

**Fundamentals:**

Chinese tech stocks slumped in Hong Kong, sending the city's market to its biggest weekly loss in three months, after more central banks raised interest rates. Waning confidence in China's economic outlook also sapped appetite for riskier assets.

The Hang Seng Index tumbled 1.7 per cent to 18,889.97 at the close of Friday trading, bringing the retreat this week to 5.8 per cent. The Tech Index sank 2 per cent for the day and 8.5 per cent for the week. Both declines were the worst since mid-March. Markets in mainland China were closed for a public holiday.

Tencent fell 1 per cent to HK\$337, while Alibaba Group weakened 0.8 per cent to HK\$84.05. Baidu slipped 1.5 per cent to HK\$138.20. Meituan dropped 2.3 per cent to HK\$124.70 and JD.com declined 1.8 per cent to HK\$140.10. Sun Hung Kai Properties fell 2.5 per cent to HK\$97.65, and peer CK Asset lost 2.2 per cent to HK\$42.95.

The Bank of England tightened its policy on Thursday, following similar moves by Australia and the European Central Bank this month. Federal Reserve chair Jerome Powell stayed with the hawkish message that the US may need to tighten further later this year, despite pausing at this month's policy meeting. Turkey's central bank hiked on Friday, a U-turn from a series of cuts last year.

This week's slump in Hong Kong erased US\$200 billion of value across local equities, according to Bloomberg data, undoing almost all of the rally in the three preceding weeks.

A string of weak economic data and dismay at Beijing's slow and measured stimulus have combined to hasten the outflow of capital. Chinese equities have suffered net-selling for four months and into June by global hedge funds, according to Goldman Sachs, taking more than 70 per cent off the table from funds they ploughed in from late November.

Major Asian markets declined. The Kospi in South Korea dropped 0.9 per cent and the Nikkei 225 in Japan lost 1.5 per cent, while the S&P/ASX 200 in Australia lost 1.3 per cent. The MSCI World Index of global stocks fell 1 per cent this week, the most in three months.

(Source: South China Morning Post)

Contracts	Chg	Sett	High	Low
H. SENG FUT JUN 23	-375	18875	19216	18792
H. SENG FUT JUL 23	-383	18785	19125	18700
H. SENG FUT SEP 23	-386	18810	19143	18730
H. SENG FUT DEC 23	-375	18875	19216	18792
MINI H. SENG FUT JUN 23	-375	18875	19217	18792
MINI H. SENG FUT JUL 23	-383	18785	19124	18700
MINI H. SENG FUT SEP 23	-386	18810	19189	18730
MINI H. SENG FUT DEC 23	-375	18875	19217	18792
HSCEI FUT JUN 23	-122	6394	6508	6355
HSCEI FUT JUL 23	-124	6324	6437	6285
HSCEI FUT SEP 23	-126	6345	6445	6314
HSCEI FUT DEC 23	-122	6394	6508	6355
MINI HSCEI FUT JUN 23	-122	6394	6508	6354
MINI HSCEI FUT JUL 23	-124	6324	6434	6285
MINI HSCEI FUT SEP 23	-126	6345	6470	6317
MINI HSCEI FUT DEC 23	-122	6394	6508	6354

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	78.15	-2.1	80.05	77.2
**Tencent Holdings Ltd	337	-3.4	340.8	333
*HSBC Holdings PLC	59.75	-1.55	60.6	59.5
**China Construction Bank Corp	5	-0.03	5.04	4.99
**Ping An Insurance Group	49.3	-0.7	50.25	48.8
**Meituan	124.7	-2.9	126	122.6
*Hong Kong Exchanges & Clearing Ltd	301.4	-1.8	303.2	300
**Alibaba Group Holdings Ltd	84.05	-0.65	85.1	83.1
**Xiaomi Corp	9.99	-0.29	10.26	9.86
**ICBC	4.13	-0.03	4.18	4.12

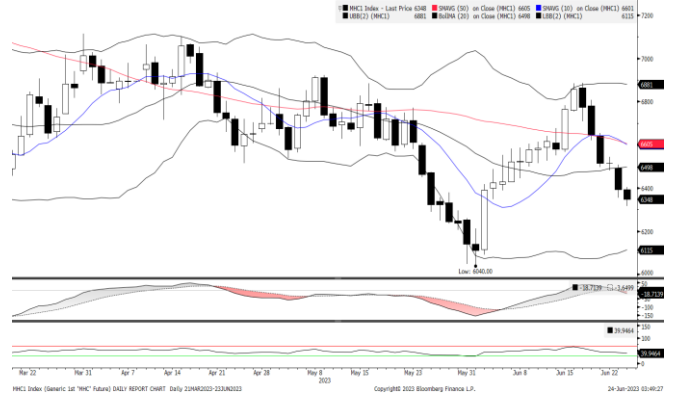
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	37.75	0	38.4	37.25
**China Mobile Ltd	62.25	-1.25	63.45	62
**Bank of China Ltd	3.11	-0.02	3.14	3.1
*Techtronic Industries Co Ltd	81.15	-1.8	83.15	80.4
*CK Hutchison Holdings Ltd	48.15	-0.35	48.5	47.6
*Link REIT	44.1	-1.15	45.1	44
*CLP Holding Ltd	61.55	-0.4	62	61.1
**Geely Automobile Holdings Ltd	9.23	-0.35	9.49	9.16
**CNOOC Ltd	11.04	-0.12	11.16	10.96
**ANTA Sports Products Ltd	81.2	-0.25	81.75	80.1

