

DBS Group Research . Equity

20 Feb 2019

## Guidelines for the development of Greater Bay Area unveiled

- **The State Council has released further details on the development plan for Greater Bay Area (GBA)**
- **Weekly GFA sales rebounded from the lull during CNY holiday**
- **Average short-selling interest moderated to 9%**
- **Stay with lowly geared large-cap names and dividend plays with good payment records**

**State Council reveals guidelines for the development plan on the GBA.** The State Council has released the long-awaited details on its development plans for the GBA. In our view, the economic region has strong potential to outperform the rest of China and attract both foreign and local capital to facilitate growth in the tertiary sector if the plan is implemented as revealed. In turn, office plays within the economic region will stand to benefit, alongside other developers with sizeable exposure within the GBA, such as Yuexiu (123 HK), Yuexiu REIT (405 HK), SZI (604 HK). Warehouse landlord of Vanke (2202 HK) and R&F (2777 HK) may stand to benefit from the improved infrastructure facilities.

**Weekly GFA sales have recovered from the lull during CNY holiday.** Last week (11 – 17 Feb), gross floor area (GFA) sold in 30 cities we track rebounded by 807% w-o-w as the previous week was affected by the CNY holiday. The average GFA sales over the past two weeks came in 22% higher than the two weeks of CNY last year. Month-to-date, average weekly GFA sold was 23% lower than that of Feb-18. Inventory level stood at 48 weeks. Average sell-through rate in key cities last week stood at 67%.

**Average short-selling interest moderated to 9%.** The average percentage of southbound shareholding in the China Property sector last week fell further from 5.04% to 4.99%, with Road King (1098 HK) and Agile (3383 HK) seeing the highest percentage of southbound outflows. Average short-selling interest in the sector moderated to 9%, with CG (2007 HK) and Evergrande (3333 HK) recording the highest figures.

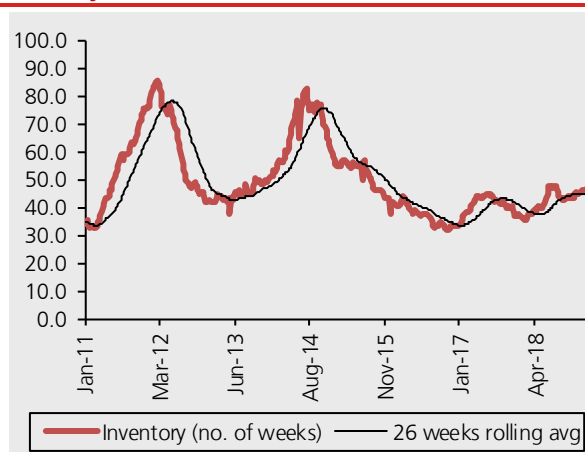
**Recommend lowly geared large-cap names and dividend plays with good payment records.** The sector is now trading at 4.9x FY19E PE, as compared to our anticipated near-term trading range of 4.0-5.5x that is expected to be maintained before the introduction of any meaningful sector stimuli. We recommend to stay with large-cap names with strong balance sheets for market share expansion in 2019, such as COLI (688 HK) and Vanke (2202 HK). We also like Yuzhou (1628 HK) and Times (1233 HK) for their high final dividend yields, good dividend payment records and low refinancing pressure.

HSI: 28,228

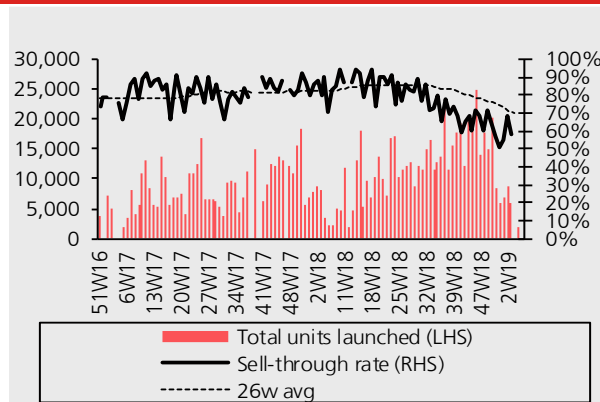
### ANALYST

Jason LAM +852 3668 4179 jasonlamch@db.com  
 Danielle WANG CFA, +852 3668 4176 danielle\_wang@db.com  
 Ken HE CFA, +86 21 3896 8221 ken\_he@db.com

### Inventory (no. of weeks of sales) of 16 cities\*



### New launches in 10 major cities and sell-through rate



\* Rolling 26 weeks inventory

### Weekly sales performance (Feb 11 – Feb 17)

	w-o-w	YTD vs 2018	YTD vs 2017	YTD vs 2016
Avg weekly GFA sold	↑ 806.8%	↓ 29.4%	↓ 18.6%	↓ 36.5%
Inventory (no. of weeks)	↑ 0.5		↑ 5.9	↑ 9.7

	vs same period 2018	vs same period 2017	vs same period 2016
YTD GFA sold	↓ 15.6%	↑ 6.4%	↓ 12.7%

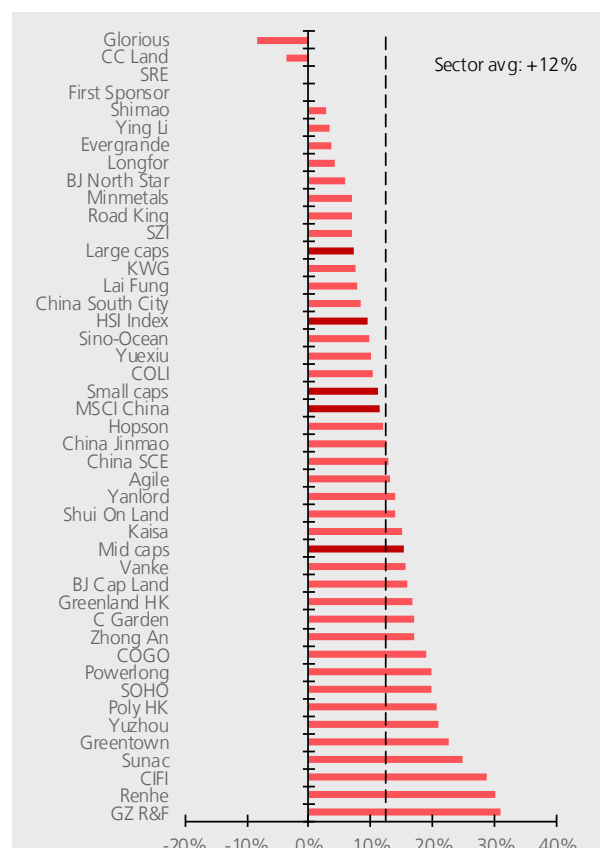
Source: CREIS, Fang.com, DBS Bank (Hong Kong) Limited ("DBS HK")



