

# BYD: US\$1.78b share placement after its earnings release

DIGITAL ENGAGEMENT TEAM

05 NOVEMBER 2021

## TRADING MATTERS SERIES: STOCK HIGHLIGHT

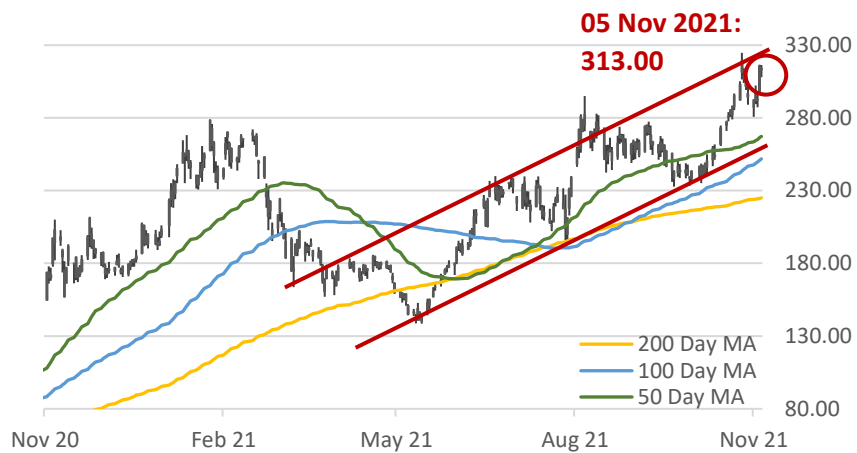
Features a single stock and zooms in on its performance in the market

KEY METRICS	
Current Price	313.00
Latest Dividend	0.15
Dividend Ex-Date	10/6/2021
Indicated Dividend Yield	0.06%
RSI	65.44
Analysts 12M Target Price	344.57

REFINITIV STOCKREPORTS+ AVERAGE SCORE
<b>6/10</b> As of 05 Nov 2021

Refer to page 3 for indicator components

### BYD Co (1211 HK) Price Chart



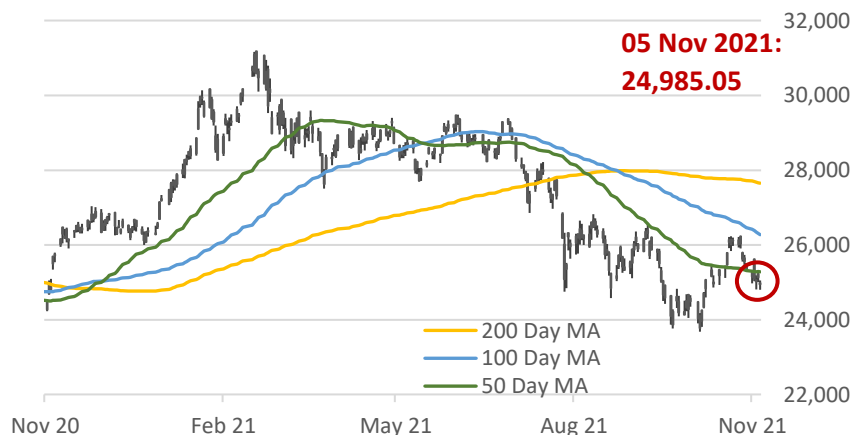
Any red lines drawn on the price charts are trendlines, which are visual representations of support & resistance levels. They are drawn by connecting a series of prices together to help indicate the data's best fit or the presence of any trend over a time frame, and are for illustration purposes only.

As of 05 Nov 2021 midday closing

### KEY MARKET EVENTS

- 05 Nov** US Nonfarm Payrolls (Oct)
- 10 Nov** US/China CPI Releases (Oct)
- 16 Nov** China Industrial Production (Oct)
- 22 Nov** China Loan Prime Rate Release (Nov)
- 25-26 Nov** US Thanksgiving Holidays

