

Today's Forecast

HSI trading range	20,100-20,600 points
Market focus	International financial sector
	Bank of China (03988)
	SJM Holdings (00880)

HK and Regional Markets

	Close (last trading day)	Up(down)
Hang Seng Index	20,467.52	0.39%
HSCEI	8,609.59	0.31%
CCI	3,526.28	0.20%
DJI	17,640.17	(0.20%)
Nasdaq	4,834.93	(0.18%)
UK FTSE	5,966.80	0.73%
France CAC	4,171.58	1.00%
Germany DAX	9,606.71	0.92%
S'ang 'ai	3,022.01	1.59%
S'ang 'ai (	344.88	1.28%

S'ang 'ai)HK stock connect

	Daily Quota Bal.	Total Quota Bal.
Northbound	13.473 billion	164.213 billion
Southbound	8.112 billion	85.400 billion

Hang Seng Composite Industry Indices

	Close (last trading day)	Up(down)
Energy	7,376.65	0.23%
Materials	4,598.39	0.45%
Consumer Goods	3,688.81	0.80%
Services	2,788.23	0.56%
Telecommunications	1,759.30	(0.64%)
Financials	2,851.39	0.21%
Real Estate		
Construction	2,683.82	0.32%
Logistics	2,402.72	(0.22%)

HSI Futures /Day Trading Session

	Jun-16	Jul-16
Open /last trading day	19,950	20,000
Close /last trading day	20,269	20,273
High /Low	89	94
Day High /Low	20,373	20,372
Day Open /Close	19,900	19,931
Settled /Open	137,119	1,866
Change in 11	(1,841)	363

The above information is provided and distributed by Celestial Securities Limited ("CSL"). CSL is a corporation licensed under the Securities and Futures Ordinance. The document is for reference only. Neither the information nor opinion expressed shall be construed, expressly or impliedly, as an advice, offer, invitation, advertisement, inducement, recommendation or representation of any kind or form whatsoever. While the information contained herein has been obtained from sources believed to be reliable, CSL or its affiliates ("CASH") do not represent that it is accurate or complete and it should be relied upon. CASH hereby expressly disclaims all liabilities arising out of or incidental to the accuracy and completeness of the contents and information herein contained. The contents and information in this document is subject to change without prior notice to you. Trade in securities covered by this report may be made only in those jurisdictions where the securities are qualified for trading. This document may not in whole or in part be reproduced or furnished to any person other than the addressee without written consent from CASH and CASH shall not be liable to any such third parties for loss arising from any unauthorized distribution.

&inyi \$lass/88D=D0's -rofile				
Stock Category		HK Share #		
Sector		Industrial	Components	&
(usiness		Equipment		
		Production and sales of float glass products, automobile glass products, construction glass products and a variety of related products in the PRC.		
Su*stantial s'are 'olders		Realbest Investment Limited (18.49%)		
		High Park Technology Limited(6.80%)		
		Copark Investment Limited (6.30%)		
		Telerich	Investment	Limited
		(6.42%)		
Financial Hig 'lig 't				
	As at Dec 15		As at Dec 14	
(in billion HKD)	FY2015	%	FY2014	%
Re, enue	11.460	+5.5	10.861	+9.3
!et -rofit	2.113	+55.0	1.364	-61.3
Baluation				
-4E	10.39x			
-4 (	1.73x			
5ield	4.68%			
Tec 'nical nalysis				
Direction	Upward			
>A)day RSI	57.05			
Su++ort	HKD5.35			
Resistance	HKD5.87			

Eligible Stock for Shanghai-HK stock connect scheme

Stock Pick

Xinyi Glass 88D=D0 expected its net profit to record a year-on-year increase for 2016

Xinyi Glass recently issued a positive profit alert, expecting to record a year-on-year increase of 30%-45% in net profit for the six months ended 30 June 2016 as compared with the figures in 1H2015 mainly due to the reduction of costs of sales of the float glass business, the high growth of sales volume of the float glass business and the increase in the profit contribution from Xinyi Solar (00968). Besides, Xinyi Solar also issued a positive profit alert recently, expecting to record a year-on-year increase of 70%-90% in net profit for 1H2016.

