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Wealth Daily

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AI Stocks Retreat as US Proposes New Tariffs

Today's Must-Know News

Market Movers: At the 25 November US close, the S&P 500 slipped 0.25% and the Nasdaq fell 0.62%, while the Dow gained 0.33%. The Dow gained 0.33% while the more technology-heavy Nasdaq fell 0.62%. Nvidia (NVDA US) fell 3.9% to US$149.30. Reuters found firms linked to the former owner of Nvidia customer Megaspeed had pledged up to US$270m of AI servers and modules in China. CATL (3750.HK) fell 12.2% to HK$295.60 as EU safeguards on imported hybrid cars added to battery demand concerns. Chinese lithium futures fell 8.1%. HP (HPQ US) gained 11.5% to US$31.15 after its results. Higher prices lifted PC division sales 14% even as unit sales fell 29%. (AP / Reuters / Fastmarkets / HP) **Nvidia (NVDA US) is our Core Recommendation.**

Macro: US growth in the third quarter was revised up to a 4.3% annual rate from 3.4%. In October, real spending stalled and annual PCE inflation rose to 3.8% from a revised 3.7%. Personal income rose 0.7% and the saving rate reached 4.1% as households held back on purchases. The Bank of Korea issues its statement at 09:30 SGT on 26 November. Of 34 economists polled, 32 expect a 25bp rise to 3.25%. A signal that the bank will raise rates again could put further pressure on Korean bonds. (BEA / US GDP / Reuters)

Geopolitical: The US proposed tariffs on goods from 14 trading partners over excess industrial capacity. The China rate is up to 20%, with exclusions and a credit for existing forced-labour duties. Comments are due 5 January. Hearings start on 25 January. (USTR)

FICC: January Brent rose 3.5% to US$94.61/bbl and WTI gained 2.0% to US$83.68/bbl after the Houthis claimed an attack on Saudi Arabia's Ras Tanura refinery. The Saudi-led coalition said it intercepted four drones. The impact on oil flows was unclear. US crude stocks rose by 1.1m barrels, below the 1.5m forecast. The US 10-year Treasury yield fell 6bps to 4.85%. (Reuters / AP)

Trader's Corner (Details on Page 5-6)

Ticker	Security	Rec.	Support	Resistance
2269.HK	WuXi Biologics	-	HKD 33.10 / 29.94	HKD 44.72 / 46.74
2328.HK	PICC	-	HKD 15.47 / 14.83	HKD 17.28 / 17.64

Hong Kong IPO Calendar

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

Overnight Markets

Indices

	Price	1D	YTD
STI	4,930.83	-0.57%	+6.13%
KLCI	1,562.29	+0.04%	-7.01%
Dow Jones	50,182.95	+0.33%	+4.41%
S&P 500	7,182.78	-0.25%	+4.93%
Nasdaq	23,585.80	-0.62%	+1.48%
Hang Seng	21,966.01	-1.14%	-14.30%
CSI 300	3,898.24	-1.65%	-15.80%

Government Bond Yields

Term	Yield	1D	YTD
US 2Y	4.61	-2	+114
US 10Y	4.85	-6	+67
Germany 2Y	3.01	-4	+89
Germany 10Y	3.22	-5	+37

Precious Metals

	Price	1D	YTD
Gold (US$/oz)	3,535.80	-0.73%	-21.38%
Silver (US$/oz)	40.06	-1.78%	-45.01%

Currencies & Crude Oil

	Price	1D	YTD
Live DXY, 05:21 SGT	103.71	-0.10%	+5.52%
EUR/USD	1.0935	-0.26%	-6.94%
Brent (US$/bbl)	94.61	+3.51%	+55.48%
WTI (US$/bbl)	83.68	+1.99%	+45.73%

Must Watch Events

Date / SGT	Event
26 November, 09:30	Bank of Korea monetary policy statement; 25bp hike expected
26 November, 13:00	Singapore October manufacturing output; 2.2% y/y expected
26 November, 16:30	Hong Kong October merchandise trade
26 November, 20:30	ECB publishes October policy meeting account

