

# Taiwan Strategy

## Time is ripe for dividend plays

- ◆ As global treasury yields dip to multi-year lows, investors are hunting for high dividend plays again
- ◆ Taix's high yield should continue to appeal to investors in the face of rising geopolitical and trade tensions
- ◆ We screen for Buy/Hold-rated stocks with dividend yields of >4% and EPS growth

**The land of yield.** Treasury yields in US, UK, Germany, and Japan have recently dipped to fresh new multi-year lows, spurring concerns that global economy could slow in the face of the ongoing trade and geopolitical tensions. Notwithstanding these factors, we believe Taix's high dividend yield should continue to appeal to investors in an environment of persistently low interest rates. Taix offers a dividend yield of 4.2% for 2019e and 4.4% in 2020e, which ranks it among the highest in MSCI AxJ. This may explain why Taix has been the third best performing market in MSCI AxJ (+10.9%), despite subdued earnings growth (-4.3% in 2019e), as the high dividend yield has been a key attraction for both domestic and foreign investors.

**Screening for dividend plays.** We screened our coverage universe for an updated list of Buy/Hold-rated stocks that offer >4% yield and positive EPS growth for 2020e. There are a total of 29 stocks that fit into this criteria. Among them sixteen are tech stocks, including large cap blue chip names like TSMC (2330 TT, TWD245, Buy), Hon Hai (2317 TT, TWD77.7, Buy), Quanta (2382 TT, TWD60.8, Hold), and Novatek (3034 TT, TWD170, Buy). Thirteen non-tech stocks including Formosa Chemicals & Fibre (FCFC, 1326 TT, TWD111, Buy), Far Eastern New Century (FENC, 1402 TT, TWD33.4, Buy), St. Shine (1565 TT, TWD564, Hold), and Nien Made (8464 TT, TWD235, Buy). We note that four financial stocks also appear in our screen, including CTBC FHC (2891 TT, TWD21.4, Buy), Mega FHC (2886 TT, TWD31.5, Hold), and Cathay FHC (2882 TT, TWD42.55, Hold). Please see Table 1 on page 2 for details of the full list.

**Stock recommendations to weather through near-term volatility.** We prefer large-cap to small, domestic to export, non-tech to tech, and dividend to growth amidst the uncertainties. Under this backdrop, we recommend four defensive stocks: FENC, Asia Cement (ACC, 1102 TT, TWD47.65, Buy), CTBC, and Formosa Petrochemical (FPCC, 6505 TT, TWD111.0, Buy), which have less direct exposure to US-China trade tensions than those with a higher proportion of capacity in China and higher sales to the US, and also have high dividend yields.

## Equity Strategy

### Taiwan

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## Asiamoney Brokers Poll 2019

Voting opens 3<sup>rd</sup> June – 16<sup>th</sup> August  
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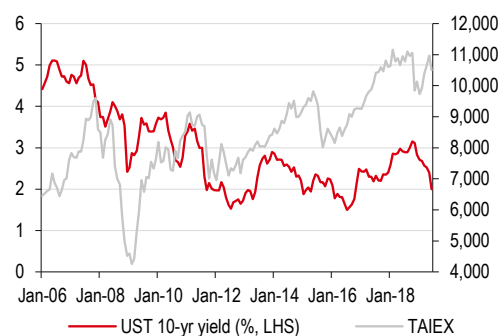
**Table 1. The screen of stocks with announced cash dividend yields > 4% in 2018 (dividend to be paid in 2019) and with positive EPS growth in 2020e within HSBC coverage universe**

