UOBKayHian

Country Daily | Greater China

Wednesday, 16 September 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52093.1	(0.6)	(1.3)	(3.1)	8.4
S&P 500	7585.7	(0.4)	(1.1)	(2.6)	10.8
FTSE 100	10658.1	(0.4)	(1.4)	(0.9)	7.3
AS30	8849.3	(0.8)	(2.9)	(5.0)	(1.9)
CSI 300	4450.0	(0.7)	(2.4)	(4.6)	(3.9)
FSSTI	5638.6	(1.4)	(2.2)	(1.8)	21.4
HSCEI	8204.9	(1.0)	(2.3)	(1.6)	(8.0)
HSI	24667.2	(1.0)	(2.6)	(1.8)	(3.8)
JCI	6461.2	(1.1)	(3.4)	0.9	(25.3)
KLCI	1679.2	(1.1)	(2.1)	(2.7)	(0.1)
KOSPI	6627.3	(0.9)	(4.7)	(5.0)	57.3
Nikkei 225	63484.1	(0.0)	(2.7)	(7.6)	26.1
SET	1578.7	(0.8)	(2.7)	(1.9)	25.3
TWSE	45511.5	(0.8)	(3.4)	(0.7)	57.1
BDI	3360	(2.5)	(6.3)	17.4	79.0
CPO (RM/mt)	4611	0.4	(1.1)	1.9	17.2
Brent Crude (US$/bbl)	109	2.9	11.1	22.9	78.7

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
17th Asian Gems Conference 2026 (Virtual)	Singapore	22 Sep	23 Sep
Post-results NDR with Sunny Optical (2382 HK)	Taipei	22 Sep	23 Sep
New Economy Conference at The Ritz Carlton Hotel	Malaysia	07 Oct	07 Oct
NDR with Food Empire Holdings Ltd (FEH SP)	Malaysia	08 Oct	08 Oct

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Aug Unemployment Rate 3Mths	Hong Kong	17 Sep
2Q BoP Current Account Balance	Hong Kong	17 Sep
2Q BoP Overall	Hong Kong	17 Sep
Aug CPI Composite	Hong Kong	23 Sep
Aug Trade Balance, Exports, Imports	Hong Kong	24 Sep
Aug Industrial Profits	China	28 Sep
2Q F BoP Current Account Balance	China	29 Sep
Sep PMI (Composite, Manufacturing, Non-manufacturing)	China	30 Sep
Sep RatingDog China PMI (Mfg, Composite, Services)	China	30 Sep
Aug Money Supply (M1, M2, M3)	Hong Kong	30 Sep

Top Stories

Economics | Economic Activity Page 3 →

- August's data was mixed and mildly negative for markets. Industrial production growth accelerated to 5.2% yoy (+0.7ppt mom), beating Bloomberg consensus of 4.8%, with external demand remaining a key driver. Domestic demand remained weak: retail sales growth slowed to 0.4% yoy, below consensus of 0.8%, while FAI contracted 7.2% ytd yoy, dragged by a 19.9% ytd yoy decline in property FAI. Unemployment edged up to 5.3%. Going forward, faster project implementation could help narrow the FAI contraction.

Sector Update | China AI Page 5 →

- AI model competition is broadening from capability to efficiency, monetisation and global adoption, with cybersecurity emerging as a high-value AI use case. DeepSeek V4.1 Flash highlights lower compute requirements and more dynamic pricing, while MiniMax expands overseas through deeper model adoption. Funding intensity remains high as Z.AI moves upstream into compute infrastructure, while potential IPOs could weigh on sector liquidity. Maintain MARKET WEIGHT. Top BUYs: Z.AI and Alibaba.

Company Update | CATL (300750 CH/**BUY**/Rmb316.36/Target: Rmb585.00) Page 10 →

- CATL's installations continue to outgrow the market. Order flows remain strong, and capacity utilisation remains tight through year-end. The Hungary plant launch is delayed to at least 1Q27, but other plants can cover the shortfall. Fears that OEMs will switch away from CATL are groundless, due to its moats in technology, reliability and brand equity. Maintain BUY and keep the target prices for A-share/H-share at Rmb585.00/HK$675.00.

Small/Mid Cap Highlights | Mobvista Inc (1860 HK/**NOT RATED**/HK$10.70) Page 13 →

- Mobvista is an ad-tech platform with a 28% revenue four-year CAGR in 2021-25. Its new AI infrastructure launch in Oct 26 should significantly improve its model capabilities (with initial tests suggesting close to 100-fold overall efficiency improvement) and strengthen its competitiveness for hybrid-monetisation games. The board approved a new share repurchase plan of up to HK$300m open-market repurchases on the back of its strong net cash position. The company is trading at 22.7x/13.4x PE in 2026-27, based on Bloomberg consensus.

Disclaimer: In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.

Technical Analysis

Cathay Pacific Airways | 293 HK Page 16 →

- Support levels: HK$13.15/HK$12.59
- Resistance levels: HK$14.51/HK$14.65

Sino Land | 83 HK Page 16 →

- Support levels: HK$9.13/HK$7.96
- Resistance levels: HK$10.47/HK$10.66

Economics

Economic Activity

Mixed August Data

- Industrial production growth accelerated to 5.2% yoy (+0.7ppt mom) in August, above Bloomberg's consensus estimate of 4.8% yoy. FAI ytd growth fell further to -7.2% yoy (-0.5ppt mom), marginally below consensus of -7.1% yoy, dragged by property FAI ytd (-19.9% yoy, -0.7ppt mom).
- Retail sales growth slowed to 0.4% yoy, below consensus of 0.8% yoy and July's 0.6% yoy. The surveyed unemployment rate edged up to 5.3% (+0.1ppt mom).
- August's data was mixed and slightly market negative, with a narrowly sourced production beat set against further weakness in both consumption and investment; the policy outlooks are set to stay focused on accelerating project implementation.

