China Equity Strategy

Ear to the ground: Trump-Xi summit, the imported inflation debate, and property recovery

Equity Macro Research

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Client conversations following our latest China equity strategy update have centered on two core questions: how to position for the upcoming Trump-Xi summit, and whether laggard sectors (consumers, property) offer meaningful catch-up upside. (1) We believe the upcoming Trump-Xi summit, if it takes place, would be a key near-term catalyst for MXCN and CSI-300, with markets pricing in incremental geopolitical de-escalation and lower US tariffs. Thematic upside on the summit centers on rare earths on potential supply assurance (Figure 8). More procurement of US goods, e.g. soybeans, protein, aircraft and chips presents mostly headline risks, while domestic self-sufficiency-themed chip names (including Iluvatar CoreX) remaining resilient. (2) On macro recovery plays, we favor cherry-picking consumer names positioned to gain from the younger generation's demand for mental/physical health, and high-quality Tier-1 CBD focused developers for tactical rebound, as broad-based reflation can stall on household balance sheet repair. (3) With improving A-share liquidity, we continue to prioritize long-term structural themes — energy security, AI & robotics — alongside selective consumption winners, while staying cautious on export-facing stocks vulnerable to stagflation and tariff risks. **Our top stock picks for China are BYD-H, NAURA, MiniMax, Zhipu AI, Iluvatar CoreX, Bank of China-H, Innovent, and CNOOC-H.**

- **The top question asked by clients we spoke with was how to position for the potential Trump-Xi summit ahead on 14-15 May,** according to the White House. It appears that most investors believe that the meeting will take place, though the Chinese government has not officially confirmed this. Should the meeting take place, we believe it can act as a positive catalyst for China equities at an index level. Historically, China equities have tended to **firm into Trump-Xi summits and soften afterward**: On average, MXCN and CSI300 rose 3-4% in the month ahead, signaling a pre-event risk-on bid. Post-meeting performance was modestly weaker, with MXCN and CSI300 down 1-2% on average in the following month. It appears that the market has tended to price in incremental de-escalation and policy progress ahead of summits, then shift focus towards implementation risk and renewed headline volatility once the event passes.

- **US Trade Representative** Jamieson Greer has taken a cautious, tightly managed stance on the potential Trump-Xi summit, per The Star's report: The US aims to prioritize reducing the bilateral trade deficit, securing permanent rare earths supply assurances from China, and addressing narrow, specific investment barriers for US firms while maintaining existing tariffs. Under this scenario, **we see China rare earths names getting continued support on global demand. Our screen of China rare earths names by free-float market cap is in Figure 8.** Meanwhile, clients wonder about be the stock implications of more purchases of US soybean, protein (pork/beef/poultry), Boeing aircraft, and chips. We believe these would be mostly headline risks, with Chinese soy sauce makers likely to benefit from lower soybean price on the margin, while domestic hog (US pork price higher than China's), COMAC supply chain (growing from a low base on set targets), and domestic semiconductor names (self-sufficiency as a key goal in the 15th FYP) largely stay indifferent. **We**

See page 13 for analyst certification and important disclosures, including non-US analyst disclosures.

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reiterate our positive view on domestic fabless, adding Iluvatar CoreX to our top stock picks for China.

- **Clients have also been questioning whether there could be a broad-based rally in Chinese consumer stocks**, including traditional sectors like baijiu, beer, and textile & apparel, should China follow Japan's post-COVID trajectory of reflation through imported inflation. While supply-side price pressures certainly played a role in Japan's exit from deflation, we emphasize that substantial government subsidies to households (news) were an essential complementary factor that helped create a wage-price spiral, something China has lacked so far. At present, China has not yet implemented large-scale consumer stimulus programs, and the household sector remains at the stage of balance sheet repair: the debt-to-income ratio is roughly back to 2020 levels (Figure 7) vs property prices having retreated to 2015-2016 levels (Figure 6), and consumer confidence showing only modest improvement from its 2025 lows while remaining significantly below the 2021 peak. JPM Greater China Economic Research believes that CPI inflation will stay anchored even as PPI rises, as long as the NDRC mechanism caps retail fuel adjustments. **As such, we recommend focusing on individual stocks with idiosyncratic supply-side drivers that can deliver independent performance amid the broader market environment. JPM top picks in the consumption space are Anta Sports, Gushengtang, H World and Atour.**

- **Against the backdrop of improving China real estate data released last week for March 2026, client interest in domestic property stocks has picked up notably**, yet we concur with JPM Greater China Economic Research's view that regardless of the encouraging core-city spring bounce, a bottom likely requires months of broad-based improvement in volume, prices, and inventory beyond tier-1 cities, and we see low odds of a housing policy U-turn at the April Politburo meeting. We underweight real estate as a funding position on a 3-6 month view. For a tactical rebound trade, we reiterate our stance from the 2026 outlook, focusing on property developers with solid balance sheets, robust cash flow profiles, land reserves and development layouts in core urban CBD areas, and JPM top picks are COLI and Jinmao.

- **We keep our end-2026 base targets for MXCN/CSI-300 at 100/5,200 with bear-case targets at 80/4,000.** Over the past two weeks, we see improvement in liquidity, as evidenced by A-share velocity improving from the interim low of 3.2% on 7 April to 4.8% on 20 April, and the EPFR stock barometer data recording cUS\$0.9bn/US\$0.2bn net inflow in the week ending 10/17 April vs an average weekly run rate of -US\$0.4bn over 9 March – 3 April. On earnings, IBES/Wind consensus now forecasts 13%/23% 2026 EPS y-y growth for the MXCN/CSI-300. We continue to favor long-term structural growth themes of energy security (NEV, ESS, power equipment and aluminum), AI and robotics, paired with energy. We stay selective in the consumption space, focusing on the younger generation's demand for physical and mental health products/services; and (3) we are relatively cautious on ex-energy-security/ex-AI type of exporters that may face headwinds from global stagflation risks and/or ongoing US-tariff-related investigation. This is in line with JPM Asia equity strategy's core views: OW Energy regionally, balanced with Quality-Growth stocks, while China as the most preferred market in the region. **Our top stock picks for China are BYD-H, Iluvatar CoreX, NAURA, MiniMax, Zhipu AI, Bank of China-H, Innovent, and CNOOC-H.** (Thematic positioning amid geopolitical uncertainty and energy price swings)

