

**Fundamentals:**

Hong Kong stocks extended losses amid lingering concerns about China's economic outlook and sluggish stimulus response. Property developers dropped as a projected rate hike next week is seen undermining home sales.

The Hang Seng Index slipped for a second day, losing 0.3 per cent to 18,952.31 at the close of Wednesday trading, paring an earlier setback of as much as 1.6 per cent. The Tech Index declined 0.4 per cent while the Shanghai Composite Index gained less than 0.1 per cent.

Tencent dropped 1 per cent to HK\$333, Meituan lost 1.1 per cent to HK\$127.70, and Netease declined 1.2 per cent to HK\$163.10. Macau casino operator Sands China weakened 0.9 per cent to HK\$28.15 while travel agency Trip.com fell 1 per cent to HK\$286. Sportswear maker Li Ning lost 1.5 per cent to HK\$40.50 while Anta fell 1.8 per cent to HK\$82.95.

Chinese investors are turning to foreign stocks and bonds as the domestic economy weakened and the onshore stock markets struggled to perform, according to EY, a consultancy. Growth quickened last quarter to 6.3 per cent from 4.5 per cent in the preceding three months, trailing market consensus.

Sun Hung Kai Properties fell 0.3 per cent on Tuesday to HK\$95.60, leading declines in the city's biggest home builders. Henderson Land lost 0.2 per cent to HK\$22.95 and New World Development slipped 2 per cent to HK\$17.96.

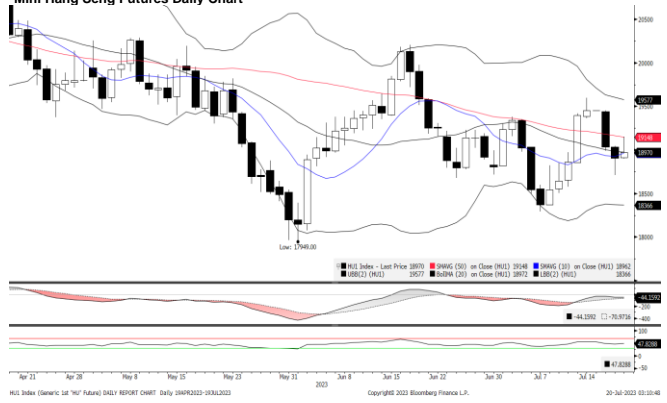
Most of the 13 analysts surveyed by the Post believed local banks like HSBC and Standard Chartered would bump up their key lending rates, following soon after a projected increase in US interest rates next week. That could increase the burden of servicing HK\$1.83 trillion (US\$233 billion) of outstanding home mortgages in the city.

Two stocks started trading for the first time. Hefei I-TEK Optoelectronics dropped 4.1 per cent to 70.34 yuan in Shanghai, while Suzhou Planning & Design Research Institute surged 48 per cent to 38.99 yuan in Shenzhen.

Major Asian markets strengthened. The Kospi Index in Korea erased a drop to trade little changed, while the S&P/ASX 200 Index in Australia gained 0.6 per cent and the Nikkei 225 Index in Japan advanced 1.2 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 JUL 23	-124	18908	19048	18707
H. SENG FUT AUG 23	-131	18948	19090	18759
H. SENG FUT SEP 23	-130	18945	19087	18763
H. SENG FUT DEC 23	-124	18908	19048	18707
MINI H. SENG FUT JUL 23	-124	18908	19047	18708
MINI H. SENG FUT AUG 23	-131	18948	19094	18755
MINI H. SENG FUT SEP 23	-130	18945	19090	18753
MINI H. SENG FUT DEC 23	-124	18908	19047	18708
HSCEI FUT JUL 23	-32	6371	6414	6285
HSCEI FUT AUG 23	-36	6397	6436	6321
HSCEI FUT SEP 23	-36	6394	6417	6315
HSCEI FUT DEC 23	-32	6371	6414	6285
MINI HSCEI FUT JUL 23	-32	6371	6414	6284
MINI HSCEI FUT AUG 23	-36	6397	6442	6318
MINI HSCEI FUT SEP 23	-36	6394	6438	6313
MINI HSCEI FUT DEC 23	-32	6371	6414	6284