Overall, the positive profit alert of Xinyi Glass was not surprising. The gross profit margin of float glass business and automobile glass business grew from 5.41% YoY and 41.80% YoY in FY2014 to 8.77% YoY and 44.35% YoY in FY2015 respectively. Moreover, the management noted that the improving performance of the property sales in Mainland China starting from this year led an increase of the Company's glass sales. Coupled with decrease of the Company's cost of production amid the lower natural gas price, these were beneficial to the performance of its profit margin for the related construction glass business. Nevertheless, we observed that the year-on-year growth of property contracted sales in May from several property developers has narrowed remarkably. Added with the slowdown of Chinese economic growth this year, these might increase uncertainty to the Company's glass sales in 2H2016. On the other hand, the Company announced last evening that the spin-off and listing of Xinyi Automobile Glass on GEM were subject to, among other things, (a) the Stock Exchange approving the Spin-Off; (b) the Hong Kong Public Offering becomes unconditional and is duly completed in accordance with the terms and conditions in the prospectus of Xinyi Automobile Glass Enterprises and the application forms of the Hong Kong public offering; and (c) the Listing Department granting the listing of, and permission to deal in, the Xinyi Enterprises Shares in issue and the Hong Kong Offer Shares to be issued pursuant to the Hong Kong public offering on GEM and such listing and permission not subsequently having been revoked prior to the commencement of dealing in the Xinyi Enterprises shares on GEM. Thus, we hold a cautiously optimistic view towards the Company's business prospect in FY2016 amid the low production cost maintained in 2H2016 and the approval for the spin-off of Xinyi Automobile Glass Enterprises.

Xinyi Glass's share price dropped 2.41% and closed at HKD5.66 yesterday. Technically, the Company's share price was still in the upward trend. Coupled with its 14-day RSI of 57.05, it showed the weakening momentum. Thus, the

The above information is provided and distributed by Celestial Securities Limited ("CSL"). CSL is a corporation licensed under the Securities and Futures Ordinance. The document is for reference only. Neither the information nor opinion expressed shall be construed, expressly or impliedly, as an advice, offer, invitation, advertisement, inducement, recommendation or representation of any kind or form whatsoever. While the information contained herein has been obtained from sources believed to be reliable, CSL or its affiliates ("CASH") do not represent that it is accurate or complete and it should be relied upon. CASH hereby expressly disclaims all liabilities arising out of or incidental to the accuracy and completeness of the contents and information herein contained. The contents and information in this document is subject to change without prior notice to you. Trade in securities covered by this report may be made only in those jurisdictions where the securities are qualified for trading. This document may not in whole or in part be reproduced or furnished to any person other than the addressee without written consent from CASH and CASH shall not be liable to any such third parties for loss arising from any unauthorized distribution.

DR HK Stock - rices			
Stock (HKEx Ticker)	ADR Closing Price (US\$)	Adjusted Price (HK\$)	Change from HK Closing Price (%)
HSBC Holdings (00005.HK)	30.23	47.051	0.265
China Life (02628.HK)	10.53	16.389	0.095
Petrochina (00857.HK)	68.01	5.293	(0.322)
CNOOC (00883.HK)	120.75	9.397	(0.157)
Sinopec Corp (00386.HK)	68.3	5.315	1.230
China Mobile (00941.HK)	55.29	86.054	(0.754)

The above information is provided and distributed by Celestial Securities Limited ("CSL"). CSL is a corporation licensed under the Securities and Futures Ordinance. The document is for reference only. Neither the information nor opinion expressed shall be construed, expressly or impliedly, as an advice, offer, invitation, advertisement, inducement, recommendation or representation of any kind or form whatsoever. While the information contained herein has been obtained from sources believed to be reliable, CSL or its affiliates ("CASH") do not represent that it is accurate or complete and it should be relied upon. CASH hereby expressly disclaims all liabilities arising out of or incidental to the accuracy and completeness of the contents and information herein contained. The contents and information in this document is subject to change without prior notice to you. Trade in securities covered by this report may be made only in those jurisdictions where the securities are qualified for trading. This document may not in whole or in part be reproduced or furnished to any person other than the addressee without written consent from CASH and CASH shall not be liable to any such third parties for loss arising from any unauthorized distribution.

HK Treasury 5ield Cur,e Rates				
Date	3-year Yield (%)	5-year Yield (%)	10-year Yield (%)	15-year Yield (%)
05/19/16				

The above information is provided and distributed by Celestial Securities Limited ("CSL"). CSL is a corporation licensed under the Securities and Futures Ordinance. The document is for reference only. Neither the information nor opinion expressed shall be construed, expressly or impliedly, as an advice, offer, invitation, advertisement, inducement, recommendation or representation of any kind or form whatsoever. While the information contained herein has been obtained from sources believed to be reliable, CSL or its affiliates ("CASH") do not represent that it is accurate or complete and it should be relied upon. CASH hereby expressly disclaims all liabilities arising out of or incidental to the accuracy and completeness of the contents and information herein contained. The contents and information in this document is subject to change without prior notice to you. Trade in securities covered by this report may be made only in those jurisdictions where the securities are qualified for trading. This document may not in whole or in part be reproduced or furnished to any person other than the addressee without written consent from CASH and CASH shall not be liable to any such third parties for loss arising from any unauthorized distribution.