

Fundamentals:

Hong Kong stocks jumped by the most in three weeks, paced by Chinese tech leaders, as traders deemed the market's slump to a nine-month low as excessive. Investors were too pessimistic about China's property market outlook, a strategist said.

The Hang Seng Index rose 1 per cent to 17,791.01 at the close of Tuesday trading, snapping a seven-day slide. The benchmark slumped 1.8 per cent on Monday to the lowest level since November 28. The Tech Index strengthened 2 per cent, while the Shanghai Composite Index added 0.9 per cent.

Alibaba Group gained 1.9 per cent to HK\$87.35, NetEase rallied 2.3 per cent to HK\$159.20 and AIA Group advanced 1.3 per cent to HK\$68.25. China Resources Power gained 2.2 per cent to HK\$16.14 after interim profit increased 54 per cent from a year earlier. Baidu added 0.9 per cent to HK\$123.

Limiting gains, Anta Sports Products lost 1 per cent to HK\$77.65 while peer Li Ning tumbled 3.3 per cent to HK\$37.25. Baidu and Anta are among index members due to report their earnings later today.

The Hang Seng Index's 14-day relative strength index fell to 27, below the 30-point threshold that indicates the market is oversold and poised to reverse course. Twenty-eight of the 80 index members also showed similar readings, compared with 40 when the ratio reached the highest since March 2022, according to Bloomberg data.

The local market has declined by 10 per cent this year as a slew of piecemeal measures unveiled by Beijing to revive investor confidence failed to live up to expectations.

The China Securities Regulatory Commission did not offer meaningful steps other than verbal support for US-traded Chinese companies to list in Hong Kong. The central bank's pledge to aid developers lacked specifics, while it refrained on Monday from lowering a key lending rate tied to mortgage financing.

Foreign investors sold about US\$4 billion worth of onshore stocks last week, according to Goldman Sachs, bringing the net selling in August to US\$7 billion. Those withdrawals have trimmed the amount they ploughed into the market this year to US\$27 billion, it said in a report on Sunday.

Zhejiang Hengda New Material, which makes medical and tobacco paper, jumped 71 per cent to 62.48 yuan on the first day of trading in Shenzhen.

Other major Asian markets also advanced. Japan's Nikkei 225 climbed 0.9 per cent, while South Korea's Kospi rose 0.3 per cent and Australia's S&P/ASX 200 added 0.1 per cent.

(Source: South China Morning Post)

Contracts	Chg	Sett	High	Low
H. SENG FUT AUG 23	122	17738	17959	17539
H. SENG FUT SEP 23	126	17705	17908	17504
H. SENG FUT DEC 23	112	17859	18070	17670
H. SENG FUT MAR 24	122	17738	17959	17539
MINI H. SENG FUT AUG 23	122	17738	17958	17540
MINI H. SENG FUT SEP 23	126	17705	17911	17502
MINI H. SENG FUT DEC 23	112	17859	18071	17680
MINI H. SENG FUT MAR 24	122	17738	17958	17540
HSCEI FUT AUG 23	56	6088	6167	5998
HSCEI FUT SEP 23	53	6072	6142	5987
HSCEI FUT DEC 23	51	6151	6190	6078
HSCEI FUT MAR 24	56	6088	6167	5998
MINI HSCEI FUT AUG 23	56	6088	6167	5998
MINI HSCEI FUT SEP 23	53	6072	6148	5985
MINI HSCEI FUT DEC 23	51	6151	6180	6068
MINI HSCEI FUT MAR 24	56	6088	6167	5998

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	68.25	0.85	69.05	67.4
**Tencent Holdings Ltd	319	1	324.6	314.4
*HSBC Holdings PLC	58.55	0.05	58.95	58.4
**China Construction Bank Corp	4.06	0.04	4.1	4.01
**Ping An Insurance Group	44.05	0.2	44.7	43.35
**Meituan	129.2	2.2	131.6	125.7
*Hong Kong Exchanges & Clearing Ltd	284	1.6	285.2	279
**Alibaba Group Holdings Ltd	87.35	1.65	88.7	85.4
**Xiaomi Corp	11.48	0.16	11.64	11.22
**ICBC	3.4	0.04	3.45	3.36

