

# China/HK Market: Will China's Fourth Plenary Session set the path for HSI?

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TRADING MATTERS SERIES:  
NEWS FOCUS

*The summary and impact of  
a major news event*

The Communist Party of China's 20<sup>th</sup> Central Committee will hold its fourth plenary session in Beijing on 20 – 23 October 2025, focusing on the economic and social development plan for 2026–2030.<sup>1</sup> The Political Bureau will present its work report and review proposals for the 15th Five-Year Plan, outlining key goals for the next five years.<sup>1</sup> The session is expected to announce changes to the Central Committee's composition, with at least five members set to be replaced by alternate members, making this a crucial event for both policy direction and party leadership.<sup>1</sup>

## Topics that are likely to be covered

- **Balancing stability and challenges:** Strategies to strengthen economic recovery while addressing risks. Although analysts have urged for increased government intervention, Chinese policymakers have proactively raised this year's budget deficit to a record level to shield the economy from the impacts of Donald Trump's trade war.<sup>1,3</sup>
- **Adjusting economic policy:** In response to trade tensions and tariff uncertainties, China is boosting domestic consumption to reduce export reliance.<sup>3</sup> Beijing may accept growth below the original 5% target but could introduce targeted stimulus if growth falls too short.<sup>3, 11</sup>
- **Promoting technological self-reliance:** Launched in 2015, Made in China 2025 outlined China's industrial goals. Now, China focuses on AI, green energy, and self-reliance, but US export restrictions on high-end tech, especially semiconductors, have disrupted progress. In response, trade tensions and supply chain risks have strengthened China's push for independent supply chains and full technological self-sufficiency.<sup>4</sup>
- **Managing economic risks:** Effectively managing risks related to local government debt and enhancing the attractiveness and inclusiveness of China's capital markets.<sup>3</sup>

## Potential impact on the China/HK stock market

Policy shifts and announcements during and after the Plenary Session are likely to trigger market volatility as the financial markets respond to new directions.<sup>5</sup> To stabilise the market and enhance investor confidence, state asset regulators may direct central government-owned companies to increase stock holdings and conduct **share buybacks**.<sup>6</sup> Historically, Plenary meetings often lead to government-led initiatives aimed at stabilising the broader economy.<sup>7</sup>

Fiscal policy decisions during these sessions impact infrastructure and development projects, influencing bank loan volumes and overall financial health.<sup>8</sup> **Chinese bank stocks** often reflect such government actions.<sup>8</sup> For example, state-owned banks play a key role in stimulus packages like the RMB 800 billion plan expected in late 2024, benefiting from lending facilities that boost market liquidity and sentiment.<sup>9</sup> Seen as safe, high-yield assets amid pressure on property and riskier stocks, major state-owned banks often outperform during economic uncertainty, signalling both investor caution and government confidence.<sup>8</sup>

Currently, the Hang Seng Index (HSI) is positioned for further gains within an ongoing rally.<sup>10</sup> Since June 2025, the index has consistently traded within an upward channel, with pullbacks finding support at the 50-day simple moving average, highlighting a robust medium-term uptrend. The next significant resistance level lies between 29,500 and 30,000 points, where the index is expected to challenge its April 2021 highs. Traders may wish to maintain their holdings in Hong Kong stocks and **potentially taking advantage during price dips** for medium-to long-term growth.



# Hong Kong

Below are the stocks based on either Total Value of Share Buybacks or Market Cap

Ticker	Name	Tot Val Sh Repurch T12M	Market Cap	Price [HKD]	Analysts' Consensus 12M Target Price [HKD]	Potential returns from Analyst Consensus	Dividend Yield
Top 10 Stocks with the Highest Total Value of Share Buybacks Over the Trailing 12 Months							
700 HK	TENCENT HOLDINGS LTD	171.87B	6.01T	644.00	702.59	9.10%	0.69%
9988 HK	ALIBABA GROUP HOLDING LTD	57.12B	3.28T	166.50	180.73	8.54%	0.60%
945 HK	MANULIFE FINANCIAL CORP	4.62B	409.01B	238.20	268.65	12.78%	4.11%
9999 HK	NETEASE INC	2.80B	738.31B	230.40	249.73	8.39%	1.94%
2888 HK	STANDARD CHARTERED PLC	2.51B	346.19B	146.70	151.32	3.15%	2.08%
1299 HK	AIA GROUP LTD	2.46B	769.97B	71.70	89.86	25.33%	2.46%
9987 HK	YUM CHINA HOLDINGS INC	752.58M	123.71B	335.40	453.21	35.13%	2.21%
823 HK	LINK REIT	574.33M	102.42B	39.74	47.64	19.88%	6.87%
9618 HK	JD.COM INC	80.70M	396.46B	132.50	168.90	27.47%	2.85%
662 HK	ASIA FINANCIAL HLDGS LTD	14.81M	3.93B	4.25	N/A	N/A	3.65%

