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Wealth Daily

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Chip Shares Fall as Sanofi Bids for Insmed

Today's Must-Know News

Market Movers: At the 24 November close, the S&P 500 fell 0.50% to 7,201.09 and the Nasdaq Composite lost 1.48%, while the Dow rose 0.85%. Nvidia (NVDA US) fell 5.9% to US$155.38 as its board faced scrutiny. Most US shares rose, and the Dow gained 0.85% to 50,018.70. After the close, Dell Technologies (DELL US) reported US$60.2bn of new AI server orders, taking its backlog to US$132.3bn. In healthcare, Sanofi (SAN FP) agreed to pay US$41bn in cash for Insmed (INSM US), whose lung drug Brinsupri has generated US$1.09bn in sales since launch. Insmed rose 14.1% to US$170.15. The discount to the US$175 offer reflects a shareholder vote and regulatory approvals still to come. (AP / Dell / Sanofi) **Nvidia (NVDA US) is our Core Recommendation.**

Macro: US consumer confidence rose to 103.3 in November from a revised 91.9 in October. Households saw better job prospects and were more upbeat about business conditions. The expectations index rose 9.9 points to 83.6, with higher-income households reporting the largest gains in confidence. Retailers now need that confidence to translate into holiday spending. On 25 November at 21:30 SGT, the US releases its second estimate of 3Q GDP and October inflation. The consensus is for growth of 3.5% at an annual rate and a 0.3% monthly rise in core personal consumption expenditures prices. (Conference Board / U.S. Bank)

FICC: January Brent rose 2.3% to US$91.40/bbl and WTI gained 2.3% to US$82.05/bbl. Oil rebounded from a three-month low after the UK maritime authority said three ships had been hit while sailing east through the Strait of Hormuz. In live trading at 05:28 SGT on 25 November, December gold was down 2.7% to US$3,551.90/oz and silver fell 6.0% to US$40.60/oz versus their prior settlements. The live US dollar index was down 0.47% to 103.83. (Reuters / Xinhua / Gold futures / Silver futures)

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

Ticker	Security	Rec.	Support	Resistance
2388.HK	BOC Hong Kong	-	HKD 41.94 / 41.16	HKD 47.40 / 48.40
1299.HK	AIA Group	-	HKD 69.80 / 68.10	HKD 75.55 / 76.70

Hong Kong IPO Calendar

Ticker	Company Name	Sector / offer	Est. 09:00 SGT
1821.HK	CTG HKM Tourism	Tourism / introduction	26 November
3275.HK	Microintelligence	Robotics / HK$12.07–15.69	4 December

Overnight Markets

Indices

	Price	1D	YTD
STI	4,958.87	+0.10%	+6.73%
KLCI	1,561.68	+0.82%	-7.05%
Dow Jones	50,018.70	+0.85%	+4.07%
S&P 500	7,201.09	-0.50%	+5.19%
Nasdaq	23,733.54	-1.48%	+2.11%
Hang Seng	22,219.65	-0.73%	-13.31%
CSI 300	3,963.82	+0.14%	-14.39%

Government Bond Yields

Term	Yield	1D	YTD
US 2Y	4.63	+0	+116
US 10Y	4.91	-1	+73
Germany 2Y	3.05	-2	+93
Germany 10Y	3.27	-3	+42

Precious Metals

	Price	1D	YTD
Gold (US$/oz)	3,551.90	-2.72%	-21.02%
Silver (US$/oz)	40.60	-5.98%	-44.27%

Currencies & Crude Oil

	Price	1D	YTD
DXY	103.83	-0.47%	+5.65%
EUR/USD	1.0963	+0.22%	-6.70%
Brent (US$/bbl)	91.40	+2.27%	+50.21%
WTI (US$/bbl)	82.05	+2.35%	+42.89%

