

**Fundamentals:**

Hong Kong stocks ended marginally lower on Wednesday after investors turned cautious ahead of key US non-farm payroll data later this week, reversing two days of gains. Weaker-than-anticipated US jobs data published overnight had stoked rate cut hopes earlier in the day.

The Hang Seng Index fell 0.10 per cent to close at 18,424.96, after rising as much as 1.5 per cent midsession. The Tech Index added 0.3 per cent, while the Shanghai Composite Index eased 0.8 per cent.

"US non-farm payrolls data looms large this week and has the potential to shift rate-cut expectations from the Fed," said Tim Waterer, the chief market analyst at KCM Trade in Sydney. "Some high profile risk events are still to come for financial markets this week. I think investors are erring on the side of caution and taking some risk off the table."

US markets rose overnight after data showed job openings fell more than estimated in April to the lowest point in over three years, reviving speculation of an early cut to interest rates.

Job openings, a measure of labour demand, fell 296,000 to 8.059 million in April, the lowest since February 2021, according to the US Labor Department. Economists polled by Reuters had forecast 8.355 million job openings in April.

A Wall Street Journal poll expects non-farm payroll, due on Friday, of 190,000 for May.

Food-delivery platform Meituan rose as much as 2.2 per cent ahead of its first-quarter earnings report this evening, before surrendering gains to close 0.8 per cent lower at HK\$112.60.

"We expect solid first quarter results with sequentially improving margins from second quarter for in-store," said Goldman Sachs analysts in a report, which had a buy rating with a 12-month target price of HK\$139, implying an upside of 23 per cent from the current levels. The company follows the calendar year for financial reporting.

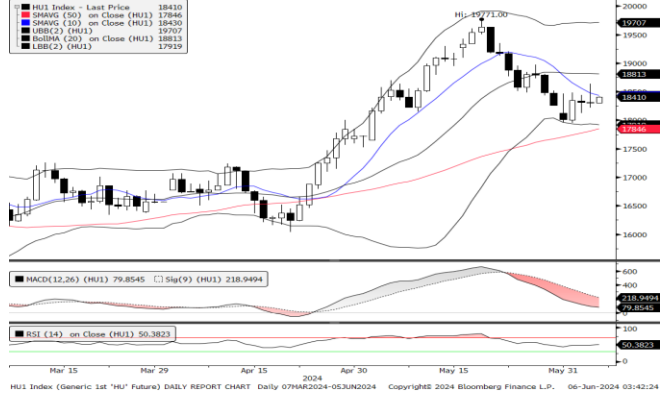
Trip.com Group's shares fell 1.9 per cent to HK\$400.60 after it announced a US\$1.3 billion convertible bond issue to fund repayment of existing debt, expand its overseas business and for working capital needs. The note has a 0.75 per cent coupon and converts to equity at a 32.5 per cent premium.

"We expect some near-term share price volatility amid convertible bond hedging activity and possible profit taking by short-term investors," Citigroup analysts said in a report on China's largest travel platform. "We expect financing cost likely to be reduced with repayment of existing borrowings, and dilution impact could be mitigated by the cash-par settlement upon conversion."

Other key Asian markets were broadly higher. Australia's S&P/ASX 200 rose 0.4 per cent, South Korea's Kospi advanced 1 per cent, but Japan's Nikkei 225 lost 0.9 per cent.

(Source: South China Morning Post)

