

Baidu: China granted licenses to charge fees for self-driving taxis

DIGITAL ENGAGEMENT TEAM

02 DECEMBER 2021

TRADING MATTERS SERIES: STOCK HIGHLIGHT

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

KEY METRICS	
Current Price	146.40
Latest Dividend	N/A
Dividend Ex-Date	N/A
Indicated Dividend Yield	N/A
RSI	42.12
Analysts 12M Target Price	219.91

REFINITIV STOCKREPORTS+ AVERAGE SCORE
6/10 As of 02 Dec 2021

Refer to page 3 for indicator components

Baidu Inc (9888 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 02 Dec 2021 midday closing

KEY MARKET EVENTS

- 03 Dec** US Nonfarm Payrolls
- 06 Dec** China Trade Balance (Nov)
- 08 Dec** China CPI Releases (Nov)
- 14 Dec** China Industrial Production (Nov)
- 15 Dec** US Fed FOMC Interest Rate Decision

Hang Seng Index Price Chart



As of 02 Dec 2021 midday closing

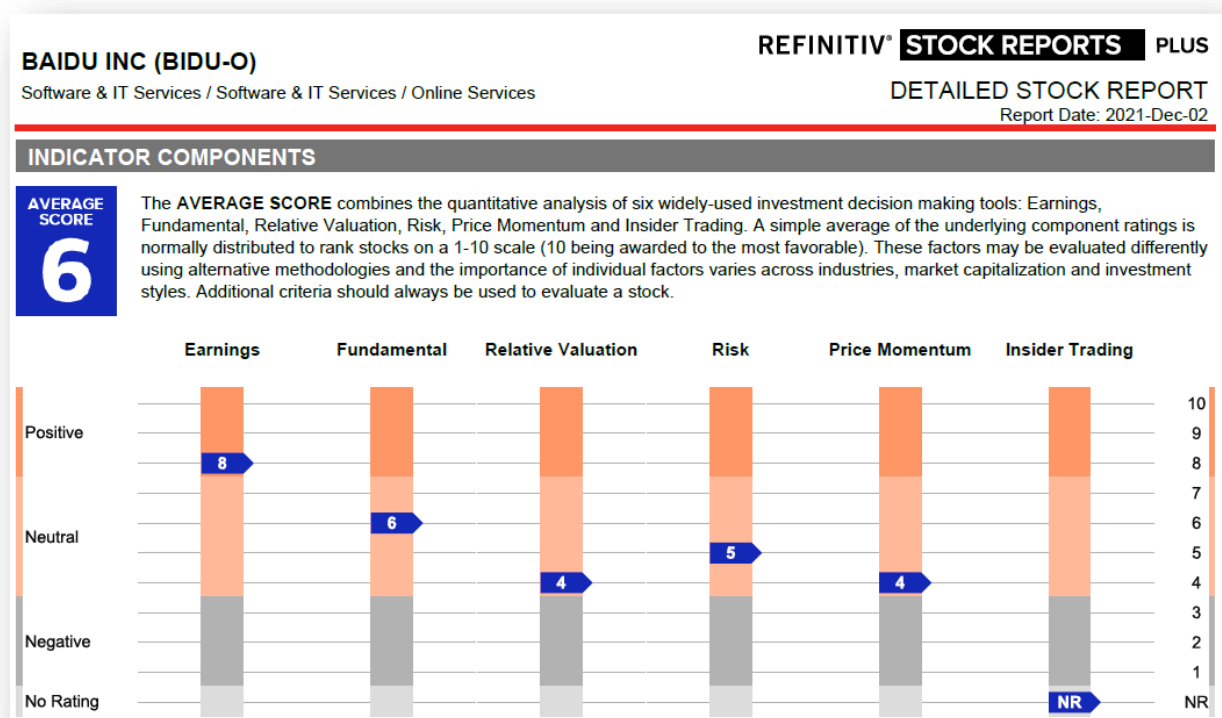
Headline News & Information

- Baidu, Inc. operates an Internet search engine. The Company offers algorithmic search, enterprise search, news, MP3, and image searches, voice assistance, online storage, and navigation services. Baidu serves clients globally (Bloomberg)
- Baidu, Pony AI granted China's first licenses to charge passengers for self-driving taxis in Beijing (25 Nov 2021, South China Morning Post)
 - The two companies can now charge fees for their so-called robotaxis in a designated area of the capital covering 60sq km
 - The taxis will have a human 'security officer' behind the wheel, ready to intervene if necessary
 - The plan, according to an announcement from Baidu, is to expand the service rapidly. However, they have yet to unveil the fees they will charge passengers
- China fines Alibaba, Tencent and Baidu for more antitrust violations (22 Nov 2021, CNN)
 - Alibaba, Tencent, Baidu and other companies were all slapped with fines for violating antitrust laws, the State Administration of Market Regulation (SAMR) said in a statement
 - The market regulator has spearheaded a yearlong campaign against Big Tech in China
 - Alibaba fell 1.6%. Baidu fell the most, 2.1%, while Tencent slumped 0.3%