Must Watch Events

Date / SGT	Event
25 November 08:30 SGT	Australia October CPI
25 November 21:30 SGT	US 3Q GDP and October PCE
26 November 03:00 SGT	Federal Reserve Beige Book

AI

- **Anthropic loses its IPO premium.** Anthropic (ANT US) fell 6.5% to US$81.91, below its US$83 offer price less than a week after listing. The Claude developer had opened at US$111.50 on 19 November. Its retreat leaves IPO buyers with a loss. Other AI developers seeking public capital now have a lower valuation benchmark as they fund new computing capacity. (Anthropic / Reuters / AP)
- **Dell books US$60.2bn of AI server orders.** Dell Technologies (DELL US) reported after the US close that quarterly revenue more than doubled to US$54.9bn. New AI orders of US$60.2bn took the backlog to US$132.3bn. Dell expects FY27 revenue of US$202bn, up 78%. Converting orders into sales depends partly on customers securing financing, power and suitable data-centre sites. (Dell)
- **Analog Devices' spending plans outweigh record sales.** Analog Devices (ADI US) fell 17.4% to US$312.95. 4Q sales rose 42% to US$4.37bn, but the US$4.4bn midpoint of its 1Q forecast implies little sequential growth. Management plans US$1.6bn–1.9bn of capital spending in FY27, up from US$700m. More than two-thirds of last year's growth came from markets outside AI. (Analog Devices / Investing.com)
- **Server margins weigh on HPE's growth outlook.** Hewlett Packard Enterprise (HPE US) fell 16.3% to US$40.19, the first regular session after it raised its FY27 sales growth outlook to 27–35% from 13–17%. JPMorgan analysts expect the Cloud & AI operating margin to reach 14% in FY27, below the latest quarter's 18.4%. Faster server deliveries may therefore add more revenue than profit. (Reuters / HPE)

Americas

- **US weighs fresh tariffs on excess industrial capacity.** Reuters reported that US trade officials were preparing findings on excess capacity in 16 trading partners. Proposed duties could stack on existing tariffs. People familiar with the plans expected Washington to respect negotiated rates, including 15% caps for the EU, Japan and South Korea. Product coverage and rates awaited a formal proposal. (Reuters / Axios)
- **Medtronic holds its outlook after the diabetes separation.** Medtronic (MDT US) fell 4.6% to US$96.13. Fiscal 2Q sales rose 4.5% to US$9.4bn and organic growth of 6.5% exceeded the midpoint of its guidance by 0.5 percentage points. After separating MiniMed in October, it retained its FY27 organic growth target of 7.25–7.75% and adjusted earnings forecast of US$5.94–6.00 a share. (Medtronic)
- **Abercrombie raises its earnings outlook.** Abercrombie & Fitch (ANF US) rose 19.7% to US$168.10. Comparable sales grew 6% and quarterly sales reached a record US$1.4bn, with double-digit growth in each region. Diluted earnings rose 62% to US$3.82 per share, including a US$0.40 tariff refund. The retailer raised its annual earnings forecast to US$13.70–13.90 per share. (Abercrombie & Fitch)

- **More shoppers lift Dollar Tree's same-store sales.** Dollar Tree (DLTR US) rose 11.2% to US$154.65. Comparable sales rose 4.6% as store visits grew 3.8% and average spending rose 0.80%. Revenue increased 6.9% to US$5.1bn. Management raised its FY26 adjusted earnings outlook to US$8.05–8.25 per share, which includes US$0.65 from tariff refunds net of reinvestment. (Dollar Tree / AP)
- **Dick's lifts its outlook as Foot Locker stabilises.** Dick's Sporting Goods (DKS US) rose 14.6% to US$153.17. Comparable sales rose 2.6% at Dick's and 0.50% at Foot Locker, its acquired chain. Quarterly adjusted earnings fell to US$1.94 per share from US$2.07, but stronger results at the core business lifted the full-year adjusted earnings outlook to US$11.45–12.30 from US$11.00–12.00. (Dick's Sporting Goods)