Company	Rating	BBG Ticker	Analyst	CMP (TWD)	TP (TWD)	Mkt cap (USDm)	P/E (x) 2019e	P/E (x) 2020e	P/B (x) 2019e	P/B (x) 2020e	EPS YoY 2019e	EPS YoY 2020e	ROE 2019e	ROE 2020e	Dividend Yield 2017	Dividend Yield 2018	Dividend Yield 2019e	Dividend Yield 2020e
Yageo	Hold	2327 TT	Darryl Cheng*	270.00	230.00	3,716	8.6	7.0	2.5	1.8	-60%	22%	26%	30%	5.6%	16.7%	7.0%	8.5%
Merry	Buy	2439 TT	Darryl Cheng*	172.00	220.00	1,139	11.9	10.1	3.1	2.8	40%	18%	27%	29%	5.0%	9.2%	5.0%	7.2%
TCC	Buy	1101 TT	Howard Lau, CFA*	45.40	46.00	7,707	10.4	10.2	1.3	1.3	-1%	2%	12%	13%	3.3%	8.8%	8.8%	9.0%
KYEC	Hold	2449 TT	Samson Hung*	26.30	28.50	1,036	11.2	10.2	1.3	1.2	59%	11%	11%	12%	6.8%	6.8%	5.6%	7.1%
Wistron	Hold	3231 TT	Darryl Cheng*	23.95	25.50	2,194	12.1	10.6	0.9	0.9	15%	14%	8%	9%	5.1%	6.3%	6.6%	7.6%
Compal	Hold	2324 TT	Darryl Cheng*	20.00	21.00	2,840	9.9	9.0	0.8	0.8	0%	10%	8%	9%	6.0%	6.0%	6.0%	6.0%
Quanta	Hold	2382 TT	Darryl Cheng*	60.80	55.00	7,568	14.6	13.3	1.7	1.7	7%	10%	12%	13%	5.6%	5.8%	6.2%	6.8%
Flexium	Hold	6269 TT	Samson Hung*	85.90	101.00	881	10.3	8.8	1.3	1.2	0%	17%	14%	16%	4.7%	5.7%	6.2%	6.8%
Chipbond	Buy	6147 TT	Samson Hung*	61.80	64.00	1,303	9.9	9.9	1.4	1.3	-11%	0%	14%	13%	3.8%	5.7%	6.5%	6.5%
FCFC	Buy	1326 TT	Jeremy Chen*	111.00	123.00	20,966	13.1	12.6	1.5	1.4	1%	4%	11%	11%	6.3%	5.6%	5.7%	5.9%
FENC	Buy	1402 TT	Jeremy Chen*	33.40	40.00	5,761	13.3	12.0	0.8	0.8	5%	10%	6%	7%	3.6%	5.4%	5.6%	6.2%
Novatek	Buy	3034 TT	Samson Hung*	170.00	197.00	3,334	12.1	11.6	3.1	2.4	33%	4%	27%	23%	4.2%	5.2%	7.0%	7.3%
FPC	Hold	1301 TT	Jeremy Chen*	112.50	112.00	23,078	15.5	14.3	2.0	1.9	-7%	9%	13%	13%	5.1%	5.2%	4.8%	5.2%
Hon Hai	Buy	2317 TT	Darryl Cheng*	77.70	110.00	34,712	8.4	8.1	0.8	0.8	-1%	4%	10%	10%	3.2%	5.1%	5.1%	5.4%
Tripod	Buy	3044 TT	Samson Hung*	104.00	125.00	1,762	9.8	8.7	1.5	1.4	13%	13%	16%	17%	4.1%	5.0%	5.7%	6.4%
FET	Hold	4904 TT	Neale Anderson*	78.20	75.00	8,212	29.9	27.5	3.7	3.8	-9%	9%	12%	14%	4.8%	4.8%	4.8%	4.8%
Vanguard	Buy	5347 TT	Samson Hung*	63.00	76.00	3,327	16.8	14.5	3.4	3.2	0%	15%	21%	23%	4.1%	4.8%	5.1%	5.1%
CTBC	Buy	2891 TT	Kailesh Mistry, CFA*	21.40	26.70	13,536	9.8	9.4	1.2	1.1	18%	5%	13%	12%	5.0%	4.7%	5.6%	5.9%
St. Shine	Hold	1565 TT	Jeremy Chen*	564.00	600.00	916	16.5	15.2	4.6	4.3	3%	9%	29%	29%	4.4%	4.7%	4.8%	5.3%
Taiwan Mobile	Hold	3045 TT	Neale Anderson*	121.00	120.00	13,388	27.2	25.3	5.6	5.8	-11%	7%	21%	23%	4.6%	4.6%	4.6%	4.6%
Mega FHC	Hold	2886 TT	Kailesh Mistry, CFA*	31.50	24.60	13,805	14.4	14.1	1.4	1.3	6%	2%	9%	10%	4.8%	4.6%	4.9%	5.0%
Fubon FHC	Hold	2881 TT	Kailesh Mistry, CFA*	44.65	46.60	14,725	10.0	9.0	1.0	0.9	-2%	12%	12%	11%	5.2%	4.6%	4.5%	5.0%
Foxconn Tech	Hold	2354 TT	Darryl Cheng*	63.60	64.00	2,899	9.9	9.4	0.7	0.7	14%	5%	8%	8%	5.7%	4.4%	5.1%	5.3%
UMC	Hold	2303 TT	Samson Hung*	13.40	11.30	5,365	62.3	20.5	0.8	0.8	-62%	203%	1%	4%	3.7%	4.3%	4.3%	4.3%
FPCC	Buy	6505 TT	Jeremy Chen*	111.00	140.00	34,075	18.2	14.7	3.0	2.8	-3%	24%	17%	20%	5.7%	4.3%	4.2%	5.2%
Nien Made	Buy	8464 TT	Jeremy Chen*	235.00	301.00	2,219	16.9	15.3	5.0	4.6	12%	11%	31%	31%	4.3%	4.3%	4.8%	5.3%
Cathay	Hold	2882 TT	Kailesh Mistry, CFA*	42.55	47.70	17,947	9.6	8.9	0.9	0.8	13%	8%	12%	10%	5.9%	4.2%	4.7%	5.1%
TSMC	Buy	2330 TT	Samson Hung*	245.00	271.00	204,726	18.7	15.4	3.5	2.9	-3%	22%	19%	21%	3.3%	4.1%	4.1%	4.1%
ASE	Hold	3711 TT	Samson Hung*	62.50	63.00	8,706	13.9	13.4	1.1	1.0	20%	4%	9%	8%	4.4%	4.1%	6.2%	4.0%