**Mini Hang Seng Futures Daily Chart**



**Mini Hang Seng China Enterprise Futures Daily Chart**



Contracts	Chg	Sett	High	Low
H. SENG FUT JUN 24	-6	18308	18634	18228
H. SENG FUT JUL 24	-7	18213	18527	18138
H. SENG FUT SEP 24	-6	18211	18526	18180
H. SENG FUT DEC 24	-6	18370	18690	18395
MINI H. SENG FUT JUN 24	-6	18308	18635	18220
MINI H. SENG FUT JUL 24	-7	18213	18535	18132
MINI H. SENG FUT SEP 24	-6	18211	18530	18160
MINI H. SENG FUT DEC 24	-6	18370	18699	18301
HSCEI FUT JUN 24	-2	6492	6614	6465
HSCEI FUT JUL 24	-2	6427	6544	6406
HSCEI FUT SEP 24	-5	6427	6549	6403
HSCEI FUT DEC 24	-2	6493	6570	6530
MINI HSCEI FUT JUN 24	-2	6492	6613	6467
MINI HSCEI FUT JUL 24	-2	6427	6548	6403
MINI HSCEI FUT SEP 24	-5	6427	6550	6303
MINI HSCEI FUT DEC 24	-2	6493	6613	6470

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	59.15	0.25	60.15	58.95
**Tencent Holdings Ltd	380.8	3.4	387.8	377.6
**HSBC Holdings PLC	68.1	-0.4	69	67.8
**China Construction Bank Corp	5.6	-0.01	5.7	5.59
**Ping An Insurance Group	40.95	0.15	41.7	40.8
**Meituan	112.6	-0.9	116	111.5
*Hong Kong Exchanges & Clearing Ltd	274	3	280.2	272.8
**Alibaba Group Holdings Ltd	76.95	0.55	78.4	76.6
**Xiaomi Corp	17.7	-0.08	18.08	17.62
**ICBC	4.41	-0.02	4.5	4.39

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	11.78	0	12.12	11.68
**China Mobile Ltd	75.7	-0.55	77.8	75.7
**Bank of China Ltd	3.74	0.02	3.83	3.71
*Techtronic Industries Co Ltd	96.1	-0.1	97.25	95.8
*CK Hutchison Holdings Ltd	39.2	0.5	39.7	38.85
*Link REIT	34	0.05	34.55	33.85
*CLP Holding Ltd	63.9	-0.55	65.1	63.8
**Geely Automobile Holdings Ltd	9.83	0.13	10.04	9.73
**CNOOC Ltd	20.3	-0.35	20.6	20.15
**ANTA Sports Products Ltd	87.75	0.55	88.75	87.2

Global Equity Indices	Close	Change	High	Low
Hang Seng	18424.96	-19.15	18724.6	18375.27
HSCEI	6542.47	-11.85	6659.72	6523.32
Shanghai Comp Index	3065.4	-25.796	3092.35	3064.736
Nikkei 225	38490.2	-347.29	38656.4	38343.98
KOSPI	2689.5	27.4	2697.43	2667.63
S&P/ASX200	7769	31.946	7774.3	7728.6
DJIA	38771.5	60.18	38844.3	38548.77
S&P 500	5345.38	54.04	5349.77	5297.64
NASDAQ	17159.9	302.8	17165.3	16955.56
DAX	18575.9	170.3	18624.4	18406.06
CAC	8006.57	0.87	8036.4	7957.92
FTSE100	8246.95	14.91	8276.55	8232.04

