | 236 | 4.30% |
| LME Zinc | 4164.0 | 4330.0 | 166 | 3.99% |
| Japan Rubber No.2 | 259.1 | 267.5 | 8.4 | 3.24% |
| LME Tin | 42550.0 | 43665.0 | 1115 | 2.62% |
| Nasdaq | 14220.519 | 14532.554 | 312.04 | 2.19% |
| LME Copper | 10264.0 | 10485.0 | 221 | 2.15% |
| LME Nickel | 32100.0 | 32700.0 | 600 | 1.87% |
| ICE Cotton No.2 | 135.76 | 138.1 | 2.34 | 1.72% |
| CBOT Corn | 742.50 | 755.25 | 12.75 | 1.72% |

| | | | | |
|----------------------|----------|----------|--------|--------|
| S&P 500 | 4530.49 | 4582.64 | 52.15 | 1.15% |
| DJI | 34678.35 | 34921.88 | 243.53 | 0.70% |
| FTSE China A50 Index | 13965.0 | 14057.0 | 92 | 0.66% |
| ICE Sugar No.11 | 19.52 | 19.61 | 0.09 | 0.46% |
| TSI Iron Ore | 160.55 | 160.80 | 0.25 | 0.16% |
| CBOT Soybean | 1606.25 | 1608.75 | 2.5 | 0.16% |
| LME Lead | 2413.0 | 2411.5 | -1.5 | -0.06% |
| US 10-yr Treasury | 122.3750 | 122.1875 | -0.188 | -0.15% |
| COMEX Gold | 1937.3 | 1933.8 | -3.5 | -0.18% |
| LME Aluminum | 3475.0 | 3456.5 | -18.5 | -0.53% |
| COMEX Silver | 24.960 | 24.585 | -0.375 | -1.50% |
| CBOT Soybean Meal | 466.5 | 456.4 | -10.1 | -2.17% |
| VIX | 22.95 | 21.10 | -1.85 | -8.06% |

* Global oil prices mostly closed down as May contract of WTI dropped by 1.84%, quoted at \$101.38/barrel. Likewise, June contract of Brent slipped by 1.85%, closed at \$105.54/barrel. Oil prices fell as the US dollar strengthened and new outbreaks may slow the demand.

* COMEX gold futures closed lower to \$1,926.6 per ounce with 0.38% decline. COMEX silver futures settled at \$24.45 per ounce with 0.57% decrease. Gold price fell due to the rising yield of US treasuries and market expectations that the Fed would further tighten the monetary policy.

* LME metals closed mixed with LME copper fell by 0.35% at \$10,432/ton, LME zinc down by 1.89% to \$4,286.5/ton, while LME nickel rose by 1.1% to \$33,610/ton, LME aluminum went up by 0.23% at \$3,455/ton, LME tin shifted 0.49% lower to \$43,940/ ton, and LME lead closed down with 0.39% decline to \$2,403.5/ton.

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