GS Asia Industrials | Turbines, Shipbuilding & Elon Musk

31 August 2026 | 7:04 AM China Standard Time



Ron Port
(GS) (GS) GOLDMAN SACHS (ASIA) L.L.C.
FICC & Equities

GS Asia Industrials | Today...

Asian Leaders conference Monday-Wednesday this week. Please let us know if we can help and if you want to join meetups.

1.Results:

BYD (BUY): EBIT beat consensus by 19.5% but the company capitalized a higher percentage of R&D in the quarter so it's not a clean like for like number. Net income beat consensus by 3% yoy but again there were RMB2.8bn FX losses and RMB0.5bn "other investment losses" in the quarter and it's unclear how much of that was in the consensus numbers. Revenues were 8% below consensus driven by lower automobile sales. While export growth was strong in the quarter, domestic is still tough. July export growth started very strong for BYD with 124% growth yoy and the new model portfolio with the Blade 2 battery is ramping up this quarter as well. Q2 was likely the earnings trough for the stock. GIR Tina Hou sees 47% upside for the H-shares (link)

Sany Heavy (Neutral): Q2 revenues were 4% ahead of GSe, EBIT was up 31%, 8% ahead of GSe. Piling machinery grew 90% yoy, excavators +39% and cranes +6%. Road machinery was the only business that declined yoy in Q2. GIR Nick Zheng report (link)

Sungrow Power (Neutral): Net income fell 32% yoy for H1/26 after 40% drop in Q1/26. Overseas sales accounted for 73% of revenues in H1/26 which faces mounting trade barriers in the US and EU. (link)

2.Elon Musk. Two tweets on the weekend from Elon Musk are very relevant for Asian industrials. He announced that SpaceX is going to produce nat gas turbine blades inhouse which helps bring forward turbine delivery by up to 18 months. SpaceX has extensive experience producing heat and corrosion resistant turbine blades for their Raptor rocket engines. **It's**

unclear from his tweet as to which turbine maker could benefit from better blade deliveries, worth keeping an eye on this (MHI/Siemens/GEV)

In his second tweet, he said that roughly 15GW of compute produced in 2027 cannot come online due to lack of power. That is quite a lot of Nvidia chips and high bandwidth memory going to sit in storage/inventory. If Elon Musk is correct, then is there really a shortage of memory and **do power supply and optical stocks get the expected orders in 2027 if 15GW of AI compute sits in storage?**





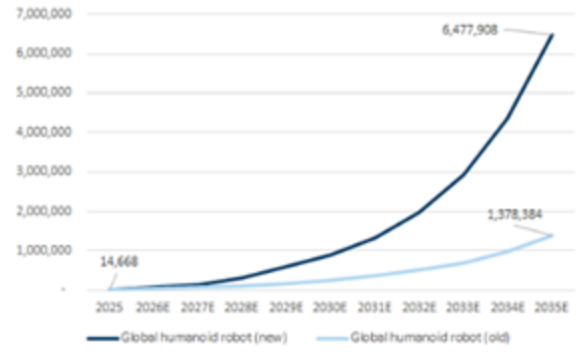
3.Shipping. Transport secretary Sean Duffy tweeted on the weekend that the US gov is fast tracking the construction of **nuclear- powered cargo ships**. The US Navy has decades of producing small scale nuclear reactors for submarines and aircraft carriers. He said those new vessels could be up to 75% faster than fuel oil powered vessels. This could be very disruptive for the shipbuilding and shipping industry. **Faster journey times means fewer vessels are needed. It also means less business for Asian shipbuilders.**



4.New Humanoid Robot report (link). We are significantly raising our demand forecasts for the humanoid robot market. We raise our 2035 unit sales forecast to 6.48 mn units from 1.38 mn units previously. We project the market size will reach $138 bn (approximately ¥22 tn) in 2035, compared to our previous estimate of around ¥6 tn. Please see report for best ideas to benefit from the trend.