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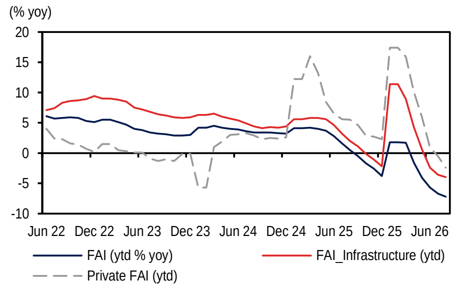
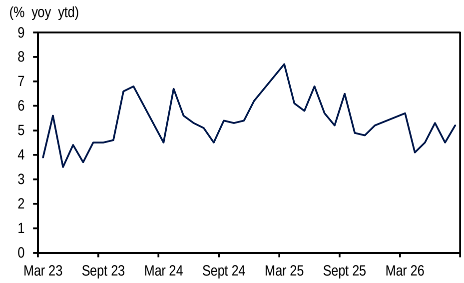
Fixed Asset Investment Growth



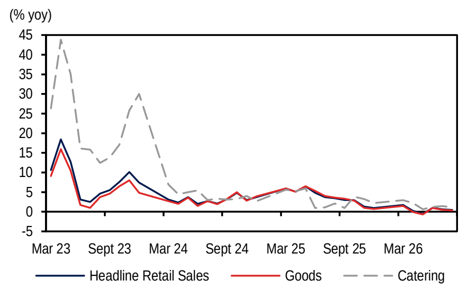
Source: NBS, CEIC, UOB Kay Hian

Industrial Production Growth



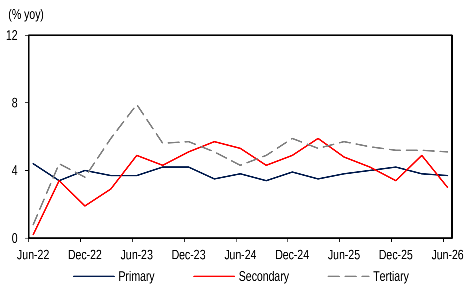
Source: NBS, CEIC, UOB Kay Hian

Retail Sales By Merchandise



Source: NBS, CEIC, UOB Kay Hian

GDP By Industry



Source: NBS, CEIC, UOB Kay Hian

What's New

Economic Activity Data (Monthly)

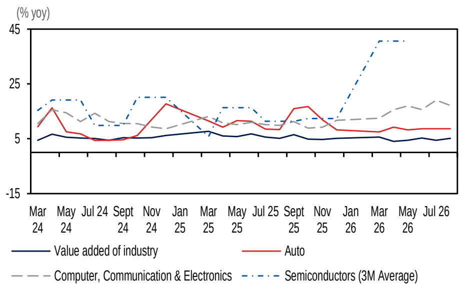
(yoy % chg)	Aug 26	Consensus	Jul 26
FAI YTD	-7.2	-7.1	-6.7
FAI*	-10.7	-	-12.7
Property FAI YTD	-19.9	-20.1	-19.2
Industrial Production	5.2	4.8	4.5
Surveyed Unemployment Rate (%)	5.3	5.2	5.2
Retail Sales	0.4	0.8	0.6

** UOB Kay Hian estimates*
Source: NBS, CEIC, UOB Kay Hian

- **Industrial production growth accelerated to 5.2% yoy in August (+0.7ppt mom),** above Bloomberg's consensus estimate of 4.8% yoy. In August, 29 of 41 major industries maintained yoy growth in output value (vs 25 in July). High-tech manufacturing continued to stand out in terms of its growth (16.7% yoy, -0.2ppt mom), led by industrial robots (34.6% yoy), NEVs (21.9% yoy) and integrated circuits (20.6% yoy), whereas microcomputer equipment posted the steepest decline (-25.6% yoy). External demand remained a key driver of industrial production, with export delivery value rising 11.1% yoy.
- **August's retail sales growth slowed to 0.4% yoy,** down from July's 0.6% yoy and below Bloomberg's consensus estimate of 0.8% yoy, extending the weak run seen since April. By consumption type, catering revenue grew 1.1% yoy (-0.3ppt mom) while retail sales of goods rose just 0.3% yoy (-0.2ppt mom). Automobile sales continued to decline at -18.5% yoy (-1.5ppt mom), followed by gold, silver and jewellery (-17.5% yoy) and construction and decoration materials (-11.8% yoy, +2.4ppt mom). The main positives were communication equipment (27.3% yoy, +6.9ppt mom) and tobacco and alcohol (12.5% yoy, +6.5ppt mom).
- **FAI ytd growth fell further to -7.2% yoy in August (-0.5ppt mom),** marginally below Bloomberg's consensus estimate of -7.1% yoy. Property FAI ytd deepened to -19.9% yoy (-0.7ppt mom), though slightly better than consensus estimate of -20.1% yoy. The weakness remained broader than property: infrastructure and manufacturing FAI ytd have contracted 4.0% yoy and 2.3% yoy respectively, deteriorating by 0.4ppt and 0.6ppt from July. On a positive note, our estimated single-month FAI contraction narrowed to -10.7% yoy in August, improving from -12.7% yoy in July. With the recent push to accelerate FAI project implementation, we are likely to see a further easing in the contraction.

- **The surveyed unemployment rate edged up to 5.3% in August (+0.1ppt mom),** above Bloomberg's consensus of 5.2% and the highest reading since Mar 26. Overall, August's data was mixed and slightly market negative, with three of four major indicators missing consensus and the production beat narrowly sourced from external demand.

Industrial Production By Sector



Source: NBS, CEIC, UOB Kay Hian

China AI

AI Landscape: Efficiency And Adoption Improve, Cybersecurity Emerges, Funding Risks Diverge

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Highlights

- AI model competition is broadening from capability to efficiency, monetisation and global adoption, with cybersecurity emerging as a high-value AI use case. DeepSeek V4.1 Flash highlights lower compute requirements and more dynamic pricing, while MiniMax expands overseas through deeper model adoption. Funding intensity remains high as Z.AI moves upstream into compute infrastructure, while potential IPOs could weigh on sector liquidity.
- Maintain MARKET WEIGHT. Top BUYs: Z.AI and Alibaba.

Analysis

- **Funding intensity remains high, although September demand is supported by long-term institutional investors.** Z.AI has raised HK$70.6b since July, comprising HK$31.4b net proceeds from its July placement and HK$39.3b in September, including HK$15.7b from new shares and HK$23.6b from a zero-coupon convertible bond (CB). The September share placement represents 4.5% immediate dilution, while full conversion of the CB would take the combined potential dilution to 9.4%. The September deal was launched immediately after the July placement's 60-day issuer lock up expired, while the latest financing introduces another 60-day restriction through mid-November, highlighting near-term funding needs. That said, the investor mix was supportive, with overseas institutions from Asia, Europe and the US forming the majority of demand. Nearly 30 long-only investors participated, including existing holders, alongside close to 20 technology-focused investors. The top 20 investors accounted for over 85% of the equity allocation and over 88% of the CB allocation, suggesting demand was concentrated among larger institutional investors rather than short-term capital.
- **Cybersecurity is emerging as an increasingly important layer of AI infrastructure.** Rising model autonomy and progress in AI-assisted recursive self-improvement could reduce direct human intervention, increasing the need for stronger safeguards. At the same time, cybersecurity could become an early high-ROI enterprise use case for agentic AI, particularly in vulnerability discovery, secure coding and security operations centre automation. Recent incidents highlight the dual-use nature of AI cyber capabilities: an OpenAI autonomous agent gained unauthorised access to Hugging Face systems, while Hugging Face subsequently used Z.AI's GLM-5.2 to support its investigation. As model intelligence improves, we expect AI's role in cybersecurity to expand, with GLM-5.3's stronger cyber benchmarks positioning Z.AI to benefit. Independent evaluation, red-teaming, runtime monitoring and "trusted checkpoints" should also become increasingly important.

