

Fundamentals:

Hong Kong stocks jumped, snapping a three-day losing streak, as traders turned more optimistic about Beijing's pledge to support the private sector.

The Hang Seng Index rose 0.8 per cent to 19,075.26 at the close of Friday trading, helping narrow the loss this week to 1.3 per cent. The Tech Index added 1 per cent, while the Shanghai Composite Index declined less than 0.1 per cent.

Alibaba Group gained 2 per cent to HK\$91.30, Meituan rose 1.2 per cent to HK\$128.20, and Tencent added 0.1 per cent to HK\$333. JD.com climbed 1.6 per cent to HK\$145.20, while HSBC strengthened 0.8 per cent to HK\$64.30. Alibaba Health surged 2 per cent to HK\$5.05 while sportswear maker Anta Sports jumped 1.6 per cent to HK\$84.20.

China will release detailed measures to boost development and investment in the private sector "very soon", officials at the top economic planning agency said in a media briefing on Thursday. The government earlier this week unveiled a list of policy solutions and promises political backing for private firms.

This could give the Hang Seng Index members a much-needed boost. The benchmark has lost 3.6 per cent this year, trailing major gauges in Asia-Pacific markets, as investors fret over China's sluggish economic data last quarter and Beijing's measured policy response to overcome the weakness.

"We are clearly in a policy easing cycle even though massive stimulus seems unlikely in the near term," Goldman Sachs economists including Hui Shan said in a note on Friday. Further modest monetary policy easing should help support sequential growth in second half, they said.

Almost one-third of mainland-listed companies have released earnings previews for the first half, with just less than half delivering positive earnings, according to Steven Sun, head of research at HSBC Qianhai Securities. Further cuts in consensus earnings estimates are less likely, as the economic cycle shifts for the better, he added.

"We continue to believe fundamentals like earnings and valuations will come back into focus," he said.

Limiting gains, property developer Country Garden dropped 5.5 per cent to HK\$1.38 while peer Longfor Group slipped 4.1 per cent to HK\$16.16. Carmaker BYD slipped 0.1 per cent to HK\$267 and Geely Auto declined 0.7 per cent to HK\$9.56.

Major Asian markets were mixed. The S&P/ASX 200 Index in Australia declined 0.2 per cent and the Nikkei 225 Index in Japan retreated 0.6 per cent, while the Kospi Index in Korea added 0.4 per cent.

(Source: South China Morning Post)

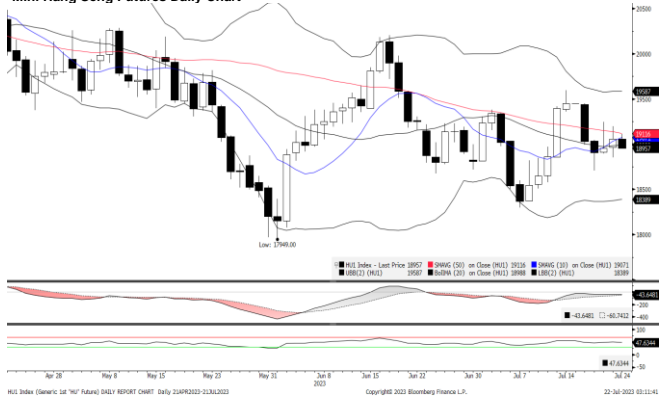
Contracts	Chg	Sett	High	Low
H. SENG FUT JUL 23	103	19057	19198	18850
H. SENG FUT AUG 23	100	19099	19239	18898
H. SENG FUT SEP 23	109	19101	19219	18918
H. SENG FUT DEC 23	103	19057	19198	18850
MINI H. SENG FUT JUL 23	103	19057	19198	18850
MINI H. SENG FUT AUG 23	100	19099	19239	18899
MINI H. SENG FUT SEP 23	109	19101	19226	18895
MINI H. SENG FUT DEC 23	103	19057	19198	18850
HSCEI FUT JUL 23	37	6410	6463	6331
HSCEI FUT AUG 23	35	6438	6491	6364
HSCEI FUT SEP 23	34	6434	6477	6363
HSCEI FUT DEC 23	37	6410	6463	6331
MINI HSCEI FUT JUL 23	37	6410	6464	6332
MINI HSCEI FUT AUG 23	35	6438	6490	6363
MINI HSCEI FUT SEP 23	34	6434	6484	6362
MINI HSCEI FUT DEC 23	37	6410	6464	6332