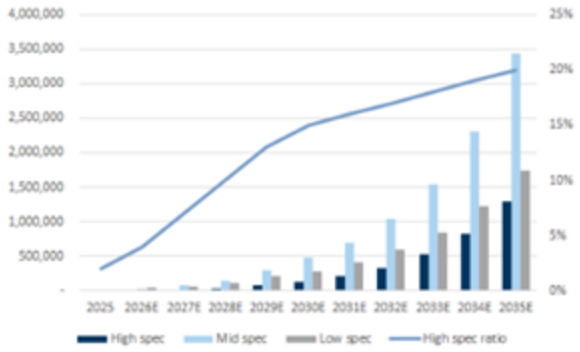
GS offers an Asian Humanoid Robot basket to investors Ticker GSXACHUM

Exhibit 1: High growth potential but also high uncertainty
Humanoid robot market outlook



Source: Company data, Goldman Sachs Global Investment Research

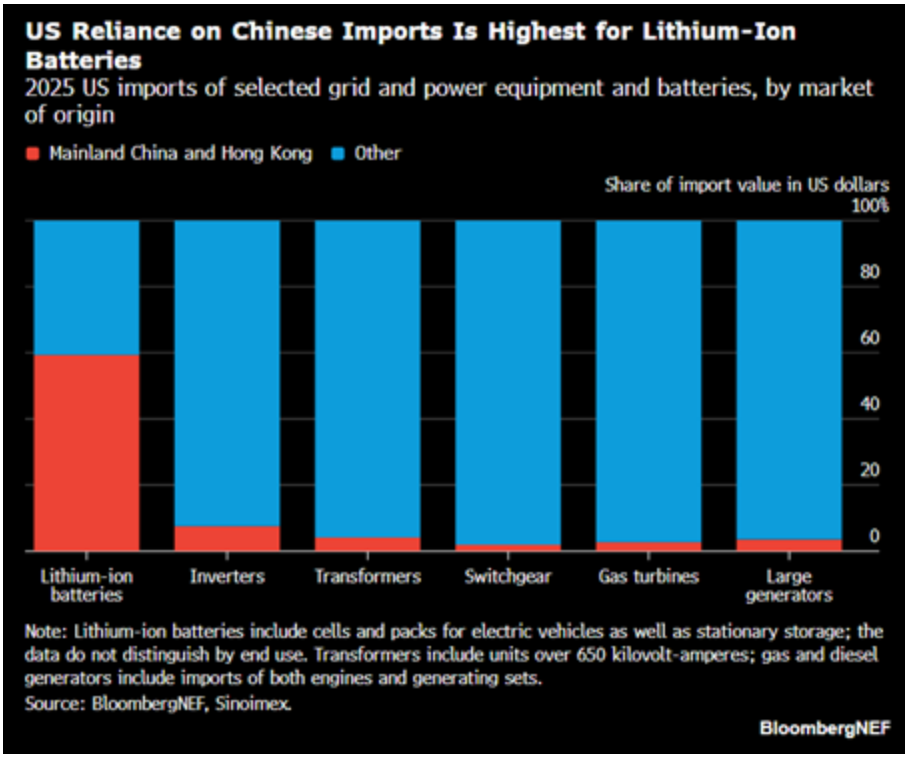
Exhibit 2: Higher spec
Humanoid robot spec mix