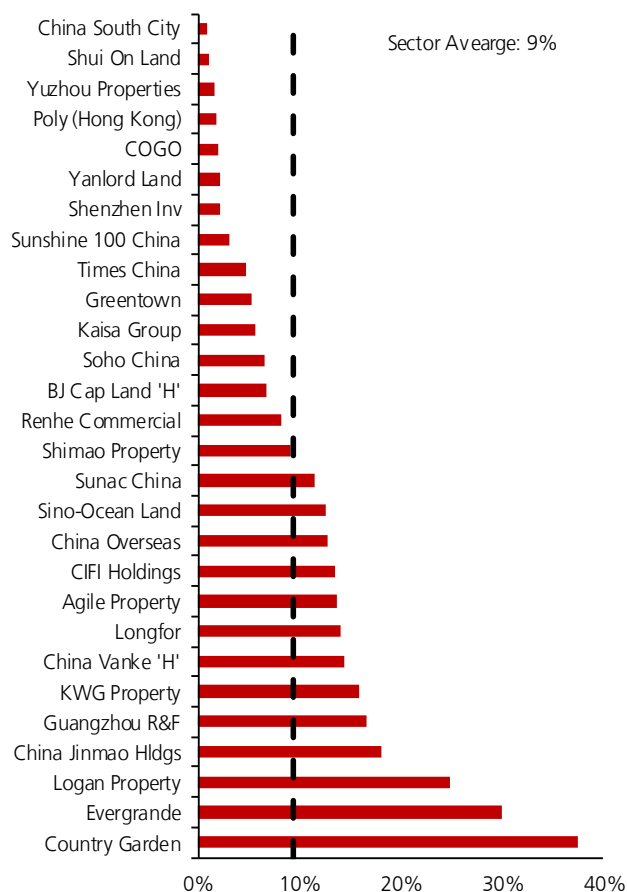
Live more, Bank less

## Share price performance

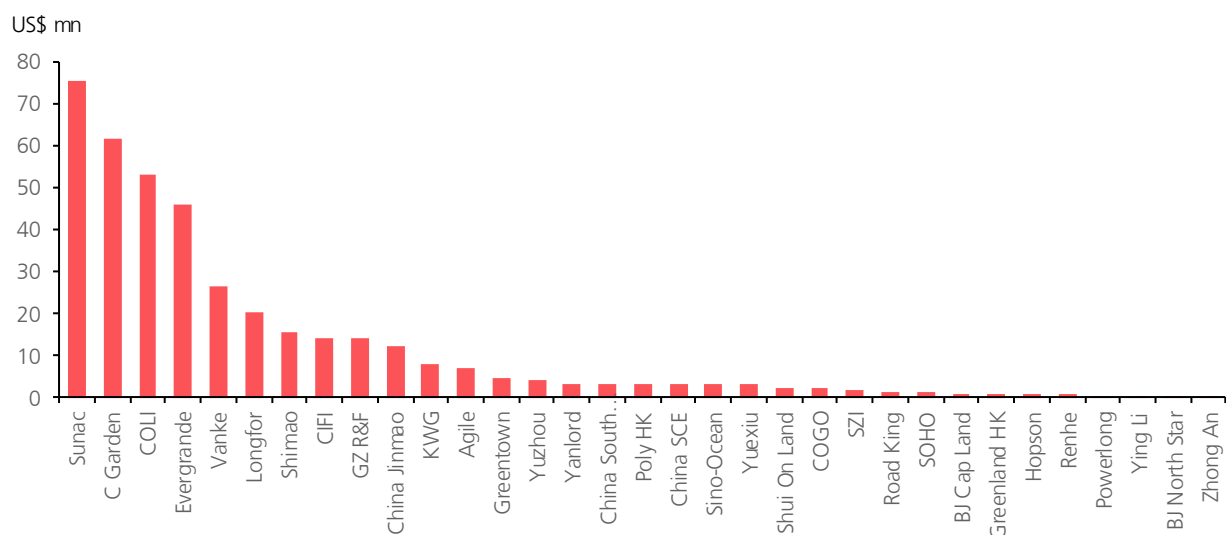
## YTD Share price performance



## Average short selling interest as percentage of trading volume (Feb 11 – Feb 15)

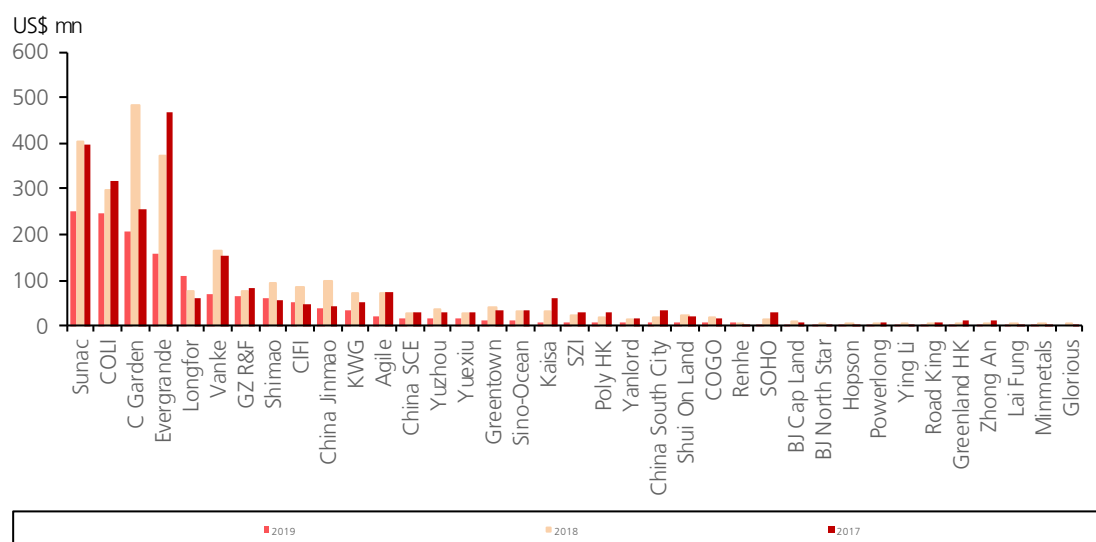


## Daily trading volume (Feb 11 – Feb 15)



Source: Bloomberg Finance L.P., HKEx, DBS HK

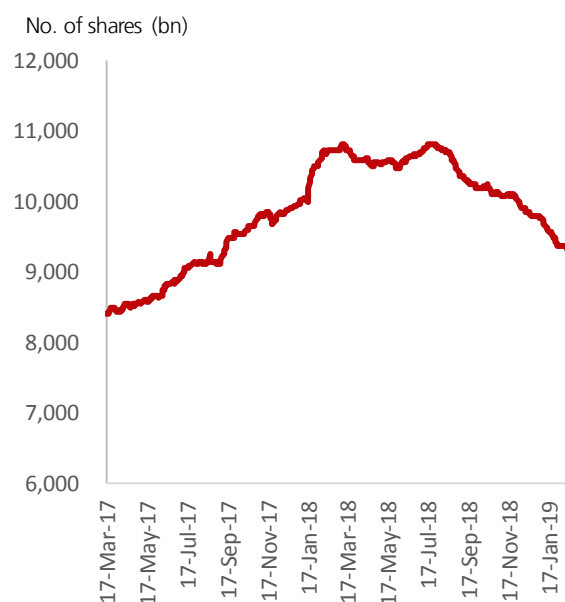
## Average weekly trading volume



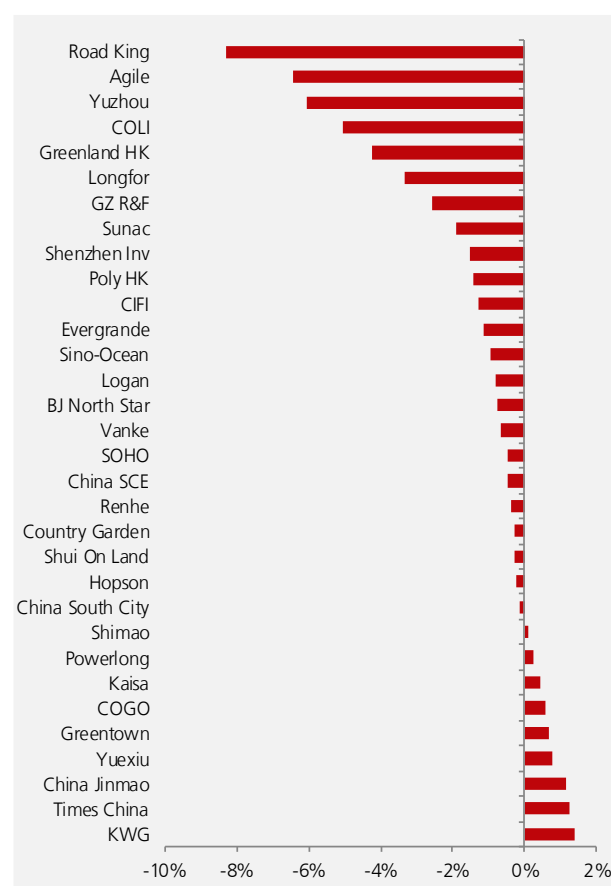
Source: Bloomberg Finance L.P., DBS HK

## Overall southbound shareholding in CCASS

## w-o-w\* % change of shareholding by southbound trading



Source: Bloomberg Finance L.P.



\*Between 28-Jan to 8-Feb

## Weekly sales performance of major cities

### Tier I cities

#### Tier I cities: Weekly GFA sales of key cities

City	GFA Last week (000 sm)	% change as compared to Avg of previous 4 weeks							
		w-o-w	y-o-y		Avg 2018	Avg 2017	Avg 2016	Avg 2015	Avg 2014
Beijing	77	n.a.	1565%	-33%	-23%	-28%	-58%	-65%	-59%
Shanghai	208	3984%	636%	30%	-17%	-21%	-51%	-52%	-34%
Shenzhen	36	n.a.	n.a.	2%	-36%	-47%	-56%	-72%	-54%
Guangzhou	85	3433%	246%	-13%	-54%	-63%	-68%	-59%	-47%
<b>Tier I total</b>	<b>405</b>	<b>5304%</b>	<b>606%</b>	<b>-3%</b>	<b>-33%</b>	<b>-40%</b>	<b>-58%</b>	<b>-62%</b>	<b>-48%</b>

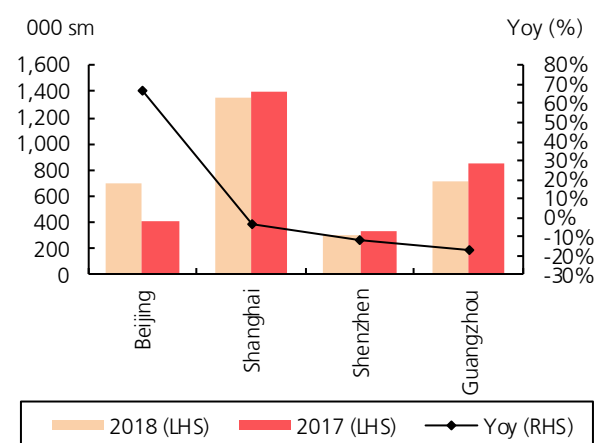
Source: CREIS, DBS HK

#### Tier I cities: Weekly ASP of key cities

City	ASP Last week (Rmb/sm)	% change as compared to Avg of previous 4 weeks							
		w-o-w	y-o-y		Avg 2018	Avg 2017	Avg 2016	Avg 2015	Avg 2014
Beijing	47,274	n.a.	10%	31%	14%	8%	31%	76%	86%
Shanghai	27,691	-24%	9%	-13%	-7%	5%	4%	20%	47%
Shenzhen	54,449	n.a.	n.a.	32%	3%	0%	0%	65%	131%
Guangzhou	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Tier I total</b>	<b>43,138</b>	<b>-24%</b>	<b>10%</b>	<b>17%</b>	<b>3%</b>	<b>4%</b>	<b>12%</b>	<b>53%</b>	<b>88%</b>