AI

- **Chinese filings add to scrutiny of Nvidia customer links.** Nvidia (NVDA US) fell 3.9% to US$149.30. Reuters found firms linked to Megaspeed's former owner had pledged up to 764 AI servers and modules valued at US$270m. The filings did not establish whether they contained restricted chips. They add to questions about end customers as Nvidia faces tighter US controls on advanced processors. (Reuters / CNBC) **Nvidia (NVDA US) is our Core Recommendation.**
- **SpaceX wins clearance for orbital data centres.** The US FCC authorised SpaceX (SPCX US) to deploy up to one million satellites for its Starmind computing network. The licence requires the first satellite to operate by November 2033 and 100,000 by November 2035. SpaceX rose 1.3% to US$127.44. The deadlines give investors a way to measure progress before the network generates revenue. (FCC / CNBC)
- **Anthropic faces calls for independent AI oversight.** Anthropic (ANT US) closed at US$82.79, up 1.1% but below its US$83 offer price. CEO Dario Amodei backed human control over governance while defending automation of individual tasks. Four US senators urged action on frontier AI, with proposals ranging from independent examiners to a pause in development. No new restrictions were enacted. (Axios / TechCrunch)
- **Dell's AI orders shift to newer server systems.** Dell Technologies (DELL US) rose 0.60% to US$297.06 in its first session after reporting results. Management said most new AI server orders use the Vera Rubin platform. Infrastructure supplied 83% of operating profit over the past four quarters, up from 54% in FY24. The shift leaves Dell more exposed to the timing of large server deliveries. (Dell earnings call / CNBC)

Americas

- **Deere sees early signs of a farm equipment recovery.** Deere (DE US) rose 4.4% to US$641.02. Quarterly net income eased to US$1.05bn as revenue fell 2% to US$12.12bn. Deere forecast FY27 net income of US$4.50bn–5.25bn, including a US$250m–400m pension charge. Management cited early improvement in North American demand for large farm equipment, while retaining a wide earnings range. (Deere / CNBC)
- **Commercial PCs lift HP's sales despite falling unit volumes.** HP (HPQ US) rose 11.5% to US$31.15 in its first session after results. Personal Systems revenue increased 14% to US$11.8bn even as units fell 29%. Commercial PC revenue grew 23% while consumer PC sales fell 7%. HP raised its quarterly dividend to US$0.31 and forecast FY27 free cash flow of US$2.9bn–3.1bn. (HP / CNBC)
- **Nutanix starts a search for its next chief executive.** Nutanix (NTNX US) fell 15.2% to US$46.30 in the first session after it reported earnings and announced a succession plan. Chief executive Rajiv Ramaswami will stay until a successor takes office. Annual recurring revenue rose 15% to US$2.63bn. The board must manage the transition while sustaining growth in enterprise subscriptions. (Nutanix / CNBC)

- **Fed districts report selective spending and firmer wages.** Eight of the Federal Reserve's twelve districts reported slight to moderate growth, while the other four saw no change. Households became more selective and auto sales softened as fuel and financing costs weighed on demand. Wages and benefits rose moderately, faster than in the last report, complicating the Fed's assessment of price pressures. (Federal Reserve)
- **US trade proposal targets Brazilian aircraft and sugar.** Washington proposed ending the exemption for finished Brazilian aircraft and imposing an additional 10% tariff. It also sought higher duties on out-of-quota sugar from all origins to prevent imports shifting through other suppliers. Aircraft are Brazil's fourth-largest export to the US. Written comments are due on 30 December before a January hearing. (USTR)

Greater China

- **EU hybrid-car curbs deepen the battery selloff.** CATL (3750.HK) fell 12.2% to HK$295.60 from HK$336.80. Guangzhou's January lithium carbonate futures fell 8.1% against the prior settlement. European restrictions on imported hybrids added to demand concerns already weighing on battery makers. For suppliers carrying inventory, falling spot prices can depress earnings before cheaper inputs help margins. (Fastmarkets / S&P Global)
- **Foundry shares tumble in Hong Kong and Taiwan.** Hua Hong Grace Semiconductor (1347.HK) fell 17.3% to HK$62.50 from HK$75.55 as the US chip selloff spread to Hong Kong. In Taiwan, Taiwan Semiconductor Manufacturing (2330.TW) lost 3.6% to NT$2,150 from NT$2,230. The Taiex fell 4.8% despite recovering from its intraday low. Further reductions in data-centre spending would hurt chip demand on both sides of the Strait. (Tiger Brokers / CNA) **Taiwan Semiconductor Manufacturing (TSM US) is our Investment Opportunity.**
- **Li Auto's margin recovery lifts its US shares.** Li Auto (LI US) gained 11.0% to US$11.88 from US$10.70. Third-quarter revenue rose 5.4% to RMB28.8bn, above the RMB28.0bn consensus, and gross margin recovered to 16.7% from 11.0% in the prior quarter. Management sees fourth-quarter sales of RMB31.7bn–33.1bn, below the RMB34.9bn estimate. Sustaining the margin gain now depends on vehicle mix and deliveries. (Li Auto / Tiger Brokers)
- **Europe's parcel fees cut SHEIN's biggest market.** SHEIN (0625.HK) reported third-quarter European revenue of US$2.98bn, down 27.6%, after it raised prices to offset new import charges. Group sales fell 5.9% to US$10.27bn, while adjusted net income rose 26.8% to US$790m as costs eased. Management expects Europe to recover no earlier than the second half of 2027 as it shifts more deliveries to local warehouses. (SHEIN / Reuters)
- **GenScript closes the offshore leg of its ProBio purchase.** GenScript Biotech (1548.HK) paid US$101.3m for offshore investors' preferred shares on 25 November, lifting its ProBio stake from 85.1% to 89.7%. Onshore transfers still require outbound investment approvals. The shares had already fallen 10.4% from HK$30.14 to HK$27.00 on the broader reorganisation announced on 24 November. The evening filing confirms only the offshore purchase. (GenScript / Tiger Brokers)

