



# GRANDATION CAPITAL

## RESEARCH DEPARTMENT

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Companies mentioned in this report  
(price as 8/7/19 market close)

Ticker	Price 8/7/19	WoW
TWTR.N	\$ 41.32	0.78%
PDD.O	\$ 21.96	0.05%
TOUR.O	\$ 3.06	-3.77%
SNAP.N	\$ 16.29	-3.78%
TRIP.O	\$ 42.43	-4.00%
GOOGL.O	\$ 1,171.08	-4.64%
NFLX.O	\$ 310.10	-4.86%
TIGR.O	\$ 4.07	-5.57%
AAPL.O	\$ 197.00	-5.64%
AMZN.O	\$ 1,787.83	-5.83%
EXPE.O	\$ 127.06	-6.06%
FB.O	\$ 184.51	-6.36%
BKNG.O	\$ 1,786.52	-6.79%
IQ.O	\$ 17.17	-9.30%
WB.O	\$ 36.14	-9.47%
BABA.N	\$ 157.43	-9.57%
BILI.O	\$ 13.95	-9.94%
JD.O	\$ 26.48	-12.95%
CTRP.O	\$ 33.99	-13.31%
MOMO.O	\$ 29.59	-14.16%

## TMT INDUSTRY REPORT

8/7/2019

### VOLUME 3, ISSUE 6

*Announcement: We start to publish our TMT industry report on bi-weekly basis starting from Jul'19.*

**Key takeaways:** S&P 500 posted largest gain in terms of percentage as tech companies boosted after U.S.-China trade hit. Dow swung 371 points and closed at session high at 26378.2. **TMT Industry:** IXN index is closed at 176.65 on 8/7/19, down 2.58% WoW. **Individual stocks:** in our screening portfolio, the best stock performers are TIGR, PDD and TWTR, up 2.4%, down 0.6% and down 1.4% MTD, respectively.

### U.S. Macro Economic Indicators:

- **U.S. GDP quarterly data (Figure 1):** on 7/26/19, U.S. department of commerce released Q2'19 GDP growth at 2.1% YoY, topped the expectation of 2% YoY.
- **U.S. employment monthly data (Figure 2):** on 8/2/19, U.S. department of labor released July'19 unemployment rate of 3.7%, remained at 50-year record low. Average hourly earnings for all employees on private nonfarm payrolls increased by 3.2%, YoY. Non-farm payroll increased 164,000, in line with expectation of 165,000.
- **U.S. pending home sales index monthly data (Figure 3):** on 7/30/19, National Association of Realtors released June'19 pending home sales index, increasing 2.8% to 108.3.
- **U.S. retail sales monthly data (Figure 4):** on 7/16/19, U.S. department of commerce released June'19 retail sales of \$519bn, up 0.4% MoM, beat the expectation of 0.1% MoM.
- **U.S. E-Commerce sales quarterly data (Figure 5):** on 5/17/19, U.S. department of commerce released Q1'19 E-commerce sales of \$137bn as 12.4% of total retail sales, up 3.6% QoQ.



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### China Macro Economic Indicators:

- **China GDP quarterly data (Figure 6):** on 7/16/19, China bureau of statistics released Q2'19 GDP growth at 6.2% YoY, in line with the expectation of 6.3% YoY, including 3.3% YoY, 5.6% YoY and 7.0% YoY in primary, secondary and tertiary industries, respectively.
- **China total social financing monthly data (Figure 7):** on 7/12/19, the People Bank of China released Jun'19 total social financing of RMB2,260bn, beat the consensus of RMB1,950bn, higher than \$1,400bn in May'19.
- **Update this week—China export monthly data (Figure 8):** on 8/8/19, China department of customs released July'19 export of RMB152.4bn, up 10.3% YoY and 4.9% MoM and import of RMB121.4bn, up 0.4% YoY and 9.5% MoM. The export data was better-than-expected 2% decrease from street perspective.
- **China CPI monthly data (Figure 9):** on 7/10/19, China bureau of statistics released June'19 CPI growth at 2.7% YoY, with food price up 8.3% and non-food price up 1.4%.
- **China PMI monthly data (Figure 10):** on 8/1/19, China Bureau of Statistics released Jul'19 PMI at 49.7, up 0.3 MoM but still falling below 50 due to the U.S.-China trade tensions. However, non-manufacturing PMI remained healthy at 53.7, down 0.7 MoM, signaling domestic economic environment remains strong in China.
- **China industrial output data (Figure 11):** on 7/16/19, China bureau of statistics released Jun'19 industrial output growth at 6.3% YoY.

### What happened?

- **GOOG surpassed AAPL to become No.1 cash-rich company.** On 8/1/19, after Q2'19 reporting, GOOGL had \$117bn in cash, surpassing AAPL's \$102bn.
- **SNAP plans to raise \$1bn in convertible debt.** On 8/6/19, SNAP announced \$1bn in convertible senior note, expected to close on Aug 12, 2019 and due on August 1, 2026. SNAP will use proceeds to acquire complementary businesses, products, services, or technologies or for repurchases of SNAP's common stock in order to cover operating expenses associated with running the business.
- **AAPL and LLY tried to detect signs of dementia with data from iPhones and Apple Watches.** On 8/7/19, two companies teamed up with health-tech start-up Evidation to find ways to more quickly and precisely detect cognitive impairments like Alzheimer's disease with the help of popular consumer gadgets. In the U.S., more than 6mn people live with dementia, and early detection has been a persistent challenge.

### Earnings Summary

- **SQ reported Q2'19 Earnings.** On 8/1/19 after market, SQ reported Q2'19 earnings on revenue of \$563mn, beat consensus by \$5mn, up 46.2% YoY, and EPS of 21 cents, beat consensus by 4 cents. SQ agreed to sell Caviar, food order platform, for \$410mn in a mix of cash and DoorDash preferred stock. The sold of Caviar will decelerate revenue growth in Q3'19 following acquisition boosts last year. SQ's stock declined 14.34% after reporting. **(downside: ▼ for SQ).**
- **TTWO reported Q1'20 Earnings.** On 8/5/19 after market, TTWO reported Q1'20 earnings on revenue of \$422.2mn, beat consensus by \$65.6mn, up 46.5% YoY, and EPS of 27 cents, beat consensus by 23 cents. GTA, NBA 2K and Red Dead Online contributed to booking growth mainly. TTWO raised Q2'20 guide to net bookings of \$860mn-\$910mn. TTWO's stock jumped 5.7% after reporting. **(upside: ▲ for TTWO).**
- **RDFN reported Q2'19 Earnings.** On 8/1/19 after market, RDFN reported Q2'19 earnings on revenue of \$197.78mn, beat consensus by \$7.43mn, up 38.65% YoY, and EPS of -14 cents, beat consensus by 1 cent. The visits of website and APP increased by 27% YoY. Launched on new Buyer Deal Room helped homebuyers stay



up to date on key milestones and to-dos. RDFN spent \$36mn ads, tripled from 2018. RDFN's stock declined 4.12% after reporting. (upside: ▲ for RDFN).

### What's coming up:

Date	Ticker	Company Name	Event	Location	Note
8/14/19	CSCO	Cisco Systems	Q4'19 Earnings	NASDAQ	AMC
8/15/19	RHT	Red Hat	Annual shareholder meeting	HQ	BMO
8/15/19	NVDA	Nvidia	Q2'19 Earnings	NASDAQ	AMC
8/19/19	N/A	Mitsubishi UFJ	Tech Conference & Tour	Boston	Over 2000 attendees
8/22/19	INTU	Intuit	Q4'19 Earnings	NASDAQ	After Market

Source: Thomson Reuters, Grandation Research

### Data Tracker:

- **Selected MAU vs. Rev analysis table (Figure 12):** for Q2'19, FB and SNAP updated MAU/DAU number of 2.4bn and 203mn, implying \$1.93 and \$0.48 revenue per MAU/DAU.
- **Estimated earning schedule table (Figure 13):** we expect IQ to report Q2'19 earnings on 8/17/19.
- **Earnings surprise table (Figure 14):** on 7/30/19, AAPL reported Q2'19 earnings with revenue 0.8% and EPS 3.9% beats.
- **Stock performance (Figure 15):** MTD, social media index outperformed the S&P 500. In our screening stocks, the top 3 performers are TIGR, PDD and TWTR, up 2.4%, down 0.6% and down 1.4% MTD, respectively.
- **Short interest tracker (Figure 16):** the latest short interest data with an 7/24/19 settlement was released on 8/2/19. Short interest, when compared with the 7/10/19 settlement data is up 13.24%, 1.20% for WB and IQ, down 7.49% for BABA.
- **Yield Curve Tracker (Figure 18-20):** WoW, the spread between the 10YR vs. 2YR has declined by 2bps to 11bps.
- **Currency Tracker (Figure 21-25):** YTD, the USD has appreciated against EUR, CNY, INR and GBP and depreciated against JPY, CAD.