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	78.6	1.2	79.15	77.25
**Tencent Holdings Ltd	333	0.2	337.4	331
*HSBC Holdings PLC	64.3	0.5	64.4	63.9
**China Construction Bank Corp	4.34	0.03	4.35	4.3
**Ping An Insurance Group	50.1	0.2	50.8	49.7
**Meituan	128.2	1.5	129.2	126
*Hong Kong Exchanges & Clearing Ltd	297	2.4	298.2	293.2
**Alibaba Group Holdings Ltd	91.3	1.8	91.4	89.5
**Xiaomi Corp	11.28	0.22	11.36	11.06
**ICBC	3.66	0.05	3.68	3.63

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	40.7	0.25	41.75	40.2
**China Mobile Ltd	64.95	0.65	65.15	64.35
**Bank of China Ltd	2.78	0.03	2.79	2.75
*Techtronic Industries Co Ltd	86.15	-1.9	88.05	84.95
*CK Hutchison Holdings Ltd	47.55	0.35	47.7	47.2
*Link REIT	44.15	0.25	44.3	43.7
*CLP Holding Ltd	61.85	0.55	61.9	61.1
**Geely Automobile Holdings Ltd	9.56	-0.07	9.64	9.4
**CNOOC Ltd	12.24	-0.02	12.3	12.16
**ANTA Sports Products Ltd	84.2	1.3	85	82.25

Global Equity Indices	Close	Change	High	Low
Hang Seng	19075.26	147.24	19169.8	18886.43
HSCEI	6415.02	50.9	6455.34	6346.71
Shanghai Comp Index	3167.75	-1.777	3185.64	3157.333
Nikkei 225	32304.3	-186.27	32462.4	32080.95
KOSPI	2609.76	9.53	2609.76	2570.58
S&P/ASX200	7313.89	-11.162	7325	7288.8
DJIA	35227.7	2.51	35340.7	35186.05
S&P 500	4536.34	1.47	4555	4535.79
NASDAQ	14032.8	-30.5	14179	14020.45
DAX	16177.2	-27	16181.3	16103.48
CAC	7432.77	0.65	7433.31	7379.62
FTSE100	7663.73	17.68	7674.23	7639.45

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	19343	2nd Resistance:	19629
1st Support:	18771	2nd Support:	18485
MACD:	-40.242		
MACD DIFF:	24.8138		
RSI:	49.5023		

Mini Hang Seng China Enterprise

1st Resistance:	6506	2nd Resistance:	6602
1st Support:	6314	2nd Support:	6218
MACD:	-25.923		
MACD DIFF:	4.711		
RSI:	47.8199		

Strategy:

Mini Hang Seng:

Long: Profit target:	18771	18959	18677	Long: Profit target:	18485	18670	18393
Stop-loss:				Stop-loss:			
Short: Profit target:	19343	19149	19440	Short: Profit target:	19629	19432	19727
Stop-loss:				Stop-loss:			

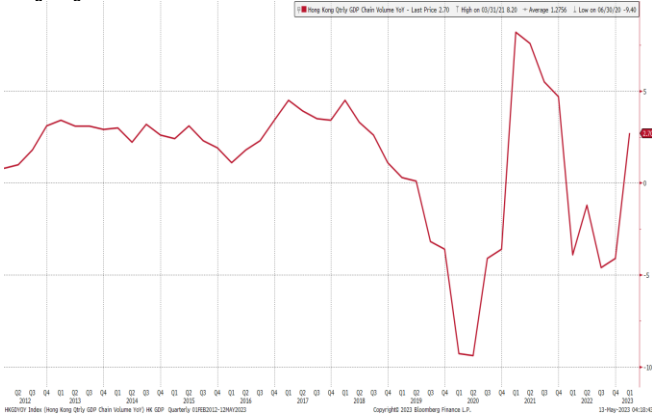
Mini Hang Seng China Enterprise:

Long: Profit target:	6314	6377	6282	Long: Profit target:	6218	6280	6187
Stop-loss:				Stop-loss:			
Short: Profit target:	6506	6441	6539	Short: Profit target:	6602	6536	6635
Stop-loss:				Stop-loss:			

