

HKEX: Establishing two international offices to reach overseas investors

DIGITAL ENGAGEMENT TEAM

25 MAY 2022

TRADING MATTERS SERIES: STOCK HIGHLIGHT

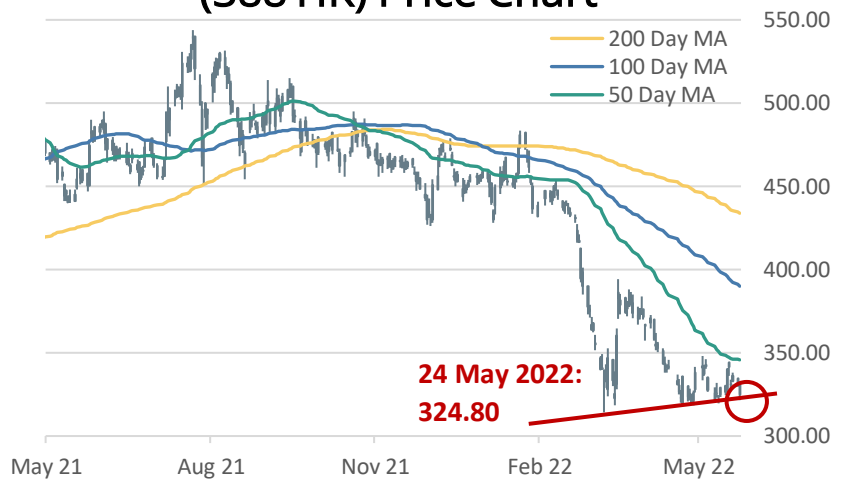
Features a single stock and zooms in on its performance in the market

KEY METRICS	
Current Price	324.80
Latest Dividend	4.18
Dividend Ex-Date	9/3/2022
Indicated Dividend Yield	2.73%
14 Day RSI	42.43
Analysts 12M Target Price	417.54

REFINITIV STOCKREPORTS+ AVERAGE SCORE
4/10 As of 25 May 2022

Refer to page 3 for indicator components

Hong Kong Exchanges & Clearing (388 HK) Price Chart



Any red lines drawn on the price charts are trendlines, which are visual representations of support & resistance levels. They are drawn by connecting a series of prices together to help indicate the data's best fit or the presence of any trend over a time frame, and are for illustration purposes only.

As of 24 May 2022 closing

KEY MARKET EVENTS

- 31 May China Manufacturing PMI (May)
- 01 Jun US Manufacturing PMI (May)
- 02 Jun China/HK Dragon Boat Festival
- 07 Jun US Trade Balance (May)
- 09 Jun China Trade Balance (May)