### Hang Seng Index Price Chart



As of 05 Nov 2021 midday closing

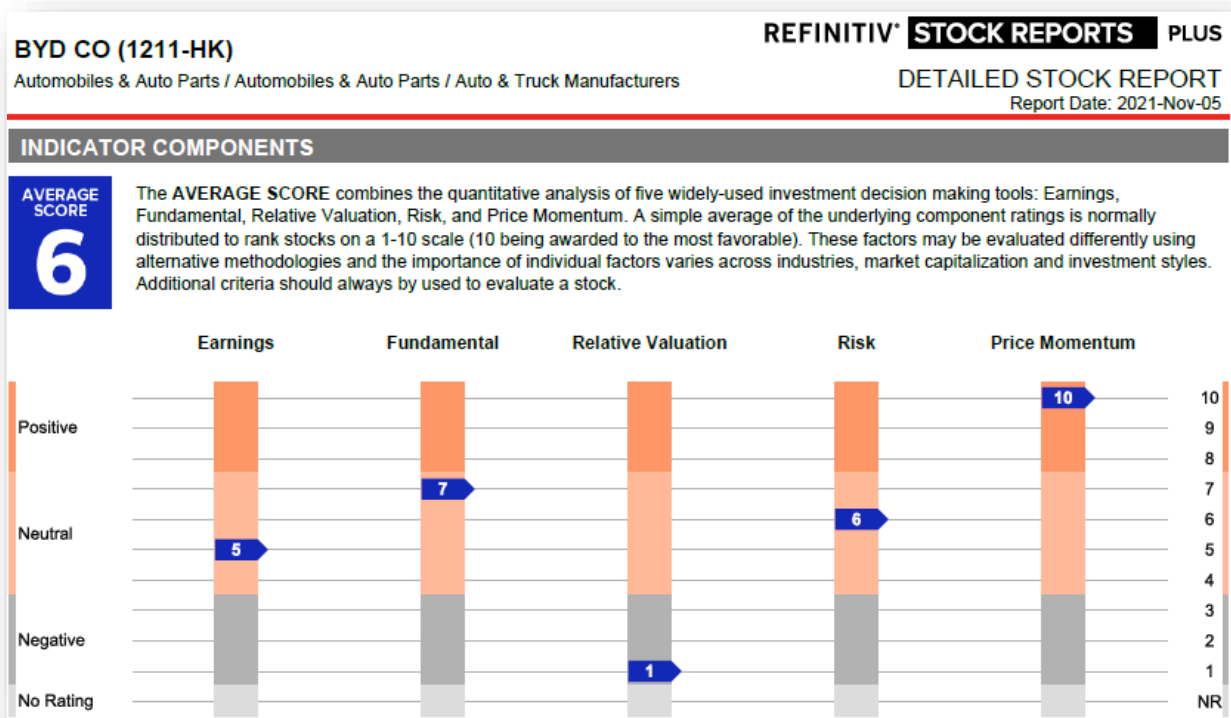
## Headline News & Information

- BYD Company Limited manufactures automotive products. The Company produces ordinary passenger cars, commercial vehicles, and other products. BYD also operates battery making, rail transportation construction, and other businesses (Bloomberg)
- Chinese Carmaker BYD Raises US\$1.78 Billion in Share Placement (30 Oct 2021, Bloomberg)
  - The Shenzhen-based company sold 50 million H-shares at HK\$276 (US\$35.50) each, a 6.9% discount to its closing price on 29 Oct 2021
  - The carmaker backed by Warren Buffett is the top gainer in the Hang Seng Index in October, rising 22%
  - Proceeds will be used to supplement working capital, repay debt, and for research and development
- Buffett-Backed BYD's Profit Drops 28% as Chip Shortage Bites (28 Oct 2021, Business Insider)
  - Net income dropped 28% to 1.27 billion yuan (US\$199 million) in the three months ended 30 Sep 2021 from a year earlier. Revenue stood at 54 billion yuan
  - BYD's automobile manufacturing business was hit by the global chip shortage that has hobbled carmakers around the world. The supply crunch will likely continue into 2022, though the shortage may become less severe than what was seen in the past summer, according to Bosch China Investment
  - Founded in 1995, BYD has grown into one of China's largest EV and battery producers, riding a wave of demand for cleaner-energy vehicles stimulated by government plans to reduce carbon emissions. The company sold 445,963 cars in the nine months through September, with about half of them hybrid or pure-electric vehicles

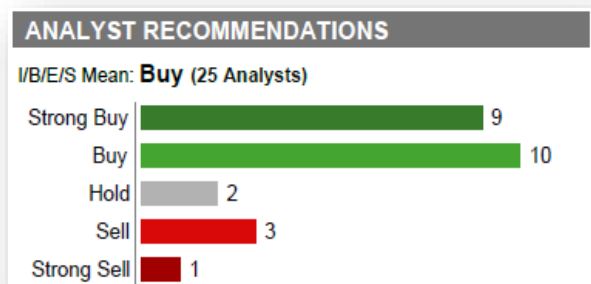
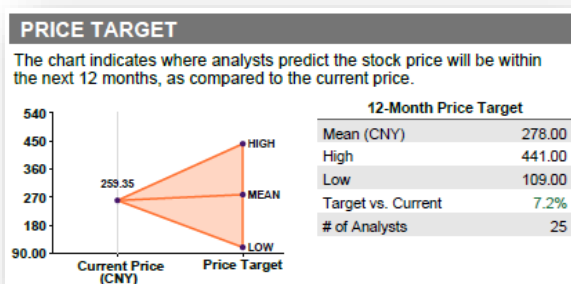
TRADING FLOWS	RESISTANCE LEVELS	SUPPORT LEVELS
<ul style="list-style-type: none"> <li>• Shares rose 5.5% in the past 5 days and are up 27% in the past 30 days</li> </ul>	<ul style="list-style-type: none"> <li>• 324.60 (26 Oct 2021)</li> <li>• 344.57 (Analysts' Consensus 12M Target Price)</li> </ul>	<ul style="list-style-type: none"> <li>• 278.40 (25 Jan 2021)</li> <li>• 267.32 (50 Day MA)</li> <li>• 232.60 (21 Sep 2021)</li> </ul>