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Figure 1: JPM top stock picks for China

Ticker	Name	GICS Industry	Analyst	JPM rating	FFL market cap (US$ bn)	3m ADT (US$ mn)	Current price (LCU)	Price Target (LCU)	Up/down-side vs PT	FTM PE (x)	LTM ROA (%)	LTM ROE (%)	14d RSI
1211.HK	BYD	Consumer Discretionary	Nick Lai	OW	52.3	399.9	111.4	120.0	7.7	19.1	4.1	15.0	56.7
0883.HK	CNOOC	Energy	Parsley Ong	OW	51.8	550.6	27.0	33.0	22.3	7.3	11.3	15.7	37.2
3988.HK	Bank of China	Financials	Katherine Lei	OW	54.6	130.1	5.1	5.5	7.6	5.9	NULL	NULL	84.4
1801.HK	Innovent	Health Care	Yang Huang	OW	19.0	124.9	91.5	111.0	21.3	55.3	2.8	5.0	64.3
002371.SZ	NAURA	Information Technology	Billy Feng	OW	27.3	521.5	469.9	610.0	29.8	32.9	NULL	NULL	55.8
2513.HK	Zhipu AI	Information Technology	Olivia Xu	OW	9.9	199.4	891.0	950.0	6.6	NULL	NULL	NULL	57.7
0100.HK	Minimax	Information Technology	Olivia Xu	OW	4.4	202.1	859.0	1,100.0	28.1	NULL	NULL	NULL	35.2
9903.HK	Iluvatar CoreX	Information Technology	Billy Feng	OW	2.0	38.0	415.0	620.0	49.4	NULL	NULL	NULL	70.0

Source: LSEG Workspace, J.P. Morgan estimates (17 April 2026); current prices as of 17 April 2026 closing

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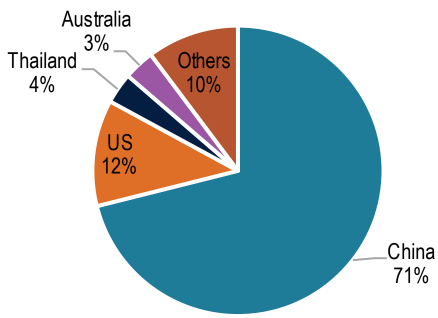
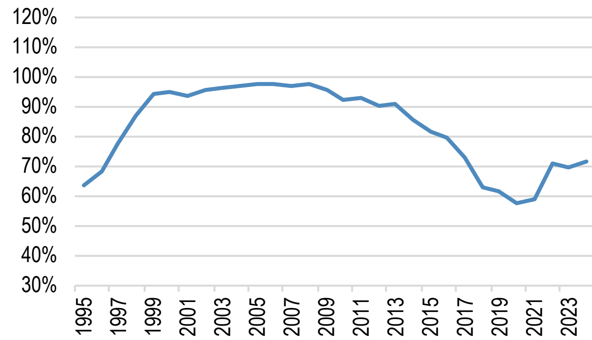
Key charts in focus

Figure 2: Global rare earths supply breakdown in 2024



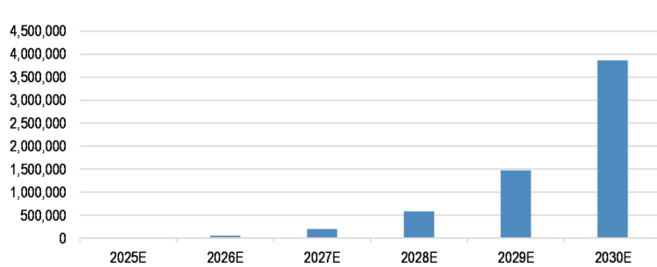
Source: Wind (20 April 2026).

Figure 3: China's share in global rare earth supply



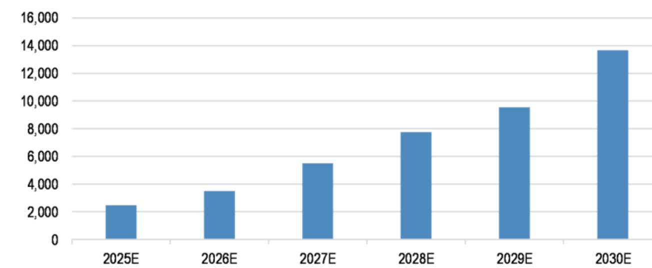
Source: Wind (20 April 2026)

Figure 4: China inference token demand (annual)



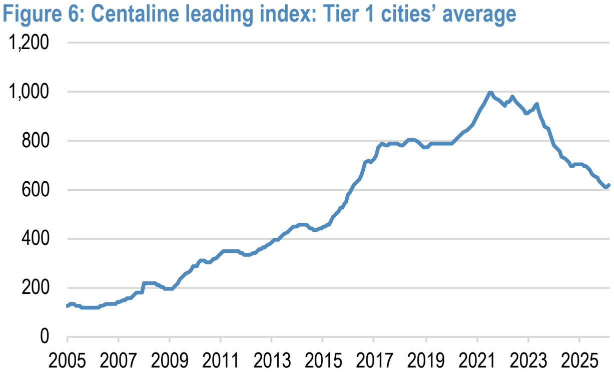
Source: National Data Administration (24 Mar 2026), J.P. Morgan estimates.