Asia ex. China

- **Korean memory stocks erase the previous session's gains.** SK hynix (000660.KS) fell 11.1% to KRW1.03m from KRW1.158m and Samsung Electronics (005930.KS) lost 9.9% to KRW170,700. Foreign selling and concern that new memory capacity could squeeze prices helped pull the Kospi down 6.2%. The exchange halted program sell orders for five minutes. The broader rate outlook comes into focus at the Bank of Korea meeting later today. (Korea Times / MoneyToday) **SK hynix (SKHY US) is our Investment Opportunity.**
- **SoftBank amplifies Tokyo's reversal in AI shares.** SoftBank Group (9984.T) fell 14.8% to ¥2,696.5 from ¥3,166 as chip and AI stocks reversed the prior session's rally. Its stakes in an unlisted AI developer and a listed chip designer expose shareholders to changes in both private AI valuations and public chip markets. The Nikkei 225 closed 2.8% lower at 57,012, cushioning some of the morning's losses as selling spread across Asian technology stocks. (Stock Analysis / Yahoo Finance Japan)
- **Indian bank and consumer shares diverge from Asian technology.** The Nifty 50 gained 1.9% to 25,819, supported by foreign inflows, lower crude prices during India's session and buying of bank shares. Hindustan Unilever (HINDUNILVR.NS) rose 6.1% on the NSE to ₹2,141.80 from ₹2,019.10 at the previous close. India's reliance on imported oil makes declining crude a potential support for domestic purchasing power and corporate margins. (DD India / Upstox)
- **Australian inflation rises faster than expected.** October CPI rose 4.9% year on year, up from 4.3% and above economists' 4.7%–4.8% range. Electricity prices rose 25.2% as rebates expired, but underlying pressure also increased, with trimmed-mean inflation at 3.8% from 3.6%. That complicates the Reserve Bank's 7–8 December decision as softer hiring argues for patience while sticky prices limit room to ease. (ABS / Nine)

EMEA and Others

- **Equinor cuts its output forecast after field shutdowns.** Equinor (EQNR NO) lowered its 2026 production growth forecast to 3% from 4%. It estimates shutdowns at Bacalhau in Brazil and Visund in Norway will cut average annual output by 15,000–20,000 barrels of oil equivalent a day. Brazil's field could be offline for five to eight weeks, pushing near-term production below the earlier plan. (Equinor)
- **Hannover Re targets higher earnings despite a larger loss budget.** Hannover Re (HNR1 GR) targets at least €2.9bn of net income in 2027, a projected 7% above its 2026 forecast. The plan assumes major losses stay near a €2.5bn budget, up from €2.3bn. The reinsurer aims for a property and casualty combined ratio below 85%, leaving room for underwriting profit if claims stay within its assumptions. (Hannover Re)
- **Higher fuel costs cut easyJet's annual earnings.** easyJet (EZJ LN) reported £71m of headline pretax profit for FY26, down from £665m. Second-half fuel costs per available seat kilometre rose 12%, while full-year load factor held at 90%. The airline added three million passengers, but higher traffic provided little protection against rising costs. Its agreed takeover remains on track to close in 1Q27, subject to conditions. (easyJet)

Traders' Corner



Source: TradingView

WuXi Biologics (2269.HK)

Last Price:	HKD 40.50
Support:	HKD 33.10 (-18.3%) / HKD 29.94 (-26.0%)
Resistance:	HKD 44.72 (+10.4%) / HKD 46.74 (+15.4%)

Our Technical View

- Price was capped by its support-turned-resistance zone, encountering firm rejection upon upward testing.
- The RSI remains firmly in bearish territory and continues to fall.
- Provided price remains capped below the support-turned-resistance zone on intraday rebounds, we see continued downward progression toward lower support levels.

Traders' Corner (continued)



Source: TradingView

PICC Property and Casualty (2328.HK)

Last Price:	HKD 16.93
Support:	HKD 15.47 (-8.6%) / HKD 14.83 (-12.4%)
Resistance:	HKD 17.28 (+2.1%) / HKD 17.64 (+4.2%)

Our Technical View

- Price was rejected at its previous price high resistance zone and failed to establish a higher high.
- The RSI remains in bullish territory above its neutral 50 threshold, but is losing upward strength.
- Provided price remains capped below the previous price high resistance, we could expect a bearish movement toward its previous low support level.

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