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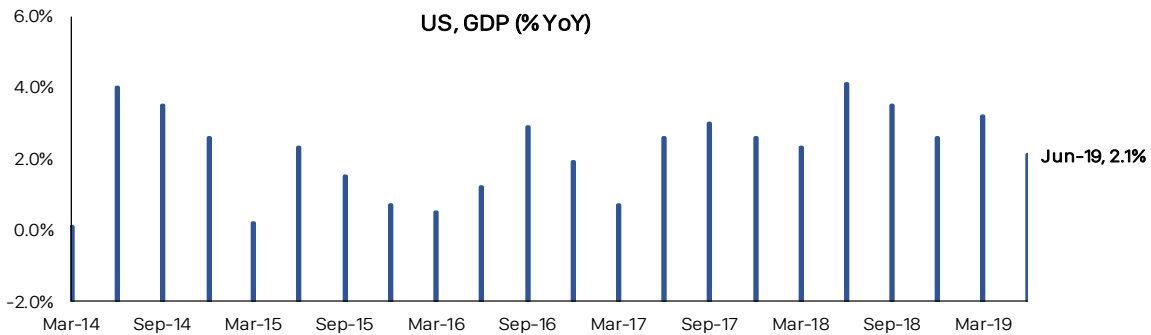
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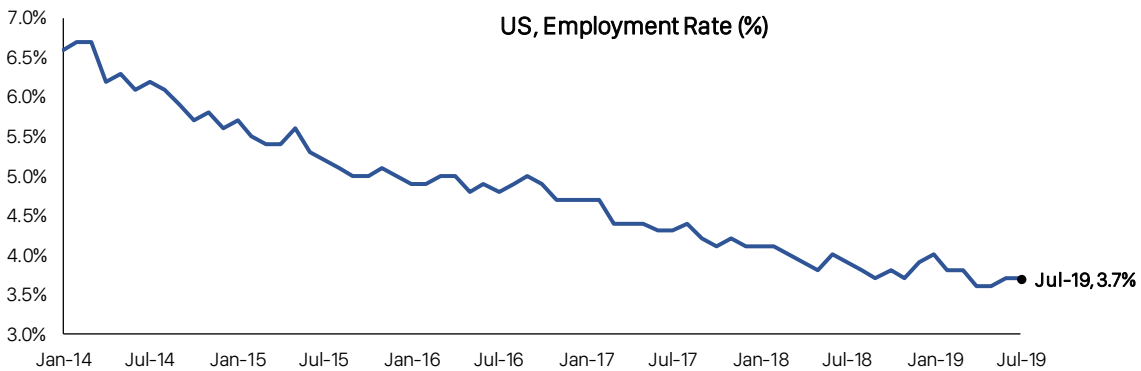
# U.S. Macro Economic Indicator

**Figure 1: U.S. GDP Tracker** -- on 7/26/19, U.S. department of commerce released Q2'19 GDP of 2.1%, topped the expectation of 2.0%.



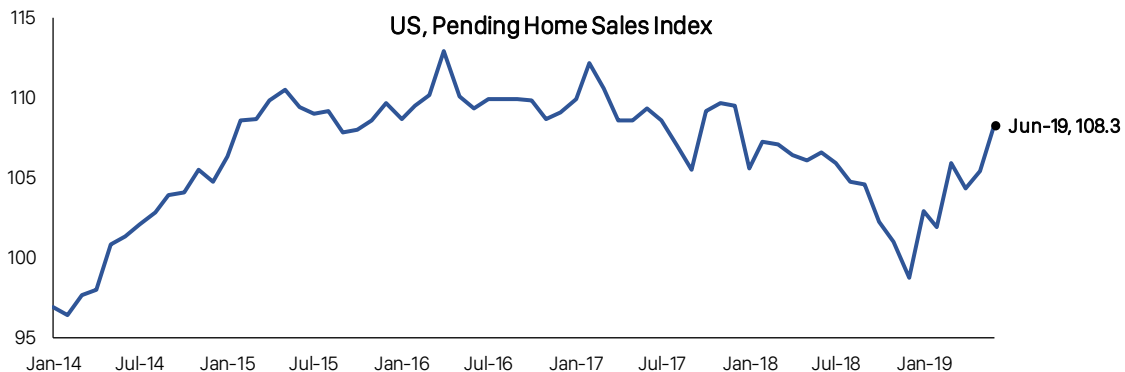
Source: U.S. BEU, Grandation Research

**Figure 2: U.S. employment tracker** -- on 8/2/19, U.S. department of labor released July'19 unemployment rate of 3.7%, remained at 50-year record low. Average hourly earnings for all employees on private nonfarm payrolls increased by 3.2%, YoY. Non-farm payroll increased 164,000, in line with expectation of 165,000.



Source: U.S. BLS, Grandation Research

**Figure 3: U.S. pending home sales index tracker** -- on 7/30/19, National Association of Realtors released June'19 pending home sales index, increasing 2.8% to 108.3.



Source: U.S. NAR, Grandation Research



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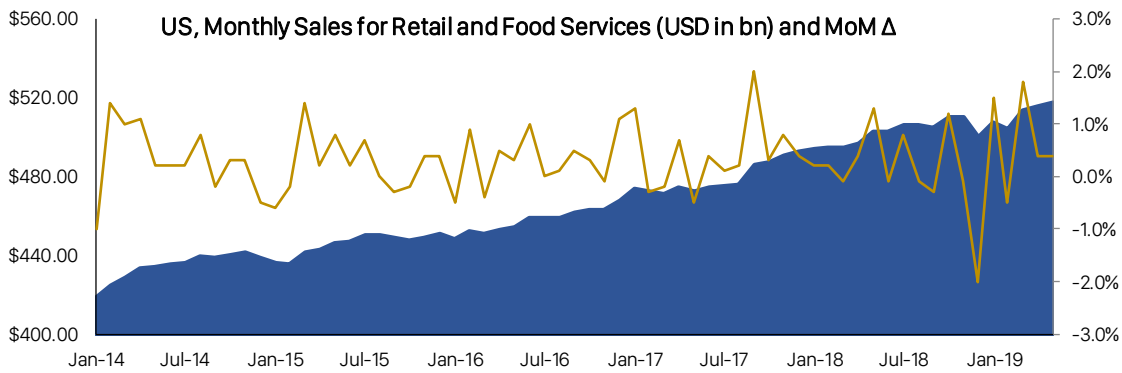


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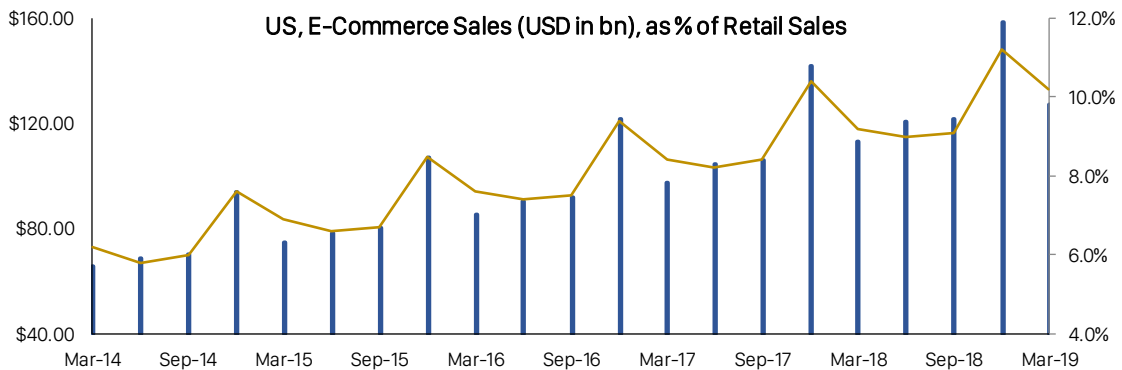
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**Figure 4: U.S. retail sales tracker** -- on 7/16/19, U.S. department of commerce released June'19 retail sales of \$519bn, up 0.4% MoM, beat the expectation of 0.1% MoM.



