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Wealth Daily

Tuesday, 18 August 2026

S&P 500 Falls As Iran Tensions Lift Oil & Yields.

Today's Must-Know News

S&P 500 fell 0.52% Mon as Trump's tougher Iran stance pushed Brent above USD90/bbl (XLE +1.08%) & US 30-year Treasury yield to 5.315%, the highest in 19 years, with record AI-driven corporate bond issuance adding further upward pressure on long-end yields. **Weakness in mega-cap tech (MSFT -3.04%, META -3.54%, AMD -1.63%, AMZN -0.51%) outweighed gains** in chip stocks (SOXX +1.58%, MU +4.13%, AMAT +5.55%, SNDK +8.88%) for S&P 500. **Nvidia (NVDA -0.07%) agreed to guarantee up to USD105bn** of lease and power commitments for OpenAI's Ohio data centre, invest another USD1.5bn in SB Energy & expects OpenAI-related revenue could reach USD600bn by 2030. **Trump administration's opposition to Apple sourcing Chinese memory chips manufacturers** such as CXMT (688825.SZ +12.0%) / YMTC last Friday was seen as supportive for US memory makers Micron & SanDisk. **Anthropic's annualized revenue run-rate exceeded USD65bn by end-July,** based on its latest monthly performance. **Unitree Robotics unveiled its "Superman" humanoid,** ahead of Wed's (Aug 19) Shanghai debut after a RMB6.1bn IPO. **Shein is planning to debut its IPO in HK on Aug 28,** targeting a valuation of USD26–27bn and seeking to raise about USD2bn. **Geely (0175.HK +4.77%) reported 1H26 revenue of RMB173.6bn (+15%)** & core net profit of RMB9.68bn (+46%) & exports surging 158% to 474k. **Founder Eric Li will step down as chairman effective Aug 18,** with An Conghui taking over as Geely pushes further overseas. **Gigadevice (3986.HK +8.41%) reports 2Q earnings today (Tue). Gold (XAU +0.9%) rose USD4,415.99/oz Mon as the dollar (DXY -0.06%) retreated** & Fed hike expectations eased, while the greenback edged lower against the euro despite higher Treasury yields. **Foreign holdings of US Treasuries fell USD72.1bn mom to USD9.3tn in Jun, led by Japan and China,** with China's holdings dropping to USD633.4bn, the lowest since 2008. **MSFT, META, AMZN & 0175.HK are our Core Recommendations, SOXX, MU & 3986.HK are our Trading Buys.**

Trader's Corner (Details on Page 6-7)

Ticker	Name	Rec.	Support	Resistance
9961.HK	Trip.com	CR	HKD 342.60 / 334.00	HKD 390.00 / 415.80
1801.HK	Innovent	-	HKD 92.20 / 89.55	HKD 105.00 / 109.00

CR = Core Recommendation; TB = Trading Buy

Hong Kong IPO Calendar

Ticker	Company Name	Sector	IPO date
3223.HK	Ingenic	Technology	Aug 25

Overnight Markets

Indices

	Price	1D% Chg	YTD%
Straits Times Index	5,768.46	0.43	24.15
FBM KLCI	1,725.89	-0.09	2.72
DJIA	53,459.78	-0.51	11.23
S&P 500	7,745.06	-0.52	13.14
NASDAQ Composite	26,644.91	-0.32	14.64
Hang Seng Index	25,453.23	1.34	-0.69
CSI 300 Index	4,741.10	1.61	2.40

Govt Bond Yields

Term	Price	1D% Chg	YTD%
US 2Y	4.177	+0.6bps	+70.2bps
US 10Y	4.723	+3bps	+55.4bps
EU 2Y	2.803	+0.4bps	+68.1bps
EU 10Y	3.221	+1.7bps	+36.6bps

Precious Metals

	Price	1D% Chg	YTD%
Gold Futures (US$/oz)	4413.800	0.91	2.06
Silver Futures (US$/oz)	65.835	1.30	-6.56

Currencies & Crude Oil

	Price	1D% Chg	YTD%
Dollar Index (DXY)	99.581	-0.06	1.32
EUR-USD	1.1580	0.09	-1.41
Brent Futures (US$/bbl)	91.10	2.57	49.56
WTI Futures (US$/bbl)	84.95	3.09	47.97

Must Watch Events

Aug 18	**CIO Series #38: Asia's AI Moment - What Investors Need to Know (Online)** https://events.teams.microsoft.com/event/f847c65f-82ed-4182-89c5-e7f74f5a96d6@7eadc1e1-1a4d-4f70-9305-931a048687ff Earnings: GigaDevice (3986.HK), Xiaomi (1810.HK), Baidu (9888.HK), HD, BHP
Aug 19	FOMC Jul Minutes, US to impose a fresh 50% tariff on some Canadian goods. Earnings: TJX, TGT, LOW, HKEX (0388.HK), Kuaishou (1024.HK), CMOC (3993.HK), CR Beer (0291.HK); Unitree IPO Debut.
Aug 20	Earnings: WMT, Alibaba (9988.HK), Pop Mart (9992.HK), Ping An (2318.HK), AIA (1299.HK), China Telecom (0728.HK), NetEase (9999.HK), SinoPharm (1099.HK).

