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Wealth Daily

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S&P 500 Slipped on CPI Caution, Hormuz Tensions

Today's Must-Know News

S&P 500 slipped 0.32% Tuesday, extending its four-session consolidation near recent highs as investors pared risk ahead of July CPI, with elevated oil prices adding to inflation and Fed uncertainty. Losses were mostly contributed by **Alphabet (GOOGL -3.84%; GOOG -3.61%), Amazon (AMZN -2.09%) and Apple (AAPL -1.09%). Energy shares (XLE +1.25%) rose for the second straight session** on higher oil prices due to the lingering uncertainty over reopening the Strait of Hormuz. **Gold (XAU -0.47%) retreated from a two-month high** as investors trimmed positions ahead of the inflation print. **Semicon (SOXX +0.91%) outperformed software (IGV -1.04%)** on Tuesday**. In after-hours trade, CoreWeave (CRWV +2.42%) & Super Micro Computer (SMCI +0.45%) jumped 14.6% & 7.3% respectively** on stronger-than-expected results and gave better than expected guidance. CoreWeave lifted its FY2026 revenue, adjusted-profit and capex outlook after its AI backlog reached USD104.2bn at end-June. **Alphabet fell ahead of today's Made by Google event,** where the Pixel 11 lineup is expected to put Gemini integration in focus. **AppLovin (APP -5.99%) fell after Bank of America (BAC +0.22%) downgraded the stock** to Neutral from Buy and cut its target to USD400, citing greater uncertainty over the durability of its long-term 30% revenue-growth outlook**. SpaceX (SPCX -3.93%) was in focus** after Norway's USD2.3tn sovereign wealth fund disclosed a 0.05% stake worth USD1.22bn at end-June. **Tencent (0700.HK –2.2%) reports 2Q earnings today,** with investors focused on whether stronger AI traction from WorkBuddy and its planned WeChat AI agent can offset rising AI investment costs and margin pressure. **Shein is targeting a USD30bn-40bn Hong Kong IPO valuation**, sharply below its USD98.2bn 2022 valuation. **The yen remained under pressure** despite USD/JPY easing 0.1%, with intervention concerns lingering after the pair touched 159.28 overnight. **AMZN, XLE, APP, 0700.HK are our Core Recommendations; GOOGL & SOXX are our Trading Buys.**

Trader's Corner (Details on Page 5-6)

Ticker	Name	Rec.	Support	Resistance
2018.HK	AAC Technologies	-	HKD 40.46 / 39.88	HKD 47.32 / 50.05
9660.HK	Horizon Robotics	-	HKD 4.83 / 4.62	HKD 5.53 / 6.06

CR = Core Recommendation; TB = Trading Buy

Hong Kong IPO Calendar

No upcoming IPOs.

Overnight Markets

Indices

	Price	1D% Chg	YTD%
Straits Times Index	5,754.17	0.98	23.85
FBM KLCI	1,731.46	-0.23	3.06
DJIA	53,791.85	-0.34	11.92
S&P 500	7,728.20	-0.32	12.89
NASDAQ Composite	26,445.45	-0.60	13.78
Hang Seng Index	25,652.82	-1.10	0.09
CSI 300 Index	4,663.79	-0.81	0.73

Govt Bond Yields

Term	Price	1D% Chg	YTD%
US 2Y	4.216	-2.7bps	+74.1bps
US 10Y	4.690	-1.7bps	+52.1bps
EU 2Y	2.789	-1.2bps	+66.7bps
EU 10Y	3.158	-2bps	+30.3bps

Precious Metals

	Price	1D% Chg	YTD%
Gold Futures (US$/oz)	4372.200	-0.41	1.10
Silver Futures (US$/oz)	64.86	1.26	-7.95

Currencies & Crude Oil

	Price	1D% Chg	YTD%
Dollar Index (DXY)	99.812	0.01	1.56
EUR-USD	1.1542	-0.01	-1.74
Brent Futures (US$/bbl)	89.30	1.62	46.61
WTI Futures (US$/bbl)	83.23	1.13	44.97

Must Watch Events

Aug 12	US Jul CPI, GOOGL product launch - Pixel. Earnings: Tencent (0700.HK), Galaxy (0027.HK), Unicom (0762.HK), CSCO, COHR.
Aug 13	对话 CIO 系列私享会 #11：韓國豪賭歐亞算力，中美 AI 競賽正酣 7:30-8:30PM https://voovmeeting.com/dw/sRpVvYXw7IHv?ch=tteP51JLyE4B8 https://meeting.tencent.com/dw/sRpVvYXw7IHv?ch=tteP51JLyE4B8 US Jul PPI, Initial Jobless Claims; China Jul M2 Money Supply, New Yuan Loans, Outstanding Loan Growth, Total Social Financing.