Figure 5: Incremental AI chip demand (annual basis)



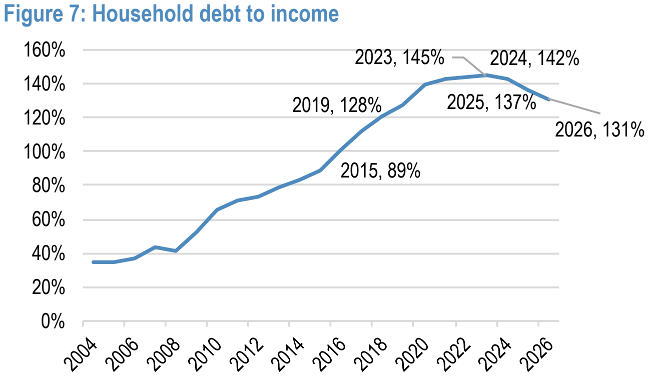
Source: J.P. Morgan estimates.

Figure 6: Centaline leading index: Tier 1 cities' average



Source: Wind (20 April 2026).

Figure 7: Household debt to income



Source: Wind (20 April 2026), J.P. Morgan estimates (2026 number is estimated).

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Thematic positioning on the potential Trump-Xi summit

What is the trading pattern for Trump-Xi summits?

Historically, China equities have tended to **firm into Trump-Xi summits and soften afterward**: On average, MXCN and CSI300 have risen 3-4% in the month ahead, signaling a pre-event risk-on bid. Post-meeting, performance has been modestly weaker, with MXCN and CSI300 down 1-2% on average in the following month, while sector returns have also skewed negative. It appears that the market has tended to price in incremental de-escalation and policy progress ahead of summits, then shift focus towards implementation risk and renewed headline volatility once the event passes. As for Trump's May 14 visit, we would expect a supportive tactical run but would be cautious about chasing strength into the date.

Table 1: Market performance: 1M before Trump-Xi summit

unit: %	Mar-17	Oct-17	Nov-18	May-19	Nov-19	Sep-25	**Avg.**
	Apr-17	Nov-17	Dec-18	Jun-19	Dec-19	Oct-25	
MXCN	4	3	7	6	8	(1)	**4**
HSI	3	2	6	4	6	(1)	**3**
HSCEI	1	1	5	4	5	(1)	**3**
CSI300	2	6	1	4	4	2	**3**
CSI500	1	(1)	2	(0)	8	0	**2**
CSI1000	(1)	(3)	6	(1)	8	(0)	**1**
MXCN sector							
Consumer Discretionary	6	(3)	(3)	11	8	(4)	**2**
Communication Services	2	2	6	7	11	(3)	**4**
Financials	(0)	2	3	5	5	5	**3**
Information Technology	5	6	6	4	13	(10)	**4**
Industrials	2	(0)	5	4	6	(0)	**3**
Consumer Staples	(3)	4	0	5	1	(5)	**0**
Health Care	5	6	2	(2)	(2)	(11)	**(0)**
Real Estate	9	(4)	6	8	13	(10)	**4**
Materials	(1)	(4)	2	6	12	5	**3**
Utilities	2	2	8	6	1	5	**4**
Energy	4	5	(1)	(0)	3	9	**3**

Source: J.P. Morgan. Note: Past performance is not an indicator of future results

Table 2: Market performance: 1M after Trump-Xi summit

unit: %	Apr-17	Nov-17	Dec-18	Jun-19	Dec-19	Oct-25	**Avg.**
	May-17	Dec-17	Dec-18	Jul-19	Jan-20	Nov-25	
MXCN	0	(3)	(6)	1	7	(5)	**(1)**
HSI	0	(1)	(2)	(1)	5	(2)	**(0)**
HSCEI	(4)	(3)	(5)	(0)	5	(3)	**(2)**
CSI300	(3)	(1)	(5)	1	4	(5)	**(2)**
CSI500	(7)	(5)	(5)	(2)	7	(6)	**(3)**
CSI1000	(10)	(7)	(5)	(3)	8	(3)	**(3)**
MXCN sector							
Consumer Discretionary	4	(4)	(11)	4	8	(8)	**(1)**
Communication Services	(2)	(5)	(3)	1	8	(6)	**(1)**
Financials	(2)	(2)	(4)	(1)	1	1	**(1)**
Information Technology	6	(1)	(10)	4	9	(9)	**(0)**
Industrials	(4)	(5)	(4)	(2)	4	(2)	**(2)**
Consumer Staples	(5)	(2)	(2)	2	4	0	**(0)**
Health Care	(1)	0	(20)	6	6	3	**(1)**
Real Estate	(6)	(4)	(1)	(2)	4	2	**(1)**
Materials	(9)	(2)	(6)	(3)	8	(2)	**(3)**
Utilities	(5)	(6)	(2)	2	2	(0)	**(2)**
Energy	(7)	(5)	(10)	(2)	6	2	**(3)**

Source: J.P. Morgan. Note: Past performance is not an indicator of future results

US-China 1-year trade truce key points

At end-October 2025, the US and China reached the Busan Agreement, a one-year trade truce effective on 10 November 2025. Based on the agreement, China agreed to lift certain rare earths export restrictions, halt the flow of precursors used to make fentanyl to the US, and purchase US soybeans, among others. Meanwhile, the US rolled back some tariffs on Chinese goods, extended the expiration of certain Section 301 tariff exclusion, and suspended tariff actions on maritime, logistics, and shipbuilding from the Section-301 investigation.

Following the US Supreme Court ruling in February that struck down IEEPA tariffs, the US imposed a 10% global tariff under Section 122 (effective US tariff on China currently c22%, per JPM Greater China Economics team estimates). That said, the USTR (US Trade Representative) has initiated a new Section 301 trade investigation related to structural excess capacity and production against 16 trade partners. The USITC (US International Trade Commission) also undertook a new Section 332 investigation examining Chinese state support and pricing practices in the biotech sector on 26 February 2026. Follow-up public comment-gathering, hearings and final reports may result in headline risk for Chinese exporters implicated, particularly in the targeted industries, e.g., semiconductors, shipbuilding, renewables, transportation equipment, materials, industrial robots, and biotech.