Americas

- **Nvidia commits up to USD105bn behind OpenAI Ohio campus.** Nvidia (NVDA -0.07%) agreed to guarantee as much as USD105bn of lease and power commitments for OpenAI's Ohio data centre and invest another USD1.5bn in SB Energy, with Nvidia estimating OpenAI could generate USD600bn of revenue for it by 2030. Nvidia will be the exclusive chip supplier for the facility, whose ultimate capacity could reach 8GW. (Reuters) **NVDA is our Core Recommendation.**

- **Alphabet taps Australian debt market for AI funding.** Alphabet (GOOGL -0.55%) is considering its first Australian-dollar bond across 3-, 5-, 10- and 20-year maturities after raising USD25bn in dollar bonds earlier this month and almost USD85bn of equity in June. The deal would diversify funding as Big Tech's AI investment pushes combined sector capex above USD730bn and contributed to Alphabet posting negative free cash flow in the second quarter. (Reuters) **GOOGL is our Trading Buy.**

- **Apple agrees to change European tracking consent rules.** Apple (AAPL -0.11%) will revise App Tracking Transparency prompts across almost all EU markets after Germany's competition regulator found third-party developers faced less favourable consent screens than Apple's own apps; the commitments last seven years. Apple has four months to implement the changes. (Reuters)

- **Anthropic's IPO case leans on a USD190bn-USD200bn 2028 revenue forecast.** Anthropic is asking investors to value the AI company against projected 2028 revenue of roughly USD190bn-USD200bn versus a May run-rate above USD47bn, with Palantir (PLTR -0.86%), Cloudflare (NET -2.78%) & SpaceX (SPCX +4.45%) among valuation comparable firms. (Reuters)

- **Druckenmiller shifts from legacy chips toward AI infrastructure.** Stanley Druckenmiller's Duquesne Family Office established a roughly USD3.98mn position in IREN (IREN +1.91%) while exiting Broadcom (AVGO -0.14%), Intel (INTC +0.97%) and Micron (MU +4.13%), increasing exposure to digital infrastructure and crypto miners expanding into high-performance AI computing. (Bloomberg/Benzinga) **AVGO is our Core Recommendation; MU is our Trading Buy.**

- **Chevron makes offshore Angola discovery.** Chevron (CVX +1.35%) found more than 600 metres of oil and gas condensate in Block 0 offshore Angola, including over 90 metres of net pay, supporting its infrastructure-led expansion in sub-Saharan Africa. Chevron owns 39.2% of the block and will assess tying the discovery into existing facilities to lower costs and accelerate production. (Reuters)

- **Nike momentum remains weak.** Nike (NKE -4.03%) fell Mon to its lowest level since 2014 after UBS data showed Nike footwear resale prices fell 2.9% yoy in July and Jordan prices declined 2.8%, indicating the anticipated brand recovery has yet to arrive. (Bloomberg)

- **Union Pacific turns Iran-war fuel surcharges into profit.** Union Pacific (UNP +2.12%) collected USD91.1mn more in second-quarter fuel surcharges than it spent on fuel, adding USD0.14/share to earnings, versus much smaller surpluses at Norfolk Southern (NSC +2.01%) and CSX (CSX +0.84%). (Reuters)

- **Trump-linked crypto venture offers restricted Chinese AI models.** World Liberty-backed WorldClaw offers 90 AI models, 43 developed by Chinese companies including Alibaba (9988.HK +1.92%; BABA +0.73%) and Baidu (9888.HK -0.5%; BIDU +0.43%) that face US national-security scrutiny, while accepting World Liberty's USD1 stablecoin for payment. (Reuters) **9988.HK is our Core Recommendation.**