Source: TEJ, HSBC estimates\* Price closed as of 20 June 2019.

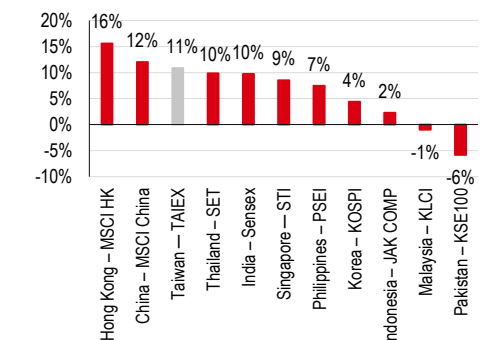
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**Figure 1. US 10-yr treasury yield vs Taiex**



Source: Refinitiv Datastream, HSBC

**Figure 2. Asia index performance (2019 YTD\*)**



Source: Refinitiv Datastream, HSBC. \*Price as of 20 June 2019

**Table 2. Asia ex-Japan valuation comparison**

	Fwd PE		Fwd PB		Div Yield		ROE		EPS growth	
	2019e	2020e	2019e	2020e	2019e	2020e	2019e	2020e	2019e	2020e
China	12.1	10.6	1.5	1.4	2.4%	2.6%	12.6%	13.1%	20.6%	14.6%
Hong Kong	16.0	14.9	1.3	1.2	3.0%	3.2%	8.0%	8.1%	18.3%	7.1%
India	18.9	16.1	2.6	2.4	1.6%	1.8%	13.9%	14.7%	34.2%	17.6%
Indonesia	16.2	14.4	2.5	2.3	2.7%	3.0%	15.5%	15.9%	7.3%	12.8%
Korea	12.3	10.1	0.9	0.9	2.6%	2.8%	7.6%	8.6%	-25.1%	21.8%
Malaysia	17.2	16.1	1.6	1.5	3.5%	3.4%	9.4%	9.6%	-2.3%	7.1%
Philippines	17.3	15.6	2.0	1.9	1.6%	1.8%	11.7%	11.9%	13.2%	11.1%
Singapore	13.0	12.2	1.2	1.2	4.3%	4.5%	9.5%	9.7%	6.8%	7.0%
Taiwan	14.8	13.3	1.8	1.7	4.2%	4.4%	11.0%	11.7%	-4.3%	11.0%
Thailand	16.4	15.0	2.0	1.9	2.8%	3.1%	12.3%	12.6%	4.4%	9.5%
<b>Asia ex Japan</b>	<b>14.0</b>	<b>12.2</b>	<b>1.5</b>	<b>1.4</b>	<b>2.7%</b>	<b>3.0%</b>	<b>10.6%</b>	<b>11.2%</b>	<b>5.9%</b>	<b>14.2%</b>

