

JD.com: Potential tailwinds for the week ahead?

DIGITAL ENGAGEMENT TEAM

03 DECEMBER 2020

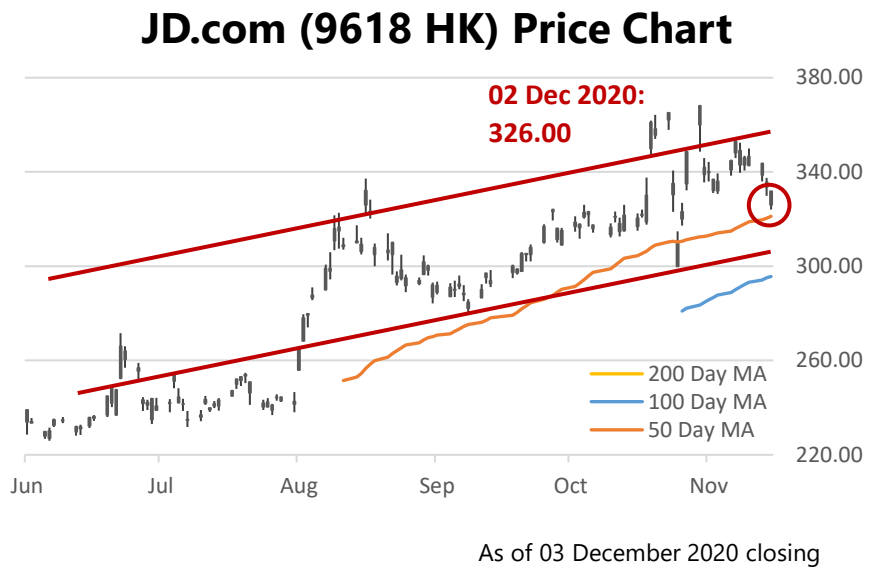
TRADING MATTERS SERIES: STOCK HIGHLIGHT

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

KEY METRICS	
Current Price	326.00
Latest Dividend	N/A
Dividend Ex-Date	N/A
Indicated Dividend Yield	N/A
RSI	46.52
Analysts 12M Target Price	378.42

REFINITIV STOCKREPORTS+ AVERAGE SCORE
7/10
As of 03 December 2020 closing

Refer to page 3 for indicator components



KEY MARKET EVENTS

- 03 Dec**
Markit HK/
Caixin China Nov
PMI Release
- 07 Dec**
Hang Seng
Indexes
Rebalancing
Effective Date
- 09 Dec**
China Nov CPI
YoY Release
- 21 Dec**
China Loan
Prime Rate
Release
- 30 Dec**
HK Futures Roll
Date