Global Equity Indices	Close	Change	High	Low
Hang Seng	18889.97	-328.38	19138.4	18800.34
HSCEI	6394.54	-111.27	6480.93	6355.95
Shanghai Comp Index	0	0	0	0
Nikkei 225	32781.5	-483.34	33533.5	32575.56
KOSPI	2570.1	-23.6	2600.81	2568.07
S&P/ASX200	7099.23	-96.258	7195.7	7087.9
DJIA	33727.4	-219.28	33835.7	33646.49
S&P 500	4348.33	-33.56	4366.55	4341.34
NASDAQ	13492.5	-138.09	13572.2	13442.65
DAX	15829.9	-158.22	15917.1	15733.12
CAC	7163.42	-0.55	7193.78	7128.64
FTSE100	7461.87	-40.16	7502.03	7439.72

**Mini Hang Seng Futures Daily Chart**



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



**Technical Analysis**

*Mini Hang Seng*

1st Resistance:	19158	2nd Resistance:	19441
1st Support:	18592	2nd Support:	18309
MACD:	-8.069		
MACD DIFF:	-1.3159		
RSI:	41.2015		

*Mini Hang Seng China Enterprise*

1st Resistance:	6490	2nd Resistance:	6586
1st Support:	6298	2nd Support:	6202
MACD:	-1.560		
MACD DIFF:	-1.766		
RSI:	41.7132		

**Strategy:**

*Mini Hang Seng:*

Long: Profit target:	18592	18778	18499	Long: Profit target:	18309	18492	18217
Stop-loss:				Stop-loss:			
Short: Profit target:	19158	18967	19254	Short: Profit target:	19441	19247	19538
Stop-loss:				Stop-loss:			

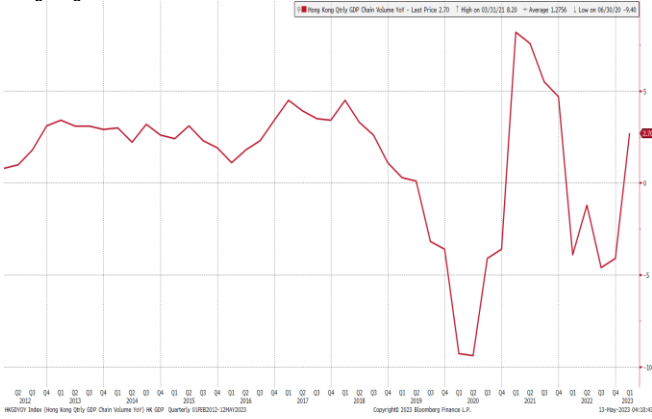
*Mini Hang Seng China Enterprise:*

Long: Profit target:	6298	6361	6267	Long: Profit target:	6202	6264	6171
Stop-loss:				Stop-loss:			
Short: Profit target:	6490	6425	6522	Short: Profit target:	6586	6520	6619
Stop-loss:				Stop-loss:			

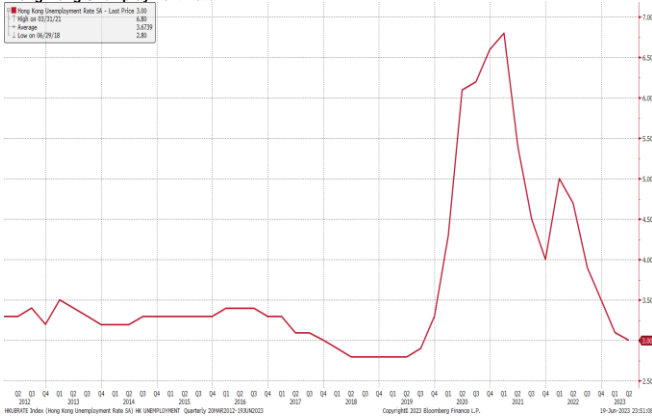
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
06/27/2023 16:30	Exports YoY	May	--	--	-13.00%	--
06/27/2023 16:30	Imports YoY	May	--	--	-11.90%	--
06/27/2023 16:30	Trade Balance HKD	May	--	--	-36.6b	--
06/30/2023	Money Supply M3 HKD YoY	May	--	--	0.90%	--
06/30/2023	Budget Balance HKD	May	--	--	-34.7b	--
06/30/2023	Money Supply M1 HKD YoY	May	--	--	-19.90%	--
06/30/2023	Money Supply M2 HKD YoY	May	--	--	0.90%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
06/28/2023 09:30	Industrial Profits YoY	May	--	--	-18.20%	--
06/28/2023 09:30	Industrial Profits YTD YoY	May	--	--	-20.60%	--
06/28/2023 10:00	Bloomberg June China Economic Survey					
06/30/2023 09:30	Composite PMI	Jun	--	--	52.9	--
06/30/2023 09:30	Manufacturing PMI	Jun	49	--	48.8	--
06/30/2023 09:30	Non-manufacturing PMI	Jun	53.7	--	54.5	--
06/30/2023	BoP Current Account Balance	1 Q F	--	--	\$82.0b	--