Ticker	Name	Market Cap	Price [HKD]	Earning Announcement Date	Analysts' Consensus 12M Target Price [HKD]	Potential returns from Analyst Consensus	Dividend Yield
Top 10 stocks in the Banking Sector							
1288 HK	AGRI BANK OF CHINA	2.46T	5.20	30/10/2025	6.04	16.07%	4.96%
939 HK	CHINA CONSTRUCTION BANK	1.99T	7.38	30/10/2025	9.18	24.46%	5.68%
3988 HK	BANK OF CHINA LTD	1.72T	4.20	30/10/2025	5.43	29.27%	5.67%
1658 HK	POSTAL SAVING BANK CHINA	758.24B	5.40	30/10/2025	6.00	11.07%	4.70%
3328 HK	BANK OF COMMUNICATIONS	627.73B	6.59	30/10/2025	7.70	16.83%	5.78%
998 HK	CHINA CITIC BANK CORP	428.83B	6.73	30/10/2025	8.27	22.92%	5.86%
2388 HK	BOC HONG KONG HOLDINGS	386.33B	36.72	26/03/2026	39.58	7.80%	0.79%
267 HK	CITIC LTD	324.07B	11.16	30/03/2026	13.39	20.00%	5.51%
11 HK	HANG SENG BANK LTD	222.98B	118.20	20/02/2026	108.62	-8.10%	5.90%
2016 HK	CHINA ZHESHANG BANK CO	85.86B	2.60	30/10/2025	3.06	17.82%	6.61%

Top 20 Hang Seng Index Stocks							
700 HK	TENCENT HOLDINGS LTD	6.01T	644.00	13/11/2025	702.59	9.10%	0.69%
9988 HK	ALIBABA GROUP HOLDING	3.28T	166.50	14/11/2025	180.73	8.54%	0.60%
1398 HK	IND & COMM BK OF CHINA	2.67T	5.70	30/10/2025	7.20	26.39%	5.39%
939 HK	CHINA CONSTRUCTION BANK	1.99T	7.38	30/10/2025	9.18	24.46%	5.68%
941 HK	CHINA MOBILE LTD	1.86T	85.00	21/10/2025	105.10	23.65%	6.18%
5 HK	HSBC HOLDINGS PLC	1.87T	106.70	28/10/2025	108.56	1.74%	4.74%
3988 HK	BANK OF CHINA LTD	1.72T	4.20	30/10/2025	5.43	29.27%	5.67%
857 HK	PETROCHINA CO LTD	1.60T	7.11	30/10/2025	8.50	19.51%	7.16%
1810 HK	XIAOMI CORP-CLASS B	1.42T	54.65	14/11/2025	66.54	21.75%	N/A
3968 HK	CHINA MERCHANTS BANK	1.13T	45.68	29/10/2025	55.45	21.40%	4.76%
2318 HK	PING AN INSURANCE GROUP	1.03T	52.40	28/10/2025	70.58	34.70%	5.31%
2628 HK	CHINA LIFE INSURANCE CO	1.03T	21.24	30/10/2025	26.82	26.26%	3.53%
1211 HK	BYD CO LTD	1.03T	106.50	30/10/2025	135.50	27.23%	1.34%
883 HK	CNOOC LTD	944.09B	19.12	28/10/2025	23.00	20.30%	7.22%
1088 HK	CHINA SHENHUA ENERGY	820.36B	36.94	27/10/2025	34.97	-5.32%	2.87%
2899 HK	ZIJIN MINING GROUP	810.01B	30.38	17/10/2025	30.77	1.27%	1.74%
1299 HK	AIA GROUP LTD	769.97B	71.70	16/03/2026	89.86	25.33%	2.46%
9999 HK	NETEASE INC	738.31B	230.40	14/11/2025	249.73	8.39%	1.94
981 HK	SEMICON MANUFACTURING	736.63B	72.95	07/11/2025	55.63	-23.74%	N/A
386 HK	CHINA PETROLEUM & CHEM	665.77B	4.07	28/10/2025	4.85	19.08%	6.11%

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