Greater China

- **Higher handset prices cushion Xiaomi's sales.** Xiaomi (1810.HK) reported 3Q adjusted profit of RMB4.88bn, down 56.8% YoY and below the RMB5.2bn LSEG consensus. Revenue fell 5.2% to RMB107.24bn, above the RMB105.5bn estimate. The average smartphone selling price rose 39.8% to RMB1,486 as memory costs climbed. The shares fell 3.7% to HK$26.50 before the results. (HKEX / Reuters)
- **Huawei's US verdict leaves the financial penalty unsettled.** A Brooklyn jury convicted Huawei of conspiracy to steal trade secrets and bank fraud in a case involving its operations in Iran. Jurors acquitted the telecommunications supplier of racketeering conspiracy and conspiracy to obstruct justice. Huawei's lawyer said it would appeal. The split verdict leaves fines as the immediate financial exposure. (AP / Reuters)
- **Kingsoft Cloud turns an operating profit.** Kingsoft Cloud (KC US) reported 3Q revenue of RMB3.48bn, up 40.4% YoY. AI cloud gross billings rose 115% to RMB1.68bn, equivalent to 61% of public-cloud revenue. Operating profit reached RMB47.9m versus a RMB145.3m loss a year earlier. The ADR gained 3.3% to US$6.21, while enterprise-cloud revenue slipped 0.60%. (Company / Market data)
- **Sinotau falls below its offer price on debut.** Sinotau Pharma (9941.HK) closed its first day at HK$40.00, 23.1% below its HK$52.00 offer price. The radiopharmaceutical developer raised HK$341.2m gross. Hong Kong public applications covered their initial allocation 5,228.8 times, against 3.0 times for the international tranche. Demand at allocation failed to carry into the secondary market. (HKEX / etnet)
- **Gold financing boosts Chow Tai Fook's earnings.** Chow Tai Fook Jewellery (1929.HK) reported 1H FY27 revenue of HK$44.26bn, up 13.5% YoY, and attributable profit of HK$5.03bn, up 98.7%. Operating profit, which excludes gold-loan revaluation, fell 18.2% to HK$5.58bn and its margin narrowed to 12.6% from 17.5%. Gold financing helped lift net profit even as the profit earned on jewellery sales fell. (HKEX / Company)

Asia ex. China

- **Taiwan shares stage a record rally on light turnover.** Taiwan Semiconductor Manufacturing's local shares (2330.TW) gained 9.9% to NT$2,230 following Jensen Huang's return to Nvidia. The TAIEX rose 9.0% to 40,122.35, adding 3,310.46 points. The exchange saw 335 main-board stocks hit their daily upper limit, yet turnover of NT$419.41bn was the year's lowest as buy orders went unfilled. (TWSE / CNA) **Taiwan Semiconductor Manufacturing ADR (TSM US) is our Core Recommendation.**
- **Hyundai loses European market share as Kia gains.** October registrations across the EU, UK and EFTA fell 1.7% YoY to 80,005 for Hyundai Motor (005380.KS) and Kia (000270.KS) combined, despite a 3.4% rise in the overall market. Hyundai registrations dropped 18.8% to 33,245, while Kia gained 15.7% to 46,760. The group's share slipped to 7.1% from 7.5% as the two brands diverged. (ACEA / Yonhap)
- **AustralianSuper backs Brookfield's bid for Reliance.** Reliance Worldwide (RWC.AX) rose 11.9% to A$5.07 after AustralianSuper said it intended to vote its 18.5% holding for Brookfield's US$3.38-per-share cash scheme. Its support remains conditional on no superior offer, a favourable independent expert opinion and continued board backing. The endorsement reduces voting risk for the plumbing supplier. (ASX / Financial Standard)
- **Singapore lifted its growth forecast after a stronger 3Q revision.** GDP grew 6.1% YoY against the 5.4% advance estimate and the 5.6% Reuters consensus. Seasonally adjusted growth was 1.5% QoQ, down from 1.8% in 2Q. The Ministry of Energy, Trade and Industry lifted its 2026 growth forecast from 4.5–5.5% to 6.0%, while its 2.5–4.5% range for 2027 implies a slower pace even at the upper end. (METI / Reuters)
- **Ramsay shareholders back the European hospital split.** Ramsay Health Care (RHC.AX) shareholders approved distributing its 52.8% holding in Ramsay Santé. Investors would receive one Ramsay Santé security for every four Ramsay shares held. The transaction still requires Australian court approval. The distribution would give parent shareholders direct exposure to the European hospitals and simplify valuation of the remaining operations. (Ramsay Santé / Ramsay)