Latest news on the Trump-Xi summit

Ahead of the potential 2026 US-China leaders' summit in Beijing on May 14-15 according to the White House, US Trade Representative Jamieson Greer has taken a cautious, tightly managed approach per The Star's report: he ruled out an in-person pre-summit trip to Beijing, opting for virtual working-level talks instead, and confirmed he would join President Trump for the summit. Preparatory talks have already occurred, including Greer's meeting with Chinese Commerce Minister Wang Wentao at the WTO Ministerial Conference, and discussions between Vice-Premier He Lifeng's delegation and US Treasury Secretary Scott Bessent.

According to the report, negotiators have agreed on a framework for a "Board of Trade" to oversee a "managed trade" system of reciprocal equal-value goods purchases.

- **The US prioritizing reducing the bilateral trade deficit, securing permanent rare earths supply assurances from China, and addressing narrow, specific investment barriers for US firms while maintaining existing tariffs**.
- **The summit will exclude broad bilateral investment expansion**, highly contentious geopolitical issues, and full tariff rollbacks, as the US prioritizes national security and avoids premature investment liberalization, while both sides aim to keep the most conflict-ridden topics out of the leaders' meeting.

Under this scenario, we see China rare earths names getting continued support on global demand. Our screen on China rare earths names is in Figure 8, based on free-float market cap > US$2bn.

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Figure 8: Stock screen on Chinese rare earths producers, with free-float market cap >US$2bn

RIC Code	Security Name	Industry	CSI-300 constituent	FFL market cap (US$ bn)	3m ADT (US$ mn)	Current price (LCU)	2026 P/B (x)	2026 P/E (x)	2026 EPS y-y (%)	2027 EPS y-y (%)	P/E percentile rank in history (%)
600111.SH	Northern Rare Earth	Rare earth mining	Y	15.2	950	49	6.44	51.7	53	23	60
600010.SH	Inner Mongolia Baotou Steel	Rare earth mining	Y	8.4	553	3	2.34	39.4	547	25	59
600549.SH	Xiamen Tungsten	Rare earth mining		8.1	645	63	5.01	28.6	51	13	53
000831.SZ	China Rare Earth	Rare earth mining		4.9	346	52	10.16	82.9	99	40	96
600392.SH	Shenghe Resources	Rare earth mining		4.5	365	26	4.46	41.3	19	10	41
600259.SH	China Rare Earth Nonferrous Metals	Rare earth mining		2.9	200	97	N/A	N/A	N/A	N/A	61
300748.SZ	JI Mag Rare-Earth	Rare earth permanent Magnet		3.0	215	33	5.51	45.9	40	27	41
002340.SZ	GEM	Rare earth recycle		5.8	292	8	N/A	18.7	40	53	31

Source: Wind, LSEG Workspace (17 April 2026); current prices as of 17 April 2026 closing

Meanwhile, regarding the point of further reducing trade deficit, clients we spoke with wonder if there can be more purchases of US soybean, protein (pork, beef, poultry), Boeing aircraft, and chips. If those turn out to be the case:

- On continuous purchase of soybean, China has already agreed to buy 25mn metric tons annually over 2026-28 (vs over 110mn metric tons total consumption in 2025). Although Chinese soy sauce companies use domestic non-genetic modified soybeans, while US imports are genetic modified, there can still be indirect benefit on soy sauce companies' cost structure if we see more soybean imports, in our view. Our screen on Chinese soy sauce producers with market cap >US$2bn is in Figure 9.
- On purchase of pork, beef, poultry, we believe that as the domestic hog industry itself is struggling with destocking still, more imported protein, in particular if at competitive price, may prolong the domestic hog industry's bottoming process on the margin. That said, as US pork price of over US$0.9/pound or Rmb13.5/kg is higher than the cRmb10-11/kg pork price domestically, we do not see immediate pressure from US competition on Chinese hog names. Our screen on China protein names is in Figure 10, with market cap > US$2bn.
- On Boeing aircraft, with Bloomberg news noting the possibility as well, we don't see similar pressure on the domestic COMAC aircraft supply chain, as 1) there has been an order backlog of at least three years for Boeing/Airbus according to local news, and 2) the 15th Five Year Plan's target on COMAC aircraft is very clear, including domestic engine adoption to surpass 90% by 2030 for commercial aircraft, and COMAC to deliver 200 aircraft per year by then.
- On chips, China has been urging domestic tech firms to reduce reliance on NVIDIA AI chips in the past few years (per Bloomberg news), and Chinese chipmakers claim nearly half of local market as NVIDIA's lead shrinks according to Reuters. JPM China Technology team believes the trend will continue.
    - Iluvatar CoreX: With NVIDIA GPU supply shrouded in uncertainty, JPM believes availability of foundry service rather than chip performance is the key bottleneck, especially for tier-2 domestic AI chip suppliers. Iluvatar CoreX's product portfolio is designed to leverage foundry services from both local and international providers, and hence JPM expects the company to achieve more design wins from top Chinese CSPs given its sufficient supply. Moreover, Iluvatar CoreX's customer-optimized products are suitable for prefill-decode (P/D) disaggregation infrastructure, which can greatly improve inference efficiency. JPM models a 102% 2026-28E sales CAGR and forecast Iluvatar CoreX to be profitable by 2027.

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- NAURA: NAURA is the largest WFE supplier in China and ranked number six globally. We expect the company to be a top beneficiary of better-than-feared China semiconductor capex and continuous localization trends (especially for advanced logic capacity). We believe NAURA's market share could double to c.20% in China by 2027, and we model a 29% sales and a 40% earnings CAGR over 2025-27E.