Source: U.S. Consensus gov, Grandation Research

**Figure 5: U.S. E-Commerce sales tracker** -- on 5/17/19, U.S. department of commerce released Q1'19 E-commerce sales of \$137bn as 12.4% of total retail sales, up 3.6% QoQ.



Source: U.S. Consensus gov, Grandation Research



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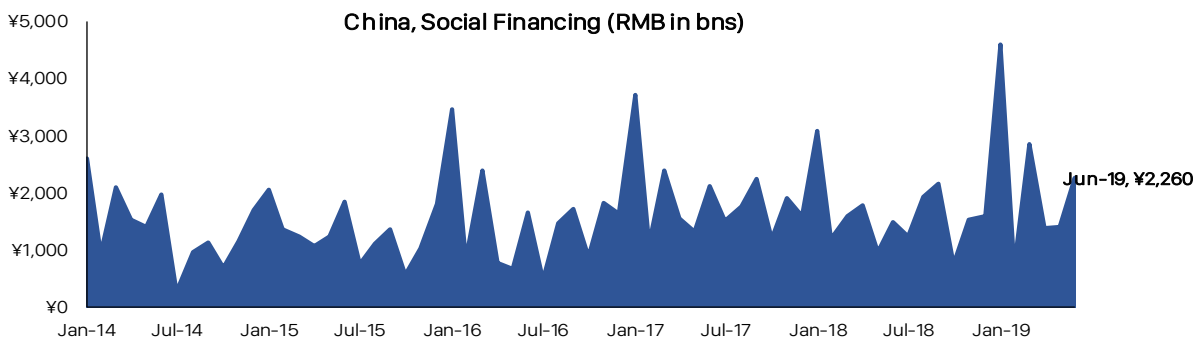
# China Macro Economic Indicator

**Figure 6: China GDP tracker** -- on 7/16/19, China bureau of statistics released Q2'19 GDP growth at 6.2% YoY, in line with the expectation of 6.3% YoY, including 3.3% YoY, 5.6% YoY and 7.0% YoY in primary, secondary and tertiary industries, respectively.



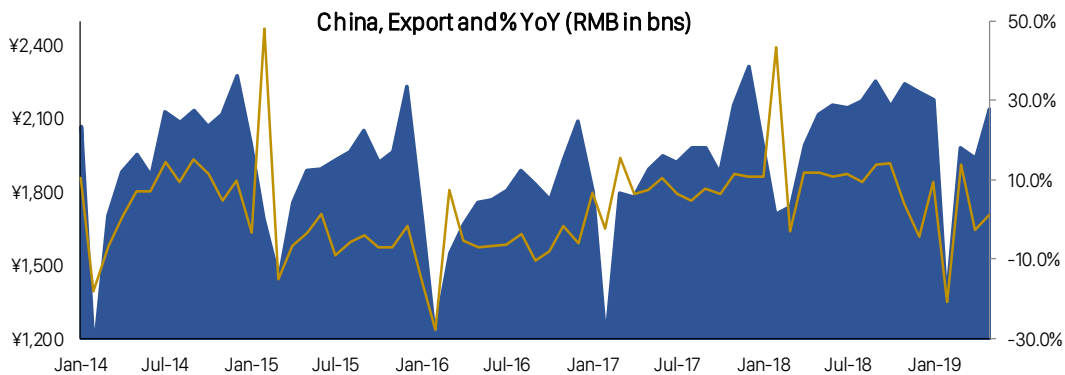
Source: China Stats, Grandation Research

**Figure 7: China total social financing tracker** -- on 7/12/19, the People Bank of China released Jun'19 total social financing of RMB2,260bn, beat the consensus of RMB1,950bn, higher than \$1,400bn in May'19.



Source: Trading Economics, Grandation Research

**Figure 8: Update this week—China export tracker** -- on 8/8/19, China department of customs released July'19 export of RMB152.4bn, up 10.3% YoY and 4.9% MoM and import of RMB121.4bn, up 0.4% YoY and 9.5% MoM. The export data was better-than-expected 2% decrease from street perspective.



Source: China Customs, Grandation Research



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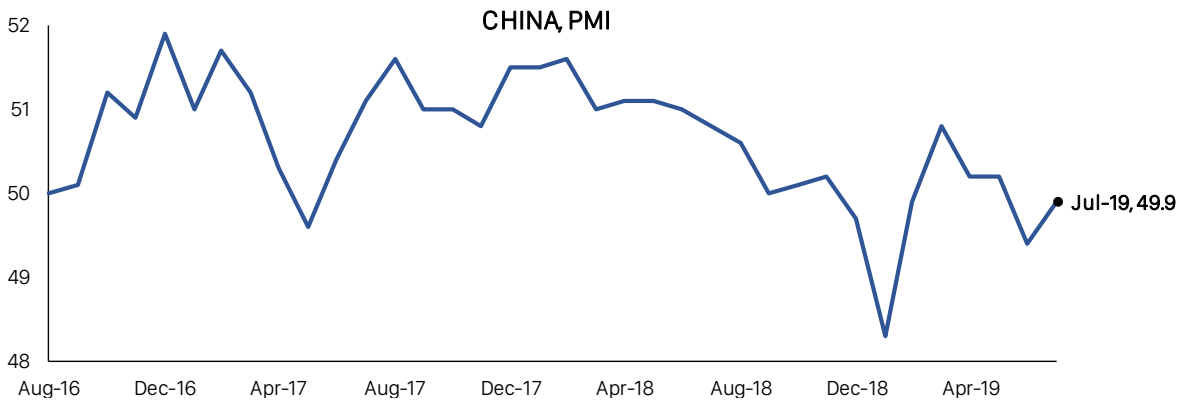
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**Figure 9: China CPI tracker**-- on 7/10/19, China bureau of statistics released June'19 CPI growth at 2.7% YoY, with food price up 8.3% and non-food price up 1.4%.



Source: China Stats, Grandation Research

**Figure 10: China PMI tracker** -- on 8/1/19, China Bureau of Statistics released July'19 PMI at 49.9, flat MoM, falling below 50 again due to the U.S.-China trade war. But it rebounded compared with 49.4 of last month, indicating that China's manufacturing sector has generally leveled off, out of June's slight downward trend.



Source: China Stats, Grandation Research

**Figure 11: China industrial output tracker** -- on 7/16/19, China bureau of statistics released Jun'19 industrial output growth at 6.3% YoY.



Source: China Stats, Grandation Research



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## Industry Data Tracker

**Figure 12: Selected MAU vs. Rev analysis**—For Q2'19, FB and SNAP updated MAU/DAU number of 2.4bn and 203mn, implying \$1.93 and \$0.48 revenue per MAU/DAU.