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	40.55	0.75	41.2	38.7
**China Mobile Ltd	64.8	1.15	65.2	63.6
**Bank of China Ltd	2.61	0.01	2.63	2.6
*Techtronic Industries Co Ltd	81.05	2.45	81.8	77.85
*CK Hutchison Holdings Ltd	41	0.45	41.4	40.5
*Link REIT	37.65	-0.25	37.9	37.5
*CLP Holding Ltd	58.6	0.05	58.95	58.1
**Geely Automobile Holdings Ltd	9.3	0.06	9.47	9.06
**CNOOC Ltd	12.72	0.02	12.84	12.62
**ANTA Sports Products Ltd	77.65	-0.8	79	76.5

Global Equity Indices	Close	Change	High	Low
Hang Seng	17791.01	167.72	17965.3	17573.7
HSCEI	6097.59	66.95	6165.42	6003.59
Shanghai Comp Index	3120.33	27.356	3126.78	3074.531
Nikkei 225	31856.7	291.07	31906.1	31693.76
KOSPI	2515.74	6.94	2533.43	2509.53
S&P/ASX200	7121.61	6.137	7125	7090
DJIA	34288.8	-174.86	34514	34256.84
S&P 500	4387.55	-12.22	4418.59	4382.77
NASDAQ	13505.9	8.28	13598.8	13484.38
DAX	15705.6	102.34	15799.3	15677.44
CAC	7240.88	0.59	7293.63	7223.07
FTSE100	7270.76	12.94	7310.52	7257.58

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	18004	2nd Resistance:	18270
1st Support:	17472	2nd Support:	17206
MACD:	-367.539		
MACD DIFF:	-190.297		
RSI:	30.4209		

Mini Hang Seng China Enterprise

1st Resistance:	6179	2nd Resistance:	6271
1st Support:	5997	2nd Support:	5905
MACD:	-108.486		
MACD DIFF:	-69.388		
RSI:	34.3408		

Strategy:

Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
17472	17647	17385	17206	17378	17120

Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
18004	17824	18094	18270	18087	18361

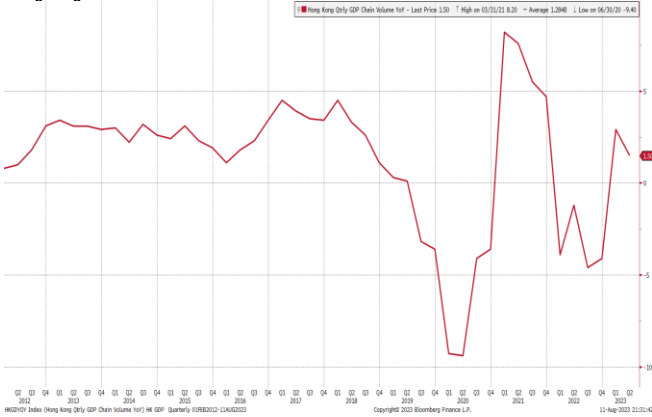
Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
5997	6057	5967	5905	5964	5876

Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
6179	6118	6210	6271	6208	6302

