CARLSQUARE

Press Release
25 January 2023 11:55:00 CET

Intel may benefit from China reopening

US technology giants such as Intel stand to benefit as China reopens. The Nasdaq has performed strongly over the past month, having previously lagged.

So far, the Q4 2022 reporting season has left a mixed impression, with only 67% of the S&P500 companies launching Q4 2022 results that positively surprised the market. But as the US 10-year Treasury yield has declined from 4.2% in October 2022 to 3.5% today, tech stocks historically valued with high P/E ratios should benefit the most.

As a swifter reopening scenario for China has become more probable, US stocks with significant Asian revenue exposure, such as Qualcomm, NVIDIA, Tesla, and Dupont, have outperformed the rest of the S&P500 companies with less foreign sales exposure. When viewing S&P500 tech companies, Intel Corp's share is trading at levels not seen since late 2015. Given their 44% revenue exposure to China and a weakening USD against the Renminbi, the Intel share could get support in Q1-Q2 2023 as the sales outlook improves from the region.

Please find out more in our weekly letter on certificates Vontobel.com: **Read the weekly newsletter here**
Read more

About Carlsquare

Carlsquare is a Pan-European research firm and financial advisor, focusing on M&A, Equity Research and Growth Equity. Carlsquare has 70+ employees with deep sector knowledge in all 11 GICS sectors. The senior equity research team has extensive experience about the stock environment and several business sectors. The team produces company research reports, independent valuations and trading notes. The group have offices in Berlin, Copenhagen, Frankfurt. Hamburg, London, Munich, Paris and Stockholm. Read more

Contact
MARKUS AUGUSTSSON
Head of Equity Research
markus.augustsson@carlsquare.com
+46 (0)76 235 03 20

About Vontobel:

As a globally operating financial expert with Swiss roots, Vontobel specializes in wealth management, active asset management and investment solutions. Digital Investing bundles different investment solutions for private investors either directly or via ecosystems. Read more

Attachments

Intel may benefit from China reopening