Source: Refinitiv Datastream, HSBC

## Valuation and risks

	Valuation	Risks
<b>FENC</b> <b>1402 TT</b>  <b>Buy</b>	<p>Current price: <b>TWD33.4</b></p> <p>Target price: <b>TWD40.0</b></p> <p>Up/downside: <b>+19.8%</b></p> <p>Our target price of TWD40.00 is based on a sum-of-the-parts (SOTP) methodology. For core business (petrochemicals, polyester, textiles), we apply an 8x target 2020e EV/EBITDA multiple to its petrochemicals and polyester businesses, and an 11x target 2020e EV/EBITDA multiple to its textile business, in line with the industry peers' averages, totaling TWD77,756m. For non-core business (property, telecom), we value its property business by applying a 1.2x target PB to its market-valued property book value, which is in line with the industry's 5-year average PB, totaling TWD143,539m. For telecom business (FET, 4904 TT, TWD78.2, Hold), we use HSBC's target price of TWD75.00 to derive its fair value, totaling TWD93,576m. On long-term investments, for ACC (1102 TT), we use HSBC's target price of TWD52.00 to derive its fair value, while we use market value valuation (based on one-month average market prices) to value its Everest (1460 TT, TWD11.45, NR), OUCC (1710 TT, TWD25.25, NR), FEIB (2845 TT, TWD12.40, NR) and FEDS (2903 TT, TWD18.9, NR) investments, totaling TWD82,606m for all long-term investments. And we deduct net cash (debt) of TWD162,201m. Lastly, we apply a 10% conglomerate discount to FENC, in line with market consensus. Our target price of TWD40 implies 19.8% upside from the current share price and we have a Buy rating on FENC as we believe the company is well-positioned to ride on the strong rPET (recycled polyester) demand driven by increasing sustainability awareness globally given its leading rPET market position.</p> <p><b>Jeremy Chen*</b>   jeremy.cm.chen@hsbc.com.tw   +886 2 6631 2866</p>	<p><b>Downside risks:</b> (1) weaker-than-expected PTA, PET and textile margins; (2) potential anti-dumping tariffs imposed by the countries to which FENC exports, to potentially dampen its products' competitiveness via higher taxes; (3) a weaker-than-expected property market; and (4) lower-than-expected equity investment income from the major equity investments.</p>
<b>ACC</b> <b>1102 TT</b>  <b>Buy</b>	<p>Current price: <b>TWD47.65</b></p> <p>Target price: <b>TWD52.0</b></p> <p>Up/downside: <b>+9.1%</b></p> <p>We have a Buy rating and TP of TWD52.00. We value ACC based on a forward book value multiple of 1.1x. Our target PB multiple is the historical average since 2010 as we believe earnings should be pretty stable over the medium term. Our target price for ACC of TWD52.00 implies 9.1% upside from current levels and we rate the stock Buy, as we see strong YoY earnings growth in its China Business</p> <p><b>Howard Lau*, CFA</b>   howard.h.b.lau@hsbc.com.hk   +852 2996 6625</p>	<p><b>Downside risks:</b> (1) lower-than-expected China cement ASP growth; (2) increasing emphasis on environmental protection in terms of emission levels and stricter standards for limestone mining could increase the cost of production; (3) weaker-than-expected equity investment income; and (4) higher-than-expected LNG prices, which would lower the power business margins.</p>
<b>CTBC</b> <b>2891 TT</b>  <b>Buy</b>	<p>Current price: <b>TWD21.4</b></p> <p>Target price: <b>TWD26.7</b></p> <p>Up/downside: <b>+24.8%</b></p> <p>We value CTBC using a SOTP valuation methodology, whereby we value each segment by a single-stage Gordon growth model, based on a 2020-24e average ROE, COE of 8.4%, and a sustainable growth rate (g) of 1%. We value the life insurance business at 1.4x 2019e EV (TWD11.4), banking business at 1.3x 2019e PB (TWD20.6), and the securities business at 0.4x 2019e PB (TWD0.2). We aggregate the value of each segment, deduct the excess capital (TWD2.8) then discount the resulting value back to the present using COE of 8.4%, rounded to the nearest 10 cents, to arrive at our target price of TWD26.7. Our target price implies 24.8% upside from current levels; accordingly, we have a Buy rating on the stock.</p> <p><b>Kailesh Mistry*, CFA</b>   kailesh.mistry@hsbc.com.hk   +852 2822 4321</p>	<p><b>Downside risks:</b> 1) disappointment in NIM recovery; 2) deterioration in cost efficiency; 3) higher hedging cost; and 4) unexpected large scale M&amp;A.</p>