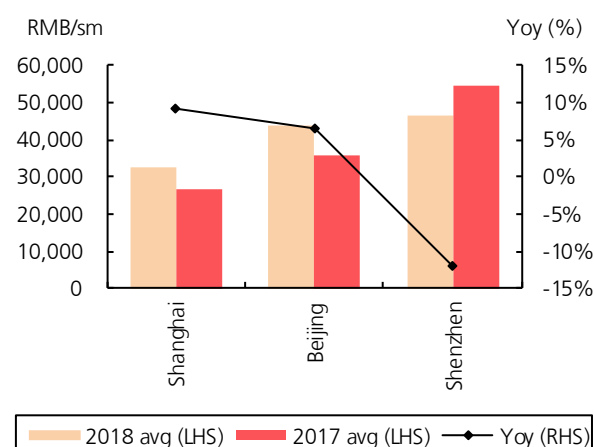
Source: CREIS, DBS HK

#### Tier I cities: YTD avg GFA sales of key cities



Source: Thomson Reuters, DBS HK

#### Tier I cities: Avg ASP of key cities



Source: Thomson Reuters, DBS HK

## Tier II cities

## Tier II cities: Weekly GFA sales of key cities

City	GFA Last week (000 sm)	% change as compared to Avg of previous							
		w-o-w	y-o-y	4 weeks	Avg 2018	Avg 2017	Avg 2016	Avg 2015	Avg 2014
Hangzhou	34	6680%	-5%	-20%	-58%	-73%	-79%	-71%	-59%
Suzhou	59	1880%	31%	-10%	-49%	-47%	-65%	-74%	-62%
Changsha	87	2603%	20%	-24%	-59%	-58%	-83%	-71%	-68%
Ningbo	87	14417%	315%	-26%	-53%	-39%	-37%	-14%	5%
Wuhan	298	n.a.	709%	25%	-29%	-22%	-55%	-40%	-26%
Chengdu	230	n.a.	21%	-16%	-36%	4%	20%	34%	29%
Chongqing	208	180%	-66%	-29%	-69%	-67%	-56%	-49%	-51%
Qingdao	81	8844%	-28%	-44%	-73%	-75%	-79%	-69%	-55%
Xi'an	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Nanjing	38	n.a.	-18%	-55%	-72%	-75%	-87%	-84%	-76%
Dalian	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Fuzhou	57	1612%	101%	52%	55%	40%	7%	9%	34%
Shenyang	106	1299%	86%	-23%	-61%	-65%	-64%	-59%	-56%
Nanchang	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Changchun	128	4013%	420%	-7%	-32%	-23%	-25%	-16%	-7%
Nanning	128	-15%	n.a.	-52%	-19%	-23%	-37%	-20%	16%
Wenzhou	165	422%	80%	33%	16%	36%	53%	129%	166%
<b>Tier II total</b>	<b>1,703</b>	<b>557%</b>	<b>10%</b>	<b>-14%</b>	<b>-38%</b>	<b>-35%</b>	<b>-42%</b>	<b>-28%</b>	<b>-15%</b>

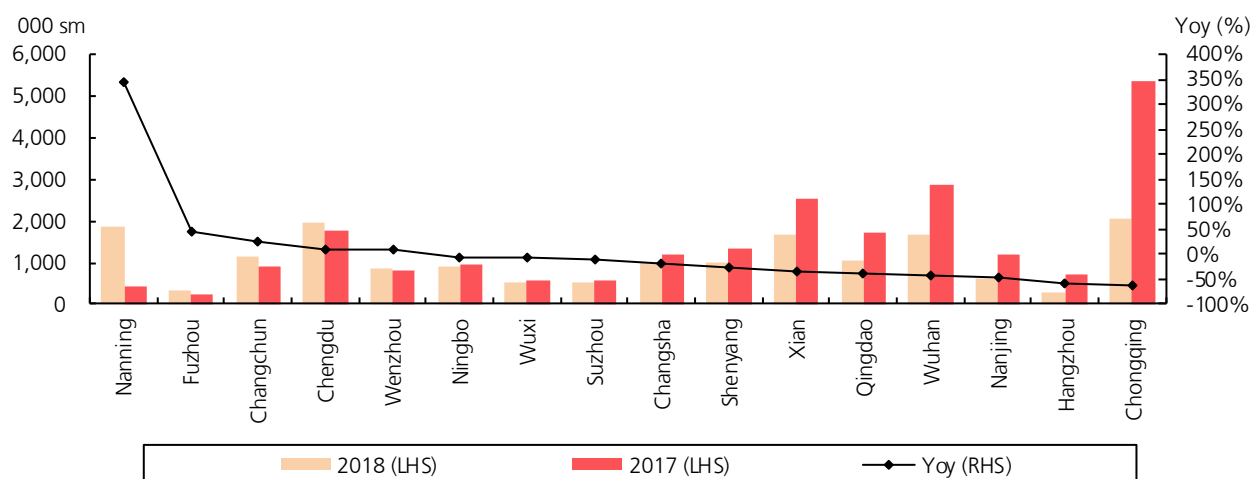
Source: CREIS, DBS HK

## Tier II cities: Weekly ASP of key cities

City	ASP Last week (Rmb/sm)	% change as compared to Avg of previous							
		w-o-w	y-o-y	4 weeks	Avg 2018	Avg 2017	Avg 2016	Avg 2015	Avg 2014
Changsha	9,590	-2%	26%	-3%	-7%	7%	44%	55%	n.a.
Chongqing	11,607	14%	-5%	2%	6%	26%	57%	58%	55%
Xi'an	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Changchun	8,970	-6%	9%	2%	9%	2%	3%	n.a.	n.a.
Shenyang	9,791	-1%	16%	4%	11%	25%	43%	55%	42%
<b>Tier II total</b>	<b>9,989</b>	<b>1%</b>	<b>12%</b>	<b>1%</b>	<b>5%</b>	<b>15%</b>	<b>37%</b>	<b>56%</b>	<b>49%</b>

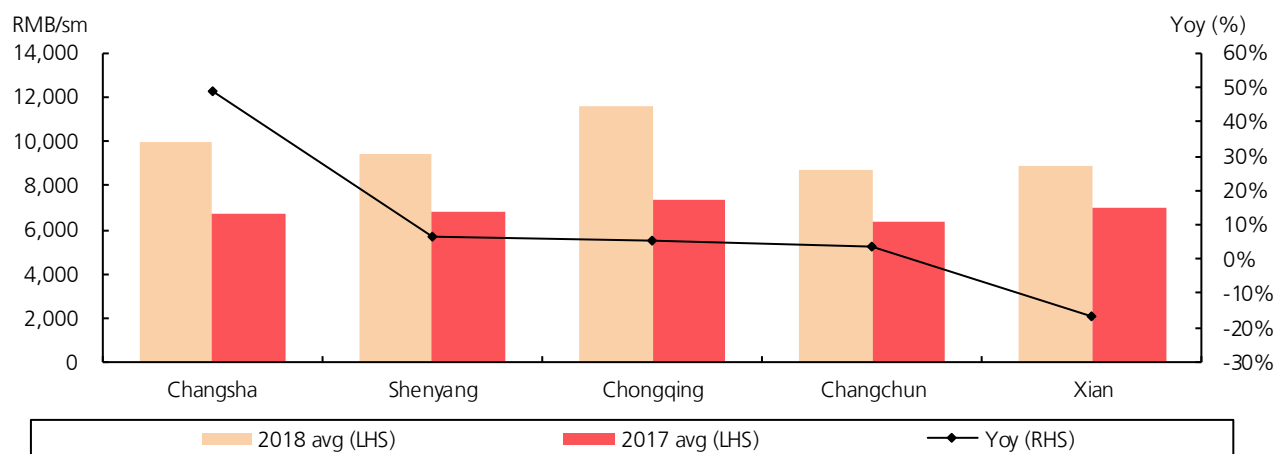
Source: CREIS, DBS HK

## Tier II cities: YTD avg GFA sales of key cities



Source: CREIS, DBS HK

## Tier II cities: Avg ASP of key cities



Source: CREIS, DBS HK

## Tier III cities

## Tier III cities: Weekly GFA sales of key cities

City	GFA Last week (000 sm)	% change as compared to Avg of previous 4							
		w-o-w	y-o-y	weeks	Avg 2018	Avg 2017	Avg 2016	Avg 2015	Avg 2014
Dongguan	28	13750%	454%	-42%	-72%	-74%	-84%	-86%	-74%
Baotou	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Xuzhou	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Yangzhou	33	114%	-31%	-27%	-60%	-57%	-50%	-29%	-18%
Huizhou	23	3667%	319%	-24%	-58%	-64%	-78%	-67%	-56%
Lianyungang	211	1451%	264%	186%	71%	36%	70%	110%	147%
Shantou	44	1179%	-9%	31%	-33%	-62%	-28%	26%	138%
Jiujiang	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Shaoguan	28	531%	-32%	47%	-21%	-20%	-23%	25%	46%
Zhoushan	17	3360%	6%	-20%	-44%	-54%	-36%	-23%	6%
Dongying	11	1250%	135%	-14%	-74%	-77%	-70%	-70%	-67%
Huaian	118	225%	-29%	34%	-6%	-13%	-35%	-7%	21%
Wuhu	33	1405%	30%	23%	-44%	-53%	-63%	-28%	-15%
Jiaozuo	10	n.a.	20%	-23%	-49%	-58%	-52%	-46%	3%
Zhaoqing	15	3650%	32%	-16%	-68%	-76%	-70%	-63%	-45%
<b>Tier III total</b>	<b>569</b>	<b>1483%</b>	<b>25%</b>	<b>13%</b>	<b>-38%</b>	<b>-48%</b>	<b>-43%</b>	<b>-22%</b>	<b>7%</b>