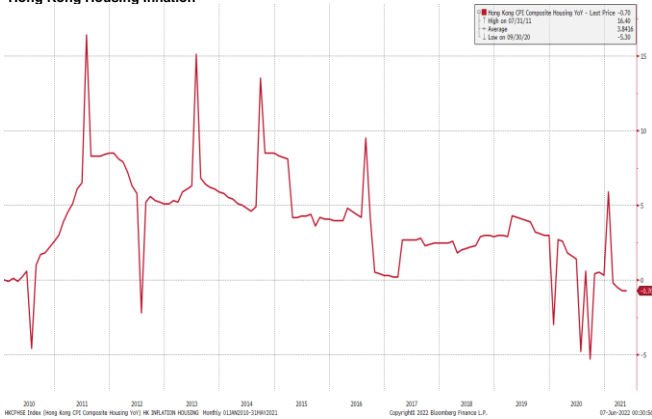
### Hong Kong GDP Q on Q



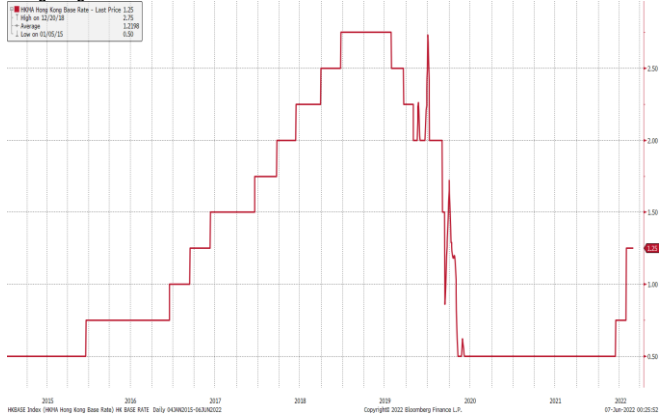
### Hong Kong Unemployment Rate



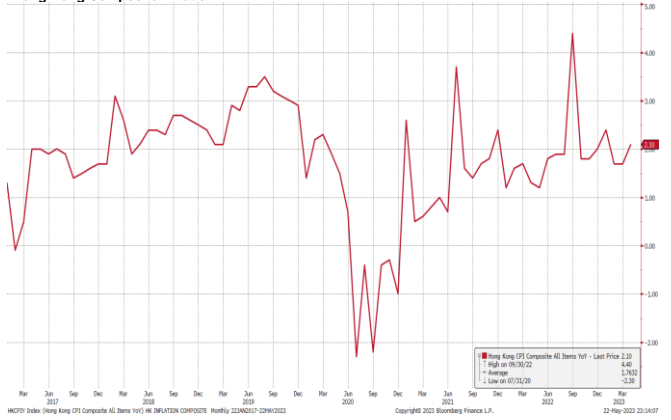
### Hong Kong Housing Inflation



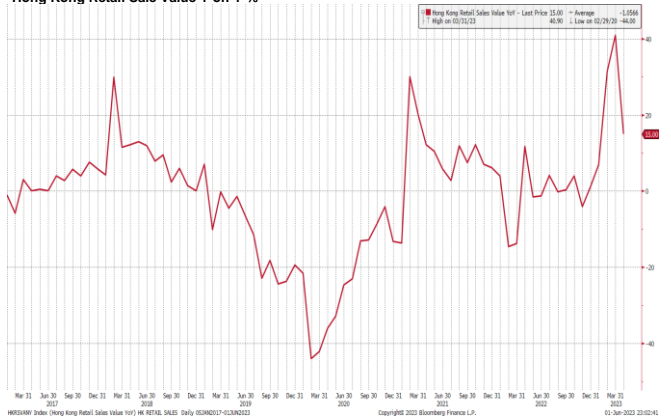
### Hong Kong Base Interest Rate



### Hong Kong Composite Inflation



### Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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