Ticker	Company	Market Cap (\$bn)	Revenue LTM (\$bn)	MAU (mn)	Mkt Cap/Revenue LTM	Mkt cap/MAU (US\$)	Average Monthly Revenue (LTM)/MAU (US\$)
MOMO.O	Momo Inc	6.14	1.95	114.4	3.1	\$53.63	\$1.42
WB.O	Weibo Corp	8.13	1.72	465.0	4.7	\$17.49	\$0.31
FB.O	Facebook Inc	526.4	55.84	2,414.0	9.4	\$218.06	\$1.93
TWTR.N	Twitter Inc	31.94	3.04	330.0	10.5	\$96.79	\$0.77
BILI.O	Bilibili Inc	4.51	0.6	101.3	7.5	\$44.54	\$0.49
SNAP.N	Snap Inc	22.47	1.18	203.0	19.0	\$110.68	\$0.48
PDD.O	Pinduoduo Inc	25.53	1.91	289.7	13.4	\$88.11	\$0.55
BABA.N	Alibaba Group H	409.88	56.15	721.0	7.3	\$568.49	\$6.49
IQ.O	IQIYI Inc	12.48	3.63	96.8	3.4	\$128.96	\$3.13
NFLX.O	Netflix Inc	135.77	15.79	151.6	8.6	\$895.83	\$8.68

Source: Company filings, Grandation Research

**Figure 13: Estimated earning schedule tracker**-- We expect IQ to report Q2'19 earnings on 8/17/19.

Next Earnings Schedule (Est)	Company	Ticker	Stock Price 8/7/2019	Street PT	Grandation PT	% PT/ Price	Consensus Revenue	Consensus EPS
8/6/2019	Weibo Corp	WB.O	\$36.14	\$54	NA	48.62%	\$429.76	\$0.59
8/7/2019	Booking Holdings Inc	BKNG.O	\$1,786.52	\$2,024	NA	13.27%	\$3,751.47	\$22.71
8/7/2019	TripAdvisor Inc	TRIP.O	\$42.43	\$52	NA	23.34%	\$445.64	\$0.51
8/13/2019	JD.com Inc	JD.O	\$26.48	\$34	NA	27.60%	\$20,993.90	\$0.07
8/15/2019	Alibaba Group Holding Ltd	BABA.N	\$157.43	\$218	NA	38.53%	\$15,900.23	\$1.46
8/17/2019	UP Fintech Holding Ltd	TIGR.O	\$4.07	\$6	NA	42.51%	NA	NA
8/19/2019	IQIYI Inc	IQ.O	\$17.17	\$22	\$25	30.73%	\$1,014.46	-\$0.42
8/21/2019	Pinduoduo Inc	PDD.O	\$21.96	\$29	\$28	31.65%	\$883.45	-\$0.21
8/27/2019	Momo Inc	MOMO.O	\$29.59	\$41	NA	39.12%	\$581.90	\$0.72
8/27/2019	Tuniu Corp	TOUR.O	\$3.06	\$6	NA	89.32%	\$74.92	-\$0.09
8/28/2019	Bilibili Inc	BILI.O	\$13.95	\$21	NA	48.04%	\$216.24	-\$0.12
9/9/2019	Ctrip.Com International Ltd	CTRP.O	\$33.99	\$45	NA	33.43%	\$1,230.44	\$0.30
10/14/2019	Netflix Inc	NFLX.O	\$310.10	\$388	\$250	25.25%	\$5,249.52	\$1.04
10/23/2019	Amazon.com Inc	AMZN.O	\$1,787.83	\$2,261	NA	26.48%	\$68,746.21	\$4.54
10/23/2019	Expedia Group Inc	EXPE.O	\$127.06	\$154	NA	21.23%	\$3,581.79	\$3.87
10/23/2019	Alphabet Inc	GOOGL.O	\$1,171.08	\$1,410	NA	20.37%	\$40,318.25	\$12.44
10/23/2019	Snap Inc	SNAP.N	\$16.29	\$16	NA	0.19%	\$433.92	-\$0.06
10/24/2019	Twitter Inc	TWTR.N	\$41.32	\$42	NA	1.63%	\$872.92	\$0.21
10/28/2019	Facebook Inc	FB.O	\$184.51	\$232	NA	25.92%	\$17,367.81	\$1.91
10/30/2019	Apple Inc	AAPL.O	\$197.00	\$224	NA	13.49%	\$62,703.96	\$2.83

Source: Thomson Reuters, Grandation Research





**Figure 14: Earnings surprise tracker**—on 7/30/19, AAPL reported Q2'19 earnings with revenue 0.8% and EPS 3.9% beat.

Ticker	Company Name	Earnings Release	Revenue	GM	EBITDA	EBIT	EPS
TIGR.O	UP Fintech Holding Ltd	-	-	-	-	-	-
AAPL.O	Apple Inc	7/30/2019	0.8%	-	2.3%	1.4%	3.9%
TWTR.N	Twitter Inc	7/26/2019	1.5%	-	0.6%	0.3%	741.7%
EXPE.O	Expedia Group Inc	7/25/2019	1.1%	-	5.1%	6.8%	6.1%
GOOGL.O	Alphabet Inc	7/25/2019	2.1%	0.3%	4.4%	6.4%	25.8%
AMZN.O	Amazon.com Inc	7/25/2019	1.5%	-1.5%	4.7%	-16.3%	-6.3%
FB.O	Facebook Inc	7/24/2019	2.3%	-0.8%	5.4%	7.3%	5.9%
SNAP.N	Snap Inc	7/23/2019	8.0%	9.7%	34.8%	-0.6%	39.7%
NFLX.O	Netflix Inc	7/17/2019	-0.1%	0.0%	12.7%	14.0%	6.6%
MOMO.O	Momo Inc	5/28/2019	4.6%	4.7%	44.7%	14.5%	14.2%
CTRP.O	Ctrip.Com International Ltd	5/23/2019	1.2%	0.7%	-	30.9%	78.2%
TOUR.O	Tuniu Corp	5/23/2019	3.6%	-	-	-15.9%	-87.5%
WB.O	Weibo Corp	5/23/2019	0.0%	-2.1%	6.4%	3.4%	6.2%
PDD.O	Pinduoduo Inc	5/20/2019	10.1%	6.6%	-	28.2%	29.6%
IQ.O	IQIYI Inc	5/16/2019	1.3%	-	-	18.8%	27.0%
BABA.N	Alibaba Group Holding Ltd	5/15/2019	2.1%	-3.8%	9.7%	21.9%	30.5%
BILI.O	Bilibili Inc	5/13/2019	6.9%	-10.0%	-	9.5%	42.1%
JD.O	JD.com Inc	5/10/2019	0.8%	2.9%	40.6%	85.0%	177.1%
BKNG.O	Booking Holdings Inc	5/9/2019	-3.2%	-	1.4%	-0.1%	-0.8%
TRIP.O	TripAdvisor Inc	5/7/2019	-2.8%	-0.1%	5.7%	7.5%	14.6%

Source: Thomson Reuters, Grandation Research

**Figure 15: Stock performance tracker**-- MTD, social media index outperformed the S&P 500. In our screening stocks, the top 3 performers are TIGR, PDD and TWTR, up 2.4%, down 0.6% and down 1.4% MTD, respectively.

Ticker	Name	Price 8/7/19	Market Cap (\$bn)	WTD	MTD	YTD
<b>Index:</b>						
SOCL.O	Global X Social Media ETF	32.15	0.13	-1.7%	-3.2%	18.7%
PNQI.O	Invesco Nasdaq Internet ETF	131.25	0.61	-2.4%	-5.2%	20.3%
.SPX	Standard & Poor's Corp	2881.77	NA	-1.6%	-3.2%	15.0%
<b>Companies:</b>						
TIGR.O	UP Fintech Holding Ltd	4.07	0.54	7.5%	2.4%	0.0%
PDD.O	Pinduoduo Inc	21.96	25.53	-3.7%	-0.6%	-1.4%
TWTR.N	Twitter Inc	41.73	32.26	-2.6%	-1.4%	45.2%
BKNG.O	Booking Holdings Inc	1786.52	77.34	-1.3%	-3.4%	5.8%
GOOGL.O	Alphabet Inc	1171.08	811.63	-1.7%	-3.5%	12.5%
AMZN.O	Amazon.com Inc	1787.83	884.36	-1.6%	-3.9%	19.4%
EXPE.O	Expedia Group Inc	127.06	21.64	-1.5%	-4.2%	12.9%
FB.O	Facebook Inc	184.51	526.40	-2.0%	-4.7%	41.2%
TOUR.O	Tuniu Corp	3.06	0.40	-3.3%	-4.9%	-39.5%
SNAP.N	Snap Inc	15.91	21.94	-6.6%	-5.3%	188.7%
NFLX.O	Netflix Inc	310.10	135.77	-4.6%	-5.8%	13.7%
TRIP.O	TripAdvisor Inc	42.43	5.90	-4.5%	-6.2%	-23.2%
AAPL.O	Apple Inc	197.00	890.28	-2.4%	-6.6%	26.2%
BILI.O	Bilibili Inc	13.95	4.51	-4.6%	-7.3%	-3.8%
WB.O	Weibo Corp	36.14	8.13	-4.4%	-7.9%	-38.2%
BABA.N	Alibaba Group Holding Ltd	159.17	414.41	-1.1%	-8.1%	16.1%
IQ.O	IQIYI Inc	17.17	12.48	-3.5%	-9.3%	13.4%
JD.O	JD.com Inc	26.48	38.50	-5.1%	-11.2%	26.9%
MOMO.O	Momo Inc	29.59	6.14	-4.0%	-12.3%	27.3%
CTRP.O	Ctrip.Com International Ltd	33.99	18.81	-6.3%	-12.4%	26.2%

Source: Thomson Reuters, Grandation Research



**Figure 16: Short Interest tracker**-- The latest short interest data with an 7/24/19 settlement was released on 8/2/19. Short interest, when compared with the 7/10/19 settlement data is up 13.24%, 1.20% for WB and IQ, down 7.49% for BABA.