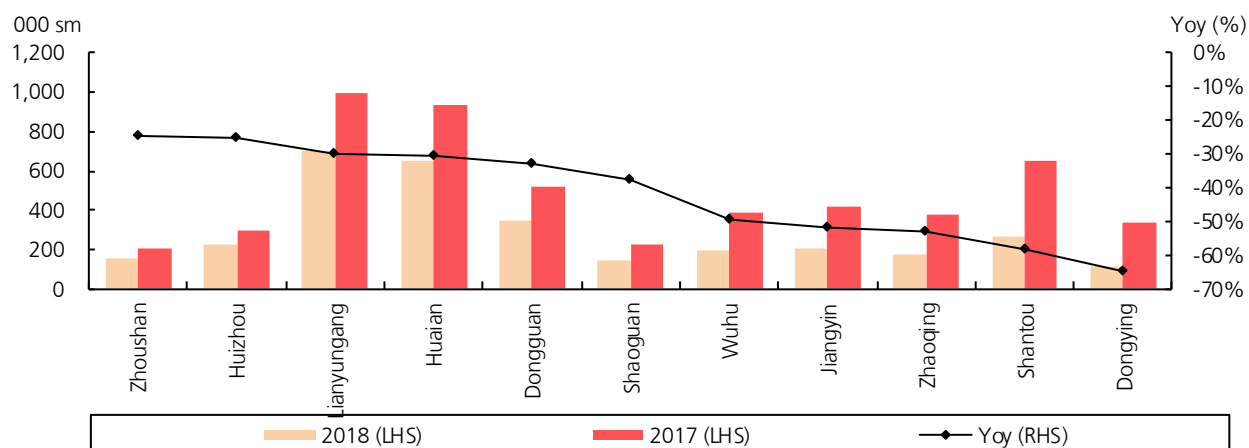
Source: CREIS, DBS HK

## Tier III cities: Weekly ASP of key cities

City	ASP Last week (Rmb/sm)	% change as compared to Avg of previous 4							
		w-o-w	y-o-y	4 weeks	Avg 2018	Avg 2017	Avg 2016	Avg 2015	Avg 2014
Dongguan	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Baotou	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Shantou	9,766	-5%	-1%	2%	8%	7%	19%	21%	21%
Zhaoqing	8,171	-22%	-8%	-8%	9%	19%	51%	57%	44%
<b>Tier III total</b>	<b>8,175</b>	<b>-13%</b>	<b>-24%</b>	<b>-3%</b>	<b>6%</b>	<b>13%</b>	<b>39%</b>	<b>36%</b>	<b>30%</b>

