

Fundamentals:

Chinese stocks climbed from a four-month low after privately compiled data showed that factory activity in June had beaten expectations and expanded to a three-year high.

The CSI 300 Index, which tracks the biggest companies listed in Shanghai and Shenzhen, gained 0.5 per cent on Monday, adding to the 0.2 per cent gain on Friday. Hong Kong's financial markets were closed for a holiday.

Other key Asian markets were mixed. Japan's Nikkei 225 added 0.1 per cent, and South Korea's Kospi added 0.2 per cent, while Australia's S&P/ASX 200 dropped 0.2 per cent.

A private report released on Monday pointed to a better-than-expected expansion in China's factory activity. The Caixin/S&P Global manufacturing purchasing managers' index (PMI) rose to 51.8 in June from 51.7 in the previous month, marking the fastest clip since May 2021 and surpassing analysts' forecasts of 51.2.

The upbeat data helped alleviate concerns following the official PMI data, which stood at 49.5 in June and was unchanged from May, according to data released by the National Bureau of Statistics (NBS) on Sunday. A reading above 50 indicates expansion of activity, while a reading below suggests contraction.

Shares of property developers advanced in mainland China, amid optimism that an upbeat economic climate would encourage buyers to return to the real estate market. Poly Developments jumped 6.2 per cent to 9.31 yuan and China Vanke rallied 5.2 per cent to 7.29 yuan, leading gains among developers. The chip designer Cambricon Technologies rallied 3.1 per cent to 204.84 yuan, Zijin Mining climbed 2.7 per cent to 18.04 yuan, while electronics product producer Foxconn Industrial Internet jumped 2.2 per cent to 28 yuan.

China's central bank has further stepped up the rhetoric against the government bond rally, which drove yields down to a two-decade low. The People's Bank of China said it has decided to borrow bonds to maintain the steady operation of the bond market on Monday, signalling a potential sell-down of the securities to cool off the rally.

The renewed market intervention efforts from "the national team" as indicated by a surge in net assets of the nation's biggest exchange-traded funds has also buoyed sentiment.

A total of 51.1 billion yuan (US\$7 billion) has entered the market through CSI 300 ETF in the week ended on June 28 after the Shanghai Composite Index slipped below the 3,000 psychological level, state-run Securities Times reported on Monday.

In total, A-share exchange traded funds (ETFs) have received a net inflow of over 400 billion yuan since the beginning of this year, nearing the net inflow scale for the entire year of 2023, it added.

Offsetting Monday's gains, China's biggest distiller giant Kweichow Moutai dropped 1.8 per cent to 1,440.38 yuan, the lowest level since October 2022. Battery giant Contemporary Amperex Technology Limited slipped 2.2 per cent to 176.07 yuan while EV maker BYD weakened 1.4 per cent to 246.80 yuan.

(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 JUL 24	0	17630	17700	17541
H. SENG FUT AUG 24	0	17667	17736	17579
H. SENG FUT SEP 24	0	17615	17675	17530
H. SENG FUT DEC 24	0	17762	17687	17687
MINI H. SENG FUT JUL 24	0	17630	17701	17541
MINI H. SENG FUT AUG 24	0	17667	17733	17580
MINI H. SENG FUT SEP 24	0	17615	17679	17530
MINI H. SENG FUT DEC 24	0	17762	17828	17680
HSCEI FUT JUL 24	0	6265	6289	6229
HSCEI FUT AUG 24	0	6286	6303	6265
HSCEI FUT SEP 24	0	6264	6286	6230
HSCEI FUT DEC 24	0	6321	#N/A	#N/A
MINI HSCEI FUT JUL 24	0	6265	6291	6229
MINI HSCEI FUT AUG 24	0	6286	6297	6253
MINI HSCEI FUT SEP 24	0	6264	6285	6236
MINI HSCEI FUT DEC 24	0	6321	#N/A	#N/A

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	53	-0.25	53.65	52.85
**Tencent Holdings Ltd	372.4	-2	376	370.8
**HSBC Holdings PLC	68.3	0	68.75	67.9
**China Construction Bank Corp	5.77	0.05	5.83	5.7
**Ping An Insurance Group	35.4	-0.55	36.1	35.3
**Meituan	111.1	-2.6	114.3	110.6
*Hong Kong Exchanges & Clearing Ltd	250.2	-1.4	254	248.2
**Alibaba Group Holdings Ltd	70.5	-1.05	71.6	70.5
**Xiaomi Corp	16.48	-0.06	16.78	16.36
**ICBC	4.64	0.07	4.68	4.55