Source: HSBC estimates. \*Priced at 20 June 2019

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## Valuation and risks

	Valuation	Risks
<b>FPCC</b> <b>6505 TT</b>  <b>Buy</b>	<p>Current price: <b>TWD110.0</b></p> <p>Target price: <b>TWD140.0</b></p> <p>Up/downside: <b>+26.1%</b></p> <p>Our DCF-based target price is TWD140. Our key DCF assumptions are a risk-free rate of 3%, market risk premium of 4.0%, beta of 0.92, cost of equity at 6.7% and WACC of 7.2%. Our target price of TWD140 translates to 3.5x 2020e PB, which is between its historical trough of 2.09x and historical peak of 4.83x. We are positive on FPCC as we think the IMO 2020 story will drive the company's mid-term outlook and the Louisiana project will drive its long-term outlook. FPCC has announced a TWD4.8/share cash dividend, representing an attractive dividend yield of 4.5% in 2018 (to be paid in 2019). Our target price of TWD140 implies 26.1% upside; we have our Buy rating on FPCC.</p> <p><b>Jeremy Chen*</b>   jeremy.cm.chen@hsbc.com.tw   +886 2 6631 2866</p>	<p><b>Downside risks:</b> 1) lower-than-expected crude oil prices; 2) weaker-than-expected refining margins and olefin spreads; 3) unexpected operational issues causing a prolonged shutdown of operations; and 4) delay in IMO 2020 implementation.</p>
<b>Far Eastone</b> <b>4904 TT</b>  <b>Hold</b>	<p>Current price: <b>TWD78.2</b></p> <p>Target price: <b>TWD75.0</b></p> <p>Up/downside: <b>-4.1%</b></p> <p>We use a DCF methodology to value Far Eastone. We believe the focus on cash flows is appropriate given: 1) the importance of network capital expenditure in Far Eastone's business and 2) management's focus on the cash flow outlook as an important determinant of shareholder returns. In our DCF valuation, we assume a beta of 0.8, risk-free rate of 3.0% and equity risk premium of 4%, resulting in a cost of equity of 6.2%. We assume a cost of debt of 1.5% and a debt/equity ratio of 25%. This results in a WACC of 5.0%. We apply a terminal growth rate of 0%. Our DCF valuation produces a target price of TWD75, implying downside of 4.1% from the closing price on 20 June 2019. We have a Hold rating on the stock.</p> <p><b>Neale Anderson*</b>   neale.anderson@hsbc.com.hk   +852 2996 6716</p>	<p><b>Key upside risks:</b> 1) faster-than-expected growth and higher-than-expected margins from new businesses improve the revenue and margin outlook; 2) less-than-expected competition from smaller operators; and 3) lower-than-expected competition and marketing expenses.</p> <p><b>Key downside risks:</b> 1) stronger-than-expected competition from new entrants/smaller operators; 2) flat rate plans leading to even higher data usage and capex; 3) higher-than-expected marketing expenses and customer acquisition costs; and 4) faster-than-expected Fed rate hikes.</p>

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# Disclosure appendix

## Analyst Certification

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## Important disclosures

### Equities: Stock ratings and basis for financial analysis

HSBC and its affiliates, including the issuer of this report ("HSBC") believes an investor's decision to buy or sell a stock should depend on individual circumstances such as the investor's existing holdings, risk tolerance and other considerations and that investors utilise various disciplines and investment horizons when making investment decisions. Ratings should not be used or relied on in isolation as investment advice. Different securities firms use a variety of ratings terms as well as different rating systems to describe their recommendations and therefore investors should carefully read the definitions of the ratings used in each research report. Further, investors should carefully read the entire research report and not infer its contents from the rating because research reports contain more complete information concerning the analysts' views and the basis for the rating.