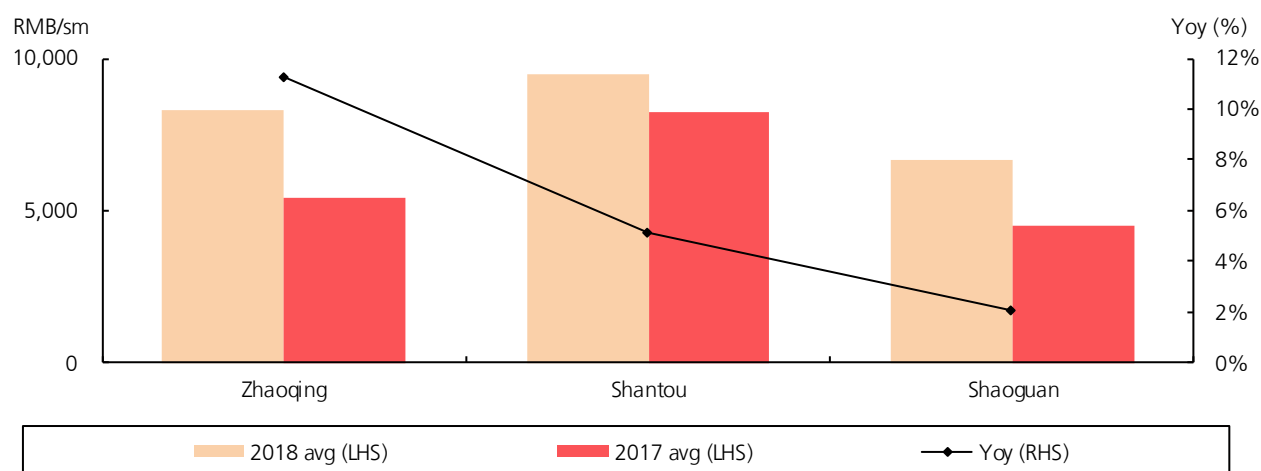
Source: CREIS, DBS HK

## Tier III cities: YTD GFA sales of key cities



Source: CREIS, DBS HK

## Tier III cities: Avg ASP of key cities

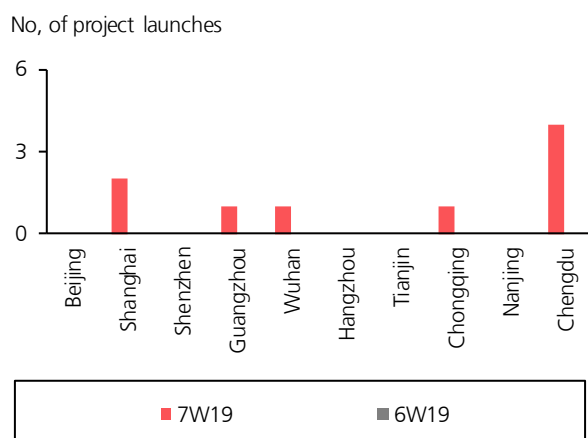


Source: CREIS, DBS HK



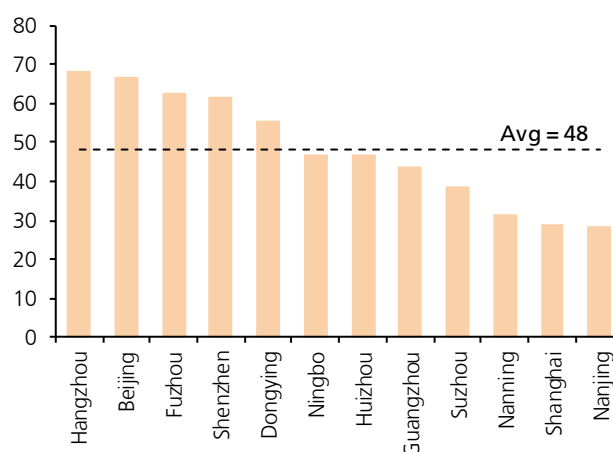
## Inventory level

### New launches in 10 major cities



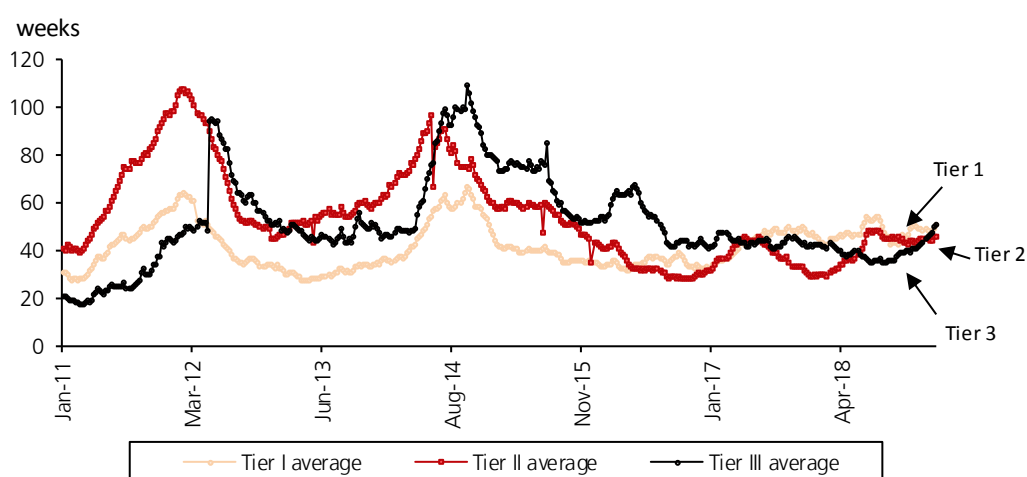
Source: CREIS, DBS HK

### No. of weeks to digest inventory



Source: CREIS, DBS HK

### Trend: No. of weeks to digest inventory



Source: CREIS, DBS HK

Notes: 1. Based on 26 weeks average sales

2. Tier I cities include: Beijing, Shanghai, Guangzhou, and Shenzhen;

Tier II cities include: Hangzhou, Suzhou, Ningbo, Nanjing, Fuzhou, and Nanning

Tier III cities include: Huizhou, Zhoushan and Dongying

## Share price performance and peer valuations

## Valuation comparison

Company Name	Code	19-Feb Price HK\$	Mkt Cap US\$bn	3-mth daily trading value US\$m	Recom	12-m target HK\$	EPS gth 18F %	19F %	PE 18F x	PE 19F x	Yield 18F %	Yield 19F %	ROE 18F %	ROE 19F %	Net Gearing 1H18A %	P/Bk 18F x	NAV HK\$	Disc/ (Prem) to NAV %
<b>Large cap</b>																		
China Overseas*	688 HK	28.50	39.8	52.9	BUY	34.58	17	28	8.5	6.6	3.3	4.4	12.6	14.4	27.0	1.1	34.7	17.9
China Vanke 'H'*	2202 HK	29.10	43.6	24.7	BUY	35.40	29	24	8.2	6.6	4.3	5.4	23.7	24.7	32.7	1.8	33.8	13.8
Country Garden*	2007 HK	10.52	29.0	45.8	BUY	13.95	46	27	5.3	4.2	6.2	7.9	34.8	34.9	59.0	1.7	20.6	48.8
Evergrande*	3333 HK	24.25	40.6	57.8	BUY	40.81	58	20	5.7	4.7	14.2	10.6	40.3	41.7	127.3	2.2	40.2	39.6
Longfor*	960 HK	23.60	17.9	26.1	BUY	25.63	37	28	9.8	7.7	4.1	5.2	16.3	18.8	54.6	1.5	28.7	17.9
Sunac China	1918 HK	31.55	17.7	66.7	NR	n.a.	19	58	8.3	5.3	2.5	3.9	29.0	29.8	232.3	1.9	n.a.	n.a.
<b>Average</b>							<b>32</b>	<b>29</b>	<b>7.8</b>	<b>6.1</b>	<b>5.4</b>	<b>5.9</b>	<b>24.4</b>	<b>25.6</b>	<b>83.6</b>	<b>1.6</b>		<b>25.2</b>
<b>Mid cap</b>																		
Agile Property*	3383 HK	10.16	5.1	7.1	BUY	10.74	21	15	5.0	4.3	9.0	10.4	15.2	15.7	123.0	0.7	19.0	46.5
BJ Cap Land 'H'	2868 HK	3.24	0.4	0.8	NR	n.a.	21	10	3.3	3.0	8.4	9.2	n.a.	n.a.	261.0	n.a.	n.a.	n.a.
China Jinmao Hldgs*	817 HK	3.86	5.7	10.9	HOLD	3.20	15	37	9.8	7.1	4.1	5.6	11.1	13.7	117.0	1.1	4.6	16.9
CIFI Holdings	884 HK	4.94	4.9	10.9	NR	n.a.	9	29	5.8	4.5	5.9	7.5	25.0	26.3	88.5	1.2	n.a.	n.a.
Future Land	1030 HK	6.83	5.1	11.9	NR	n.a.	24	40	7.1	5.0	5.5	7.0	34.1	34.3	147.6	2.0	n.a.	n.a.
Greentown	3900 HK	6.78	1.9	3.7	NR	n.a.	47	10	5.2	4.7	3.6	4.0	7.7	7.1	85.7	0.4	n.a.	n.a.
Guangzhou R&F	2777 HK	14.98	1.9	12.2	NR	n.a.	(52)	19	4.1	3.4	9.9	11.9	17.3	18.2	187.5	0.6	n.a.	n.a.
Kaisa Group	1638 HK	2.71	2.1	2.6	NR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	258.2	n.a.	n.a.	n.a.
KWG Property	1813 HK	7.41	3.0	7.8	NR	n.a.	23	24	4.4	3.6	8.1	9.9	15.7	17.7	77.3	0.7	n.a.	n.a.
Logan Property*	3380 HK	10.66	7.5	7.3	BUY	12.13	62	31	7.3	5.5	5.5	7.2	31.1	33.6	80.0	2.0	15.2	29.6
Shenzhen Inv	604 HK	2.84	3.1	1.7	NR	n.a.	(50)	18	9.0	7.6	5.8	6.3	7.0	7.2	38.3	0.5	n.a.	n.a.
Shimao Property*	813 HK	20.55	8.6	12.9	BUY	29.76	33	28	6.5	5.1	5.5	7.0	15.2	17.5	66.7	0.9	30.9	33.5
Yanlord Land*^	YLLG SP	1.39	2.0	1.4	BUY	1.62	20	(9)	3.7	4.0	5.4	5.0	15.1	12.3	78.2	0.5	3.6	61.8
Yuxiu Property*	123 HK	1.58	2.5	2.7	BUY	2.08	28	25	7.1	5.7	5.7	7.0	7.2	8.5	64.3	0.5	3.5	54.5
<b>Average#</b>							<b>16</b>	<b>21</b>	<b>5.9</b>	<b>4.8</b>	<b>6.5</b>	<b>7.7</b>	<b>16.2</b>	<b>17.1</b>	<b>116.6</b>	<b>0.9</b>		<b>43.0</b>
<b>Small cap</b>																		
Central China*	832 HK	3.32	1.2	0.3	BUY	3.72	61	91	9.0	4.7	3.3	6.4	9.8	17.0	47.3	0.8	5.1	35.4
China Merchants Land	978 HK	1.19	0.7	0.2	NR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	7.2	8.5	61.3	n.a.	n.a.	n.a.
China SCE	1966 HK	3.10	1.6	4.8	NR	n.a.	(15)	28	3.9	3.1	7.7	9.9	20.4	22.1	75.7	0.7	n.a.	n.a.
China South City*^^	1668 HK	1.20	1.2	1.2	BUY	2.77	15	69	7.3	4.3	7.3	12.3	4.5	7.3	77.4	0.3	n.a.	n.a.
COGO*	81 HK	3.05	1.3	1.3	BUY	3.60	1	41	6.1	4.3	2.5	3.5	9.9	11.5	0.3	0.5	11.7	73.8
Gemdale Props	535 HK	0.88	1.8	1.0	NR	n.a.	83	32	4.0	3.0	n.a.	n.a.	25.2	25.9	40.3	0.9	n.a.	n.a.
Greenland	337 HK	2.27	0.8	0.4	NR	n.a.	25	45	3.4	2.4	8.8	12.7	n.a.	n.a.	118.3	0.8	n.a.	n.a.
Hopson Dev	754 HK	7.05	2.0	0.5	NR	n.a.	(66)	5	8.0	7.7	3.7	3.9	n.a.	n.a.	71.8	0.3	n.a.	n.a.
LVGEM	95 HK	2.30	1.4	0.3	NR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	135.8	0.1	n.a.	n.a.
Minmetals Land	230 HK	1.40	0.6	0.1	NR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	109.7	n.a.	n.a.	n.a.
Modern Land (China)	1107 HK	1.18	0.4	0.1	NR	n.a.	(31)	44	5.8	4.0	5.0	4.3	12.3	12.4	80.1	0.3	n.a.	n.a.
Poly (Hong Kong)	119 HK	2.87	1.3	1.5	NR	n.a.	(7)	18	4.6	3.9	6.3	7.8	9.3	9.5	84.9	0.3	n.a.	n.a.
Powerlong	1238 HK	3.74	1.9	0.5	NR	n.a.	13	25	3.4	2.7	7.6	9.1	14.4	13.9	107.2	0.6	n.a.	n.a.
Road King	1098 HK	15.26	1.5	0.5	NR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	88.8	n.a.	n.a.	n.a.
Shui On Land*	272 HK	1.90	2.0	1.3	HOLD	2.05	(49)	n.a.	17.5	n.a.	3.4	0.0	2.0	0.0	60.3	0.3	5.1	62.9
SRE Group	1207 HK	0.14	0.4	0.1	NR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	93.4	n.a.	n.a.	n.a.
Sunshine 100 China	2608 HK	1.55	0.5	2.6	NR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	234.1	n.a.	n.a.	n.a.
Times China	1233 HK	10.52	2.5	4.1	NR	n.a.	20	25	5.0	4.0	5.8	7.3	21.7	23.6	67.2	0.7	n.a.	n.a.
Yuzhou Properties*	1628 HK	3.73	2.3	3.9	BUY	4.82	15	15	3.9	3.4	9.2	10.6	21.3	22.0	82.1	0.7	9.3	60.0
Zhong An	672 HK	0.31	0.2	0.1	NR	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	32.2	n.a.	n.a.	n.a.
<b>Average#</b>							<b>15</b>	<b>41</b>	<b>5.5</b>	<b>3.8</b>	<b>6.1</b>	<b>7.7</b>	<b>14.3</b>	<b>15.9</b>	<b>65.5</b>	<b>0.5</b>		<b>58.0</b>
<b>Average (Overall)#</b>							<b>18</b>	<b>29</b>	<b>6.3</b>	<b>4.9</b>	<b>6.0</b>	<b>7.2</b>	<b>17.4</b>	<b>18.7</b>	<b>90.8</b>	<b>0.9</b>		<b>41.1~</b>