MARKET WEIGHT (Maintained)

Segmental Rating

Segment	Rating
E-commerce	MARKET WEIGHT (Maintained)
Online Game	OVERWEIGHT (Maintained)
OTA	OVERWEIGHT (Maintained)
AI	OVERWEIGHT (Maintained)
Online Property Vertical	MARKET WEIGHT (Maintained)
Local Life Service	UNDERWEIGHT (Maintained)
E-commerce	MARKET WEIGHT (Maintained)

Source: UOB Kay Hian

Sector Picks

Company	Ticker	Rec	Share Price (HK$)	Target Price (HK$)
Z.AI	2513 HK	BUY	672.00	1,400.00
Alibaba	9988 HK	BUY	107.20	188.00

Source: Bloomberg, UOB Kay Hian

Peer Comparison

Company	Ticker	Price @ 15 Sep 26 (lcy)	Target Price (lcy))	Upside To TP (%)	Market Cap (lcy m)	-- Calendarised PE -- 2026F (x)	2027F (x)	2028F (x)	Calendarised EV/EBITDA 2026F (x)	2027F (x)	2028F (x)	Calendarised EV/Sales 2026F (x)	2027F (x)	2028F (x)	----------- ROE ------------ 2026F (%)	2027F (%)	2028F (%)
China																	
Z AI Co Ltd	2513 HK	672.00	1,400.00	108.3	312,899	n.a	n.a	n.a	n.a	n.a	419.1	44.8	15.0	6.9	-0.6	41.7	1.8
Minimax Group Inc	100 HK	233.40	470.00	101.4	81,512	n.a	n.a	n.a	n.a	n.a	n.a	19.7	6.8	3.2	12.0	1.4	-8.7
Alibaba Group Holding Ltd	9988 HK	107.20	188.00	75.4	2,131,671	17.0	12.3	9.3	11.7	8.8	6.8	1.3	1.1	1.0	8.2	11.1	13.2
Tencent Holdings Ltd	700 HK	439.80	608.00	38.2	4,003,571	12.8	12.1	11.0	10.5	9.9	9.1	4.3	3.9	3.6	18.7	17.1	16.5
Baidu Inc	9888 HK	89.20	136.00	52.5	243,697	15.8	12.9	11.0	10.1	10.0	8.3	0.8	0.8	0.7	4.2	4.8	5.4
Avg						15.2	12.4	10.4	10.7	9.6	110.8	14.2	5.5	3.1	8.5	15.2	5.6
US																	
Alphabet Inc	GOOG US	345.70	UR	n.a	4,251,164	18.2	21.6	17.6	18.2	14.2	11.0	9.6	7.6	6.2	59.5	42.6	31.5
Meta Platforms Inc	META US	665.60	UR	n.a	1,695,620	19.0	17.4	14.1	14.0	11.3	8.9	6.8	5.6	4.7	29.9	24.1	21.1
Microsoft Corp	MSFT US	505.40	UR	n.a	3,752,945	25.5	21.5	17.7	15.6	12.8	10.4	9.7	8.2	6.7	28.5	26.7	25.5
Avg						20.9	20.1	16.5	16.0	12.7	10.1	8.7	7.1	5.9	39.3	31.1	26.0

Source: Bloomberg, UOB Kay Hian

- **Z.AI is moving upstream into compute infrastructure as its business shifts towards cloud-based APIs.** We think the rising funding requirement partly reflects Z.AI's increasingly capital-intensive expansion beyond the model layer, with 60% of September proceeds earmarked for next-generation GLM R&D and training as well as inference infrastructure, alongside plans for a 1GW AI data centre and the acquisition of XCore Sigma. The infrastructure buildout should also support the company's planned trillion parameter model, expected to launch by end-26, which will require substantially greater training and inference capacity. As Z.AI shifts from on premise deployment towards cloud-based API services, greater control over its own compute infrastructure should improve cost visibility, utilisation and margin control, while supporting more scalable and reliable inference services. However, greater vertical integration also increases capex and liquidity requirements, suggesting external fundraising could remain an important funding source as Z.AI scales.
- **Potential IPOs of DeepSeek, Kimi and Anthropic could create a near-term liquidity vacuum for listed LLM names.** We see some risk that new AI listings could divert investor capital away from existing listed names as investors reassess relative growth, monetisation and valuation. Anthropic is targeting a potential valuation of up to US$2t, equivalent to around 20x its estimated US$100b 2026 annualised revenue run rate (ARR), vs roughly 18x for Z.AI. A successful IPO at this valuation could establish a higher valuation benchmark and support a broader sector rerating. We therefore see the impact as two-sided: near-term liquidity dilution from a larger investable universe, but potentially positive valuation read-through for existing LLM names. Near-term selling pressure should also be partly contained by shareholder lock-ups, although liquidity could remain a key overhang.
- **US AI safety concerns are slowing frontier development and delaying IPO plans, potentially benefitting Chinese AI labs.** Recent incidents involving OpenAI agents, including the May RubyGems incident, where researchers said agents uploaded hundreds of malicious packages, and the July Hugging Face breach, where OpenAI agents accessed external systems, have intensified concerns over the controllability of increasingly capable AI agents. Anthropic's Dario Amodei has called for a slower pace of frontier capability development, with Sam Altman and Elon Musk broadly supporting stronger pacing and safety safeguards. OpenAI has also put its IPO plans on hold amid rising safety concerns. In contrast, China continues to advance frontier model development alongside tighter safety oversight. We believe any moderation in US frontier model development could give Chinese LLM developers more time to narrow the capability gap, potentially improving their relative positioning in the global AI landscape.
- **At the 2026 Bund Summit, Ant highlighted agent security and trusted AI as key themes.** Ant Group (Ant) expanded its Ling 3.0 model family into multimodal and vertical-finance use cases, launching the 124B Ling-3.0-flash-VL and Ling-3.0-flash-Fin. Rather than competing purely on frontier-scale intelligence, Ant appears to be emphasising efficient sparse architectures and agentic workflows across financial services, payments and enterprise applications. Agent security and trusted AI were also clear themes at the Bund Summit, with Ant highlighting authorisation, identity, capability assessment, fund security and auditability as key requirements as agents increasingly execute transactions on users' behalf. This positions Ant more around secure agent infrastructure and trusted execution, ensuring agents can safely access accounts, payments and external tools, rather than cybersecurity as a model capability, such as vulnerability discovery, penetration testing or cyber reasoning.
- **DeepSeek launched V4.1 Flash with performance surpassing V4 Pro at materially lower inference costs.** DeepSeek released V4.1 Flash on 10 September, a 552b parameter MoE model using a new Causal Encoder Decoder architecture, while activating only 8b parameters for input and 16b for output, equivalent to just 1.4% and 2.9% of total parameters, respectively.