### From 23rd March 2015 HSBC has assigned ratings on the following basis:

The target price is based on the analyst's assessment of the stock's actual current value, although we expect it to take six to 12 months for the market price to reflect this. When the target price is more than 20% above the current share price, the stock will be classified as a Buy; when it is between 5% and 20% above the current share price, the stock may be classified as a Buy or a Hold; when it is between 5% below and 5% above the current share price, the stock will be classified as a Hold; when it is between 5% and 20% below the current share price, the stock may be classified as a Hold or a Reduce; and when it is more than 20% below the current share price, the stock will be classified as a Reduce.

Our ratings are re-calibrated against these bands at the time of any 'material change' (initiation or resumption of coverage, change in target price or estimates).

Upside/Downside is the percentage difference between the target price and the share price.

### Prior to this date, HSBC's rating structure was applied on the following basis:

For each stock we set a required rate of return calculated from the cost of equity for that stock's domestic or, as appropriate, regional market established by our strategy team. The target price for a stock represented the value the analyst expected the stock to reach over our performance horizon. The performance horizon was 12 months. For a stock to be classified as Overweight, the potential return, which equals the percentage difference between the current share price and the target price, including the forecast dividend yield when indicated, had to exceed the required return by at least 5 percentage points over the succeeding 12 months (or 10 percentage points for a stock classified as Volatile\*). For a stock to be classified as Underweight, the stock was expected to underperform its required return by at least 5 percentage points over the succeeding 12 months (or 10 percentage points for a stock classified as Volatile\*). Stocks between these bands were classified as Neutral.

\*A stock was classified as volatile if its historical volatility had exceeded 40%, if the stock had been listed for less than 12 months (unless it was in an industry or sector where volatility is low) or if the analyst expected significant volatility. However, stocks which we did not consider volatile may in fact also have behaved in such a way. Historical volatility was defined as the past month's average of the daily 365-day moving average volatilities. In order to avoid misleadingly frequent changes in rating, however, volatility had to move 2.5 percentage points past the 40% benchmark in either direction for a stock's status to change.

### Rating distribution for long-term investment opportunities

As of 21 June 2019, the distribution of all independent ratings published by HSBC is as follows:

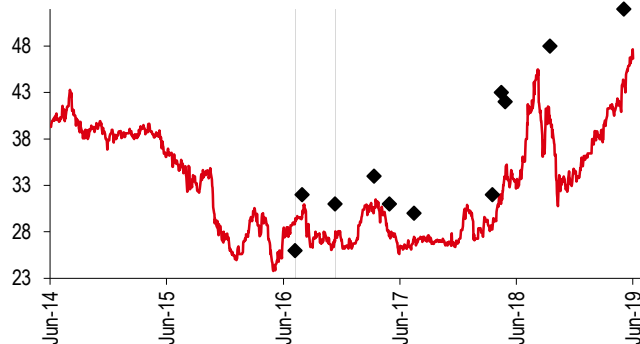
<b>Buy</b>	52%	( 29% of these provided with Investment Banking Services )
<b>Hold</b>	38%	( 27% of these provided with Investment Banking Services )
<b>Sell</b>	10%	( 21% of these provided with Investment Banking Services )

For the purposes of the distribution above the following mapping structure is used during the transition from the previous to current rating models: under our previous model, Overweight = Buy, Neutral = Hold and Underweight = Sell; under our current model Buy = Buy, Hold = Hold and Reduce = Sell. For rating definitions under both models, please see "Stock ratings and basis for financial analysis" above.

For the distribution of non-independent ratings published by HSBC, please see the disclosure page available at <http://www.hsbcnet.com/gbm/financial-regulation/investment-recommendations-disclosures>.