^ Denominated in SGD for price

~ Simple average discount to NAV; Market cap weighted average NAV = 26%

# Exclude outliers ~~Gross Gearing

^^ FY16: 17F; FY17: FY18F; FY18: FY19F

Source: Thomson Reuters, \*DBS HK

## PE valuations, 2009 to 2017 trough (based on earnings forecasts)

Company Name	Code	19-Feb	Mkt	18F	19F	Trough	Trough	Trough	Trough	Trough	Trough	Trough	Trough	Trough
		Price HK\$	Cap US\$bn	PE x	PE x									
China Overseas*	688 HK	28.50	39.8	8.5	6.6	11.1	12.8	6.5	7.2	7.8	6.1	6.7	5.8	5.8
China Vanke 'H'*	2202 HK	29.10	43.6	8.2	6.6	n.a.	n.a.	n.a.	n.a.	n.a.	6.3	6.8	6.5	7.3
Country Garden*	2007 HK	10.52	29.0	5.3	4.2	4.9	10.1	5.0	5.5	6.2	3.8	4.0	4.7	6.3
Evergrande*	3333 HK	24.25	40.6	5.7	4.7	n.a.	3.8	2.9	3.3	4.2	3.4	4.3	6.4	7.7
Longfor*	960 HK	23.60	17.9	9.8	7.7	17.8	13.8	6.3	5.6	7.4	5.3	5.4	5.5	5.7
Sunac China	1918 HK	31.55	17.7	8.3	5.3	n.a.	4.5	1.4	1.5	3.1	2.2	2.7	3.1	7.8
<b>Average</b>				<b>7.8</b>	<b>6.1</b>	<b>11.7</b>	<b>9.9</b>	<b>4.9</b>	<b>5.5</b>	<b>6.8</b>	<b>4.9</b>	<b>5.4</b>	<b>5.6</b>	<b>6.7</b>
Agile Property*	3383 HK	10.16	5.1	5.0	4.3	3.2	8.5	2.7	3.8	4.0	2.4	3.0	3.3	4.6
BJ Cap Land 'H'	2868 HK	3.24	0.4	3.3	3.0	3.1	5.1	1.9	2.0	3.3	2.6	3.1	3.5	4.1
China Jinmao Hldgs*	817 HK	3.86	5.7	9.8	7.1	7.0	14.8	6.0	5.9	7.3	4.8	5.1	5.1	5.7
CLIF Holdings	884 HK	4.94	4.9	5.8	4.5	n.a.	n.a.	n.a.	n.a.	3.8	3.2	2.7	2.8	3.6
Future Land	1030 HK	6.83	5.1	7.1	5.0	n.a.	n.a.	n.a.	n.a.	2.7	2.1	2.1	3.5	5.4
Greentown	3900 HK	6.78	1.9	5.2	4.7	2.3	6.3	2.0	1.5	3.3	2.3	3.1	3.4	5.5
Guangzhou R&F	2777 HK	14.98	1.9	4.1	3.4	4.8	6.8	3.2	3.2	4.7	3.8	3.1	3.5	3.7
Kaisa Group	1638 HK	2.71	2.1	n.a.	n.a.	n.a.	3.5	3.7	3.0	2.8	1.9	1.7	1.9	2.0
KWG Property	1813 HK	7.41	3.0	4.4	3.6	2.9	8.0	3.1	2.8	3.7	2.9	3.2	3.1	3.4
Logan Property*	3380 HK	10.66	7.5	7.3	5.5	n.a.	n.a.	n.a.	n.a.	n.a.	3.5	3.6	3.8	3.8
Shenzhen Inv	604 HK	2.84	3.1	9.0	7.6	4.2	6.5	3.8	4.4	6.2	5.3	5.4	6.2	6.5
Shimao Property*	813 HK	20.55	8.6	6.5	5.1	4.2	8.6	3.6	3.9	6.4	4.3	3.3	3.2	4.6
Yanlord Land*^	YLLG SP	1.39	2.0	3.7	4.0	6.6	9.3	5.0	7.1	9.3	7.5	7.1	7.0	4.8
Yuexiu Property*	123 HK	1.58	2.5	7.1	5.7	3.0	9.0	4.6	4.5	5.8	5.9	6.3	5.3	7.8
<b>Average#</b>				<b>5.9</b>	<b>4.8</b>	<b>4.6</b>	<b>8.1</b>	<b>3.7</b>	<b>4.0</b>	<b>5.0</b>	<b>3.9</b>	<b>3.9</b>	<b>4.0</b>	<b>4.7</b>
Central China*	832 HK	3.32	1.2	9.0	4.7	1.5	3.9	2.8	2.8	3.5	2.6	2.5	2.3	2.7
China Merchants Land	978 HK	1.19	0.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	12.0	4.5	5.5	3.9	5.6
China SCE	1966 HK	3.10	1.6	3.9	3.1	n.a.	4.7	3.7	2.9	2.4	5.6	4.5	3.7	4.7
China South City*^^	1668 HK	1.20	1.2	7.3	4.3	17.7	6.9	4.3	4.5	4.3	5.1	5.7	5.8	6.9
COGO*	81 HK	3.05	1.3	6.1	4.3	n.a.	n.a.	3.7	5.0	6.3	3.1	3.1	2.7	4.2
Gemdale Props	535 HK	0.88	1.8	4.0	3.0	n.a.	n.a.	n.a.	n.a.	10.9	14.1	3.8	5.5	4.2
Greenland	337 HK	2.27	0.8	3.4	2.4	1.2	4.2	1.4	1.2	0.8	11.7	8.0	4.8	4.0
Hopson Dev	754 HK	7.05	2.0	8.0	7.7	2.2	4.9	2.8	2.8	5.6	3.9	10.7	12.1	11.0
LVGEM	95 HK	2.30	1.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.0	7.5	10.1
Minmetals Land	230 HK	1.40	0.6	n.a.	n.a.	1.3	6.9	3.8	2.3	4.2	3.6	4.5	7.5	7.5
Modern Land (China)	1107 HK	1.18	0.4	5.8	4.0	n.a.	n.a.	n.a.	n.a.	n.a.	2.3	2.4	2.0	2.5
Poly (Hong Kong)	119 HK	2.87	1.3	4.6	3.9	3.8	14.9	4.2	4.9	5.2	3.9	5.7	13.0	17.6
Powerlong	1238 HK	3.74	1.9	3.4	2.7	4.7	5.2	1.5	1.6	3.6	2.8	3.2	2.7	3.1
Road King	1098 HK	15.26	1.5	n.a.	n.a.	1.6	5.4	2.2	2.4	6.5	6.8	6.8	6.8	6.8
Shui On Land*	272 HK	1.90	2.0	17.5	n.a.	3.3	9.4	5.6	6.5	9.1	10.6	5.8	6.4	5.6
SRE Group	1207 HK	0.14	0.4	n.a.	n.a.	1.6	2.0	2.3	0.9	1.1	1.1	1.1	1.1	1.1
Sunshine 100 China	2608 HK	1.55	0.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	5.7	5.8	5.3	7.8
Times China	1233 HK	10.52	2.5	5.0	4.0	n.a.	n.a.	n.a.	n.a.	n.a.	2.5	2.2	1.9	2.6
Wuzhou Int'l	1369 HK	0.04	0.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	7.3	5.2	22.3	22.3
Yuzhou Properties*	1628 HK	3.73	2.3	3.9	3.4	9.6	5.5	2.7	3.6	3.6	2.4	2.1	3.3	3.6
Zhong An	672 HK	0.31	0.2	n.a.	n.a.	3.6	7.7	4.1	9.9	5.3	8.3	8.3	8.3	8.3
<b>Average#</b>				<b>5.5</b>	<b>3.8</b>	<b>5.0</b>	<b>6.5</b>	<b>3.3</b>	<b>3.8</b>	<b>5.3</b>	<b>5.2</b>	<b>4.5</b>	<b>6.0</b>	<b>6.6</b>
<b>Average (Overall)#</b>				<b>6.3</b>	<b>4.9</b>	<b>5.8</b>	<b>7.8</b>	<b>3.7</b>	<b>4.2</b>	<b>5.4</b>	<b>4.7</b>	<b>4.5</b>	<b>5.3</b>	<b>6.0</b>

^ Denominated in SGD for price

# Exclude outliers

^^ FY16: 17F; FY17: FY18F; FY18: FY19F

Source: Thomson Reuters, \*DBS HK

## PE valuations, 2009 to 2017 peak (based on earnings forecasts)

Company Name	Code	19-Feb	Mkt	18F	19F	Peak 2009	Peak 2010	Peak 2011	Peak 2012	Peak 2013	Peak 2014	Peak 2015	Peak 2016	Peak 2017
		Price HK\$	Cap US\$bn	PE x	PE x									
China Overseas*	688 HK	28.50	39.8	8.5	6.6	25.1	20.4	12.1	12.4	12.0	9.0	9.9	8.7	8.9
China Vanke 'H'*	2202 HK	29.10	43.6	8.2	6.6	n.a.	n.a.	n.a.	n.a.	n.a.	9.0	11.8	11.8	10.5
Country Garden*	2007 HK	10.52	29.0	5.3	4.2	19.3	15.9	11.0	8.7	9.5	7.7	6.9	8.4	15.2
Evergrande*	3333 HK	24.25	40.6	5.7	4.7	n.a.	74.1	8.9	6.1	6.4	4.6	14.2	13.2	16.5
Longfor*	960 HK	23.60	17.9	9.8	7.7	24.4	21.7	14.2	11.9	11.5	7.5	8.7	8.2	11.3
Sunac China	1918 HK	31.55	17.7	8.3	5.3	n.a.	5.8	3.5	5.5	5.5	5.1	6.3	12.4	46.7
<b>Average</b>				<b>7.8</b>	<b>6.1</b>	<b>24.8</b>	<b>18.0</b>	<b>10.8</b>	<b>10.4</b>	<b>10.3</b>	<b>7.9</b>	<b>10.1</b>	<b>10.5</b>	<b>12.1</b>
Agile Property*	3383 HK	10.16	5.1	5.0	4.3	21.0	17.8	11.1	7.1	7.6	4.8	5.7	5.8	9.4
BJ Cap Land 'H'	2868 HK	3.24	0.4	3.3	3.0	15.9	11.9	5.9	4.7	5.3	3.6	6.3	5.9	7.4
China Jinmao Hldgs*	817 HK	3.86	5.7	9.8	7.1	22.1	21.4	16.6	10.2	10.1	8.4	8.4	8.2	11.5
CIFI Holdings	884 HK	4.94	4.9	5.8	4.5	n.a.	n.a.	n.a.	n.a.	5.9	4.4	5.1	5.4	8.4
Future Land	1030 HK	6.83	5.1	7.1	5.0	n.a.	n.a.	n.a.	n.a.	4.8	4.4	6.5	8.8	11.5
Greentown	3900 HK	6.78	1.9	5.2	4.7	18.3	15.1	6.1	6.3	6.6	4.5	6.1	7.8	10.8
Guangzhou R&F	2777 HK	14.98	1.9	4.1	3.4	17.8	13.7	8.0	7.4	8.1	5.2	4.8	6.0	7.2
Kaisa Group	1638 HK	2.71	2.1	n.a.	n.a.	n.a.	8.4	10.0	6.9	6.3	4.4	2.3	8.9	37.4
KWG Property	1813 HK	7.41	3.0	4.4	3.6	22.1	19.3	9.9	6.6	6.6	5.2	6.2	4.7	7.2
Logan Property*	3380 HK	10.66	7.5	7.3	5.5	n.a.	n.a.	n.a.	n.a.	n.a.	3.8	6.6	6.0	11.1
Shenzhen Inv	604 HK	2.84	3.1	9.0	7.6	14.9	10.6	9.0	8.6	11.8	8.0	10.3	10.1	9.1
Shimao Property*	813 HK	20.55	8.6	6.5	5.1	18.4	15.4	9.7	9.5	9.0	7.5	6.2	5.6	7.7
Yanlord Land*^	YLLG SP	1.39	2.0	3.7	4.0	19.8	14.6	10.5	15.0	14.7	11.2	12.7	9.8	7.9
Yuexiu Property*	123 HK	1.58	2.5	7.1	5.7	25.8	22.0	11.1	9.3	9.5	8.1	11.1	10.6	10.5
<b>Average#</b>				<b>5.9</b>	<b>4.8</b>	<b>19.5</b>	<b>15.3</b>	<b>9.7</b>	<b>8.6</b>	<b>8.4</b>	<b>6.0</b>	<b>6.9</b>	<b>7.2</b>	<b>9.1</b>
Central China*	832 HK	3.32	1.2	9.0	4.7	9.4	7.8	5.6	6.3	6.3	4.1	4.4	3.9	8.5
China Merchants Land	978 HK	1.19	0.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	13.5	13.5	15.3	11.9	5.6
China SCE	1966 HK	3.10	1.6	3.9	3.1	n.a.	6.9	5.5	3.8	6.6	5.6	5.6	7.6	7.4
China South City*^^	1668 HK	1.20	1.2	7.3	4.3	19.6	20.4	12.3	6.6	6.9	11.8	9.5	10.8	17.2
COGO*	81 HK	3.05	1.3	6.1	4.3	n.a.	n.a.	9.8	9.8	10.0	6.4	6.1	6.3	8.8
Gemdale Props	535 HK	0.88	1.8	4.0	3.0	n.a.	n.a.	n.a.	n.a.	21.9	57.7	50.0	10.6	10.0
Greenland	337 HK	2.27	0.8	3.4	2.4	14.0	10.7	3.8	8.9	52.6	28.2	21.6	12.2	7.1
Hopson Dev	754 HK	7.05	2.0	8.0	7.7	10.3	7.5	6.4	16.0	15.7	16.1	24.6	22.4	29.8
LVGEM	95 HK	2.30	1.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.0	11.3	26.6
Minmetals Land	230 HK	1.40	0.6	n.a.	n.a.	13.2	20.1	n.a.	7.1	6.9	5.9	7.6	7.5	7.5
Modern Land (China)	1107 HK	1.18	0.4	5.8	4.0	n.a.	n.a.	n.a.	n.a.	n.a.	2.8	5.8	5.8	3.8
Poly (Hong Kong)	119 HK	2.87	1.3	4.6	3.9	51.0	41.2	16.1	9.8	9.9	6.4	27.9	670.0	637.5
Powerlong	1238 HK	3.74	1.9	3.4	2.7	7.0	8.2	6.5	5.6	6.7	4.9	4.6	5.3	6.5
Road King	1098 HK	15.26	1.5	n.a.	n.a.	7.2	7.3	7.0	7.6	7.6	6.8	6.8	6.8	6.8
Shui On Land*	272 HK	1.90	2.0	17.5	n.a.	21.3	16.6	17.6	12.6	17.6	17.4	87.1	11.7	8.6
SRE Group	1207 HK	0.14	0.4	n.a.	n.a.	4.6	3.7	2.9	2.4	1.1	1.1	1.1	1.1	1.1
Sunshine 100 China	2608 HK	1.55	0.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	6.7	7.4	8.0	7.8
Times China	1233 HK	10.52	2.5	5.0	4.0	n.a.	n.a.	n.a.	n.a.	n.a.	3.5	3.2	3.6	5.7
Wuzhou Int'l	1369 HK	0.04	0.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	12.4	29.6	22.3	22.3
Yuzhou Properties*	1628 HK	3.73	2.3	3.9	3.4	11.7	9.9	5.8	6.5	6.5	4.6	5.2	5.2	6.3
Zhong An	672 HK	0.31	0.2	n.a.	n.a.	26.8	19.8	12.3	14.9	10.3	8.3	8.3	8.3	8.3
<b>Average#</b>				<b>5.5</b>	<b>3.8</b>	<b>13.2</b>	<b>12.4</b>	<b>8.7</b>	<b>8.2</b>	<b>9.5</b>	<b>8.6</b>	<b>10.1</b>	<b>8.9</b>	<b>10.2</b>
<b>Average (Overall)#</b>				<b>6.3</b>	<b>4.9</b>	<b>20.1</b>	<b>14.7</b>	<b>9.5</b>	<b>8.8</b>	<b>9.2</b>	<b>7.6</b>	<b>9.1</b>	<b>8.7</b>	<b>10.1</b>