Americas

- **Nvidia broadens AI financing as credit investors rally.** Nvidia (NVDA -0.02%) partnered with Apollo (APO +6.26%); BlackRock (BLK +1.54%); Blackstone (BX +3.89%); Goldman (GS -0.01%); KKR (KKR +6.88%) and Brookfield on structures intended to mobilise more than USD500bn for AI infrastructure, with Nvidia limiting its own exposure while potentially supporting residual values on its equipment. Nvidia bond yields subsequently eased, suggesting the financing framework reassured parts of the credit market. (Bloomberg) **NVDA is our Core Recommendation.**

- **Amazon delivery model faces New York labour-policy risk.** Amazon (AMZN -2.09%) faces pressure from New York City Mayor Zohran Mamdani's push for the company to directly employ thousands of contract delivery drivers, potentially challenging the economics of its outsourced delivery model. The stock decline on Aug. 11 coincided with broader megacap weakness and should not be attributed solely to the New York proposal. (Bloomberg) **AMZN is our Core Recommendation.**

- **Meta faces China unwind and US litigation pressure.** Meta (META +0.71%) is separating from Manus after Chinese authorities blocked its USD2bn-plus acquisition, while a US appeals court separately allowed more than 3,000 federal lawsuits against Meta, Alphabet (GOOGL -3.84%), TikTok and Snap (SNAP +2.99%) over alleged addictive platform designs to proceed. The court also rejected Meta's attempt to delay a trial brought by 29 state attorneys general. (Reuters) **META is our Core Recommendation.**

- **Intel's USD20bn equity raise draws heavy demand.** Intel (INTC +0.19%) raised USD20bn in an upsized share offering priced at USD95, a 2.6% discount to the prior close, with Bloomberg reporting that roughly one-third of investors placing orders received no allocation and the 10 largest buyers took 55% of the deal. The capital supports Intel's foundry expansion after a sharp share-price rally, while Trump has separately said Apple would manufacture processors with Intel, a claim neither company had confirmed in the Reuters report. (Bloomberg)

- **Boeing July deliveries ease from June.** Boeing (BA +0.19%) delivered 53 aircraft in July, down 17% from June's 64 but above 48 a year earlier and below Airbus' 67 deliveries. Boeing delivered 367 aircraft through July and booked 30 net new orders during the month. (Reuters)

- **JPMorgan maintains rapid Asia expansion.** JPMorgan (JPM +0.63%) expects to keep hiring at a similar pace in Asia-Pacific in 2027 after increasing corporate-banking headcount about 15% this year and generating regional revenue growth well above 20%. AI, data centres, GPU financing, supply-chain investment and cross-border trade are major growth drivers. (Reuters)

- **Riot lands USD9.1bn Anthropic AI-compute contract.** Riot Platforms (RIOT +4.33%) agreed to provide Anthropic with 191MW of computing capacity at its Rockdale, Texas campus under a contract expected to generate USD9.1bn through 2048, with an extension option potentially taking total sales to USD16.1bn. Riot surged about 21% in premarket trading after the report before closing with a smaller 4.3% gain. (Bloomberg)

- **Spotify introduces AI-persona labels.** Spotify (SPOT -2.11%) will begin flagging AI-generated artist profiles with an "AI Personas" label from mid-September and intends to exclude those artists from algorithmic recommendations unless listeners opt in. Spotify will also investigate photorealistic AI identities that are not voluntarily disclosed. (Bloomberg)

Greater China

- **China and Hong Kong stocks retreat as Hormuz risk returns.** The Shanghai Composite and CSI 300 each fell 0.81% and the Hang Seng lost 1.1% Tuesday after Trump's new demands on Iran reduced expectations for a near-term Hormuz reopening and pushed oil higher. The Hang Seng Tech Index declined 1.93% while materials were among the weakest sectors, with Hong Kong's materials sub-index down 4.6%. (Reuters)
- **Tencent's AI spending puts margins under scrutiny.** Tencent (0700.HK -2.2%) heads into earnings later today with analysts from Bloomberg expecting 2Q adjusted net income of about CNY68.2bn and annual earnings growth near 8%, as higher AI spending offsets improving domestic games momentum. Investors are focused on WorkBuddy, now described by Bloomberg as China's most popular AI workplace assistant, and Tencent's planned WeChat AI agent as potential catalysts after the shares lagged AI-focused peers. (Bloomberg) **0700.HK is our Core Recommendation.**
- **Shein tariff exposure weighs on IPO valuation.** Shein is targeting a USD30bn-40bn Hong Kong IPO valuation, sharply below its USD98.2bn 2022 valuation, after weaker growth, margins and higher trade costs. Shein swung to a USD99mn 1Q26 quarterly loss after the US removed its duty exemption for low-value imported packages, making it the clearest direct corporate earnings impact from Trump-era trade policy in the attached stories, although there is no listed share price to measure. (Reuters)
- **TSMC and Sony commit USD4.69bn to next-generation image sensors.** TSMC (TSM +0.86%) and Sony (6758 JP +0.48%) will establish a USD4.69bn Kumamoto joint venture targeting volume production from 2029, with Sony contributing USD2.92bn and taking control while TSMC invests USD1.77bn. The venture will combine Sony's image-sensor design expertise with TSMC's advanced manufacturing technology, with additional Japanese government support under consideration. (Reuters) **TSM is our Core Recommendation.**
- **China auto exports surge as domestic sales contract.** China's July passenger-vehicle sales fell about 21% YoY while exports jumped roughly 88%, forcing automakers to lean increasingly on overseas demand; BYD (1211.HK -2.82%) posted record overseas shipments, Leapmotor (9863.HK -0.3%) more than doubled global sales above 100,000 vehicles and Geely Auto (0175.HK -4.62%) is expanding European production through Ford (F -0.14%) capacity in Spain. Industry margins remain under pressure from discounts and higher battery and memory costs. (Bloomberg) **0175.HK is our Core Recommendation.**