### Share price and rating changes for long-term investment opportunities

#### Asia Cement (1102.TW) share price performance TWD Vs HSBC rating history



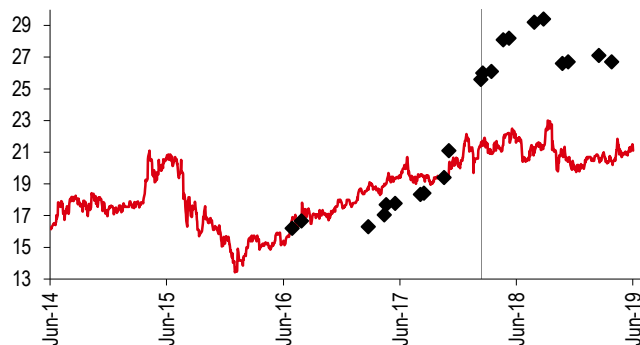
Source: HSBC

#### Rating & target price history

From	To	Date	Analyst
Reduce	Hold	27 Jul 2016	Wei Sim
Hold	Buy	29 Nov 2016	Wei Sim
Target price	Value	Date	Analyst
Price 1	26.00	27 Jul 2016	Wei Sim
Price 2	32.00	18 Aug 2016	Wei Sim
Price 3	31.00	29 Nov 2016	Wei Sim
Price 4	34.00	31 Mar 2017	Wei Sim
Price 5	31.00	19 May 2017	Wei Sim
Price 6	30.00	04 Aug 2017	Wei Sim
Price 7	32.00	06 Apr 2018	John Chung
Price 8	43.00	04 May 2018	John Chung
Price 9	42.00	16 May 2018	John Chung
Price 10	48.00	04 Oct 2018	Howard Lau
Price 11	52.00	23 May 2019	Howard Lau

Source: HSBC

#### CTBC Financial Holding (2891.TW) share price performance TWD Vs HSBC rating history



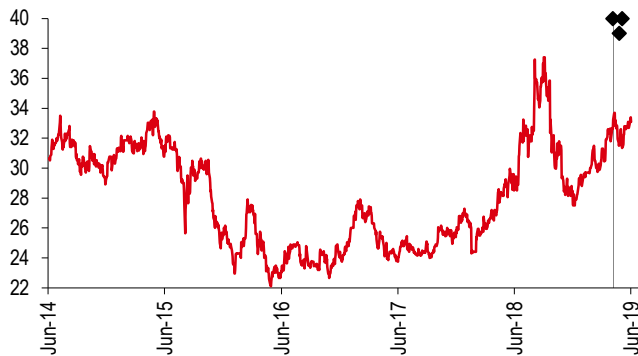
Source: HSBC

#### Rating & target price history

From	To	Date	Analyst
Hold	Buy	01 Mar 2018	Anthony Lam
Target price	Value	Date	Analyst
Price 1	16.20	18 Jul 2016	Anthony Lam
Price 2	16.67	16 Aug 2016	Anthony Lam
Price 3	16.30	13 Mar 2017	Anthony Lam
Price 4	17.04	03 May 2017	Anthony Lam
Price 5	17.69	09 May 2017	Anthony Lam
Price 6	17.78	06 Jun 2017	Anthony Lam
Price 7	18.33	24 Aug 2017	Anthony Lam
Price 8	18.43	04 Sep 2017	Anthony Lam
Price 9	19.40	06 Nov 2017	Anthony Lam
Price 10	21.10	21 Nov 2017	Anthony Lam
Price 11	25.60	01 Mar 2018	Anthony Lam
Price 12	26.00	07 Mar 2018	Anthony Lam
Price 13	26.10	03 Apr 2018	Anthony Lam
Price 14	28.10	10 May 2018	Anthony Lam
Price 15	28.20	28 May 2018	Anthony Lam
Price 16	29.20	15 Aug 2018	Anthony Lam
Price 17	29.40	14 Sep 2018	Anthony Lam
Price 18	26.60	12 Nov 2018	Anthony Lam
Price 19	26.70	30 Nov 2018	Anthony Lam
Price 20	27.10	06 Mar 2019	Kailesh Mistry
Price 21	26.70	15 Apr 2019	Kailesh Mistry