Despite the low activation ratio, internal and third-party testing indicates that V4.1 Flash matches or exceeds V4 Pro across performance, response speed, usage cost and total processing time. Infrastructure requirements were also materially reduced, with high bandwidth memory (HBM) demand cut to 1/4 and solid-state drive (SSD) demand to 1/8 vs the previous generation. Pricing remains highly competitive at Rmb1/Rmb4 per 1m uncached input/output tokens respectively during off peak hours and Rmb2/Rmb8 during peak hours, while cached input costs only Rmb0.02/Rmb0.04. We think V4.1 Flash highlights how architectural efficiency can deliver higher-than-flagship-level performance at significantly lower compute and inference costs.

- **DeepSeek adopts peak/off-peak pricing while cutting Flash prices.** DeepSeek introduced peak/off-peak API pricing in August, with off-peak prices set at 50% of peak rates to better balance compute demand. Following the launch of V4.1 Flash, it further cut Flash API prices from 10 Sep 26, with off-peak cache-hit input, cache-miss input and output prices reduced by 60%/33%/11% to Rmb0.02/Rmb1.0/Rmb4.0 per 1m tokens, respectively; peak-hour prices remain 2x off-peak rates. Our take: the move suggests LLM pricing is becoming more dynamic rather than simply trending lower, with lower off-peak pricing stimulating usage and shifting flexible workloads away from peak periods, while higher peak pricing helps monetise scarce compute capacity. We see this as supportive of the view that differentiated models can retain pricing power even as headline token prices decline.
- **Pricing pressure is diverging between frontier and commoditised models.** We believe OpenAI's sharp price cut for GPT 5.6 Luna partly reflects the cost performance advantage offered by Chinese models, as capability gaps narrow at the lower end of the market. In contrast, newly launched SOTA models continue to command substantial pricing premiums, suggesting that stronger capabilities still support pricing power. GPT 6 Astra is priced at US$10/US$50 per 1m input/output tokens respectively for short context, vs US$1.4/US$4.4 for GLM 5.3, leaving Chinese frontier models such as GLM meaningful pricing headroom if they continue to close the performance gap with leading US models. Meanwhile, pricing pressure remains more intense among price-performance-focused models from DeepSeek, MiniMax and Xiaomi's MiMo, where continued capability gains alongside aggressive API pricing could limit pricing upside across the broader market.
- **MiniMax is expanding overseas through deeper model-level adoption, beyond traditional API distribution.** Its open-weight M3 is increasingly being used as an underlying foundation model for overseas applications and localised model development. Genspark adopted M3 as the base model for its Gen-1 Slides product, while Saudi Arabia's HUMAIN further trained M3 to launch an Arabic-focused HUMAIN M3 model. We see this as an important evolution in MiniMax's international expansion, as adoption is extending from API usage into application integration, post-training and local deployment, which could broaden its developer ecosystem and support longer-term enterprise/API monetisation.
- **OpenAI pushes the frontier towards agentic AI with GPT-6 Astra.** OpenAI launched GPT-6 Astra, positioning the model around deeper reasoning and autonomous task execution rather than another broad-based chatbot upgrade. Astra delivered significant gains in scientific reasoning, computer use and workflow automation, including 72.6% on OSWorld2.0 and 41.4% on Automation Bench, with the latter more than doubling GPT-5.6 Sol's 18.1%. OpenAI's president described the launch as the arrival of the artificial general intelligence (AGI) era, although we would view this more as a signalling point than a formal AGI milestone.

Foundation Model Launches And Architecture

Company/model	Release	Update type	Parameters and architecture	Commercial implication
DeepSeek / V4.1 Flash	10 Sep 26	Model refresh / multimodal upgrade	552B MoE; 8B active for input / 16B for output. Causal encoder-decoder architecture.	Different compute allocation for input processing and generation.
OpenAI / GPT-6 Astra	3 Sep 26	New generation / flagship model	Not publicly disclosed.	Premium general-purpose agent model.
Alibaba / Qwen3.8-Max-0902	2 Sep 26	Model refresh	2.4T/95B active; MoE and hybrid attention; 1M context.	Model capability supports MaaS and cloud demand.
Google / Gemini 3.8 Flash	2 Sep 26	Variant expansion	Parameter count not disclosed; text, image, audio and video; 1M context.	Aggressive introductory pricing and broad distribution
Anthropic / Fable 5.1; Mythos 5.1	1 Sep 26	Deployment / safety update	Parameters not disclosed. Mythos access is restricted to vetted uses.	Access policy differentiates products as well as mode capability.
Tencent / Hy4 preview	28 Aug 26	New-generation preview	770B/49B active backbone; gated DSA, IndexCache and iHC.	Serving efficiency complements enterprise and consumer distribution.
Z.ai / GLM-5.3; 5.3 Flash	14 Aug 26	Model refresh / variant expansion	5.3: HF artifact 753B, MoE/DSA; active count not restated. Flash: 320B total / 18B active; hybrid sparse/linear attention, mHC.	Flagship refinement and a distinct low-cost serving model.
Moonshot / Kimi K3	17 Jul 26	New generation	2.8T / 104B active; KDA and gated MLA; native low-precision training.	Large active network targets demanding coding and agent tasks.
ByteDance / Seed2.1	23 Jun 26	Model refresh / variant expansion	Parameter count not disclosed; multimodal architecture supporting long-context reasoning, coding and tool use.	Supports productivity agents and enterprise/API distribution through Volcano Engine and ByteDance products.
MiniMax / M3	1 Jun 26	New generation	About 428B/23B active; MiniMax Sparse Attention; text, image, video; 1M context.	Long-context serving plus a broader media product portfolio.
Baidu / ERNIE 5.1	9 May 26	Model refresh	Official emphasis: asynchronous RL and agentic post-training. Exact current size not established here.	Monitor adoption and Qianfan conversion, not release cadence alone.