Ticker	Company	3mon avg daily volume	Short Interest	Days To Cover	Company Shares	Free Float	% of Free Float	SI /Float	SI/Float vs. Prior (% change)
TIGR.O	UP Fintech Holding Ltd	2,043,714	1,966,334	NA	132,786,817	NA	NA	NA	NA
TRIP.O	TripAdvisor Inc	1,636,100	12,210,938	NA	139,021,263	107,246,643	85.0%	11.39%	-0.08%
BKNG.O	Booking Holdings Inc	366,053	1,106,356	NA	43,291,345	43,044,278	99.4%	2.57%	-0.17%
TWTR.N	Twitter Inc	2,785,891	23,644,642	NA	773,017,657	745,051,959	96.4%	3.17%	0.13%
GOOGL.O	Alphabet Inc	1,664,349	2,710,615	NA	693,398,350	299,137,604	99.9%	0.91%	0.15%
WB.O	Weibo Corp	2,245,694	13,604,694	NA	225,035,097	16,800,000	92.7%	80.98%	13.24%
PDD.O	Pinduoduo Inc	6,190,587	36,945,027	NA	4,649,428,688	344,725,953	98.8%	10.72%	-0.46%
NFLX.O	Netflix Inc	6,784,173	18,353,605	NA	437,834,882	430,649,805	98.3%	4.26%	0.00%
BILI.O	Bilibili Inc	3,319,714	16,621,508	NA	323,423,402	275,697,956	93.9%	6.03%	-1.06%
MOMO.O	Momo Inc	3,151,575	7,229,541	NA	207,349,270	155,460,117	97.0%	4.65%	-0.44%
BABA.N	Alibaba Group Holding Ltd	4,205,201	54,669,529	2.75	2,603,570,993	166,368,513	51.6%	32.86%	-7.49%
AMZN.O	Amazon.com Inc	3,899,820	3,357,298	NA	494,656,015	416,235,816	84.3%	0.81%	0.09%
FB.O	Facebook Inc	16,841,961	26,249,946	1.40	2,852,950,498	2,380,570,273	98.9%	1.10%	0.14%
JD.O	JD.com Inc	14,054,319	57,063,323	5.12	2,907,939,382	1,192,116,195	97.9%	4.79%	-0.12%
IQ.O	IQIYI Inc	8,159,911	65,314,803	NA	727,039,889	305,657,360	97.5%	21.37%	1.20%
TOUR.O	Tuniu Corp	43,635	499,159	NA	129,777,182	10,771,919	96.2%	4.63%	0.35%
EXPE.O	Expedia Group Inc	1,712,081	10,142,579	NA	170,332,711	122,928,373	92.0%	8.25%	-0.71%
CTRP.O	Ctrip.Com International Ltd	4,063,010	11,692,578	NA	69,187,290	280,866,808	94.8%	4.16%	0.20%
AAPL.O	Apple Inc	27,600,218	42,428,971	NA	4,519,180,000	4,515,739,857	99.9%	0.94%	-0.03%
SNAP.N	Snap Inc	5,349,190	94,172,664	3.61	1,379,275,271	1,061,123,573	68.2%	8.87%	0.30%

Source: Thomson Reuters, Grandation Research

**Figure 17: Compsheet**

Ticker	Company	Market Cap (\$bn)	Price 8/6/19	YTD Δ	MTD Δ	Revenue Growth		EPS		FCF Yield FY1	EV /Sales FY1	EV /EBITDA FY1	PE			PEG FY1	Div. Yield
						This yr /Last yr	Next yr /this yr	FY0	FY1				LTM	FY0	FY1		
NFLX.O	Netflix Inc	135.77	310.10	15.9%	-4.0%	28.0%	23.6%	3.27	5.67	-2.4%	6.2x	44.7x	124.8x	94.8x	54.7x	1.4x	NA
WB.O	Weibo Corp	8.13	36.14	-38.1%	-7.7%	8.9%	13.7%	2.69	3.16	7.2%	3.6x	11.1x	13.5x	13.4x	11.4x	NA	NA
PDD.O	Pinduoduo Inc	25.53	21.96	-2.1%	-1.4%	116.8%	64.3%	(3.77)	4.60	NA	3.9x	NA	NA	(40.9x)	33.5x	2.2x	NA
TIGR.O	UP Fintech Holding Ltd	0.54	4.07	NA	-3.1%	NA	NA	(0.09)	0.25	NA	3.6x	NA	NA	(46.8x)	16.3x	NA	NA
BILI.O	Bilibili Inc	4.51	13.95	-4.4%	-7.9%	59.2%	46.2%	(2.60)	-0.29	NA	3.3x	NA	NA	(37.0x)	(329.3x)	NA	NA
BKNG.O	Booking Holdings Inc	77.34	1786.52	3.7%	-5.3%	5.0%	9.0%	100.85	113.27	5.7%	5.1x	13.8x	20.7x	17.7x	15.8x	1.4x	NA
MOMO.O	Momo Inc	6.14	29.59	26.5%	-12.9%	27.1%	16.9%	19.28	23.30	NA	2.0x	9.4x	20.0x	10.8x	8.9x	NA	NA
BABA.N	Alibaba Group Holding Ltd	414.41	159.17	16.1%	-8.1%	34.0%	29.3%	46.65	59.47	4.5%	5.3x	19.4x	4.2x	23.7x	18.6x	NA	NA
AMZN.O	Amazon.com Inc	884.36	1787.83	19.0%	-4.2%	19.9%	18.9%	23.49	33.22	2.9%	2.8x	20.8x	75.1x	76.1x	53.8x	NA	NA
AAPL.O	Apple Inc	890.28	197.00	24.9%	-7.5%	-2.5%	4.7%	11.66	12.83	6.7%	3.4x	11.9x	17.1x	16.9x	15.4x	NA	NA
TWTR.N	Twitter Inc	32.26	41.73	45.2%	-1.4%	17.1%	16.1%	2.40	1.16	2.6%	7.3x	21.5x	13.8x	17.2x	35.7x	NA	NA
FB.O	Facebook Inc	526.4	184.51	40.8%	-5.0%	26.0%	21.7%	6.36	9.51	3.4%	6.0x	12.4x	31.3x	29.0x	19.4x	1.0x	NA
JD.O	JD.com Inc	38.5	26.48	26.5%	-11.5%	20.3%	17.1%	4.74	7.09	1.5%	0.4x	25.1x	87.4x	39.2x	26.2x	0.5x	NA
GOOGL.O	Alphabet Inc	811.63	1171.08	12.1%	-3.9%	18.8%	17.5%	48.75	55.69	3.8%	3.9x	11.7x	24.1x	24.0x	21.0x	NA	NA
SNAP.N	Snap Inc	21.94	15.91	188.7%	-5.3%	44.0%	34.6%	(0.21)	-0.02	-1.2%	10.2x	NA	NA	(78.3x)	(1063.3x)	NA	NA
IQ.O	IQIYI Inc	12.48	17.17	15.5%	-7.6%	20.8%	23.2%	(12.72)	-8.38	NA	2.5x	10.0x	NA	(9.5x)	(14.4x)	NA	NA
TOUR.O	Tuniu Corp	0.4	3.06	-37.0%	-1.0%	0.8%	7.3%	(1.00)	0.80	NA	0.5x	NA	NA	(21.2x)	25.7x	NA	NA
EXPE.O	Expedia Group Inc	21.64	127.06	12.8%	-4.3%	8.2%	9.6%	6.97	8.19	6.3%	1.7x	9.8x	31.4x	18.2x	15.5x	NA	1.1%
TRIP.O	TripAdvisor Inc	5.9	42.43	-21.3%	-3.9%	4.0%	8.1%	1.96	2.18	6.5%	2.9x	10.9x	42.6x	21.7x	19.5x	NA	NA
CTRP.O	Ctrip.Com International Ltd	18.81	33.99	25.6%	-12.8%	18.7%	18.3%	9.86	12.20	NA	3.4x	19.2x	35.4x	24.2x	19.6x	1.1x	NA