^ Denominated in SGD for price

# Exclude outliers

^^ FY16: 17F; FY17: FY18F; FY18: FY19F

Source: Thomson Reuters, \*DBS HK

## Share price performance

		Price Performance															2007
		1-wk	2-wk	1-mth	2-mth	3-mth	5-mth	6-mth	YTD	1-yr	2012	2013	2014	2015	2016	2017	high
		%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Tier 1 players																	
China Overseas	688 HK	1.6	(0.5)	4.7	8.4	5.8	16.2	25.4	8.2	1.6	78.0	(5.6)	5.7	21.5	(24.4)	22.4	55.1
China Vanke 'H'	2202 HK	1.0	(0.5)	7.0	12.1	9.3	13.3	23.4	15.0	(16.7)	62.8	(3.2)	43.0	32.4	(22.7)	76.3	99.5
Country Garden	2007 HK	(1.1)	(0.9)	12.9	18.7	16.8	(1.3)	(1.3)	15.0	(16.9)	46.4	15.3	(32.8)	2.6	36.5	243.3	n.a.
Evergrande	3333 HK	(1.6)	(0.8)	5.9	0.2	21.0	(6.2)	(9.7)	3.2	0.2	32.0	(30.4)	6.1	117.2	(29.2)	458.0	n.a.
Longfor Properties	960 HK	(1.6)	(0.4)	6.1	7.6	11.5	8.5	21.0	3.4	0.8	72.9	(28.6)	(7.8)	15.7	(14.9)	99.0	n.a.
Sunac China	1918 HK	(2.4)	(3.6)	17.1	20.7	23.2	19.1	33.5	21.0	(1.3)	272.7	(22.5)	69.7	(24.0)	7.5	401.6	n.a.
Average		(0.2)	(0.7)	7.3	9.7	12.8	8.1	15.4	9.5	(4.5)	90.5	(12.0)	12.9	25.7	(10.0)	190.3	67.1
Tier 2 players																	
Agile Property	3383 HK	(1.3)	(2.8)	10.3	13.7	2.6	(10.5)	(7.6)	11.4	(19.3)	56.6	(23.8)	(46.9)	(2.0)	(8.6)	200.3	(47.9)
BJ Cap. Land	2868 HK	(0.3)	(0.9)	6.2	12.1	8.0	11.7	7.6	15.7	(27.5)	110.5	(18.0)	11.4	20.7	(18.0)	39.5	(56.4)
China Jinmao Hldgs	817 HK	(0.3)	(1.8)	5.9	11.0	8.0	4.5	23.2	11.6	(21.4)	85.9	(3.2)	(17.4)	19.4	(21.1)	64.6	n.a.
CIFI Holdings	884 HK	1.0	0.0	16.1	30.7	38.5	25.2	17.7	22.8	(23.7)	n.a.	17.1	(6.1)	12.3	20.8	125.4	n.a.
Future Land	1030 HK	(1.6)	(1.8)	6.9	29.5	36.5	16.8	16.5	23.5	(0.2)	n.a.	(38.3)	(21.7)	86.1	18.7	208.2	n.a.
Greentown	3900 HK	1.6	(1.0)	7.6	21.1	10.7	(13.2)	(16.7)	16.0	(45.3)	321.4	(16.6)	(35.0)	0.0	(18.4)	60.2	(65.1)
GZ R&F	2777 HK	(2.4)	(1.8)	9.6	32.9	29.4	4.2	10.2	30.9	(22.5)	110.1	(12.1)	(16.3)	0.6	(1.8)	87.8	(64.3)
Kaisa Group	1638 HK	(8.2)	(3.5)	1.7	5.2	11.4	(9.9)	(16.4)	(2.0)	(42.9)	79.1	4.2	(36.4)	(1.9)	0.0	182.7	n.a.
KWG	1813 HK	(0.7)	(1.9)	(0.3)	15.4	16.0	(3.2)	(9.3)	8.9	(37.5)	122.2	(26.1)	33.5	13.1	(17.8)	107.5	n.a.
Logan Property	3380 HK	(4.0)	(2.0)	(0.4)	14.2	23.0	13.5	15.1	7.2	(7.4)	n.a.	n.a.	10.0	9.1	11.4	175.8	n.a.
Shenzhen Inv	604 HK	(2.8)	(2.5)	5.4	6.2	7.8	15.5	8.3	6.2	(18.2)	125.9	(7.0)	(23.6)	62.8	(14.3)	4.2	(64.6)
Shimao Property	813 HK	4.3	1.2	0.7	9.3	18.1	2.3	5.6	4.5	0.7	120.5	21.9	(2.7)	(20.5)	(26.4)	67.7	(24.8)
Yanlord Land	YLLG SP	(7.2)	(0.8)	2.4	0.0	0.8	(11.0)	(12.8)	5.7	(20.9)	59.2	(19.4)	(15.1)	(3.4)	31.3	22.7	(69.4)
Yuexiu Property	123 HK	(2.5)	0.7	2.0	10.0	10.0	9.2	10.8	6.9	(3.1)	118.8	(22.0)	(16.8)	(10.1)	(20.9)	37.7	(46.6)
Average		(1.7)	(1.3)	5.3	14.8	15.4	3.9	3.2	12.0	(21.5)	114.2	(11.1)	(13.1)	13.3	(6.4)	96.0	(54.9)
Tier 3 players																	
Central China	832 HK	2.4	(3.1)	4.0	18.1	16.1	8.3	4.0	17.7	(3.1)	76.8	(12.8)	(26.8)	(7.4)	4.3	116.6	n.a.
China Merchants Land	978 HK	0.8	0.8	5.7	19.4	13.2	10.3	6.6	17.3	(12.2)	105.1	18.8	(40.0)	36.8	(28.2)	28.6	(71.0)
China SCE Property	1966 HK	1.6	(0.9)	1.6	10.7	13.5	2.9	0.6	12.3	(17.7)	20.2	16.2	(12.4)	8.0	33.1	44.6	n.a.
China South City	1668 HK	0.9	0.0	2.6	2.6	(4.8)	(10.6)	(15.7)	6.3	(38.9)	17.0	88.0	60.9	(50.6)	(7.4)	26.5	n.a.
COGO	81 HK	0.7	(0.3)	8.9	16.4	11.7	16.4	22.0	18.7	(24.1)	105.6	(20.7)	(46.7)	(16.7)	(22.9)	69.2	(31.0)
Gemdale Props	535 HK	(2.4)	(1.2)	8.0	11.0	8.0	9.5	11.0	9.5	(23.6)	163.6	60.9	(28.6)	4.0	(8.7)	70.5	84.1
Greenland	337 HK	(4.3)	(1.3)	7.7	9.3	11.4	(10.8)	(15.5)	17.3	(43.6)	53.5	90.4	(18.3)	(1.9)	(36.1)	61.1	(70.0)
Hopson Dev	754 HK	0.7	1.3	9.9	20.3	12.4	2.1	6.8	11.6	(6.1)	207.2	(24.6)	(24.0)	8.7	(10.5)	10.9	(76.9)
LVGEM	95 HK	(2.6)	(1.3)	1.8	0.0	0.9	(7.5)	(21.1)	(0.9)	(35.6)	30.4	236.7	119.8	9.0	(1.2)	24.7	185.5
Minmetals Land	230 HK	(0.7)	(1.4)	0.7	6.1	5.3	1.4	16.7	6.9	(2.1)	70.7	(19.5)	(13.6)	1.1	3.3	40.9	(62.2)
Modern Land (China)	1107 HK	(2.6)	0.0	7.7	9.8	7.7	(4.3)	(3.4)	16.7	(38.8)	n.a.	n.a.	1.6	98.4	(53.2)	79.5	n.a.
Poly HK	119 HK	(4.8)	(3.8)	6.9	9.9	7.3	(1.8)	(6.1)	13.5	(34.7)	79.8	(31.7)	(22.9)	(20.7)	1.6	58.4	(75.7)
Powerlong	1238 HK	(6.5)	(2.5)	6.2	11.7	9.9	(3.6)	(10.9)	12.0	(12.2)	58.7	0.6	(34.3)	50.5	39.0	66.2	n.a.
Road King	1098 HK	(5.7)	0.6	2.0	1.3	10.8	7.6	(0.3)	1.3	(1.4)	52.1	9.6	(11.7)	3.1	(4.6)	109.3	(17.3)
Shui On Land	272 HK	(3.0)	(3.5)	6.6	12.1	12.1	10.2	10.2	12.1	(12.2)	58.9	(31.1)	(23.1)	16.4	(21.6)	29.3	(80.2)
SRE Group	1207 HK	(1.5)	6.5	7.4	(1.5)	(18.6)	(17.1)	(16.6)	0.8	(35.1)	24.2	(32.9)	(20.8)	73.8	(45.5)	0.0	(96.2)
Sunshine 100 China	2608 HK	1.8	(2.3)	(0.6)	(55.3)	(55.5)	(55.5)	(56.1)	(54.3)	(50.3)	n.a.	n.a.	n.a.	21.7	4.8	(5.1)	n.a.
Times Property	1233 HK	(2.4)	(3.7)	5.6	32.7	31.3	15.9	9.1	13.3	17.1	n.a.	n.a.	(5.7)	(18.2)	40.4	102.9	n.a.
Wuzhou Int'l	1369 HK	0.0	0.0	0.0	0.0	0.0	0.0	(21.6)	0.0	(94.7)	n.a.	n.a.	14.0	(44.9)	(3.7)	11.5	n.a.
Yuzhou Properties	1628 HK	2.1	(2.0)	7.0	15.7	18.5	9.7	1.1	18.9	(28.5)	37.1	2.9	1.0	7.7	28.6	54.4	n.a.
Zhong An	672 HK	(9.1)	(3.2)	13.2	13.2	9.1	(7.7)	(18.9)	13.2	(53.8)	7.5	26.3	(20.8)	(28.9)	(21.0)	187.5	n.a.
Average		(1.6)	(1.1)	5.4	8.5	6.4	(0.8)	(3.8)	8.3	(25.2)	68.7	21.6	(8.4)	8.3	(4.6)	60.4	(28.3)
Average (Overall)		(1.4)	(1.1)	5.7	10.8	10.5	2.2	1.6	9.7	(20.6)	87.6	3.8	(6.6)	12.8	(6.0)	93.2	(24.9)