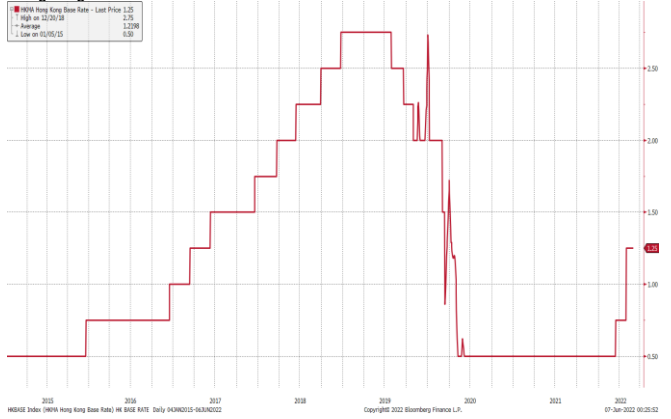
Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised
07/25/2023 16:30	Exports YoY	Jun	--	--	-15.60%
07/25/2023 16:30	Imports YoY	Jun	--	--	-16.70%
07/25/2023 16:30	Trade Balance HKD	Jun	--	--	-26.4b

China Economic Releases	Period	Survey	Actual	Prior	Revised
07/21/2023 10:42	FX Net Settlement - Clients CNY	Jun	--	--	89.5b
07/25/2023 10:00	Bloomberg July China Economic Survey				
07/27/2023 09:30	Industrial Profits YoY	Jun	--	--	-12.60%
07/27/2023 09:30	Industrial Profits YTD YoY	Jun	--	--	-18.80%

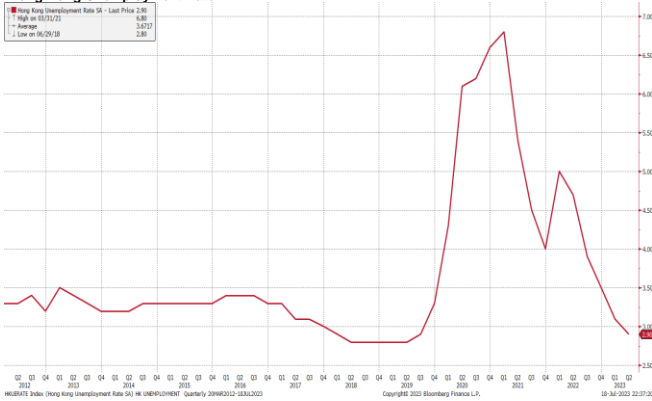
Hong Kong GDP Q on Q



Hong Kong Base Interest Rate



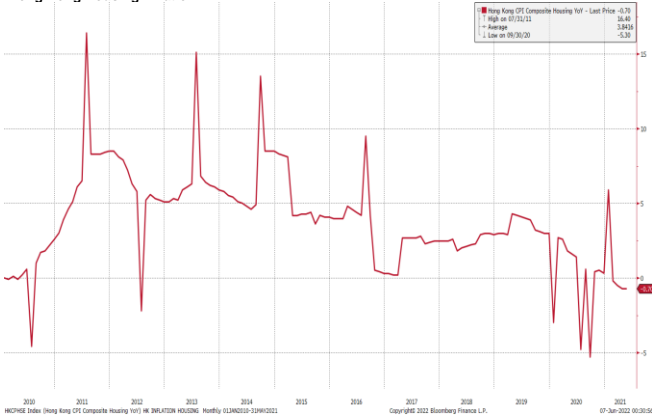
Hong Kong Unemployment Rate



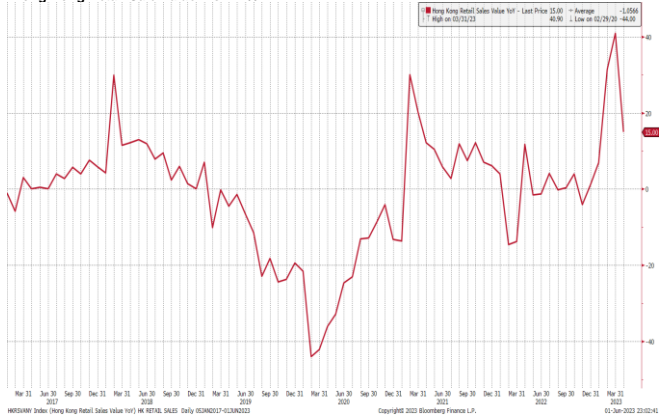
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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