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	11.54	-0.14	11.86	11.52
**China Mobile Ltd	77	2	77.55	74.85
**Bank of China Ltd	3.85	0.05	3.85	3.78
*Techtronic Industries Co Ltd	89.2	-3.75	92.35	89
*CK Hutchison Holdings Ltd	37.4	0.55	37.6	36.5
*Link REIT	30.35	0.35	30.5	30
*CLP Holding Ltd	63.1	0.95	63.55	62.2
**Geely Automobile Holdings Ltd	8.79	-0.11	8.94	8.78
**CNOOC Ltd	22.4	0.65	22.65	21.75
**ANTA Sports Products Ltd	75	-1.2	75.85	74.3

Global Equity Indices	Close	Change	High	Low
Hang Seng	0.00	0	0	0
HSCEI	0	0	0	0
Shanghai Comp Index	2994.73	27.327	2996.41	2961.856
Nikkei 225	39631.1	47.98	39942.7	39537.1
KOSPI	2804.31	6.49	2805.95	2783.98
S&P/ASX200	7750.74	-16.726	7767.5	7710.3
DJIA	39151	32.1	39438.4	39037.94
S&P 500	5463	2.52	5479.55	5446.53
NASDAQ	17851	118.42	17882.5	17657.64
DAX	18290.7	55.21	18460.7	18236.27
CAC	7561.13	1.09	7688.2	7561.13
FTSE100	8166.76	2.64	8225.08	8164.12

Technical Analysis

Mini Hang Seng

1st Resistance:	17894	2nd Resistance:	18159
1st Support:	17366	2nd Support:	17101
MACD:	-145.869		
MACD DIFF:	-57.3526		
RSI:	37.8985		

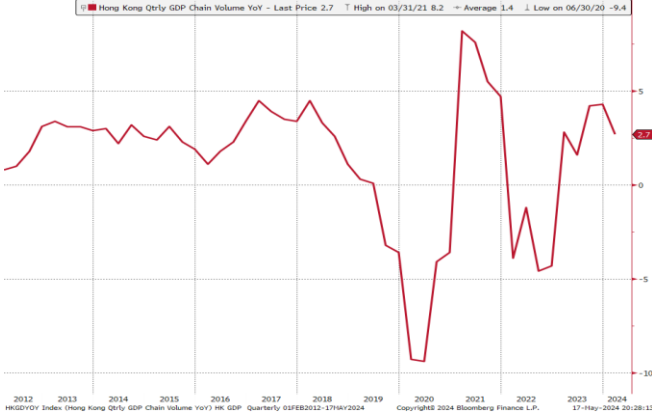
Mini Hang Seng China Enterprise

1st Resistance:	6359	2nd Resistance:	6453
1st Support:	6171	2nd Support:	6077
MACD:	-41.694		
MACD DIFF:	-21.207		
RSI:	38.5403		