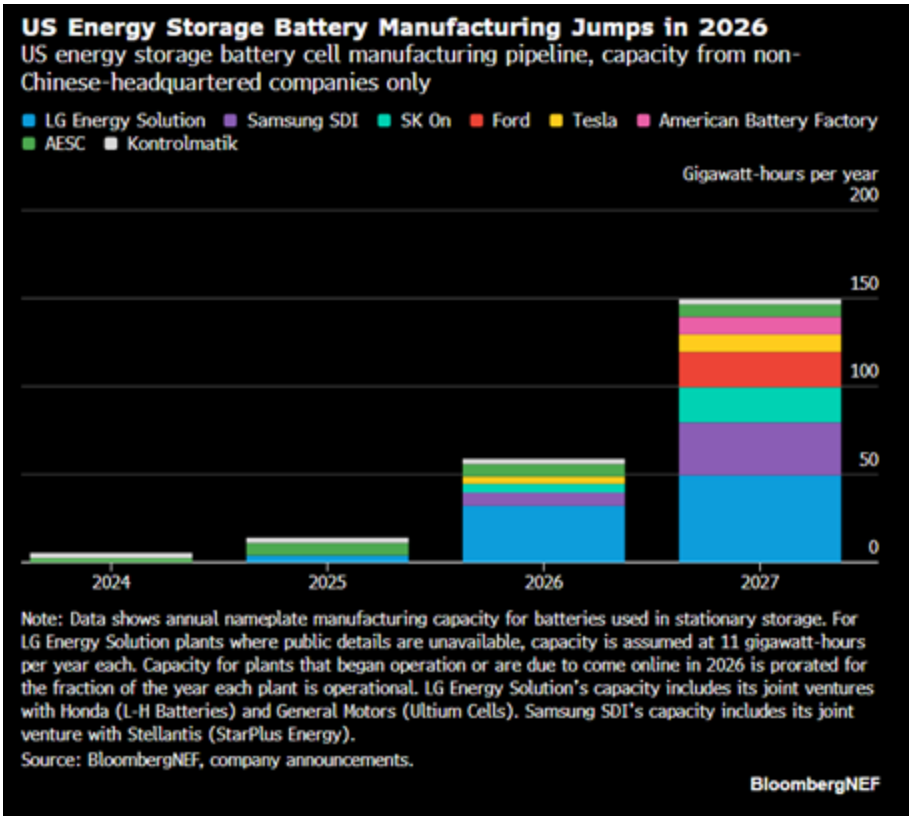


Source: Company data, Goldman Sachs Global Investment Research

5.US Grid and Power Equipment Ban Hits Batteries Hardest (link). Energy storage batteries are likely to be hit hardest by new US restrictions on foreign grid and power equipment, given the country's heavy reliance on Chinese battery imports. Inverters are also exposed, while transformers, switchgear, gas turbines and large generators appear less vulnerable because supply is sourced mainly from domestic or non-Chinese manufacturers.

The White House issued an executive order on Aug. 26 prohibiting certain acquisitions, imports, transfers and installations of bulk-power-system (or transmission-connected) electrical equipment linked to covered foreign entities (CFEs) and deemed to pose a national security threat. The definition most relevantly captures companies owned or controlled by, or subject to the jurisdiction of, mainland China or Hong Kong.





6.Movers. GAC rallied into results on Friday. Electrical equipment stocks continued to slump after US executive order that bans imports of certain data center components.

Company	Change
GAC (H)	7.9%
TCL Zhonghuan	6.9%
GCL Technology Holdings	6.0%
Fositek	5.4%
L&F	4.6%
Mitsubishi Motors	3.9%
GAC (A)	3.7%
Weichai Power (H)	3.7%
Mitsui E&S Co.	3.6%
Shenzhen SC New Energy	3.6%

Company	Change
Sieyuan Electric	-6.7%
Furukawa Electric	-4.5%
Kematek	-4.5%
Airtac International	-4.4%
Shenzhen Kstar	-4.0%
Sumitomo Electric	-3.3%
Suzhou Maxwell Tech	-3.3%
Desay SV	-3.3%
Bharat Dynamics	-3.2%
Fuji Electric Co.	-2.9%

Source: GS GBM, Bloomberg as of 28/8/26. Past performance is not indicative of future results

7.Upcoming GS Access & Events

Asia Pacific Calls



3-7 Sept – Global Mobility Tech Asia Trip (IP/Jiaxing, Ningbo, Beijing, Seoul).

Companies: Minth, Geely Auto , HL Mando , Toyota Motor , Hyundai Motor , KIA, Hyundai Mobis

Reach out to your GS rep to register interest.

Mon Sep 14 @ 9:00pm HKT / 11:00pm AEST - Expert Call: VDC800 Datacenter Technology

Herve Tardy, Former VP of Marketing & Strategy at Critical Power & Digital Infrastructure Division at Eaton Corporation. Moderated by Daniela Costa and Joe Ritchie. Register Here

Tue Nov 10 @ 12am HKT / 3am AEDT - Fireside Chat with Rheinmetall CEO

Armin Papperger, CEO, Rheinmetall. Register Here