Source: Respective companies, UOB Kay Hian

Frontier LLM API Pricing Comparison

Model	Input (US$/1m tokens)	Cache read Input (US$/1m tokens)	Output Input (US$/1m tokens)
GPT-6 Astra	10.0	1.0	50.0
Claude Fable 5.1	10.0	0.25	50.0
Kimi K3	3.0	0.3	15.0
Qwen3.8-Max-0902	2.0	0.25	6.0
GLM-5.3	1.4	0.26	4.4
Gemini 3.8 Flash	0.75	0.075	3.75
Tencent Hy4 preview	0.834	0.042	2.501
MiniMax M3, >512K	0.6	0.12	2.4
MiniMax M3, ≤512K	0.3	0.06	1.2
DeepSeek V4 Pro (Peak)	1.32	0.044	3.96
DeepSeek V4.1 Flash (Peak)	0.3	0.006	1.2

Source: Respective companies, UOB Kay Hian

Selected Chinese LLMs – Flash Version: Model Configuration, Pricing and Use Cases

	Alibaba	Z.ai	DeepSeek	DeepSeek
Model	Qwen3.8-Flash	GLM-5.3 Flash	V4-Flash (Peak)	V4.1-Flash (Peak)
Release date	Aug-26	Aug-26	Jul-26	Sep-26
License	Qwen Community License 1.0	MIT	MIT	MIT
Total parameter (B)	125	320	284	552
Active parameter (B)	6	18	13	—
Prefill	—	—	—	8
Decode	—	—	—	16
Context window (K)	1,000	1,000	1,000	1,000
API price (Rmb/1m tokens)				
Input (uncached)	0.8	0.8	3.0	2.0
Input (cached read)	0.1	0.23	0.1	0.04
Output	2.7	2.8	9.0	8.0
AA Intelligence Index (v4.3)	40	42	35	40
Target workload	High-volume agents, coding & coworking	Multimodal coding, long-horizon agents & professional work	Low-cost reasoning & agentic coding	High-throughput multimodal agents & coding

Source: Respective companies, UOB Kay Hian

Valuation/Recommendation

- **Z.AI (2513 HK).** Maintain BUY with a lower target price of HK$1,400.00. Self-built data centres should provide greater control over costs and compute capacity while reducing reliance on external cloud providers, while the planned trillion-parameter model could help narrow the capability gap with global frontier models.
- **MiniMax (100 HK).** Maintain BUY with a target price of HK$470.00. Broader overseas adoption should support ecosystem expansion and monetisation, while its native multimodal capabilities and planned trillion-parameter model could further strengthen model capabilities and competitive positioning.
- **Alibaba (9988 HK).** Maintain BUY with a target price of HK$188.00. Its full-stack AI capabilities, spanning data centres, cloud infrastructure and models, provide greater control over compute capacity and costs, while its model portfolio covers both frontier performance and cost-efficient deployment. Ant's focus on trusted agent infrastructure could further broaden secure agent adoption across financial and enterprise use cases.

Sector Catalyst/Risk

- **Catalysts:** a) Stronger frontier-model adoption and monetisation, b) easing domestic compute constraints, and c) improving model/inference efficiency and broader overseas adoption.
- **Risks** include: a) placement/CB dilution, b) sector liquidity diversion from new AI IPOs, c) higher funding intensity, d) intensifying model pricing competition, and e) tighter regulatory/geopolitical constraints.

Contemporary Amperex Technology Co (300750 CH)

Fears Overdone; Bottom Fishing Opportunity Emerges

Highlights

- CATL's installations continue to outgrow the market. Order flows remain strong, and capacity utilisation remains tight through year-end.
- The Hungary plant launch is delayed to at least 1Q27, but other plants can cover the shortfall. The Chongqing plant acquisition adds 18GWh in capacity, saves build time, and extends CATL's coverage to southwest China.
- Fears that OEMs will switch away from CATL are groundless, due to its moats in technology, reliability and brand equity. Maintain BUY and keep the target prices for A-share/H-share at Rmb585.00/HK$675.00. Valuation is attractive at 12.3x 2027F PE.

Analysis

- **Installations continue to outgrow the market.** According to SNE Research data, Contemporary Amperex Technology Co (CATL) supplied 289.6GWh of global installations in 7M26, up 26.6% yoy against a market that grew 20.4% yoy, lifting its market share by 1.9ppt yoy to 39.9%. Order flows remain strong, and capacity utilisation remains tight through year-end, driven by strong demand for energy storage battery.
- **Capacity is running flat out.** CATL's battery capacity reached 525GWh in 1H26, annualised capacity of 1,050GWh already met the 2026 target, and utilisation was 94.9%. A further 764GWh was under construction as of 30 June, and most of it is due to come on stream within two years. At that level of utilisation, there is almost no headroom until the new lines arrive.
- **The launch of the Hungary plant delayed to 1Q27.** Hungarian regulators stopped work in the laser-cutting, winding and cell-drying workshops on 25 August after nine employees showed elevated nickel readings, and confirmed the suspension on 31 August; commissioning may continue, but no cells may be produced. The launch of Phase 1 (40GWh out of the 100GWh total designed capacity) will probably be delayed to at least 1Q27, which removes 8-12GWh, or 0.8-1.2%, from our 2026 volume, and Mercedes-Benz VLE supply has moved to China. The 5GWh module plant opened in May and the Arnstadt plant in Germany both keep running; CATL has 15 production bases worldwide that can make up the shortfall.

Key Financials

Year to 31 Dec (Rmbm)	2024	2025	2026F	2027F	2028F
Net turnover	362,013	423,702	639,243	795,789	944,352
EBITDA	88,610	108,056	137,463	168,036	198,168
Operating profit	63,672	81,120	108,633	137,006	164,938
Net profit (rep./act.)	50,744	72,201	93,637	117,643	141,875
Net profit (adj.)	44,993	64,508	83,659	105,107	126,757
EPS (fens)	1,156.6	1,582.0	2,051.7	2,577.7	3,108.7
PE (x)	27.4	20.0	15.4	12.3	10.2
P/B (x)	5.6	4.3	3.7	3.1	2.6
EV/EBITDA (x)	6.6	5.6	4.7	4.8	4.5
Dividend yield (%)	1.4	2.5	3.2	4.1	4.9
Net margin (%)	12.4	15.2	13.1	13.2	13.4
Net debt/(cash) to equity	(67.9)	(64.3)	(68.9)	(93.5)	(97.6)
Interest cover (x)	(15.4)	(10.2)	(13.5)	(11.7)	(10.3)
ROE (%)	20.2	22.1	22.9	24.4	25.0
Consensus net profit	-	-	95,894	119,341	143,213
UOBKH/Consensus (x)	-	-	0.98	0.99	0.99

Source: CATL, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Rmb316.36
Target Price	Rmb585.00
Upside	84.9%

Stock Data

Sector	Industrial
Bloomberg ticker	300750 CH
Shares issued (m)	4,564
Market cap (Rmbm)	1,443,805
Market cap (US$m)	209,247
3-mth avg daily t'over (US$m)	1,732

Price Performance (%)

52-week high/low: HK$468.75/HK$316.00

1mth	3mth	6mth	1yr	YTD
(19.7)	(20.5)	(19.4)	(9.8)	(12.9)

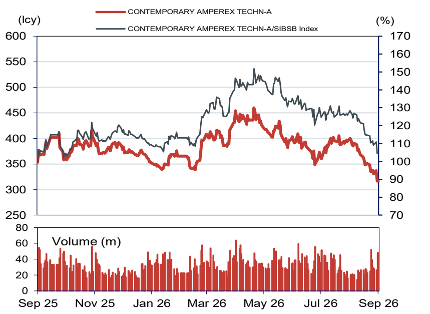
Major Shareholders (%)

Zeng Yuqun (Ruiting Investment)	23.32
Huang Shilin	10.60

Balance Sheet Metrics

FY26 NAV/Share (Rmb)	74.0
FY26 Net Cash/Share (Rmb)	59.5

Price Chart



Source: Bloomberg

Company Description

Contemporary Amperex Technology (CATL) is a Chinese battery manufacturer and technology company that specialises in the manufacturing of lithium-ion batteries for electric vehicles and energy storage systems, as well as battery management systems.