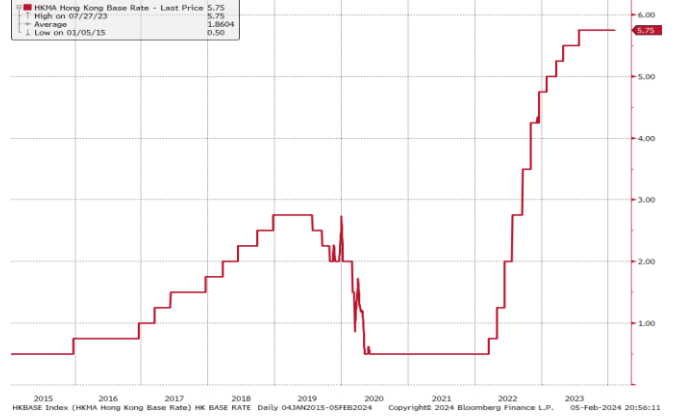
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
06/25/2024 16:30	Exports YoY	May	14.80%	14.80%	11.90%	--
06/25/2024 16:30	Imports YoY	May	8.50%	9.60%	3.70%	--
06/25/2024 16:30	Trade Balance HKD	May	-8.7b	-12.1b	-10.2b	--
06/28/2024 16:30	Money Supply M1 HKD YoY	May	--	-8.40%	-9.90%	--
06/28/2024 16:30	Money Supply M2 HKD YoY	May	--	1.50%	0.50%	--
06/28/2024 16:30	Money Supply M3 HKD YoY	May	--	1.50%	0.50%	--
07/02/2024 16:30	Retail Sales Volume YoY	May	--	--	-0.165	--
07/02/2024 16:30	Retail Sales Value YoY	May	--	--	-0.147	--
07/04/2024 08:30	S&P Global Hong Kong PMI	Jun	--	--	49.2	--
07/05/2024 16:30	Foreign Reserves	Jun	--	--	\$417.2b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
06/27/2024 09:30	Industrial Profits YTD YoY	May	--	3.40%	4.30%	--
06/27/2024 09:30	Industrial Profits YoY	May	--	0.70%	4.00%	--
06/30/2024 09:30	Composite PMI	Jun	--	50.5	51.0	--
06/30/2024 09:30	Manufacturing PMI	Jun	49.5	49.5	49.5	--
06/30/2024 09:30	Non-manufacturing PMI	Jun	51.0	50.5	51.1	--
07/01/2024 09:45	Caixin China PMI Mfg	Jun	51.5	51.8	51.7	--
07/03/2024 09:45	Caixin China PMI Composite	Jun	--	--	54.1	--
07/03/2024 09:45	Caixin China PMI Services	Jun	53.4	--	54	--

Hong Kong GDP Y on Y



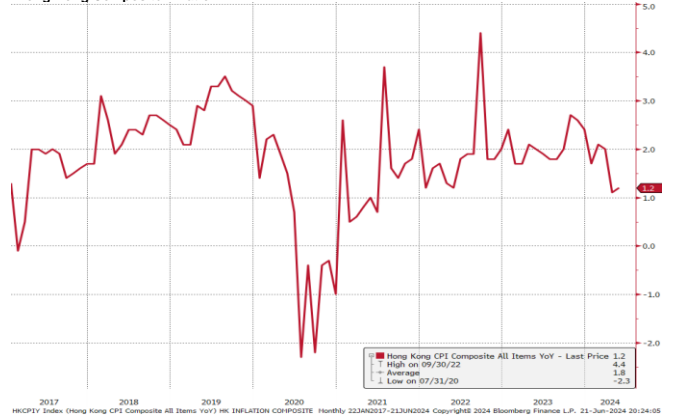
Hong Kong Base Interest Rate



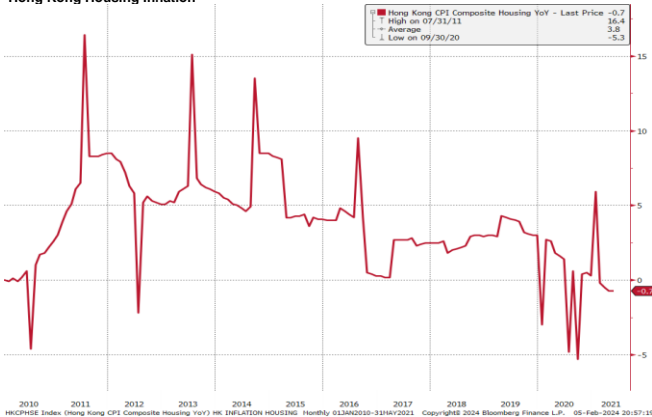
Hong Kong Unemployment Rate



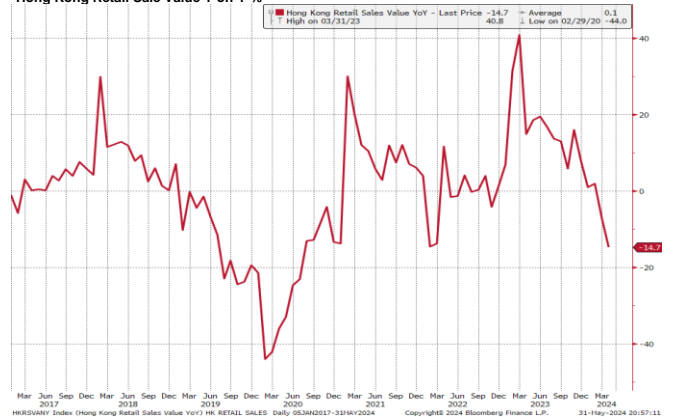
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.