# Fundamental Viewpoint

## An Extract from STOCKREPORTS+



## Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 05 Nov 2021

# HK Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS												Currency in HKD
Average Score	Ticker	PRICE MOMENTUM				VALUATION			FUNDAMENTAL		ANALYSTS	
		Price (2021-11-04)	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
6	1211	315.60	30.5%	12.5%	85.6%	310.8B	176.4	163.4	0.1%	2.0%	9.0% Buy	24
5	175	26.20	19.1%	-7.1%	33.1%	265.7B	38.5	28.6	0.8%	5.4%	27.9% Buy	27
6	2015	122.90	21.7%	--	--	224.3B	--	--	--	-4.6%	-- Strong Buy	4
4	2333	34.20	22.4%	-5.5%	145.7%	108.8B	47.6	30.6	1.4%	6.0%	32.7% Buy	33
5	1585	13.84	8.5%	-3.8%	30.8%	40.1B	34.7	23.9	1.4%	4.8%	-- Strong Buy	8
7	2238	7.42	8.3%	7.2%	-11.4%	22.8B	10.5	7.9	3.3%	11.1%	18.1% Buy	26
8	489	7.28	7.2%	1.1%	27.1%	20.8B	4.8	4.1	1.5%	12.9%	11.6% Buy	17
7	1958	2.78	1.8%	-3.1%	-7.0%	6.5B	9.5	5.0	3.4%	2.0%	32.0% Hold	19
9	1122	1.71	6.2%	6.2%	19.6%	2.2B	11.6	--	6.9%	6.2%	--	--
9	422	0.26	2.0%	0.0%	18.2%	236M	--	--	--	-3.6%	--	--
9	1872	0.19	12.4%	24.8%	59.2%	179M	9.4	--	--	4.1%	--	--
6.8	Average	48.40	12.7%	3.2%	40.1%	91.1B	38.1	37.6	2.3%	4.2%	21.9% Buy	19.8

PEER COMPANIES			
1122	Qingling Motors Co	2015	Li Auto Inc
1585	Yadea Group Holdings	2238	Guangzhou Automobile Group Co
175	Geely Automobile Holdings	2333	Great Wall Motor Co
1872	Guan Chao Holdings	422	Vietnam Manufacturing
1958	BAIC Motor Corp	489	Dongfeng Motor Group Co

Source: REFINITIV STOCKREPORTS+, extracted 05 Nov 2021

# 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 (%)
<b>Average</b>		<b>60,419</b>	<b>20686.00</b>	<b>37.90</b>	<b>33.79</b>	<b>4.05</b>	<b>3.52</b>	<b>1.82</b>
1211 HK	BYD CO LTD-H	132,532	313.00	227.49	127.20	8.93	6.43	0.06
VOW GR	VOLKSWAGEN AG	145,114	293.60	8.26	11.62	1.17	1.00	1.63
BMW GR	BAYERISCHE MOTOREN WERKE AG	67,502	89.87	5.02	8.80	0.83	0.80	2.11
6971 JP	KYOCERA CORP	23,829	7,171.00	20.14	25.95	0.96	0.95	2.51
MM IN	MAHINDRA & MAHINDRA LTD	14,565	872.85	28.93	16.56	2.33	1.88	1.00
005380 KS	HYUNDAI MOTOR CO	38,788	215,000	9.56	25.16	0.60	0.53	1.86
DAI GR	DAIMLER AG-REGISTERED SHARES	107,157	86.72	6.97		1.26	1.07	1.56
200625 CH	CHONGQING CHANGAN AUTOMOBILI-B	21,548	5.21	11.50	9.26	0.59	0.55	5.07
7267 JP	HONDA MOTOR CO LTD	54,435	3,415.00	6.14	13.72	0.63	0.60	3.22
RACE US	FERRARI NV	47,388	257.33	58.02	59.94	21.02	18.59	0.41
300408 CH	CHAOZHOU THREE-CIRCLE GROU-A	11,751	41.40	34.91	39.65	6.26	6.29	0.60

Source: Bloomberg, extracted 05 Nov 2021 midday closing

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