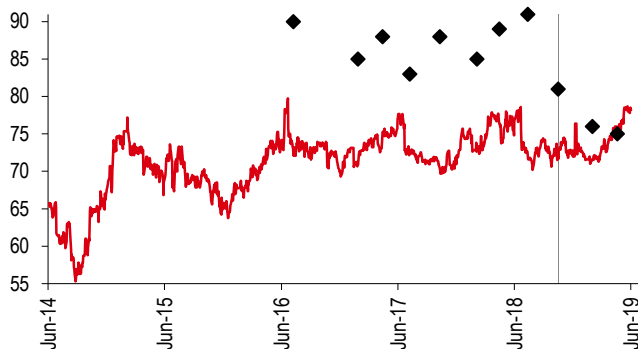
Source: HSBC



**Far Eastern New Century (1402.TW) share price performance TWD Vs HSBC rating history**

**Rating & target price history**

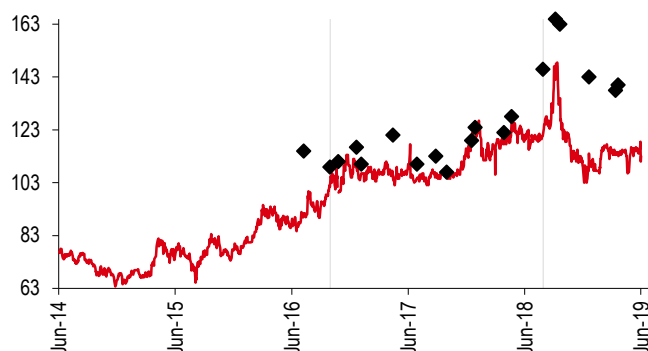
From	To	Date	Analyst
N/A	Buy	25 Apr 2019	Jeremy Chen
Target price	Value	Date	Analyst
Price 1	40.00	25 Apr 2019	Jeremy Chen
Price 2	39.00	15 May 2019	Jeremy Chen
Price 3	40.00	24 May 2019	Jeremy Chen

Source: HSBC

**Far EastTone (4904.TW) share price performance TWD Vs HSBC rating history**

**Rating & target price history**

From	To	Date	Analyst
Buy	Hold	05 Nov 2018	Neale Anderson
Target price	Value	Date	Analyst
Price 1	90.00	28 Jul 2016	Neale Anderson
Price 2	85.00	15 Feb 2017	Neale Anderson
Price 3	88.00	04 May 2017	Neale Anderson
Price 4	83.00	28 Jul 2017	Neale Anderson
Price 5	88.00	30 Oct 2017	Neale Anderson
Price 6	85.00	23 Feb 2018	Neale Anderson
Price 7	89.00	04 May 2018	Neale Anderson
Price 8	91.00	01 Aug 2018	Neale Anderson
Price 9	81.00	05 Nov 2018	Neale Anderson
Price 10	76.00	20 Feb 2019	Neale Anderson
Price 11	75.00	09 May 2019	Neale Anderson

Source: HSBC

**Formosa Petrochemical (6505.TW) share price performance TWD Vs HSBC rating history**

**Rating & target price history**

From	To	Date	Analyst
Buy	Hold	18 Oct 2016	John Chung
Hold	Buy	17 Aug 2018	Jeremy Chen
Target price	Value	Date	Analyst
Price 1	115.00	28 Jul 2016	John Chung
Price 2	109.00	18 Oct 2016	John Chung
Price 3	111.00	13 Nov 2016	John Chung
Price 4	116.50	09 Jan 2017	John Chung
Price 5	110.00	24 Jan 2017	John Chung
Price 6	121.00	04 May 2017	John Chung
Price 7	110.00	18 Jul 2017	John Chung
Price 8	113.00	15 Sep 2017	John Chung
Price 9	107.00	19 Oct 2017	John Chung
Price 10	119.00	05 Jan 2018	John Chung
Price 11	124.00	16 Jan 2018	John Chung
Price 12	122.00	17 Apr 2018	John Chung
Price 13	128.00	11 May 2018	John Chung
Price 14	146.00	17 Aug 2018	Jeremy Chen
Price 15	165.00	25 Sep 2018	Jeremy Chen
Price 16	163.00	09 Oct 2018	Jeremy Chen
Price 17	143.00	09 Jan 2019	Jeremy Chen
Price 18	138.00	02 Apr 2019	Jeremy Chen
Price 19	140.00	10 Apr 2019	Jeremy Chen

Source: HSBC



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Company	Ticker	Recent price	Price date	Disclosure
ASIA CEMENT	1102.TW	46.65	21 Jun 2019	1, 4, 5, 6
CTBC FINANCIAL HOLDING	2891.TW	21.10	21 Jun 2019	6, 7
FORMOSA PETROCHEMICAL	6505.TW	113.00	21 Jun 2019	6, 7

Source: HSBC

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