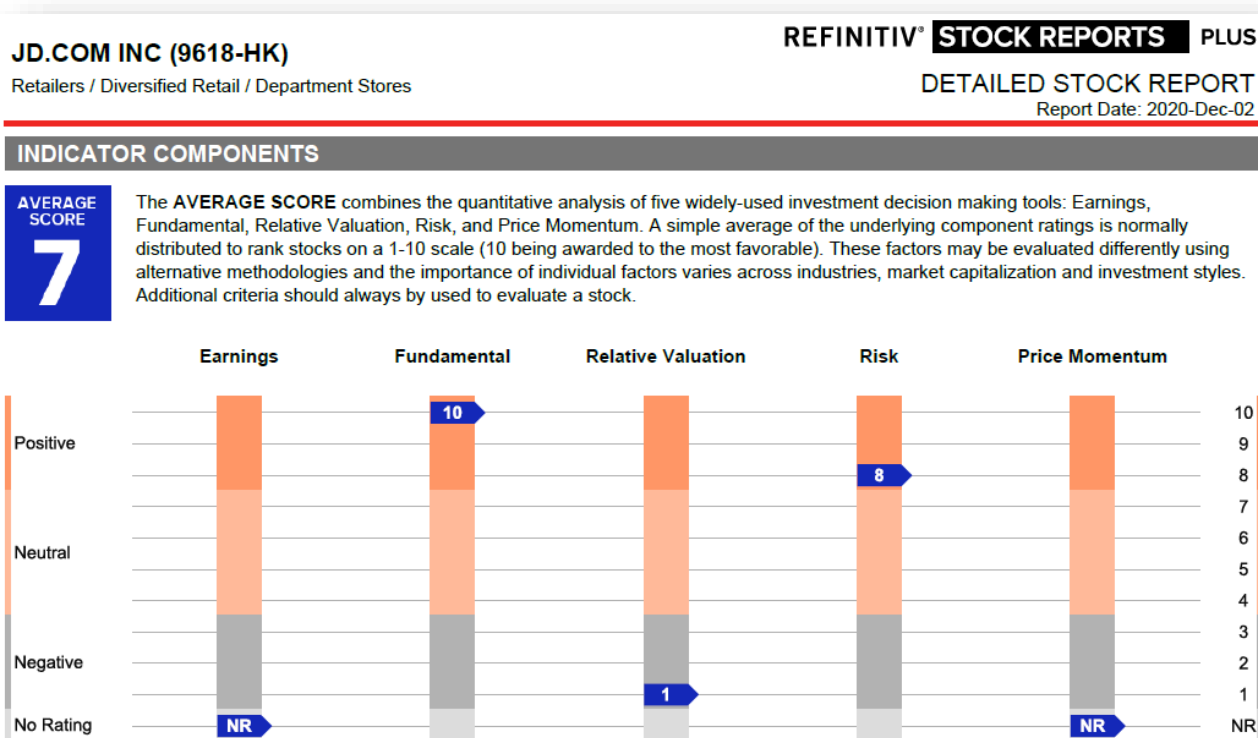
Market Commentary

- JD.com (9618 HK) to be included into Hang Seng China Enterprises Index (13 Nov 2020, Hang Seng Indexes Co.)
 - All changes will take effect on 7 Dec 2020 (Monday)
- JD raises US\$3.5 Billion in Asia's biggest health-care listing (02 Dec 2020, Bloomberg)
 - JD Health has priced its sale of 381.9 million shares at HK\$70.58 apiece at the top of the range, valuing the medical unit at US\$28.5b. Share sale could increase to US\$4b if bankers execute a green shoe option
 - The company is due to start trading in Hong Kong on 08 Dec 2020, representing the first big tech listing in Hong Kong since Ant Group's failed IPO bid
 - The IPO is Asia's biggest healthcare IPO ever, and also the largest of this year's first-time share sales in Hong Kong, excluding the secondary listing by JD
 - JD.com holds an 81% stake in its subsidiary and will maintain control after the share sale
 - JD Health's Hong Kong IPO retail offer was 107x oversubscribed as of 01 Dec 2020, according to HKET

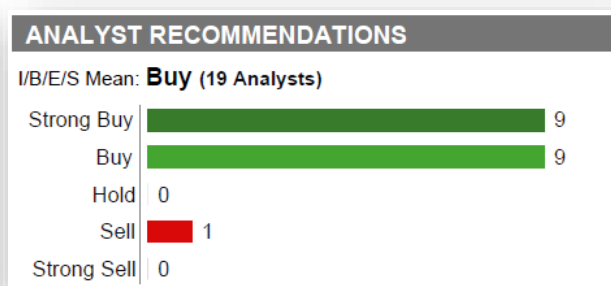
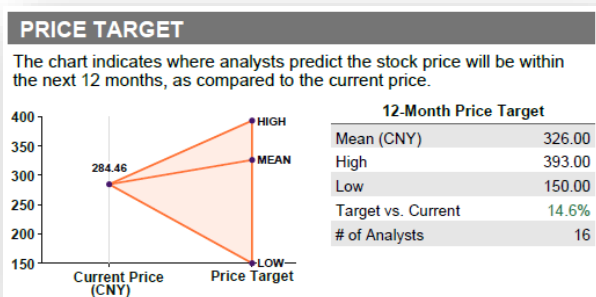
TRADING FLOWS	RESISTANCE LEVELS	SUPPORT LEVELS
<ul style="list-style-type: none"> • JD.com (9618 HK) hit its intraday 52-week high of 368.20, on 16th Nov 2020 • JD.com (9618 HK) shares are down -5% in the past 5 days, falling -11.5% since its peak 	<ul style="list-style-type: none"> • 337.60 (04 Nov 20) • 354.00 (24 Nov 20) • 368.20 (16 Nov 20) 	<ul style="list-style-type: none"> • 321.15 (50 Day MA) • 309.60 (04 Sep 20) • 300.00 (11 Nov 20)