Figure 9: Stock screen on Chinese soy sauce producers, with free-float market cap >US$2bn

RIC Code	Security Name	Industry	CSI-300 constituent	FFL market cap (US$ bn)	3m ADT (US$ mn)	Current price (LCU)	2026 P/B (x)	2026 P/E (x)	2026 EPS y-y (%)	2027 EPS y-y (%)	P/E percentile rank in history (%)
603288.SH	Haitian Flavouring	Condiment	Y	8	113	40	5.30	29.8	11	10	22
600872.SH	Jonjee Hi-Tech	Condiment		2	30	20	2.41	23.2	20	14	13
603027.SH	Qianhe Condiment	Condiment		1	23	9	3.23	24.5	27	16	24

Source: Wind, LSEG Workspace (17 April 2026); current prices as of 17 April 2026 closing

Figure 10: Stock screen on domestic protein producers, with free-float market cap >US$2bn

RIC Code	Security Name	Industry	CSI-300 constituent	FFL market cap (US$ bn)	3m ADT (US$ mn)	Current price (LCU)	2026 P/B (x)	2026 P/E (x)	2026 EPS y-y (%)	2027 EPS y-y (%)	P/E percentile rank in history (%)
002714.SZ	Muyuan Foods Co Ltd	Livestock breeding	Y	15.1	325	46	2.88	21.8	-22	133	35
300498.SZ	Wens Foodstuff Group Co Ltd	Livestock breeding	Y	11.7	126	17	2.09	12.0	79	41	60
000895.SZ	Henan Shuanghui Investment & Development	Livestock breeding	Y	4.1	45	28	4.46	18.2	6	4	52
000876.SZ	New Hope Liuhe Co Ltd	Livestock breeding	Y	2.3	46	9	1.59	32.2	102	42	89

Source: Wind, LSEG Workspace (17 April 2026); current prices as of 17 April 2026 closing

Figure 11: JPM top picks on AI ecosystem

Ticker	Name	GICS Industry	Analyst	JPM rating	FFL market cap (US$ bn)	3m ADT (US$ mn)	Current price (LCU)	Price Target (LCU)	Up/down -side vs PT	FTM PE (x)	LTM ROA (%)	LTM ROE (%)	14d RSI
300308.SZ	Zhongji Innolight	Information Technology	Billy Feng	OW	101.4	2,774.6	851.0	430.0	-49.5	27.4	36.8	53.1	86.2
002371.SZ	NAURA	Information Technology	Billy Feng	OW	27.3	521.5	469.9	610.0	29.8	32.9	NULL	NULL	55.8
688012.SS	AMEC	Information Technology	Billy Feng	OW	20.7	508.0	314.0	400.0	27.4	54.8	7.4	10.0	54.0
603501.SS	OmniVision	Information Technology	Billy Feng	OW	10.0	239.2	93.0	155.0	66.6	22.2	9.8	15.4	34.5
2513.HK	Zhipu AI	Information Technology	Olivia Xu	OW	9.9	199.4	891.0	950.0	6.6	NULL	NULL	NULL	57.7
000977.SZ	Ieit Systems	Information Technology	Billy Feng	OW	9.8	451.0	68.2	85.0	24.6	26.1	3.1	11.6	78.3
0100.HK	Minimax	Information Technology	Olivia Xu	OW	4.4	202.1	859.0	1,100.0	28.1	NULL	NULL	NULL	35.2
603296.SS	Huaqin Technology	Information Technology	Cherry Liu	OW	4.1	154.2	97.4	135.0	38.6	17.5	4.8	16.8	72.7
9903.HK	Iluvatar CoreX	Information Technology	Billy Feng	OW	2.0	38.0	415.0	620.0	49.4	NULL	NULL	NULL	70.0

Source: Wind, LSEG Workspace, J.P. Morgan estimates (17 April 2026); current prices as of 17 April 2026 closing

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Figure 12: Stock screen on A-share AI capex cycle, with free-float market cap > US$5bn

RIC Code	Security Name	Industry	CSI-300 constituent	FFL market cap (US$ bn)	3m ADT (US$ mn)	Current price (LCU)	2026 P/B (x)	2026 P/E (x)	2026 EPS y-y (%)	2027 EPS y-y (%)	P/E percentile rank in history (%)
688802.SH	Metax Integrated Circuits (Shanghai) Co., Ltd.	AI chip		27	138	721	32.11	4,543.2	108	1,576	N/A
688256.SH	Cambricon Technologies Corporation Limited	AI chip	Y	38	1,340	1,334	37.54	112.1	144	75	19
688041.SH	Hygon Information Technology Co., Ltd.	AI chip	Y	31	864	260	22.18	132.1	80	45	89
603501.SH	OmniVision Integrated Circuits Group, Inc.	AI chip	Y	10	239	93	3.58	23.2	25	24	3
601138.SH	Foxconn Industrial Internet Co.,Ltd.	AI server	Y	29	1,205	61	5.71	20.0	72	29	93
603019.SH	Dawning Information Industry Co.,Ltd	AI server	Y	15	510	90	5.28	44.4	36	21	40
000977.SZ	Ieit Systems Co., Ltd.	AI server	Y	10	451	68	3.98	28.5	45	35	37
000938.SZ	Unisplendour Corporation Limited	AI server	Y	8	322	28	5.01	33.0	42	26	49
300308.SZ	Zhongji Innolight Co., Ltd.	CPO	Y	101	2,775	851	18.33	39.7	121	49	59
300502.SZ	Eoptolink Technology Inc.,Ltd.	CPO	Y	71	2,623	589	17.26	33.7	86	31	80
300394.SZ	Suzhou Tfc Optical Communication Co.,Ltd	CPO	Y	24	1,765	379	36.07	91.1	60	29	100
000988.SZ	Huagong Tech Company Limited	CPO		16	1,328	117	8.66	51.3	56	24	82
688498.SH	Yuanjie Semiconductor Technology Co., Ltd.	CPO		12	474	1,445	47.53	327.6	99	56	80
002837.SZ	Shenzhen Envicool Technology Co., Ltd.	IDC & liquid cooling		9	679	111	24.42	97.3	72	64	100
603986.SH	Gigadevice Semiconductor Inc.	Memory	Y	25	1,333	289	9.58	66.4	85	24	75
688008.SH	Montage Technology Co.,Ltd.	Memory	Y	23	987	151	11.09	57.3	44	29	56
301308.SZ	Shenzhen Longsys Electronics Co., Ltd.	Memory		8	766	371	14.68	53.4	106	24	94
002463.SZ	WUS Printed Circuit (Kunshan) Co.,Ltd.	PCB	Y	19	928	98	9.63	33.8	46	45	89
600183.SH	Shengyi Technology Co.,Ltd.	PCB	Y	13	446	69	8.18	30.9	63	37	94
002916.SZ	Shennan Circuits Co.,Ltd.	PCB	Y	10	399	283	8.99	37.4	57	34	94
601600.SH	Aluminum Corporation of China Limited	Upstream materials	Y	14	717	13	2.39	10.8	59	12	21
000630.SZ	Tongling Nonferrous Metals Group Co.,Ltd.	Upstream materials	Y	7	510	6	2.07	17.0	55	13	79
600219.SH	Shandong Nanshan Aluminium Co., Ltd.	Upstream materials	Y	6	324	6	1.35	13.1	18	21	40
600362.SH	Jiangxi Copper Company Limited	Upstream materials	Y	6	401	47	1.77	12.8	77	8	60