**Technical Analysis**

**Mini Hang Seng**

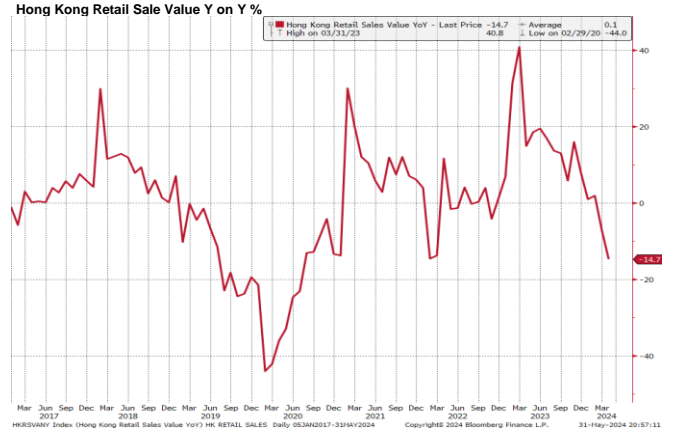
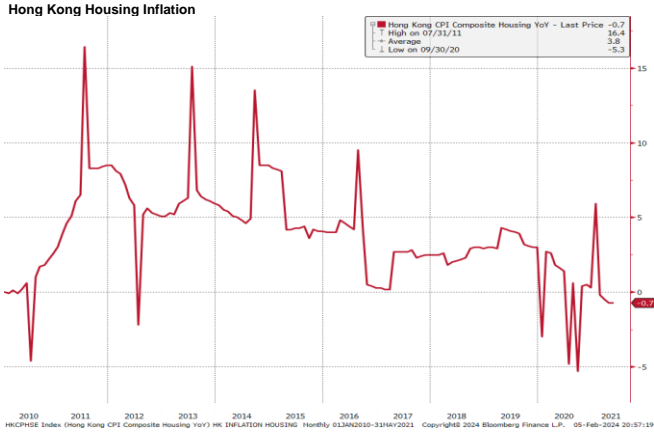
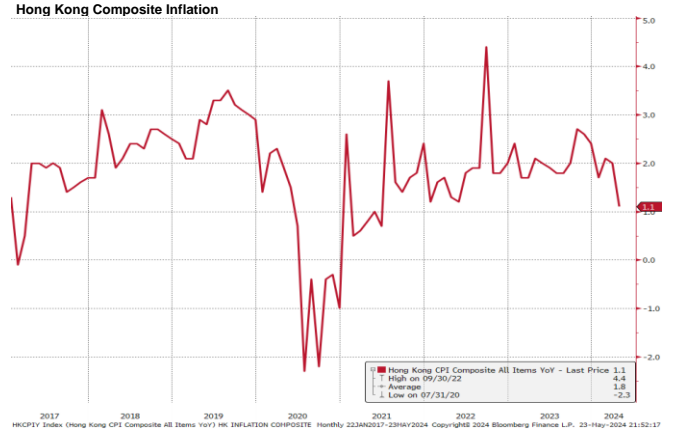
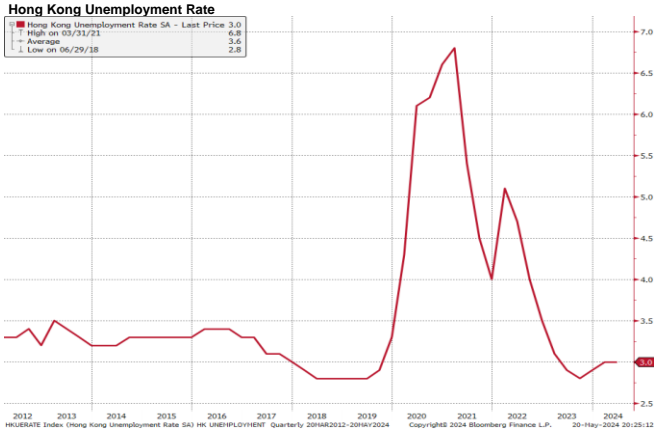
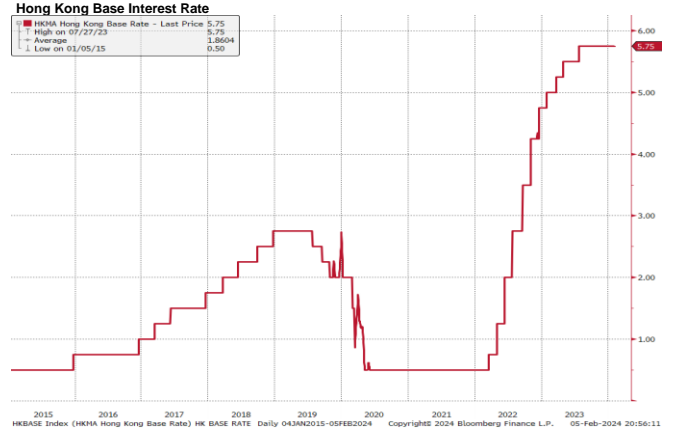
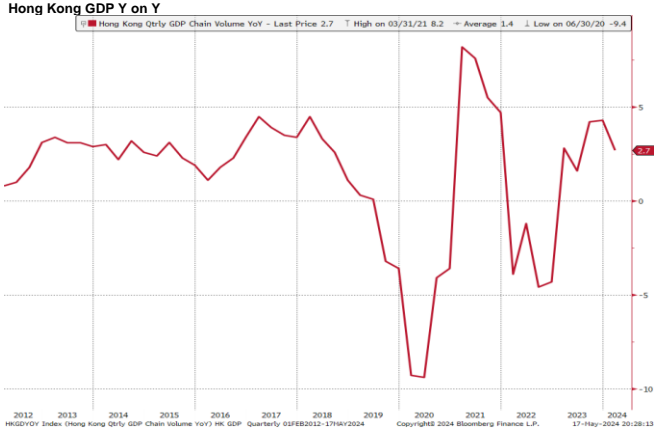
1st Resistance: 18583                      2nd Resistance: 18857  
 1st Support: 18033                      2nd Support: 17759  
 MACD: 94.114  
 MACD DIFF: -159.591  
 RSI: 48.2808