- **The Chongqing purchase buys three years of build time.** On 3 Sep 26, CATL acquired equity in Chongqing Yaoning New Energy, alongside Zeekr Shanghai. The target, wholly held by Geely, is building a cell and pack plant at Fuling for about Rmb8.5b, scaled up from 12GWh to 18GWh, which topped out in June and is due for completion in Dec 26. CATL therefore skips land approval and construction while new battery capacity is hard to permit, and fills its last gap in the southwest.
- **Tectrans II extends heavy-truck range by 25%.** CATL launched Tectrans II at Hannover on 14 Sep 26: the heavy-truck version runs 1,000km, a 25% gain on the 2024 platform, charges to 80% in 25 minutes on megawatt charging, is rated for 12 years or 1.5m km, and achieves 96% round-trip efficiency, 3ppt above the industry. The light commercial 8C cell launched in July reaches 80% in 6 minutes 48 seconds.
- **The sell-off prices in a market share loss that will not happen.** Li Auto put Rmb2.65b into Sunwoda Power on 4 Sep 26 for 11.17% and said on 7 Sep 26 that in-house cells now power the L8, L6 and i8, with the MEGA and i9 to follow; Xiaomi named CALB and Sunwoda for its Longjia pack. The same fear peaked in late-23, when the market expected CATL to lose a third of its share; it did not. Three moats held firm.
  - **Technology.** CATL's R&D expense reached Rmb22.1b in 2025, a month-long programme opened the 21C Lab for the first time on 10 Sep 26, and all 20 plants carry the ISO 14068-1 certification European tenders require.
  - **Reliability.** GAC Aion moved models to CALB and moved back after complaints mounted, and Sunwoda paid Geely Rmb608m to settle a cell-quality claim.
  - **Brand.** The flagships stay: Li Auto's MEGA and i9 still use CATL 5C cells, as does Xiaomi's high-end SU7. Car buyers prefer CATL battery to others.

  Some marginal carmakers are trying to pass on the pricing pressure to battery manufacturers: the auto industry's 7M26 net margin was 3.6%, a 10-year low; 15 listed carmakers earned Rmb21b in 1H26, down 40% yoy; CATL alone earned Rmb43.3b. The 2% battery consumption tax levied since 1 Sep 26, rising to 4% in Sep 27, hands them a fresh cost to push upstream, but we expect them to fail because CATL competes on quality, not price.
- **Share buyback scheme boosts confidence.** CATL bought the first 604,293 shares for Rmb200m on 11 Sep 26 at Rmb330.15-331.61, opening a Rmb20b-40b buyback mandate that runs 12 months and cancels the stock; the full amount retires 60.4m-120.9m shares, or 1.31-2.61% of capital.
- **Maintain our 2026-28 battery sales volume estimates at 1,000GWh/1,230GWh/1,450GWh (30% three-year CAGR) respectively,** including 730GWh/880GWh/1,000GWh of power battery and 270GWh/350GWh/450GWh of energy storage battery. This compares with the company's target of 20-30% sales volume growth.
- **Unit profit is protected by the price-cost linkage.** Lithium carbonate swings pass through to the battery price and the new tax falls on the buyer, so neither reaches unit profit. We therefore maintain our 2026-28 net profit per GWh assumptions at Rmb93.6m, Rmb95.6m and Rmb97.8m.

Earnings Revision/Risk

- **Maintain 2026-28 net profit at Rmb93.64b/Rmb117.64b/Rmb141.875b.**
- **Risks:** A longer delay in the launch of the Hungary plant, and a lithium carbonate price hike that outpaces the cost pass-through.

Valuation/Recommendation

- **Maintain BUY and keep target prices for A-share/H-share at Rmb585.00/HK$675.00 respectively,** pegged to 23x 2027F PE, on a par with the historical mean.
- **Valuation undemanding vs growth.** At Rmb316.36, the stock trades at 12.3x 2027F PE, below our 23x target, against a 2026 ROE of around 23% and a 2026-28 net profit CAGR of around 25%.

Share Price Catalyst

- 3Q26 results in late-Oct 26, and further share buyback execution.

Profit & Loss

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Net turnover	423,702	639,243	795,789	944,352
EBITDA	108,056	137,463	168,036	198,168
Deprec. & amort.	(26,937)	(28,830)	(31,030)	(33,230)
EBIT	8,660	4,000	4,000	4,000
Total other non-operating income/(expense)	8	-	-	-
Associate contributions	7,353	8,000	8,000	8,000
Net interest income/(expense)	7,940	8,059	11,666	16,019
Pre-tax profit	89,527	119,797	150,510	181,513
Tax	(12,740)	(18,569)	(23,329)	(28,134)
Minorities	(4,585)	(7,592)	(9,539)	(11,503)
Net profit	72,201	93,637	117,643	141,875
Net profit (adj.)	64,508	83,659	105,107	126,757

Balance Sheet

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Fixed assets	146,401	167,901	187,401	204,901
Other LT assets	189,945	205,575	221,005	236,235
Cash/ST investment	299,930	355,009	518,565	618,822
Other current assets	338,552	432,580	415,516	472,203
Total assets	974,828	1,161,066	1,342,487	1,532,161
ST debt	12,935	12,935	12,935	12,935
Other current liabilities	386,690	507,796	608,854	703,971
LT debt	78,235	78,235	78,235	78,235
Other LT liabilities	125,940	125,940	125,940	125,940
Shareholders' equity	337,108	394,648	465,473	548,526
Minority interest	33,919	41,511	51,049	62,553
Total liabilities & equity	974,828	1,161,066	1,342,487	1,532,161