Source: Thomson Reuters

## Historical valuations

Company name	Code	19-Feb Price HK\$	NAV discount / (premium) (%)				PE (x)			PB (x)		
			Current	Hist avg	+ 1 s.d.	- 1 s.d.	Hist avg	+ 1 s.d.	- 1 s.d.	Hist avg	+ 1 s.d.	- 1 s.d.
Agile Property	3383 HK	10.16	46.5	51.9	30.4	73.3	6.7	9.0	4.3	1.3	2.1	0.4
Central China	832 HK	3.32	35.4	64.5	53.0	75.9	5.9	7.5	4.2	0.8	1.0	0.5
China Overseas	688 HK	28.50	17.9	13.8	(2.3)	29.9	8.9	13.4	4.4	1.5	2.3	0.7
China Vanke-H	2202 HK	29.10	13.8	5.5	(16.0)	27.1	8.6	14.0	3.2	1.6	2.4	0.9
COGO	81 HK	3.05	73.8	56.3	39.2	73.5	7.9	18.8	(3.0)	0.9	1.4	0.3
Country Garden	2007 HK	10.52	48.8	29.0	7.6	50.4	12.5	29.8	(4.9)	1.8	3.4	0.2
China Evergrande	3333 HK	24.25	39.6	42.2	3.2	81.2	5.1	7.3	2.9	1.3	1.9	0.7
China Jinmao	817 HK	3.86	16.9	46.2	30.3	62.2	9.4	14.2	4.5	1.0	1.4	0.6
Longfor	960 HK	23.60	17.9	30.3	20.3	40.3	7.0	8.4	5.5	1.4	1.9	0.9
Shimao Property	813 HK	20.55	33.5	42.0	25.2	58.7	9.1	18.3	(0.1)	1.2	1.9	0.5
Shui On Land	272 HK	1.90	62.9	58.1	48.7	67.5	9.9	13.9	5.9	0.7	1.2	0.2
Sino-Ocean Land	3377 HK	3.71	58.4	41.7	22.4	61.0	9.8	15.1	4.5	0.8	1.2	0.4
SOHO China	410 HK	3.23	55.0	46.1	29.7	62.6	17.8	46.9	(11.3)	0.8	1.1	0.4
Yanlord Land^	YLLG SP	1.39	61.8	43.1	27.5	58.8	9.1	14.8	3.4	1.1	1.9	0.3
Yuxiu Property	123 HK	1.58	54.5	56.8	50.7	62.8	6.5	6.6	6.3	0.7	0.9	0.4
<b>Sector average</b>			<b>40.3**</b>	<b>44.4~</b>	<b>36.0~</b>	<b>52.9~</b>	<b>6.9~</b>	<b>8.5~</b>	<b>5.2~</b>	<b>0.8~</b>	<b>0.9~</b>	<b>0.6~</b>

\* Share price denominated in RMB

^ Share price denominated in SGD

\*\* Exclude Soho China

~ 2010-YTD

Source: Thomson Reuters, DBS HK

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**BUY** (>15% total return over the next 12 months for small caps, >10% for large caps)

**HOLD** (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

**FULLY VALUED** (negative total return i.e. > -10% over the next 12 months)

**SELL** (negative total return of > -20% over the next 3 months, with identifiable catalysts within this time frame)

\*Share price appreciation + dividends

Completed Date: 20 Feb 2019 08:56:03 (HKT)

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**DBS Bank (Hong Kong) Limited**13<sup>th</sup> Floor One Island East, 18 Westlands Road, Quarry Bay, Hong Kong

Tel: (852) 3668-4181, Fax: (852) 2521-1812

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DBS Regional Research Offices

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**HONG KONG**

DBS Bank (Hong Kong) Ltd  
Contact: Carol Wu  
13th Floor One Island East,  
18 Westlands Road,  
Quarry Bay, Hong Kong  
Tel: 852 3668 4181  
Fax: 852 2521 1812  
e-mail: dbsvhk@dbs.com

**MALAYSIA**

AllianceDBS Research Sdn Bhd  
Contact: Wong Ming Tek (128540 U)  
19th Floor, Menara Multi-Purpose,  
Capital Square,  
8 Jalan Munshi Abdullah 50100  
Kuala Lumpur, Malaysia.  
Tel.: 603 2604 3333  
Fax: 603 2604 3921  
e-mail: general@alliancedbs.com

**SINGAPORE**

DBS Bank Ltd  
Contact: Janice Chua  
12 Marina Boulevard,  
Marina Bay Financial Centre Tower 3  
Singapore 018982  
Tel: 65 6878 8888  
Fax: 65 65353 418  
e-mail: equityresearch@dbs.com  
Company Regn. No. 196800306E

**INDONESIA**

PT DBS Vickers Sekuritas (Indonesia)  
Contact: Maynard Priajaya Arif  
DBS Bank Tower  
Ciputra World 1, 32/F  
Jl. Prof. Dr. Satrio Kav. 3-5  
Jakarta 12940, Indonesia  
Tel: 62 21 3003 4900  
Fax: 6221 3003 4943  
e-mail: research@id.dbsvickers.com

**THAILAND**

DBS Vickers Securities (Thailand) Co Ltd  
Contact: Chanpen Sirithanarattanakul  
989 Siam Piwat Tower Building,  
9th, 14th-15th Floor  
Rama 1 Road, Pathumwan,  
Bangkok Thailand 10330  
Tel. 66 2 857 7831  
Fax: 66 2 658 1269  
e-mail: research@th.dbs.com  
Company Regn. No 0105539127012  
Securities and Exchange Commission, Thailand