Hang Seng Index Price Chart



As of 24 May 2022 closing

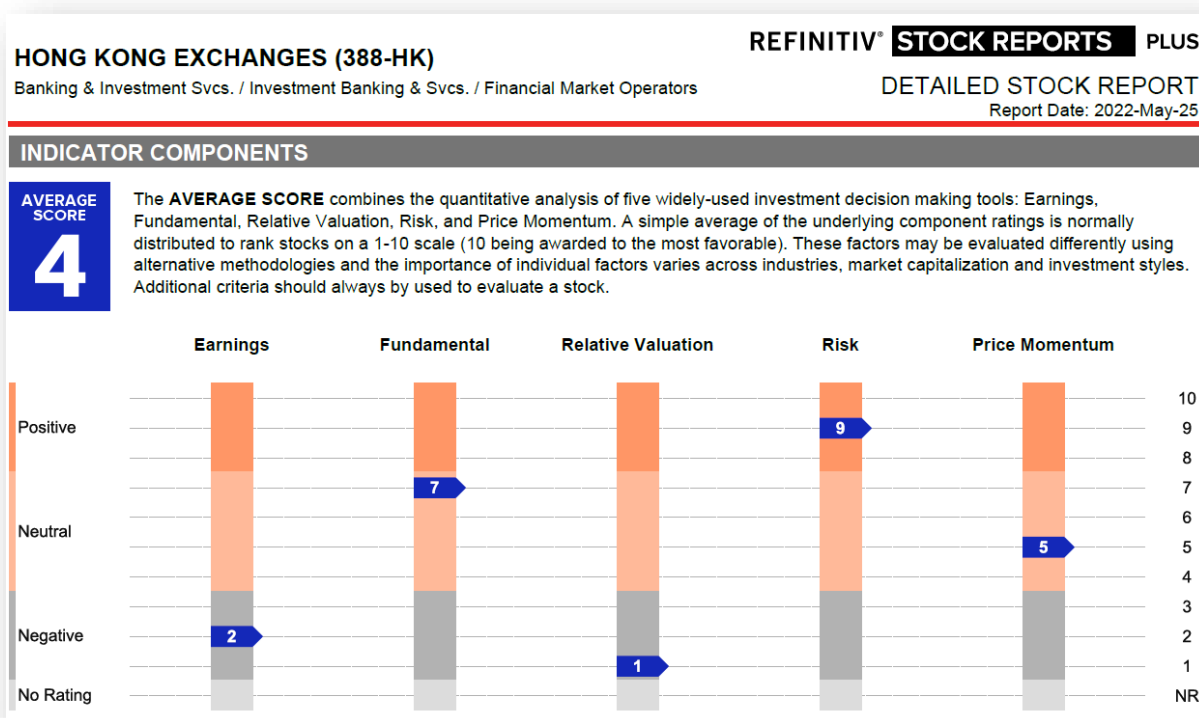
Headline News & Information

- Hong Kong Exchanges and Clearing Limited provides financial services. The company offers securities trading, clearing, settlement and depository, and market data services. Hong Kong Exchanges and Clearing serves customers worldwide (Bloomberg)
- HKEX to set up two overseas offices in US, Europe to attract more global IPOs, investment, CEO Aguzin says (23 May 2022, SCMP)
 - Hong Kong Exchanges and Clearing (HKEX), which operates Asia's third-largest stock market, will establish two international offices over the next year to reach out to more overseas investors and market the city as a fundraising destination, according to its chief executive
 - Hong Kong has been a successful fundraising platform for mainland Chinese companies. Some 1,370 mainland firms are listed there, representing 78% of the market capitalisation
 - The potential "mass delisting" of mainland companies in the US could help Hong Kong's capital market get a boost, Financial Secretary Paul Chan Mo-po said at a seminar organised in Mar 2022
- IPO drought places HKEX among world's worst-performing bourses (26 Apr 2022, Bloomberg)
 - HKEX is among the worst-performing listed bourses worldwide this year as China's extended corporate clampdown and pandemic-related woes have caused large initial public offerings to disappear
 - Hong Kong hasn't hosted any IPO larger than \$1 billion so far this year
 - Overall proceeds in the Asian financial hub have slumped, with most newcomers plunging below the listing price after they debuted
 - Losses in Chinese stocks have deepened this year as strict lockdowns add to persistent worries over regulation and rising global interest rates

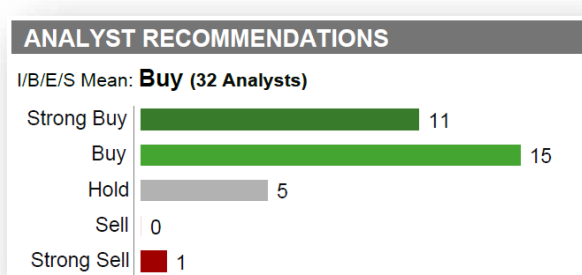
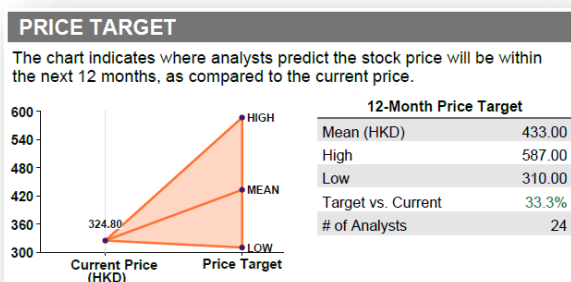
TRADING FLOWS	RESISTANCE LEVELS	SUPPORT LEVELS
• Shares fell 4.5% in the past 5 days and are down 3.2% in the past 30 days	<ul style="list-style-type: none"> • 345.50 (50 Day MA) • 385.00 (Mar 2022) • 430.00 (Feb 2022) 	<ul style="list-style-type: none"> • 290.00 (Jun 2020) • 250.00 (May 2020) • 200.00 (Mar 2020)