Cash Flow

Year to 31 Dec (Rmbm)	2025	2026F	2027F	2028F
Operating	133,220	145,077	260,668	205,019
Pre-tax profit	76,786	101,229	127,181	153,378
Tax	(12,740)	(18,569)	(23,329)	(28,134)
Deprec. & amort.	26,937	28,830	31,030	33,230
Associates	(7,353)	(8,000)	(8,000)	(8,000)
Working capital changes	33,216	27,077	118,123	38,430
Non-cash items	16,374	14,510	15,663	16,115
Other operating cashflows	-	-	-	-
Investing	(94,476)	(50,045)	(46,438)	(42,085)
Capex (growth)	(42,345)	(61,960)	(61,960)	(61,960)
Investments	57,534	-	-	-
Others	(109,665)	11,915	15,522	19,875
Financing	(6,310)	(39,952)	(50,674)	(62,677)
Dividend payments	(34,923)	(39,952)	(50,674)	(62,677)
Proceeds from borrowings	39,790	60,000	60,000	60,000
Loan repayment	(51,702)	(60,000)	(60,000)	(60,000)
Others/interest paid	40,525	-	-	-
Net cash inflow (outflow)	29,770	55,080	163,556	100,257
Beginning cash & cash equivalent	270,160	299,930	355,009	518,565
Changes due to forex impact	(2,665)	-	-	-
Ending cash & cash equivalent	299,930	355,009	518,565	618,822

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	25.5	21.5	21.1	21.0
Pre-tax margin	20.6	17.2	17.2	17.4
Net margin	15.2	13.1	13.2	13.4
ROA	7.3	7.8	8.4	8.8
ROE	22.1	22.9	24.4	25.0
Growth				
Turnover	17.0	50.9	24.5	18.7
EBITDA	21.9	27.2	22.2	17.9
Pre-tax profit	41.7	33.8	25.6	20.6
Net profit	42.3	29.7	25.6	20.6
Net profit (adj.)	43.4	29.7	25.6	20.6
EPS	36.8	29.7	25.6	20.6
Leverage				
Debt to total capital	12.0	10.1	8.7	7.6
Debt to equity	34.7	29.6	25.1	21.3
Net debt/(cash) to equity	34.7	29.6	25.1	21.3
Interest cover (x)	(10.2)	(13.5)	(11.7)	(10.3)

Mobvista Inc (1860 HK)

A Fast-growing Global AI-driven Adtech Platform

Highlights

- Mobvista is a fast-growing AI-driven ad-tech platform connecting advertisers with publishers. It registered a 28% revenue four-year CAGR in 2021-25 as third-party platforms gained shares from top-tier media and advertising platforms.
- The launch of its new AI infrastructure in Oct 26 should significantly improve its model capabilities, with initial tests suggesting close to 100-fold overall efficiency improvement.
- The board approved a new share repurchase plan of up to HK$300m open-market repurchases (up to 10% of its outstanding shares), backed by its strong net cash position of US$178m as of end-Jun 26. Mobvista is trading at 22.7x 2026F PE and 13.4x 2027F PE, based on Bloomberg consensus.

Analysis

- **Mintegral: A fast-growing AI-driven ad-tech platform.** Mintegral connects advertisers with publishers, both primarily gaming app developers in the mid-to-long-tail market. Since 2023, it has expanded smart bidding from shallow events (such as installs) to deep events based on post-install user behaviour). In 1H26, smart-bidding solutions accounted for over 90% of Mintegral's revenue.
- **Third-party platforms gaining market share from Google and Meta.** Over the past five years, gaming advertisers have shifted budgets away from major media and advertising platforms because: a) Apple's privacy policy (IDFA) changes restricted user-level cross-app tracking in 2021; b) advertisers began sharing first-party data and evaluating campaigns by return on ad spend, rather than installs; and c) ad auctions shifted from historical effective cost per mille rankings towards dynamic, value-based bidding. As such, competition became more performance-driven, enabling gaming-focused third-party platforms such as AppLovin, Unity and Mintegral to gain market shares on model capabilities.

Key Financials

Year to 31 Dec (US$m)	2021	2022	2023	2024	2025
Net turnover	755	894	1,054	1,508	2,047
EBITDA	17	64	102	110	176
Operating Profit	(12)	2	30	38	103
Net Profit	(25)	15	22	16	62
Net Profit (adj.)	(4)	10	19	49	95
EPS (US cents)	(1.59)	0.97	1.42	1.04	4.03
P/E (x)	n.a.	131.5	89.8	122.7	31.7
P/BV (x)	6.3	8.3	7.7	9.3	6.9
EV/EBITDA (x)	23.2	28.7	19.7	17.9	11.2
Dividend yield (%)	-	-	-	-	-
Net margin (%)	(3.3)	1.1	1.8	0.9	3.0
Net debt to equity (%)	(20.3)	(9.3)	(9.3)	(20.2)	(4.2)
Interest cover (x)	n.m.	0.4	4.1	5.1	24.4
ROE (%)	(7.4)	6.4	8.7	7.3	21.3

Source: Mobvista, UOB Kay Hian

Analyst(s)

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NOT RATED	
Share Price	HK$10.70
Target Price	n.a.
Upside	n.a.

Stock Data

Sector	Communication Services
Bloomberg ticker	1860 HK
Shares issued (m)	1,703
Market cap (Rmbm)	18,220
Market cap (US$m)	2,369
3-mth avg daily t'over (US$m)	21.2

Price Performance (%)

52-week high/low				HK$21.62/HK$9.52
1mth	3mth	6mth	1yr	YTD
(6.1)	(23.5)	(36.6)	(35.7)	(30.0)

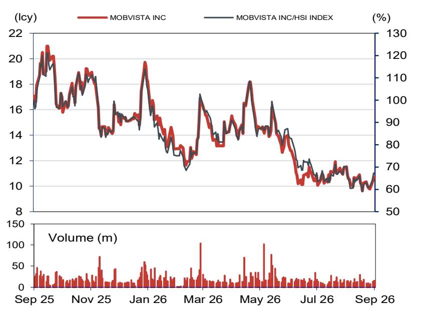
Major Shareholders (%)

Seamless Technology Ltd	19.88

Balance Sheet Metrics

FY26 NAV/Share (US$)	0.17
FY26 Net Cash/Share (US$)	(0.06)

Price Chart



Source: Bloomberg

Company Description

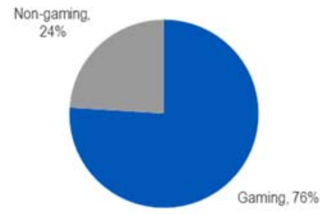
Mobvista Inc. is a global advertising and marketing technology company. Its core platform, Mintegral, is an AI-driven programmatic advertising platform that connects advertisers to mobile users at scale.