Source: Wind, LSEG Workspace (17 April 2026); current prices as of 17 April 2026 closing

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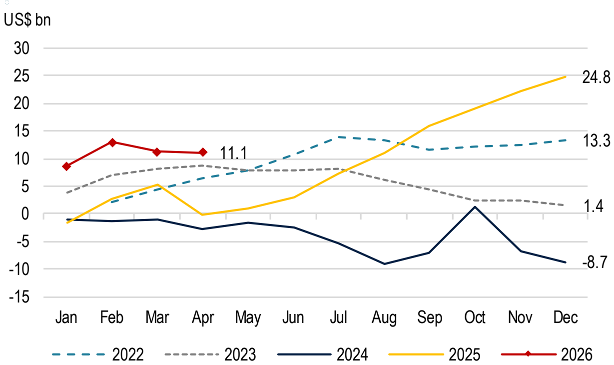
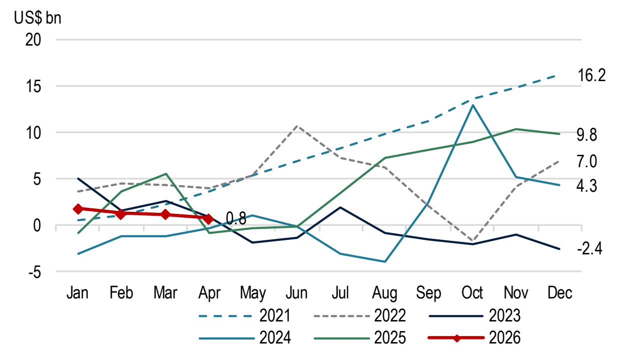
Flows

Figure 13: EPFR stock barometer tracked cumulative offshore fund flows into China equities YTD



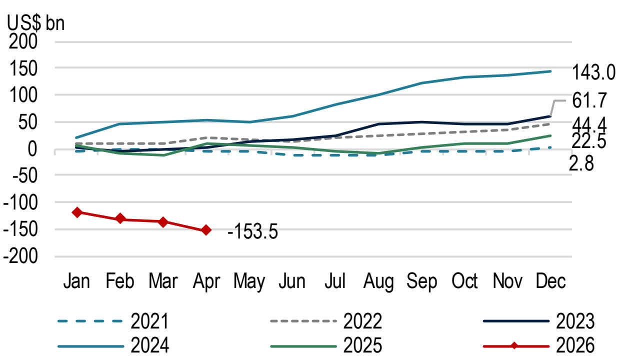
Source: Wind (17 April 2026).

Figure 14: 87 offshore listed China ETFs' cumulative net fund flow YTD



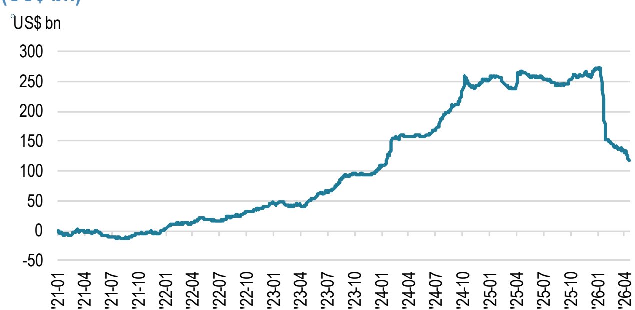
Source: Wind (20 April 2026).

Figure 15: 800-plus A-share ETFs' cumulative net fund flow YTD



Source: Wind (20 April 2026).

Figure 16: Cumulative A-share ETF net flows since January 2021 (US$ bn)



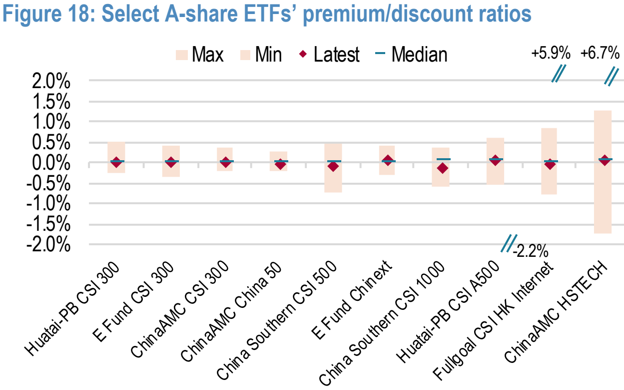
Source: Wind (20 April 2026).