**Mini Hang Seng China Enterprise**

1st Resistance: 6589                      2nd Resistance: 6687  
 1st Support: 6395                      2nd Support: 6297  
 MACD: 36.522  
 MACD DIFF: -60.418  
 RSI: 48.5641

Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
05/31/2024 16:30	Retail Sales Volume YoY	Apr	-9.10%	-16.50%	-8.60%	-8.70%
05/31/2024 16:30	Retail Sales Value YoY	Apr	-6.30%	-14.70%	-7.00%	--
05/31/2024 16:30	Money Supply M1 HKD YoY	Apr	--	-9.90%	-11.40%	--
05/31/2024 16:30	Money Supply M2 HKD YoY	Apr	--	0.50%	-0.40%	--
05/31/2024 16:30	Money Supply M3 HKD YoY	Apr	--	0.50%	-0.40%	--
06/05/2024 08:30	S&P Global Hong Kong PMI	May	--	--	50.6	--
06/14/2024 16:30	PPI YoY	1Q	--	--	2.70%	--
06/14/2024 16:30	Industrial Production YoY	1Q	--	--	4.10%	--
06/20/2024 16:30	Unemployment Rate SA	May	--	--	3.00%	--
06/21/2024 16:30	BoP Current Account Balance	1Q	--	--	\$71.20b	\$70.72b
06/21/2024 16:30	BoP Overall	1Q	--	--	-\$9.11b	--
06/21/2024 16:30	CPI Composite YoY	May	--	--	1.10%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
05/31/2024 09:30	Composite PMI	May	--	51	51.7	--
05/31/2024 09:30	Manufacturing PMI	May	50.5	49.5	50.4	--
05/31/2024 09:30	Non-manufacturing PMI	May	51.5	51.1	51.2	--
06/09/2024 06/15	Money Supply M2 YoY	May	--	--	7.20%	--
06/09/2024 06/15	Money Supply M1 YoY	May	--	--	-1.40%	--
06/09/2024 06/15	Money Supply M0 YoY	May	--	--	10.80%	--
06/11/2024 06/18	FDI YTD YoY CNY	May	--	--	-27.90%	--
06/12/2024 09:30	PPI YoY	May	--	--	-2.50%	--
06/12/2024 09:30	CPI YoY	May	--	--	0.30%	--
06/17/2024 10:00	Industrial Production YoY	May	--	--	6.70%	--
06/17/2024 10:00	Industrial Production YTD YoY	May	--	--	6.30%	--
06/17/2024 10:00	Retail Sales YoY	May	--	--	2.30%	--
06/17/2024 10:00	Retail Sales YTD YoY	May	--	--	4.10%	--



(Source: Bloomberg)

Kenanga Futures Sdn Bhd (353603-X)  
 Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my  
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