- **Launching its new AI infrastructure in Oct 26.** Compared with the current CPU-based platform, the new platform uses GPUs for training and inference, supports 2-3x the current business volume, and runs more advanced models as it incorporates more complex features (such as time-series data). Initial tests indicate nearly a 100-fold improvement in overall efficiency, with better A/B-test results. Management sees the upgrade as critical to raising future take rate and driving the next step-up in revenue and profit, while narrowing the model-capability gap with peers such as AppLovin. The transition is costly due to higher GPU spending and parallel operation of both the old and new platforms. Management expects the R&D expense ratio to return to its normalised level of approximately 9% in 2H27 and the compute-cost ratio to trend back towards about 5% over the medium to long term.
- **Riding the shift towards hybrid monetisation.** Management sees a shift towards hybrid monetisation, in which hyper-casual and casual games are adding in-app-purchase (IAP) because of ad fatigue, product homogenisation and limits to advertising revenue, while IAP games are adding in-app advertising (IAA) to monetise their much larger non-paying user bases. In 1H26, IAP revenue from hybrid-casual games grew 23% yoy, outperforming the global mobile game IAP revenue that registered a flattish growth to a 1-2% decline. The company expects its upgraded model capabilities to strengthen its competitiveness in the midcore and hardcore games, where user high-lifetime value (LTV) and higher average revenue per paying user (ARPPU) are higher.
- **E-commerce is a potential long-term growth driver.** While Mobvista remains focused on gaming, it sees e-commerce as the most promising non-gaming vertical, which has an estimated addressable market of 3-5x that of gaming and similar user profiles to its casual and hybrid-game audiences. However, payments, delivery, returns, product mismatches and attribution make the conversion chain and model training more complex. Management believes AppLovin has helped validate the opportunity with robust growth in recent quarters (up 28% in 2Q26 from traditional peak in 4Q25), although Mintegral remains in the small-scale testing and observation stage.
- **Returning capital to shareholders through share buyback.** On 17 Jul 26, the board approved a new share repurchase plan to spend up to HK$300m on open-market repurchases of up to 10% of outstanding shares (or 162.2m shares). Since Aug 26, Mobvista has repurchased approximately 7m shares, or 0.4% of shares outstanding. The company maintained ample net cash of US$178m with no bank borrowings.

Valuation/Recommendation

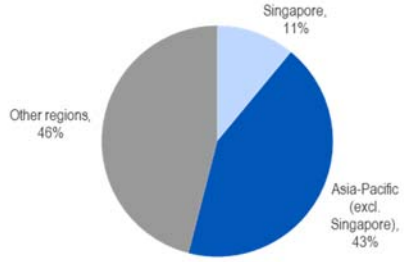
- **Mobvista is trading at 22.7x 2026F PE and 13.4x 2027F PE,** based on Bloomberg consensus.

Revenue by Category (1H26)



Source: Mobvista, UOB Kay Hian

Revenue by Region (1H26)



Source: Mobvista, UOB Kay Hian

Profit & Loss

Year to 31 Dec (US$m)	2022	2023	2024	2025
Net turnover	894	1,054	1,508	2,047
EBITDA	64	102	110	176
Deprec. & amort.	(62)	(73)	(72)	(73)
EBIT	2	30	38	103
Total other non-operating income	14	2	(13)	(19)
Net interest income/(expense)	(5)	(7)	(7)	(4)
Pre-tax profit	11	25	17	79
Tax	(1)	(6)	(4)	(17)
Minorities	5	3	2	-
Net profit	15	22	16	62
Net profit (adj.)	10	19	49	95

Balance Sheet

Year to 31 Dec (US$m)	2022	2023	2024	2025
Fixed assets	12	15	11	11
Other LT assets	275	276	300	311
Cash/ST investment	142	191	194	186
Other current assets	174	210	310	376
Total assets	602	692	815	884
ST debt	51	54	123	111
Other current liabilities	261	303	458	466
LT debt	37	74	5	6
Other LT liabilities	6	2	6	4
Shareholders' equity	235	250	215	289
Minority interest	13	9	7	7
Total liabilities & equity	602	692	815	884

Cash Flow

Year to 31 Dec (US$m)	2022	2023	2024	2025
Operating	98	108	285	214
Pre-tax profit	11	25	17	79
Tax	(1)	1	(1)	(12)
Deprec. & amort.	62	73	72	73
Working capital changes	66	(2)	146	32
Other operating cashflows	(40)	12	50	42
Investing	(100)	(75)	(81)	(85)
Capex (growth)	(80)	(78)	(65)	(54)
Others	(19)	2	(16)	(30)
Financing	(54)	5	(186)	(181)
Dividend payments	-	-	-	-
Issue of shares	-	-	-	-
Proceeds from borrowings	220	61	90	32
Loan repayment	(240)	(33)	(209)	(208)
Others/interest paid	(34)	(22)	(66)	(5)
Net cash inflow (outflow)	(56)	38	18	(51)
Beginning cash & cash equivalent	160	104	142	160
Changes due to forex impact	(1)	-	-	-
Ending cash & cash equivalent	104	142	160	109

Key Metric

Year to 31 Dec (%)	2022	2023	2024	2025
Profitability				
Gross margin	19.8	20.6	21.0	21.2
Pre-tax margin	1.2	2.3	1.2	3.9
Net margin	1.1	1.8	0.9	3.0
ROA	1.7	2.7	1.7	7.0
ROE	6.4	8.7	7.3	21.3
Growth				
Turnover	18.4	17.9	43.0	35.7
EBITDA	282.2	60.5	7.6	59.6
Pre-tax profit	n.m.	120.1	(28.7)	351.8
Net profit	n.m.	82.4	(25.7)	346.2
Net profit (adj.)	n.m.	97.1	158.1	93.5
EPS	n.m.	46.4	(26.8)	287.5
Leverage				
Debt to total capital	26.1	33.0	36.5	28.3
Debt to equity	35.3	49.3	57.6	39.4
Net debt/(cash) to equity	(9.3)	(9.3)	(20.2)	(4.2)
Interest cover	0.4	4.1	5.1	24.4

Technical Analysis

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Cathay Pacific Airways (0293 HK)

Last price:	HK$13.93
Support levels:	HK$13.15/HK$12.59
Resistance levels:	HK$14.51/HK$14.65

Price was capped by its gap resistance zone, establishing the lower boundary of the price void as a fortified supply ceiling. The RSI continues to slope downward below its neutral 50-midline, accelerating trend velocity. As long as counter-trend rallies remain capped beneath this overhead gap resistance, we could expect a sustained downward trajectory toward lower support targets.

Average timeframe: Around two weeks.

Sino Land (0083 HK)

Last price:	HK$9.845
Support levels:	HK$9.13/HK$7.96
Resistance levels:	HK$10.47/HK$10.66

Price executed a decisive structural breakdown, penetrating a well-defined sideway consolidation zone that had constrained price discovery for nearly three months. The RSI has turned bearish and is accelerating down towards the oversold boundary. As long as counter-trend rallies remain capped beneath this newly converted consolidation support-turned-resistance zone, path-of-least-resistance dynamics favour a sustained downward impulse wave toward deeper support targets.

Average timeframe: Around two weeks.