Source: Thomson Reuters, Grandation Research



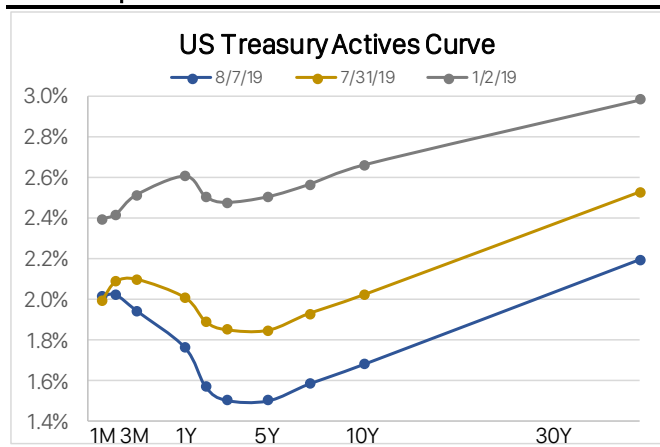
# Yield Curve Tracker

Figure 18: Yield Curve tracker – WoW, the spread between the 10YR vs. 2YR has declined by 2bp to 11bps.

Yield Curve (unit: bps)	8/7/19	7/31/19	WoW Δ	1/2/19	YTD Δ	8/7/18	YoY Δ
US Generic Govt 1MT Yield	2.021	1.995	1.3%	2.394	-15.6%	1.90	6.3%
US Generic Govt 3MT Yield	2.010	2.085	-3.6%	2.417	-16.8%	2.06	-2.2%
US Generic Govt 6MT Yield	1.943	2.096	-7.3%	2.513	-22.7%	2.24	-13.1%
US Generic Govt 1YT Yield	1.765	2.006	-12.0%	2.605	-32.2%	2.43	-27.2%
US Generic Govt 2YT Yield	1.557	1.888	-17.5%	2.504	-37.8%	2.67	-41.8%
US Generic Govt 3YT Yield	1.489	1.848	-19.4%	2.475	-39.8%	2.76	-46.1%
US Generic Govt 5YT Yield	1.482	1.845	-19.7%	2.503	-40.8%	2.84	-47.8%
US Generic Govt 7YT Yield	1.567	1.928	-18.8%	2.564	-38.9%	2.92	-46.4%
US Generic Govt 10YT Yield	1.665	2.021	-17.6%	2.661	-37.4%	2.97	-44.0%
US Generic Govt 30YT Yield	2.181	2.526	-13.7%	2.982	-26.9%	3.12	-30.1%
US 10YR & 2YR Spread	11	13	-2	16	-5	30	-19

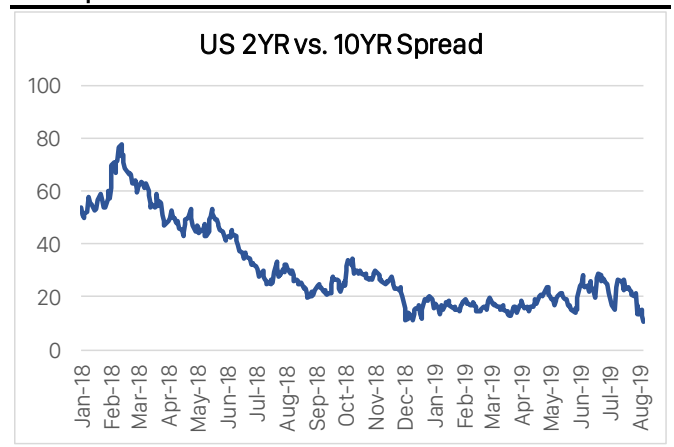
Source: Thomson Reuters, Grandation Research

Figure 19: The US Treasury Actives Curve inverted and steepened WoW.



Source: Thomson Reuters, Grandation Research

Figure 20: WoW, the 10YR vs. 2YR has declined by 2bp to 11bps.



Source: Thomson Reuters, Grandation Research



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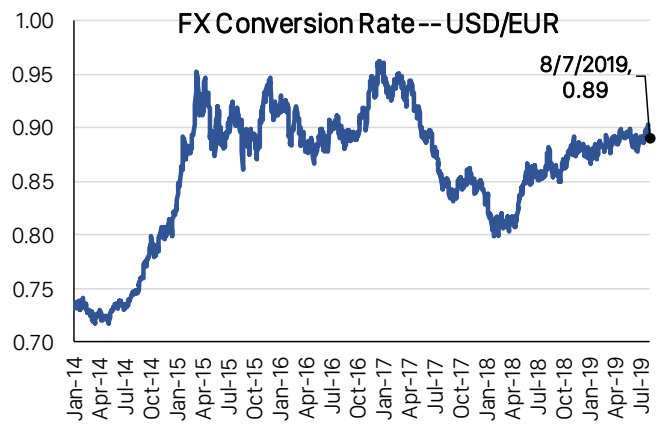
# Currency Tracker

**Figure 21: Currency tracker**—YTD, the USD has appreciated against EUR, CNY, INR and GBP and depreciated against JPY, CAD.

Currency	8/7/19	7/31/19	WoW Δ	1/2/19	YTD Δ	8/8/18	YoY Δ
USD/EUR	0.892	0.903	-1.3%	0.882	1.1%	0.86	3.5%
USD/JPY	105.980	108.740	-2.5%	108.870	-2.7%	110.97	-4.5%
USD/CNY	7.059	6.883	2.6%	6.860	2.9%	6.83	3.3%
USD/GBP	0.823	0.823	0.1%	0.793	3.8%	0.78	6.0%
USD/CAD	1.332	1.319	1.0%	1.358	-1.9%	1.30	2.3%
USD/INR	71.130	68.860	3.3%	69.98	1.6%	68.65	3.6%

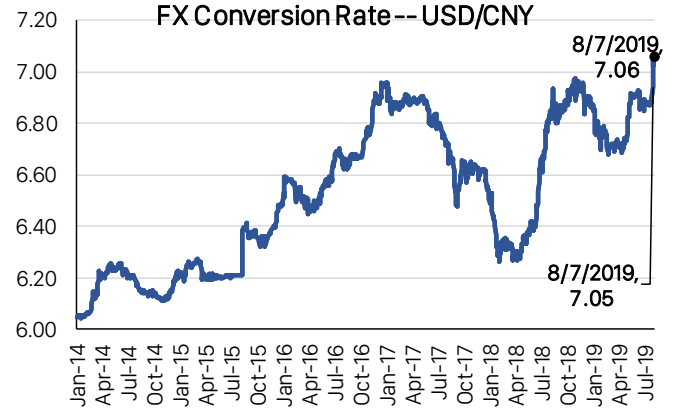
Source: Thomson Reuters, Grandation Research

**Figure 22: YTD, USD/EUR appreciated 1.1% to 0.89.**



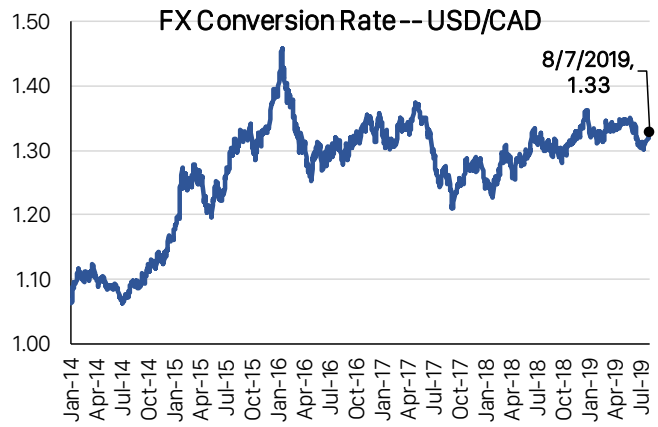
Source: Thomson Reuters, Grandation Research