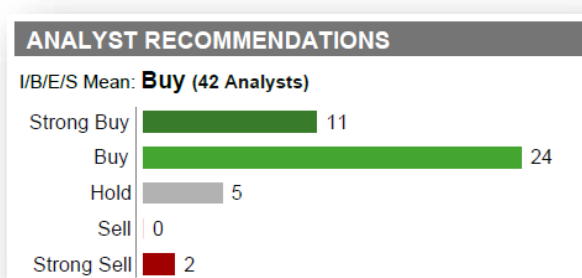
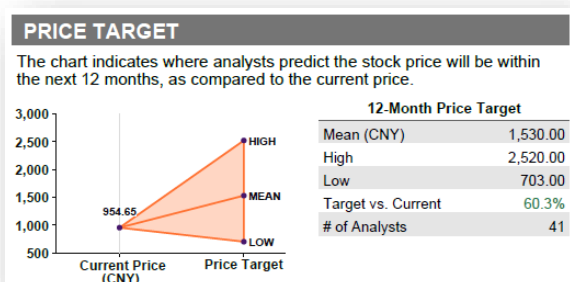
TRADING FLOWS	RESISTANCE LEVELS	SUPPORT LEVELS
<ul style="list-style-type: none">• Shares are down 3.9% in the past 5 days and fell 9.6% in the past 30 days	<ul style="list-style-type: none">• 157.42 (50 Day MA)• 170.00 (22 Oct 2021)	<ul style="list-style-type: none">• 142.80 (30 Nov 2021)• 133.00 (20 Aug 2021)

Fundamental Viewpoint

An Extract from STOCKREPORTS+



Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 02 Dec 2021

HK Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS												Currency in USD	
Average Score	Ticker	PRICE MOMENTUM				Market Cap	VALUATION		FUNDAMENTAL		ANALYSTS		# of Analysts
		Price (2021-11-30)	1-Mo Return	3-Mo Return	1-Yr Return		Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean	
8	GOOGL	2,837.95	-4.2%	-1.9%	61.8%	855.4B	27.3	26.2	--	29.5%	-- Buy	48	
3	DASH	178.77	-8.2%	-6.6%	--	58.6B	--	--	--	-13.7%	-- Buy	24	
6	PANW	546.94	7.4%	18.6%	86.1%	52.6B	--	72.3	--	-11.2%	26.4% Buy	37	
7	SPOT	238.50	-17.6%	1.8%	-18.1%	48.1B	--	515.5	--	-1.3%	-- Buy	30	
5	ATVI	58.60	-25.1%	-28.9%	-26.3%	47.2B	17.3	15.8	0.8%	29.2%	13.3% Buy	34	
8	EBAY	67.46	-12.1%	-12.1%	33.8%	45.4B	3.7	15.5	1.1%	116.9%	12.5% Hold	30	
6	BIDU	149.84	-7.6%	-4.6%	7.8%	42.6B	24.5	19.5	--	11.2%	10.8% Buy	41	
1	MTCH	129.99	-13.8%	-5.4%	-6.6%	37.8B	67.0	56.3	--	20.7%	-- Buy	18	
1	TWTR	43.94	-17.9%	-31.9%	-5.5%	37.6B	--	47.3	--	-3.8%	-- Hold	39	
5	CSGP	77.76	-9.6%	-8.2%	-14.6%	30.6B	129.8	61.2	--	12.5%	20.0% Buy	12	
1	YNDX	71.94	-13.2%	-6.4%	4.3%	22.7B	365.8	142.7	--	-3.0%	38.3% Buy	17	
4.6	Average	400.15	-11.1%	-7.8%	12.3%	116.2B	90.8	97.2	0.9%	17.0%	20.2% Buy	30	

PEER COMPANIES			
ATVI	Activision Blizzard Inc	MTCH	Match Group Inc
CSGP	CoStar Group Inc	PANW	Palo Alto Networks Inc
DASH	DoorDash Inc	SPOT	Spotify Technology
EBAY	eBay Inc	TWTR	Twitter Inc
GOOGL	Alphabet Inc	YNDX	Yandex

Source: REFINITIV STOCKREPORTS+, extracted 02 Dec 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 (%)
Average		60,419	20686.00	37.90	33.79	4.05	3.52	1.82
9888 HK	BAIDU INC-CLASS A	52,307	146.40	N/A	23.15	N/A	1.78	N/A
YNDX US	YANDEX NV-A	25,519	71.17	N/A		7.32	6.00	N/A
IQ US	IQIYI INC-ADR	4,459	5.65	N/A		4.35	11.38	N/A
ALIBABA GROUP								
BABA US	HOLDING-SP ADR	332,060	122.49	18.18	37.43	2.20	4.35	N/A
NTES US	NETEASE INC-ADR	75,022	111.81	41.43	35.14	5.70	5.13	0.80
GOOGL US	ALPHABET INC-CL A	1,876,354	2,821.03	32.09	32.67	7.67	6.03	N/A
360 SECURITY								
601360 CH Equity	TECHNOLOGY IN-A	13,630	12.15	38.05	37.49	2.44	2.83	N/A
035420 KS	NAVER CORP	55,561	398,000	37.31	41.02	2.50	4.04	0.10
035720 KS	KAKAO CORP	46,211	122,000	46.86		6.02	6.32	0.02
4689 JP	Z HOLDINGS CORP	49,721	734.10	60.62	44.56	2.07	2.61	0.76
2121 JP	MIXI INC	1,359	1,963.00	11.74	12.87	0.77	1.09	5.60

Source: Bloomberg, extracted 02 Dec 2021 midday closing

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