Figure 17: 800-plus A-share ETFs' net flow by key benchmark

Inflows in (Rmb bn)	18 Dec 2023 - 9 Feb 2024		19 Feb 2024 - 9 Jan 2026		MTD		13-20 April	
ETFs by benchmark index	Total	Daily Avg	Total	Daily Avg	Total	Daily Avg	Total	Daily Avg
CSI300	254.3	6.7	356.7	0.8	-15.0	-1.2	-7.3	-1.2
SSE50 + A50	35.1	0.9	30.0	0.1	-1.3	-0.1	-2.3	-0.4
A500	0.0	0.0	204.9	0.4	-20.1	-1.5	-6.4	-1.1
CSI500	32.5	0.9	31.6	0.1	-0.3	0.0	-7.9	-1.3
CSI1000	29.8	0.8	58.0	0.1	-4.1	-0.3	-8.5	-1.4
CSI2000	6.2	0.2	-5.4	0.0	0.1	0.0	-0.4	-0.1
Chinext	24.6	0.6	-15.1	0.0	-12.5	-1.0	-2.4	-0.4
STAR	9.4	0.2	-71.0	-0.2	-11.0	-0.8	-4.4	-0.7
Yield	12.0	0.3	56.8	0.1	5.4	0.4	0.7	0.1
Consumers	-2.4	-0.1	32.9	0.1	-1.1	-0.1	-0.3	-0.1
Semis	-1.3	0.0	-42.8	-0.1	-6.5	-0.5	-3.7	-0.6
Other-tech	0.7	0.0	34.6	0.1	-8.6	-0.7	-2.7	-0.4
Rest	-0.6	0.0	171.4	0.4	-34.9	-2.7	-18.1	-3.0
TOTAL	**400.3**	**10.5**	**842.6**	**1.8**	**-109.9**	**-8.5**	**-63.9**	**-10.7**

Source: Wind (20 April 2026).

Figure 18: Select A-share ETFs' premium/discount ratios



Source: Wind (20 April 2026).

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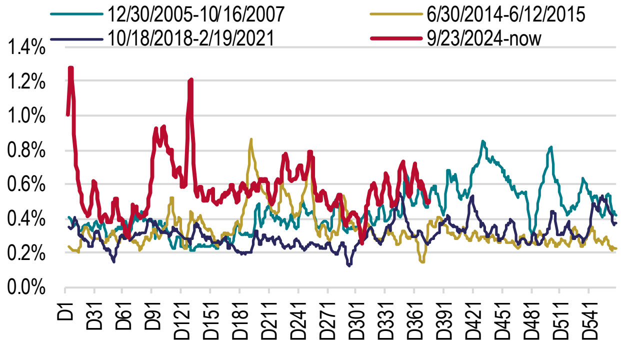
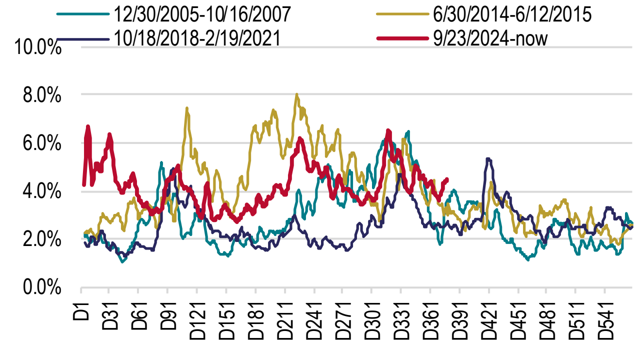
Figure 19: HK velocity



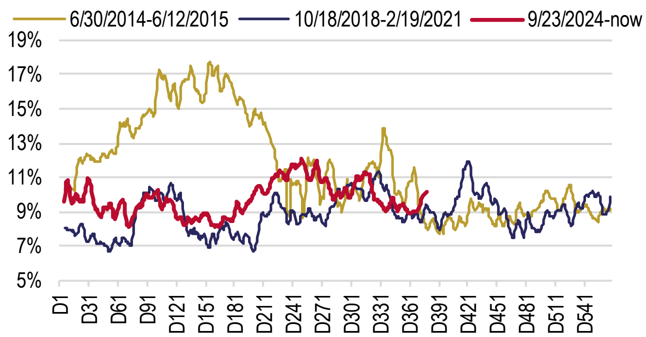
Source: Wind (20 April 2026). Calculated using value traded/total market cap.

Figure 20: A-share velocity



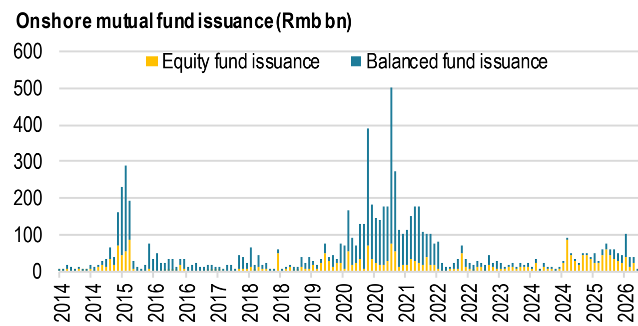
Source: Wind (20 April 2026). Calculated using value traded/free-float market cap.

Figure 21: A-share margin financing buy as a % of turnover



Source: Wind (20 April 2026).

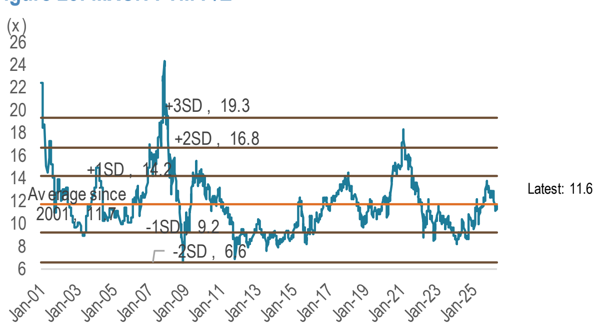
Figure 22: A-share margin financing buy as a % of turnover



Source: Wind (20 April 2026).