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	78.5	-1.15	79.4	77.75
**Tencent Holdings Ltd	333	-3.4	333.8	327
*HSBC Holdings PLC	63.25	0.3	63.4	62.95
**China Construction Bank Corp	4.29	0	4.33	4.24
**Ping An Insurance Group	50.25	-0.5	50.45	49.6
**Meituan	127.7	-1.4	128.3	125.2
*Hong Kong Exchanges & Clearing Ltd	295.8	0.6	297	290.4
**Alibaba Group Holdings Ltd	90.35	0.65	91.15	87.5
**Xiaomi Corp	11.16	-0.04	11.22	10.92
**ICBC	3.59	0.01	3.62	3.54

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	40.05	-0.8	40.65	39.55
**China Mobile Ltd	64.2	0.6	64.35	63.25
**Bank of China Ltd	2.74	-0.02	2.75	2.72
*Techtronic Industries Co Ltd	87.45	-1.6	88.7	87.1
*CK Hutchison Holdings Ltd	47	-0.2	47.2	46.85
*Link REIT	43.15	0	43.15	42.55
*CLP Holding Ltd	60.85	-0.05	61	60.3
**Geely Automobile Holdings Ltd	9.69	-0.04	9.7	9.46
**CNOOC Ltd	12.26	0.14	12.36	12.18
**ANTA Sports Products Ltd	82.95	-1.55	83.9	81

Global Equity Indices	Close	Change	High	Low
Hang Seng	18952.31	-63.41	19004.4	18711.03
HSCEI	6381.94	-18.15	6400.12	6283.97
Shanghai Comp Index	3198.84	1.016	3204.36	3181.561
Nikkei 225	32896	402.14	32896	32671.03
KOSPI	2608.24	0.62	2622.54	2598.52
S&P/ASX200	7323.72	39.947	7333.1	7283.8
DJIA	35061.2	109.28	35234.1	34991.21
S&P 500	4565.72	10.74	4578.43	4557.48
NASDAQ	14358	4.38	14446.6	14317.09
DAX	16108.9	-16.56	16240.8	16075.17
CAC	7326.94	0.11	7382.89	7317.54
FTSE100	7588.2	134.51	7625.14	7453.69

**Technical Analysis**

**Mini Hang Seng**

1st Resistance:	19192	2nd Resistance:	19475
1st Support:	18624	2nd Support:	18341
MACD:	-40.966		
MACD DIFF:	36.7434		
RSI:	46.6799		

**Mini Hang Seng China Enterprise**

1st Resistance:	6467	2nd Resistance:	6562
1st Support:	6275	2nd Support:	6180
MACD:	-23.696		
MACD DIFF:	9.375		
RSI:	45.6916		

**Strategy:**

<b>Mini Hang Seng:</b>	Long: Profit target: 18624	Stop-loss: 18811	18531	Long: Profit target: 18341	Stop-loss: 18524	18249
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Short: Profit target: 19192	Stop-loss: 19000	19288	Short: Profit target: 19475	Stop-loss: 19280	19573
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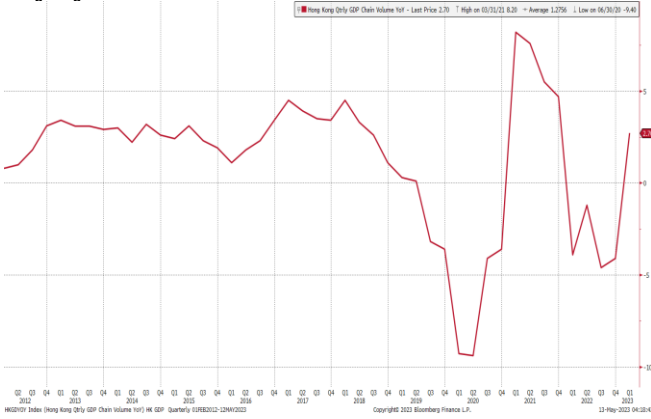
<b>Mini Hang Seng China Enterprise:</b>	Long: Profit target: 6275	Stop-loss: 6338	6244	Long: Profit target: 6180	Stop-loss: 6242	6149
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Short: Profit target: 6467	Stop-loss: 6402	6499	Short: Profit target: 6562	Stop-loss: 6497	6595
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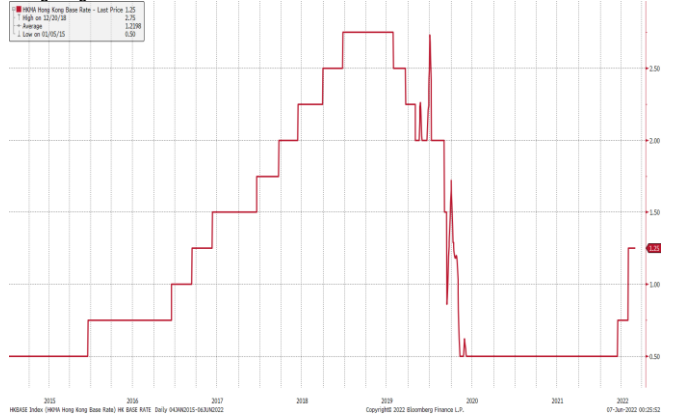
Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised
07/20/2023 16:30	CPI Composite YoY	Jun	1.90%	--	2.00%
07/25/2023 16:30	Exports YoY	Jun	--	--	-15.60%
07/25/2023 16:30	Imports YoY	Jun	--	--	-16.70%
07/25/2023 16:30	Trade Balance HKD	Jun	--	--	-26.4b