Asia ex. China

- **Sea rallies on stronger Shopee profitability.** Sea (SE +14.56%) reported second-quarter revenue of USD7.8bn versus USD7.09bn consensus and raised its 2026 Shopee adjusted EBITDA outlook to USD1bn from at least USD880.6mn, supported by stronger monetisation and 28% YoY GMV growth. The results drove a double-digit rally in its US-listed shares. (Bloomberg)
- **Korean investors buy the chip selloff with leverage.** More than USD10bn flowed into South Korean leveraged equity ETFs in the first week of August, including USD3.45bn into SK Hynix (SKHY +4.7%, 000660 KS +1.06%)-linked products and nearly USD2bn into Samsung (005930 KS

+4.1%)-linked funds despite tighter leverage rules. The flows suggest local investors continue to treat the semiconductor correction as a buying opportunity rather than the end of the cycle. (Reuters)

- **GM takes another step back from EV investment.** General Motors (GM +1.58%) plans to sell its 50% stake in a proposed USD3.5bn Indiana EV-battery venture to Samsung SDI (006400 KS –3.03%), extending the automaker's retreat from previously planned electric-vehicle capacity. (Bloomberg)

EMEA and Others

- **European equities hold near records**. The STOXX 600 finished nearly flat Tuesday as strong earnings offset Hormuz-related energy concerns. Energy stocks gained. Alcon (ALC SW +4.7%) and ISS (ISS DC +4.4%) rose on results, while Spirax (SPX LN -5.56%) fell on unchanged guidance and Legal & General (LGEN LN -3.08%) dropped after a UBS downgrade. (Reuters)
- **UBS capital decision remains unresolved.** Swiss lawmakers postponed agreement on proposals that could require UBS (UBSG SW -0.41%) to hold about USD20bn of additional CET1 capital, with some legislators seeking greater use of lower-cost AT1 instruments. The committee is due to meet again Aug 31, prolonging uncertainty over the eventual post-Credit Suisse regulatory burden. (Bloomberg)
- **Diageo challenges India alcohol restrictions.** Diageo (DGE LN +1.45%) unit United Spirits (UNITDSPR IN +1.75%) argued that India's prohibition of McDowell's No. 1 Celebration rum lacked due process, as regulators scrutinise alcohol labelling and artificial flavours. A Mumbai court declined immediate relief and sought a federal response by Aug 19, while authorities separately seized about 18,000 boxes of Diageo products over recycled-plastic labelling allegations. (Reuters)

Traders' corner

Source: TradingView

AAC Technologies (2018.HK)

Last Price:	HKD 42.72
Support:	HKD 40.46 (-5.2%) / HKD 39.88 (-6.6%)
Resistance:	HKD 47.32 (+10.9%) HKD 50.05 (+17.1%)

Our Technical View

- Price has extended its uptrend with a decisive breakout above previous resistance, reinforcing a healthy pattern of higher highs and higher lows.
- Supported by an RSI that continues to trade above neutral, buyer momentum remains firm.
- The technical bias stays tilted to the upside, pointing toward further gains as long as the current market structure holds.

Traders’ corner (continued)

Source: TradingView

Horizon Robotics (9660.HK)

Last Price:	HKD 5.10
Support:	HKD 4.83 (-5.3%) / HKD 4.62 (-9.4%)
Resistance:	HKD 5.53 (+8.4%) / HKD 6.06 (+18.8%)

Our Technical View

- Following a successful breakout, price is consolidating above resistance-turned-support zone to form a potential flag pattern.
- Backed by an RSI that maintains its position above neutral territory, the broader bullish posture remains intact.
- A high-volume move out of this flag structure would signal a resumption of the primary uptrend toward higher resistance levels.

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