**Figure 23: YTD, USD/CNY appreciated 2.9% to 7.05.**



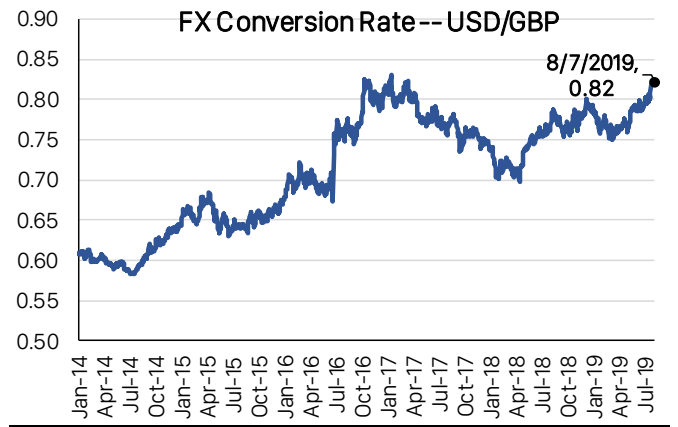
Source: Thomson Reuters, Grandation Research

**Figure 24: YTD, USD/CAD depreciated 1.9% to 1.33**



Source: Thomson Reuters, Grandation Research

**Figure 25: YTD, USD/GBP appreciated 3.8% to 0.82.**

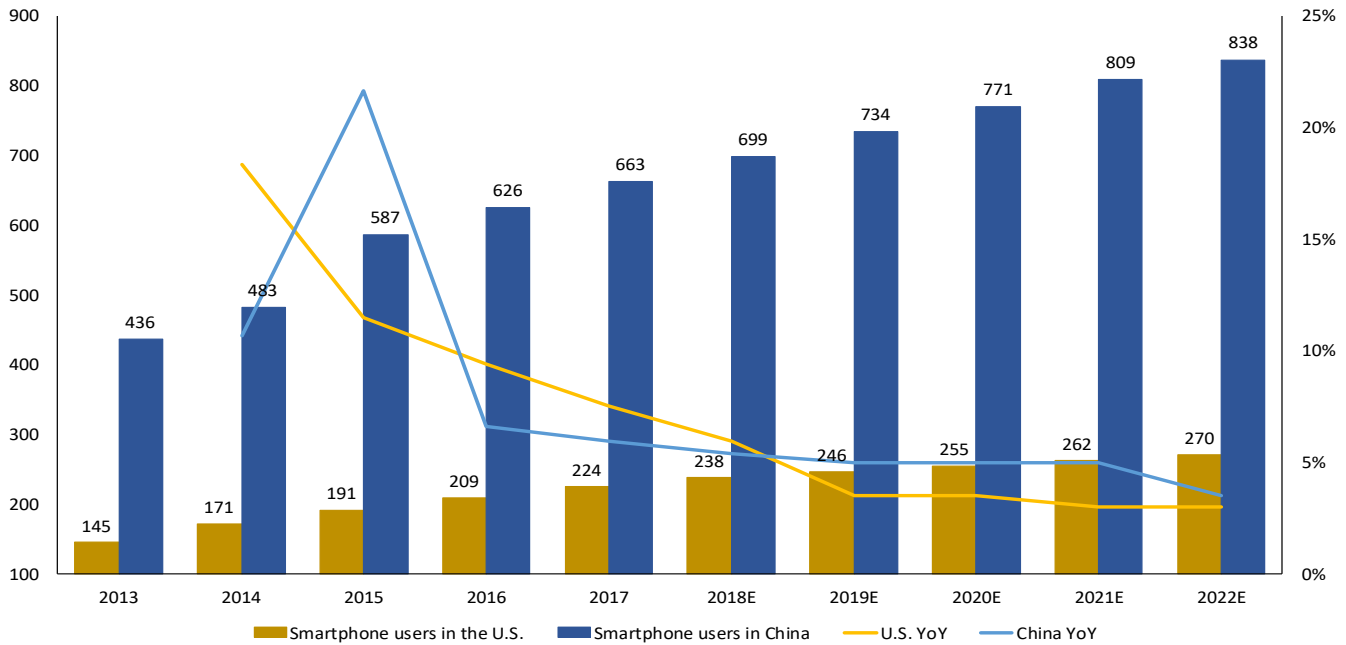


Source: Thomson Reuters, Grandation Research



**Appendix 1: Smartphone users of China**----Smartphone users in China are expected to grow to 699.04mn, 5.4% YoY, in 2018; **Smartphone users of the U.S.**---- Smartphone users in the U.S. are expected to grow to 237.6mn, 5.9% YoY, in 2018.

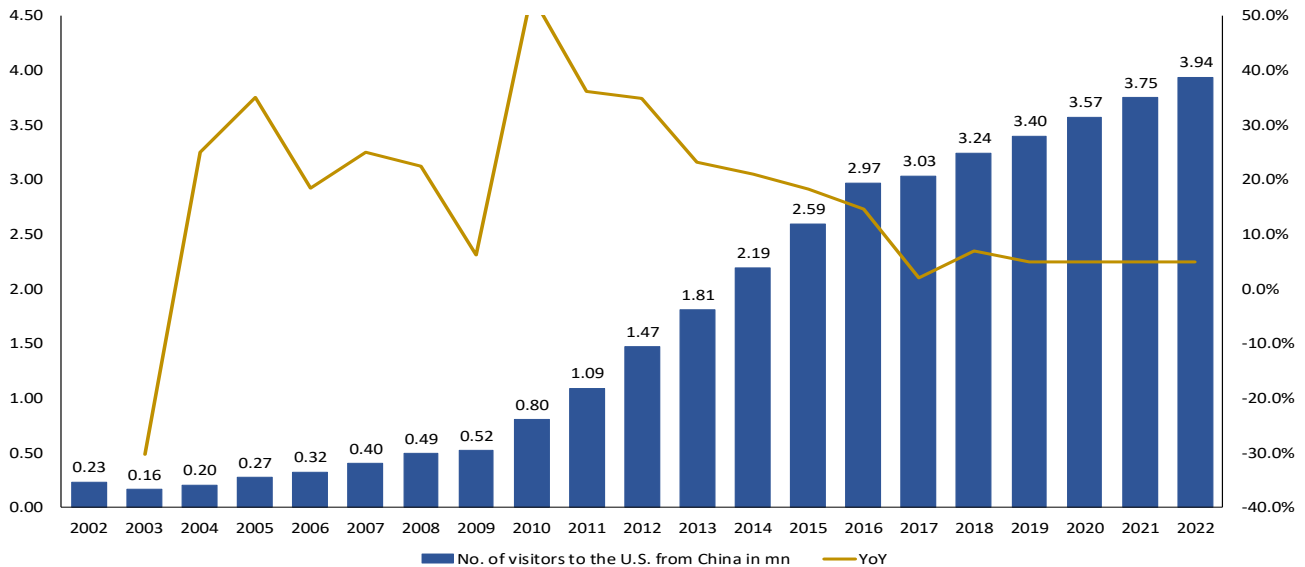
Smartphone users of China and the U.S. (mn)



Source: Statista, Grandation Research

**Appendix 2 No. of visitors to the U.S. from China**----The estimated visitors to the U.S. from China are expected to be 3.24mn, 6.9% YoY in 2018.