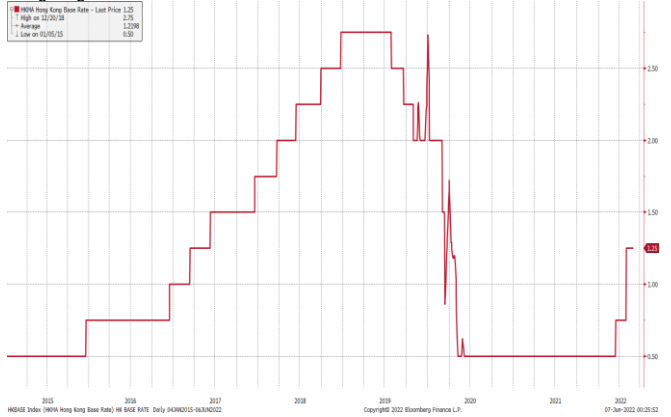
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
08/24/2023 16:30	Exports YoY	Jul	-8.80%	--	-11.40%	--
08/24/2023 16:30	Imports YoY	Jul	-5.90%	--	-12.30%	--
08/24/2023 16:30	Trade Balance HKD	Jul	-41.3b	--	-56.6b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
08/24/2023 09:00	Swift Global Payments CNY	Jul	--	--	2.77%	--
08/27/2023 09:30	Industrial Profits YoY	Jul	--	--	-8.30%	--
08/27/2023 09:30	Industrial Profits YTD YoY	Jul	--	--	-16.80%	--
08/28/2023 10:00	Bloomberg Aug. China Economic Survey					

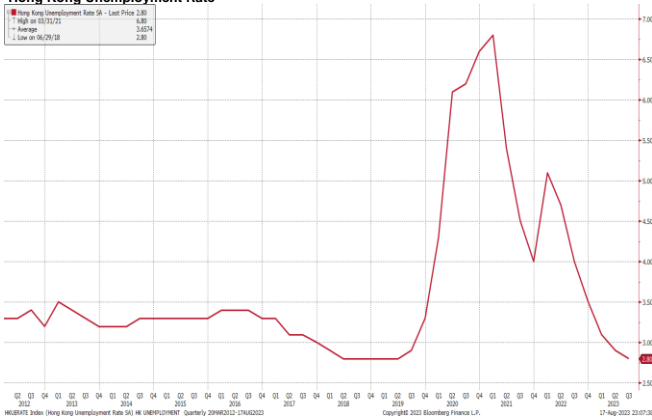
Hong Kong GDP Q on Q



Hong Kong Base Interest Rate



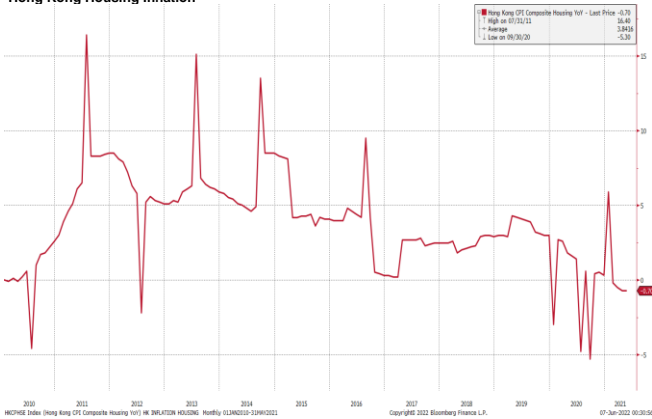
Hong Kong Unemployment Rate



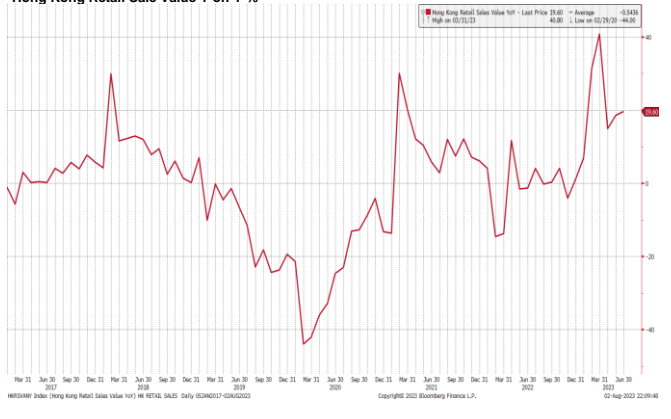
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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