- **Trump approval hits presidency low.** President Donald Trump's approval fell to 33%, with 64% disapproving and 80% expecting prolonged US involvement in Iran as higher gasoline prices weigh on households; Democrats led Republicans 38%-35% on handling the economy in the Reuters/Ipsos poll. (Reuters)
- **Madison Air buys ebm-papst for USD 5.4 bn.** Madison Air Solutions (MAIR -5.47%) agreed to buy German fan maker ebm-papst for USD 5.4 bn, expanding its ventilation technology business and data-centre cooling exposure, while Madison Air shares fell. (Reuters)
- **Trump defence push delivers USD22.9bn Tomahawk award to RTX.** RTX (RTX -0.6%) unit Raytheon won a seven-year USD22.9bn U.S. military contract that could raise annual Tomahawk production above 1,000 missiles from about 60 currently as Washington rebuilds depleted inventories after the Iran conflict.
- **Paramount seeks USD1.88bn security against merger delays.** Paramount Skydance (PSKY +1.38%) asked a court to require states challenging its USD110bn Warner Bros Discovery (WBD -0.21%) acquisition to post a USD1.88bn bond, arguing a delayed close costs USD7mn per day and could generate USD1.7bn of ticking fees by June 2027. (Bloomberg)

Greater China

- **China, Hong Kong stocks rally on chip gains.** The CSI 300 gained 1.61% Mon, while the HSI climbed 1.34% as chipmakers rallied on strong earnings, with CXMT (688825.SZ +12.0%) and Shenzhen China Micro Semiconductor (688380.SZ +16.81%) jumping double-digits. (Reuters)
- **CXMT becomes China's most valuable company.** CXMT (688825.SZ +12.0%) surpassed Tencent (0700.HK +3.04%) with a market capitalization above USD 500 bn, reflecting a broader rotation toward AI infrastructure and strategic hardware, while the chip-heavy STAR 50 has risen about 28% this year. (Bloomberg) **0700.HK is our Core Recommendation.**
- **Geely Auto posts record revenue, reshuffles leadership.** Geely Auto (0175.HK +4.77%) reported 1H revenue up 15% to RMB 173.6 bn and core profit up 46% to RMB 9.68 bn, while naming An Conghui as chair and Gan Jiayue as CEO as founder Eric Li steps down to focus on other business commitments. (Yahoo Finance) **0175.HK is our Core Recommendation.**
- **Alibaba sells gaming unit to refocus on AI and cloud.** Alibaba (9988.HK +1.92%; BABA +0.73%) is expected to receive more than USD2bn from selling Lingxi Games to Trustar Capital as it disposes of non-core assets and concentrates capital on AI and cloud computing. Trustar will retain Lingxi's existing management, while the transaction follows Alibaba's earlier sales of Sun Art and Intime. (Reuters) **9988.HK is our Core Recommendation.**
- **Shein targets USD 25 bn Hong Kong IPO valuation.** Shein is targeting a valuation of USD 25 bn to USD 28 bn for its planned Hong Kong IPO, which could debut on Aug 28, down from the USD 30-40 bn range earlier this month, with the company planning to issue up to 8% of its shares as slower growth and regulatory scrutiny weigh on appetite. (Reuters)