China Economic Releases	Period	Survey	Actual	Prior	Revised
07/18/2023 07:21	FDI YTD YoY CNY	Jun	--	2.70%	0.10%
07/20/2023 09:00	Swift Global Payments CNY	Jun	--	--	2.54%
07/20/2023 09:15	5-Year Loan Prime Rate	Jul-20	4.20%	--	4.20%
07/20/2023 09:15	1-Year Loan Prime Rate	Jul-20	3.55%	--	3.55%
07/21/2023	FX Net Settlement - Clients CNY	Jun	--	--	29.1b
07/25/2023 10:00	Bloomberg July China Economic Survey				

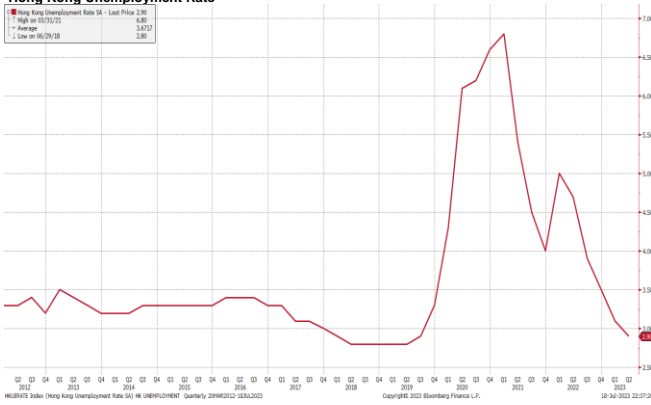
### Hong Kong GDP Q on Q



### Hong Kong Base Interest Rate



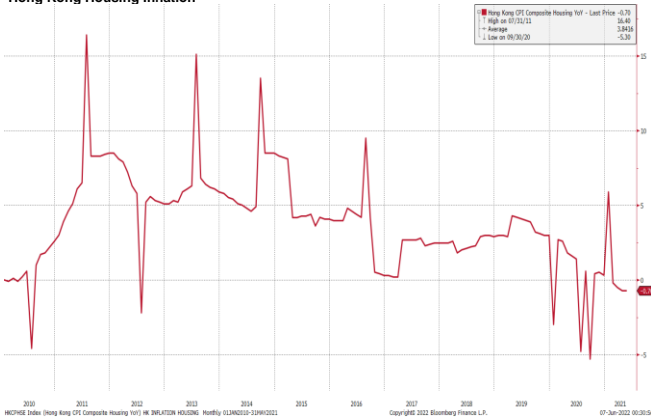
### Hong Kong Unemployment Rate



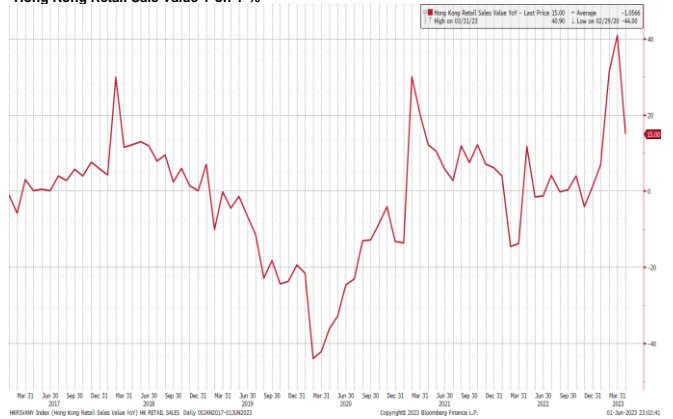
### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

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