Fundamental Viewpoint

An Extract from STOCKREPORTS+



Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 25 May 2022

HK Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS													Currency in HKD	
Average Score	Ticker	PRICE MOMENTUM				VALUATION			FUNDAMENTAL		ANALYSTS			
		Price (2022-05-24)	1-Mo Return	3-Mo Return	1-Yr Return	Market Cap	Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean	# of Analysts	
4	388	324.80	-3.2%	-17.7%	-27.9%	426.0B	33.5	33.4	2.7%	60.6%	7.4%	Buy	31	
4	1821	22.80	-7.7%	-5.0%	-7.5%	102.9B	26.4	18.9	--	85.8%	18.4%	Buy	8	
5	6030	15.64	-8.2%	-17.7%	-22.4%	42.3B	7.9	8.1	3.1%	23.5%	10.1%	Buy	13	
7	3908	14.02	-14.0%	-27.0%	-32.1%	27.7B	5.7	5.3	1.6%	25.1%	19.9%	Buy	17	
4	412	0.90	2.3%	11.1%	87.5%	21.4B	--	--	--	-27.8%	--	--	--	
5	6837	5.33	-7.1%	-22.1%	-26.0%	18.4B	4.7	5.5	5.6%	23.4%	7.4%	Hold	13	
5	6886	10.14	-8.8%	-21.8%	-10.7%	17.9B	6.0	5.7	4.8%	27.6%	10.1%	Buy	13	
8	1359	1.28	-3.8%	-9.2%	-21.0%	17.5B	3.8	3.3	9.7%	18.2%	--	Hold	4	
6	1776	9.75	-4.0%	-17.1%	-10.1%	17.1B	6.0	6.3	6.2%	28.4%	15.3%	Buy	10	
9	6881	4.14	-8.6%	-8.6%	-13.8%	15.3B	3.6	4.0	6.3%	23.1%	9.4%	Buy	11	
9	2270	1.10	-0.9%	0.0%	--	675M	12.5	--	--	13.2%	--	--	--	
6	Average	37.26	-5.8%	-12.3%	-8.4%	64.3B	11.0	10.0	5.0%	27.4%	12.2%	Buy	13.3	

PEER COMPANIES			
1359	China Cinda Asset Management	412	China Shandong Hi-Speed
1776	GF Securities Co	6030	CITIC Securities Co
1821	ESR Cayman	6837	Haitong Securities Co
2270	Desun Real Estate Investment	6881	China Galaxy Securities Co
3908	China International Capital	6886	Huatai Securities Co

Source: REFINITIV STOCKREPORTS+, extracted 25 May 2022

Global Peer Analysis (Bloomberg)

Ticker	Name	Mkt Cap (USD) (Millions)	Last Px	P/E	P/E 5Yr Avg	P/B	P/B 5Yr Avg	Indicated Yield (%)
Average		20,611	290.86	24.80	28.33	4.42	5.03	2.19
HONG KONG								
388 HK	EXCHANGES & CLEAR	52,461	324.80	36.13	44.86	8.76	11.72	2.73
CME US	CME GROUP INC	68,865	191.60	28.85	36.15	2.48	2.84	2.09
NDAQ US	NASDAQ INC	24,325	147.71	22.99	27.66	4.04	4.75	1.62
B3 SA-BRASIL BOLSA								
B3SA3 BZ	BALCAO	15,325	12.10	16.11	19.82	3.33	3.97	1.08
COINBASE GLOBAL								
COIN US	INC -CLASS A	14,675	66.10	4.45	N/A	2.25	N/A	N/A
CBOE GLOBAL								
CBOE US	MARKETS INC	11,430	107.64	19.86	24.43	3.20	3.57	1.78
ASX AU	ASX LTD	11,286	82.50	32.63	32.04	4.23	4.22	2.76
JAPAN EXCHANGE								
8697 JP	GROUP INC	7,935	1,911.50	20.26	26.19	3.19	4.34	2.72
SINGAPORE								
SGX SP	EXCHANGE LTD	7,754	9.80	24.75	22.40	7.42	7.90	3.27
TADAWULG SAUDI TADAWUL								
AB	GROUP HOLDING	6,661	208.20	45.65	N/A	7.73	N/A	1.44
X CN	TMX GROUP LTD	6,004	137.55	21.08	21.42	1.98	1.98	2.41

Source: Bloomberg, extracted 24 May 2022 closing

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