- **Unitree set for Shanghai debut.** Unitree will begin trading on Wednesday after raising RMB 6.1 bn in an IPO, with the humanoid robot maker unveiling its high-speed “Superman” model ahead of the debut, which coincides with the World Robot Conference. (Reuters)
- **Xiaomi faces another profit decline.** Xiaomi (1810.HK +1.01%) is expected to report a third consecutive profit decline as EV growth fails to fully offset weak smartphone demand, with consensus 2Q revenue of RMB108.3bn and adjusted net income of RMB6.16bn. Xiaomi is expected to report 2Q results today. (Bloomberg)
- **China foundry recovery broadens beyond AI.** SMIC (0981.HK +6.14%) and Hua Hong Semiconductor (1347.HK +7.45%) posted stronger-than-expected 2Q results, with SMIC revenue up 36% yoy to USD 3 bn and gross margin at 25.3%, as improving utilization, pricing and AI-related demand support mature-node foundries. (Reuters)
- **Tepper narrows China exposure toward Baidu.** Appaloosa’s David Tepper reduced Alibaba (9988.HK +1.92%; BABA +0.73%), exited JD.com (JD -1.93%) and PDD (PDD +2.54%), and increased Baidu (9888.HK -0.5%; BIDU +0.43%), suggesting a more selective approach to Chinese equities rather than a withdrawal from the market. (Bloomberg/Benzinga) **9988.HK is our Core Recommendation.**
- **WuXi AppTec hits record on GLP-1 strength.** WuXi AppTec (2359.HK +3.04%) reached an all-time high after 1H26 results beat estimates and it won a preliminary injunction against the Pentagon’s China military-company designation, while strong GLP-1 order intake reinforced its importance in global drug supply. (Bloomberg)
- **China’s burger market heats up.** Yum China (9987.HK +0.27%) said Pizza Hut Burger Bar surpassed 200 outlets in six months, as chains including Haidilao (6862.HK -1.49%) and M Stand expand into burgers amid a Western fast-food market expected to reach USD 87 bn by 2027. (Reuters)
- **Moutai loses support as state money rotates toward technology.** Kweichow Moutai (600519.SZ -3.64%) in the earlier market-close story) dropped out of the top holdings of two major Chinese state-owned funds as government-linked capital increasingly shifts from traditional blue chips toward technology-heavy indices. Moutai had fallen to eighth place by mainland market value, per analysts from Bloomberg. (Bloomberg)
- **ByteDance strikes AI copyright pact with Hollywood.** ByteDance agreed with the Motion Picture Association to strengthen copyright safeguards around Seedance and Seedream following complaints from Disney (DIS -3.14%) and other studios over unauthorised characters and celebrity likenesses. The agreement reduces an emerging intellectual-property risk as generative video and image models move deeper into commercial use. (Reuters)
- **Robotera weighs Hong Kong IPO.** The HSG- and CDH-backed robotics startup is working with advisers on a potential listing that could raise USD 800 mn–1 bn, following a USD 200 mn funding round in May. The company makes humanoid robots and dexterous hands for logistics and is expanding into automotive, electronics and services. (Bloomberg)
- **China home prices remain under pressure.** China’s new home prices fell 0.1% mom in July, while annual prices declined 3.2%, as weak demand persisted and only 17 of 70 surveyed cities reported monthly gains, underscoring a fragile property recovery. (Reuters)

Asia ex. China

- **BHP profit beats forecasts on copper boom.** BHP (BHP LN +1.15%) reported FY26 underlying profit up 30% to USD 13.20 bn, beating expectations, as copper earnings of USD 18.19 bn surpassed iron ore, while it declared its highest annual dividend in four years. (Reuters)
- **SoftBank deepens robotics push.** SoftBank (9984 JP +2.56%) invested USD200mn in Swiss construction-robotics startup Gravis Robotics as Masayoshi Son builds a broader AI and robotics portfolio spanning OpenAI and industrial automation. Gravis also won work to retrofit equipment for a USD8mn UK infrastructure project. (Bloomberg)

EMEA and Others

- **European shares fall for fourth session.** The STOXX 600 fell 0.22% on Monday, while Germany's DAX, France's CAC, and Britain's FTSE also lost 0.38%, 0.66%, and 0.28% as the earnings rally cooled and US-Iran tensions weighed. Kering (KER FP -4.26%) and LVMH (MC FP -2.71%) dropped, while Argenx (ARGX BB +17.12%) surged and SIG Group (SIGN SW -17.59%) slumped. (Reuters)
- **AstraZeneca ends late-stage lung cancer trial.** AstraZeneca (AZN +0.87%) halted a Phase III trial of experimental drug volrustomig with chemotherapy after it was deemed unlikely to meet its main goals, adding pressure on its pipeline despite positive results from two other late-stage lung cancer trials. (Reuters)
- **Nestle targets GLP-1 users as growth opportunity.** Nestle (NESN SW -2.84%) is using AI and nutritional science to develop products for weight-loss drug users, seeking to address side effects such as muscle loss and facial fat loss as demand for GLP-1 medicines expands. (Reuters)

Traders' Corner

Source: TradingView

Trip.com Group (9961.HK)

Last Price:	HKD 355.20
Support:	HKD 342.60 (-3.5%) / HKD 334.00 (-6.0%)
Resistance:	HKD 390.00 (+9.8%) / HKD 415.80 (+17.1%)

Our Technical View

- Price staged a rebound off its gap support zone, keeping the primary uptrend intact.
- The RSI is curling upward and holding comfortably above its neutral 50-midline.
- This suggests strong underlying demand, paving the way for a continuation move toward higher resistance targets.

Traders' Corner (continued)

Source: TradingView

Innovent Biologics (1801.HK)

Last Price:	HKD 95.35
Support:	HKD 92.20 (-3.3%) / HKD 89.55 (-6.1%)
Resistance:	HKD 105.00 (+10.1%) / HKD 109.00 (+14.3%)

Our Technical View

- Price successfully maintained its footing above the resistance-turned-support zone, confirming the structural validity of this new demand floor.
- The RSI holds comfortably above its neutral 50-midline and is curling upward once again.
- This points toward a continuation move higher toward upper resistance targets.

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