

PDD Holdings Inc (PDD)

Gaining Traction in World's Top 2 Economies

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PDD Holdings Inc

Company profile

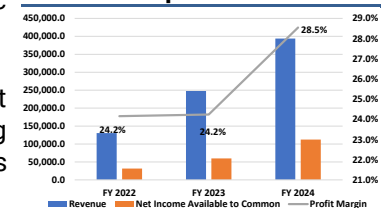
PDD Holdings Inc. is a multinational commerce group that owns and operates a portfolio of businesses. It operates (i) Pinduoduo platform which provides various product categories, including agricultural produce, apparel, shoes, bags, mother and childcare products, food and beverages, consumer electronics, electronic appliances, furniture and household goods, cosmetics and other personal care items, sports and fitness, and auto accessories; and (ii) Temu, an online platform, which enables merchants to streamline their manufacturing and commercial operations.

Technical Data

Price	129.06
R1	133.24
R2	145.62
S1	124.56
S2	123.60

M+ Research, Bloomberg

Financial Snapshot



M+ Research, Bloomberg



Tradingview

Technical Outlook

Price is well supported above EMA20 with all the other MA lines trending upwards. Price is expected to retest its immediate resistance at USD133.24, followed by next resistance of USD145.62. A break below the support zone of USD123.60-124.56 will invalidate the setup.

Trading Catalysts

- **Strong fundamentals.** PDD maintains a strong 56.0% non-GAAP gross margin in 2Q25 and enjoys a NP margin of 29.6%. The group has an ROE of 32% and a healthy current ratio of 2.4x. Its net cash position that provides ample flexibility for strategic investments.
- **Strengthening its ecosystem.** The implementation of RMB100bn merchant support and RMB10bn logistics programs is enhancing PDD's supply chains, reducing shipping costs, and driving 40% order growth from China's remote regions. This reinforces the group's long-term competitiveness.
- **Gaining traction in the US.** Temu, PDD's international platform, has rapidly scaled to capture 41% of US *de minimis* gross merchandise value in 2024. The group's shift toward US-based fulfilment strategy is expected to improve delivery times and customer service, while also strengthening its North American edge.

Peer Comparison

	Ticker	Price (USD)	Market Cap (USD'bn)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend
PDD Holdings Inc	PDD	129.1	183.2	13.8	12.5	31.8	28.5	Positive bias	Up
JD.com Inc	JD	34.7	50.4	9.1	14.2	17.3	3.6	Positive bias	Up
Alibaba Group Holdings Ltd	BABA	162.2	386.7	22.0	21.4	15.2	13.0	Oversold	Down
Vipshop Holdings Inc	VIPS	18.4	9.4	33.4	28.9	17.2	7.1	Oversold	Down
Avg ex-PDD Holdings Inc			148.9	21.5	21.5	16.5	7.9		

Source: Bloomberg, M+ Research



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(a) nil.



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