EMEA and Others

- **Sanofi offers US$41bn in cash for Insmed.** Sanofi (SAN FP) rose 9.8% to €93.58. Insmed (INSM US) gained 14.1% to US$170.15, below Sanofi's US$175 cash offer. The French drugmaker would gain two marketed respiratory medicines and a late-stage candidate. It expects the deal to lift earnings per share by the end of 2028. Closing in the first half of 2027 depends on regulatory clearance. (Sanofi / Reuters)
- **Aixtron falls on a weaker outlook for laser equipment.** Aixtron (AIXA GR) fell 16.3% to €26.81 after UBS cut its rating to sell and its price target to €24 from €50. The broker still expects a strong 2027 as AI data centres buy optical network equipment. Its concern is that laser makers will slow capacity additions from 2028 and that demand for power-management chips will be too small to offset that slowdown. (dpa-AFX / Reuters)

- **Compass consults shareholders on a US primary listing.** Compass Group (CPG LN) rose 4.2% to US$35.23 after FY26 organic sales rose 7.5%. North America now supplies 75% of underlying operating profit. The caterer will ask shareholders to move its primary listing to the US in 2028 while retaining a London listing. It expects 7% organic revenue growth and further margin gains in FY27. (Compass Group / Reuters)
- **Kingfisher lifts guidance as French sales fall.** Kingfisher (KGF LN) fell 4.7% to 371p. Quarterly comparable sales rose 0.80% as gains in the UK, Poland and Iberia outweighed a 2.8% decline in France. The home-improvement retailer now expects full-year adjusted pretax profit of £610m–640m, compared with £595m–635m previously. The higher floor depends on continued strength outside France. (Kingfisher / Reuters)
- **German services lift confidence as manufacturers turn cautious.** Germany's ifo business climate index rose to 90.6 in November from a revised 90.1 in October. Service companies reported better trading and stronger expectations, and retailers became more positive. Manufacturers' expectations turned negative after six months of improving sentiment. The split suggests a recovery led by services, with demand for consumer goods still fragile. (ifo Institute)

Traders' Corner



Source: TradingView

BOC Hong Kong (2388.HK)

Last Price:	HKD 46.06
Support:	HKD 41.94 (-8.9%) / HKD 41.16 (-10.6%)
Resistance:	HKD 47.40 (+2.9%) / HKD 48.40 (+5.1%)

Our Technical View

- Price was rejected at it support-turned-resistance ceiling.
- The RSI remains firmly in bearish territory and continues to fall.
- Provided price remains capped below the support-turned-resistance zone, we see continued downward progression toward deeper structural lows.

Traders' Corner (continued)



Source: TradingView

AIA Group (1299.HK)

Last Price:	HKD 74.00
Support:	HKD 69.80 (-5.7%) / HKD 68.10 (-8.0%)
Resistance:	HKD 75.55 (+2.1%) / HKD 76.70 (+3.6%)

Our Technical View

- Price was resisted at its previous gap resistance zone.
- The RSI remains firmly in bearish territory and continues to fall.
- Provided price remains capped below the gap resistance zone, we see continued downward progression toward deeper structural lows.

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