No. of visitors to the U.S. from (mn)



Source: Statista, Grandation Research



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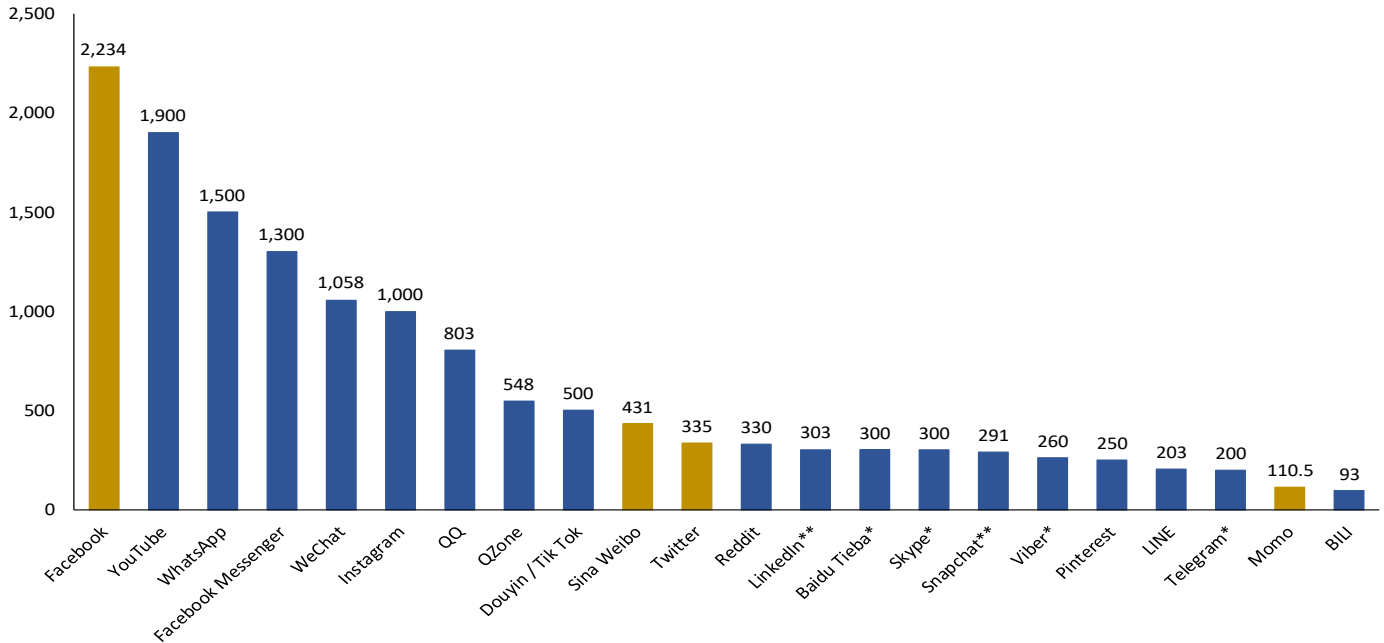
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**Appendix 3 Ranking in selected Social Sites by Users**-----As of Oct 2018, FB and TWTR reported to have 2,234mn and 335mn active users, while WB and MOMO reported to have 431mn and 111mn active users.

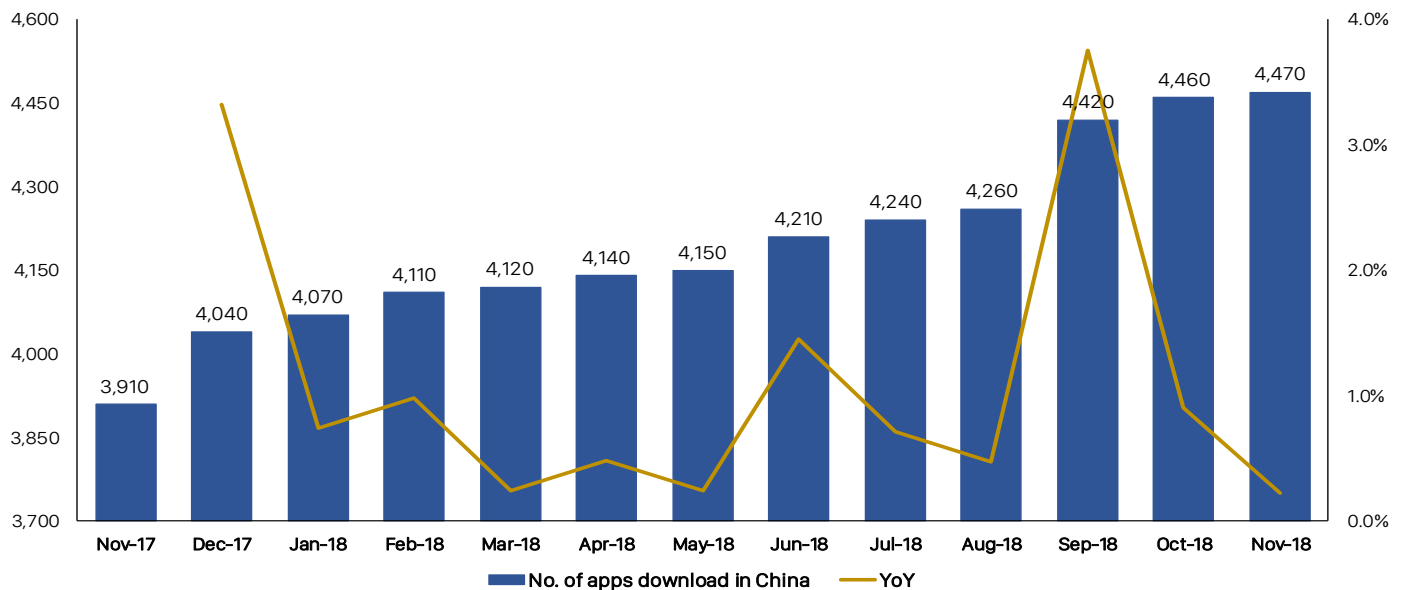
**Number of Users in Selected Social Sites (mn)**



Source: Statista, Grandation Research

**Appendix 4: No. of app downloads in China**----- China released November data on No. of app downloads on Chinese market. By the end of Nov'18, 4.47mn apps are active in smartphone system, up 14.3% YoY and up 0.2% MoM.

**No. of Apps download in China (in thousands)**



Source: Statista, Grandation Research



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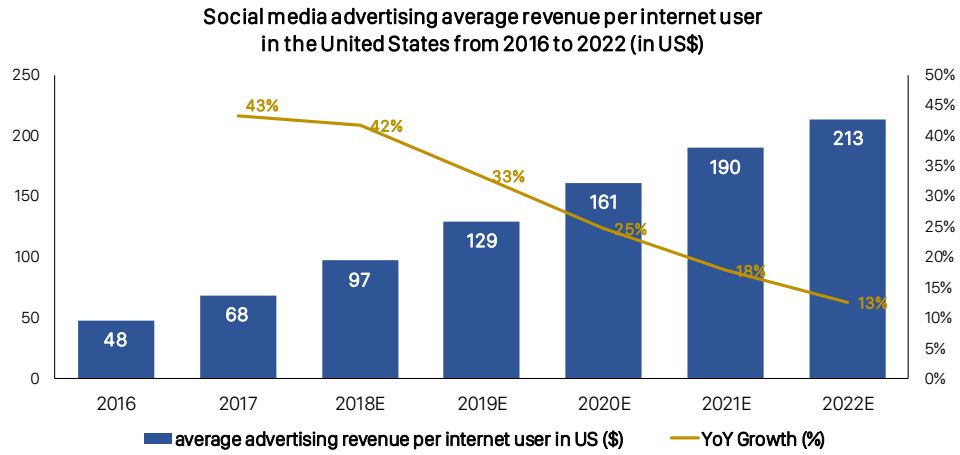


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Appendix 5: Social media advertising average average revenue per internet users in the U.S. from 2016-2022 (in U.S.\$)



Source: Statista, Grandation Research



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**Rating on Investment Recommendations**

Our rating system attempts to incorporate industry, company and/or overall market risks and volatilities; therefore, our investment recommendations on based on the security's 12-month price target from the date this report is issued.

- **STRONG BUY:** A rating, which at the time it is instituted and or reiterated, that indicates an expected return exceeding 25% over the next 12-month period.
- **BUY:** A rating, which at the time it is instituted and or reiterated, that indicates an expected return between 10% to 25% over the next 12-month period.
- **NEUTRAL:** A rating, which at the time it is instituted and or reiterated, that indicates an expected return between -10% to 10% over the next 12-month period.
- **SELL:** A rating, which at the time it is instituted and or reiterated, that indicates an expected return between -25% to -10% over the next 12-month period.
- **STRONG SELL:** A rating, which at the time it is instituted and or reiterated, that indicates an expected return exceeding -25% over the next 12-month period.

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