Fundamental Viewpoint

An Extract from STOCKREPORTS+



Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 03 December 2020 closing

Hong Kong Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS													Currency in HKD
Average Score	Ticker	PRICE MOMENTUM				Market Cap	VALUATION		FUNDAMENTAL		ANALYSTS		
		Price (2020-12-01)	1-Mo Return	3-Mo Return	1-Yr Return		Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean	# of Analysts
7	9618	335.60	4.7%	8.5%	—	1.1T	35.0	36.9	—	4.1%	45.1%	Buy	19
6	3308	7.03	-1.0%	-3.0%	-17.6%	11.7B	8.5	9.5	5.6%	15.1%	—	Buy	4
6	1212	6.44	7.0%	-9.3%	-23.4%	9.9B	5.3	36.2	—	15.9%	—	Buy	7
7	289	17.00	0.0%	-2.9%	-24.1%	5.1B	6.5	—	4.5%	-11.6%	—	—	—
4	825	1.21	5.2%	-4.0%	-13.0%	2.0B	—	—	—	-21.7%	—	—	—
10	1373	2.32	10.0%	-6.1%	28.9%	1.7B	11.0	—	7.1%	5.9%	—	Hold	1
4	848	0.31	-1.6%	-13.9%	-40.4%	1.6B	7.4	—	6.4%	0.6%	—	—	—
4	2136	1.04	0.0%	-18.8%	-55.0%	1.6B	—	—	—	-17.2%	—	—	—
5	97	0.35	18.6%	-15.7%	-44.4%	1.1B	17.2	—	5.7%	5.4%	—	—	—
4	312	0.32	-32.6%	-51.5%	-75.0%	861M	5.1	—	6.5%	22.3%	—	—	—
1	8086	0.14	-46.2%	-88.1%	-94.4%	30M	—	—	—	-173.6%	—	—	—
5.3	Average	33.80	-3.3%	-18.6%	-35.8%	100.8B	12.0	27.5	6.0%	-14.1%	45.1%	Buy	7.8

PEER COMPANIES			
3308	Golden Eagle Retail Group	848	Maoye International Holdings
1212	Lifestyle International	2136	Lifestyle China Group
289	Wing On Company International	97	Henderson Investment
825	New World Department Store	312	Shirble Department Store
1373	International Housewares	8086	Sino Vision Worldwide

Source: REFINITIV STOCKREPORTS+, extracted 03 December 2020 closing

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		265,256	1153.59	52.45	67.72	16.48	10.29	1.27
9618 HK	JD.COM INC - CL A	131,614	326.00	N/A	178.45	N/A	4.69	N/A
VIPSHOP HOLDINGS								
VIPS US	LTD - ADR	17,204	25.40	24.44	16.63	4.36	3.01	N/A
MELI US	MERCADOLIBRE INC	75,743	1,521.66	N/A		43.38	19.75	N/A
ETSY US	ETSY INC	19,502	154.67	80.39	68.09	29.15	17.67	N/A
4385 JP	MERCARI INC	7,124	4,755.00	N/A		20.91	12.80	N/A
ALE PW	ALLEGRO.EU SA	20,886	75.54	N/A		11.36		N/A
EBAY US	EBAY INC	34,825	50.52	15.53	16.45	11.92	10.96	1.27
ALIBABA GROUP								
BABA US	HOLDING-SP ADR	714,315	264.01	47.61	36.97	5.47	5.35	N/A
AMZN US	AMAZON.COM INC	1,615,679	3,220.08	94.29	89.72	19.37	16.53	N/A
4755 JP	RAKUTEN INC	15,670	1,143.00	N/A		2.36	1.89	N/A

Source: Bloomberg, extracted 03 December 2020 closing

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