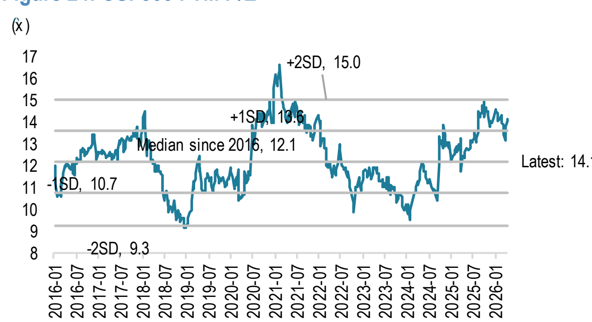
Valuation and earnings

Figure 23: MXCN FTM P/E



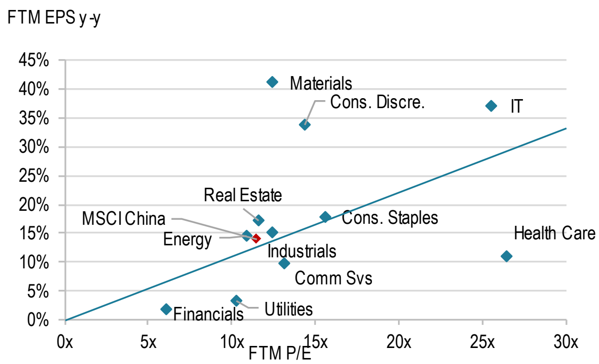
Source: Wind (20 Apr 2026).

Figure 24: CSI-300 FTM P/E



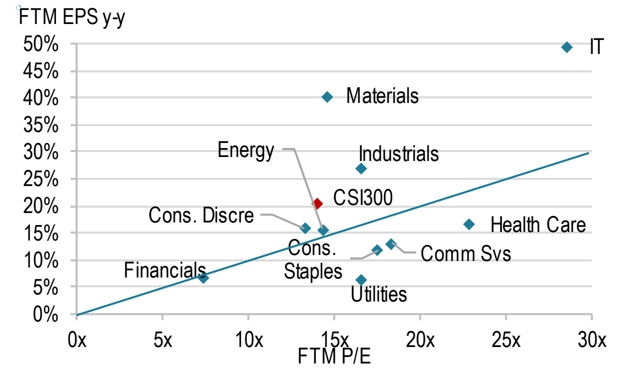
Source: Wind (20 Apr 2026).

Figure 25: MXCN FTM P/E-EPS by sector



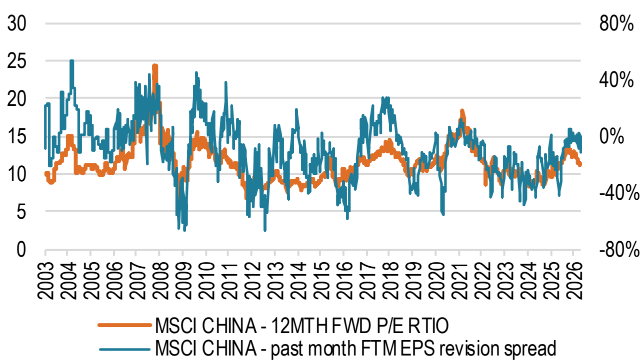
Source: LSEG Workspace (20 Apr 2026).

Figure 26: CSI-300 MXCN FTM P/E-EPS by sector



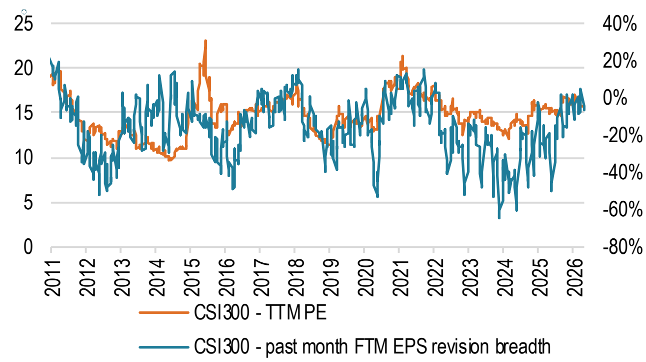
Source: Wind (20 Apr 2026).

Figure 27: MXCN EPS revision breadth



Source: Wind (20 Apr 2026).

Figure 28: CSI-300 EPS revision breadth



Source: Wind (20 Apr 2026).

Figure 29: MXCN EPS YTD revision by sector

	2025 EPS growth	2026 EPS growth	2027 EPS growth	2026 EPS growth vs 2025 EPS growth	2026 EPS growth revision	2026 EPS integer revision
Communication Services	14%	9%	12%	-5%	-3.1%	-2.1%
Consumer Discretionary	-32%	32%	36%	64%	-5.0%	-13.2%
Consumer Staples	-7%	19%	12%	27%	7.8%	-4.7%
Energy	-16%	21%	1%	37%	16.5%	15.1%
Financials	8%	0%	6%	-8%	0.1%	4.4%
Health Care	78%	6%	21%	-71%	1.7%	4.1%
Industrials	-8%	18%	10%	27%	10.3%	-2.6%
IT	62%	35%	36%	-26%	1.4%	-24.5%
Materials	33%	64%	9%	32%	41.2%	20.2%
Utilities	3%	3%	7%	0%	-4.0%	-6.0%
Real Estate	-24%	21%	10%	45%	-10.3%	-4.9%
MXCN	**-2%**	**13.2%**	**14.9%**	**15%**	**0.5%**	**-2.8%**

Source: LSEG Workspace (20 Apr 2026).

Figure 30: CSI-300 EPS YTD revision by sector

	2025 EPS growth	2026 EPS growth	2027 EPS growth	2026 EPS growth vs 2025 EPS growth	2026 EPS growth revision	2026 EPS integer revision
Communication Services	5%	10%	7%	4%	3.7%	0.1%
Consumer Discretionary	1%	17%	14%	16%	-14.4%	-20.2%
Consumer Staples	-8%	9%	17%	17%	-18.0%	-17.1%
Energy	-17%	22%	6%	38%	-24.4%	-12.4%
Financials	8%	5%	7%	-3%	2.5%	-5.6%
Health Care	4%	15%	16%	11%	-6.3%	-14.9%
Industrials	6%	34%	17%	28%	-18.2%	-25.7%
IT	39%	61%	35%	22%	-4.4%	-36.4%
Materials	45%	59%	17%	14%	20.9%	-20.8%
Utilities	0%	6%	7%	7%	-7.0%	-10.0%
Real Estate	-111%	80%	43%	190%	-23.2%	-3875.1%
CSI300	**7%**	**23.4%**	**14.1%**	**17%**	**-7.9%**	**-18.5%**

Source: Wind (20 Apr 2026).