

Fundamentals:

Most Hong Kong stocks advanced as carmaker BYD extended a rally on record sales outlook. AI-related firms like SenseTime struggled as tech rivalry in the industry took a bad turn with more trade curbs on semiconductor materials.

The Hang Seng Index rose 0.4 per cent to 19,377.08 at 2.50pm local time, adding to a 2.1 per cent gain on Monday. The Tech Index added 0.2 per cent, while the Shanghai Composite Index was little changed.

BYD climbed 0.7 per cent to HK\$263. Baidu jumped 1.7 per cent to HK\$141.30, and NetEase added 1.4 per cent to HK\$157.20. Sportswear maker Anta Sports increased 1.6 per cent to HK\$83.60, while peer Li Ning rose 1.3 per cent to HK\$43.75. Limiting gains, developer Country Garden fell 1.2 per cent to HK\$1.63, and Henderson Land lost 1.5 per cent to HK\$23.40.

BYD has risen 6 per cent over the past two trading days. The world's biggest EV maker sold 253,046 units in June, beating its own record in May in latest sign of recovery in China's EV market. Other rivals like Xpeng and Geely weakened, surrendering part of the huge rally this week.

SenseTime tumbled 8.7 per cent to HK\$1.99, hobbling the city's tech gauge. China on Monday imposed controls on the exports of gallium and germanium, key metals in semiconductor production, to "safeguard national security and interests."

The move followed the Netherlands' government to ban the sales of chip-making equipment to China while the US is said to be mulling similar curbs.

One stock debuted on Tuesday. Longhorn Auto jumped 126 per cent to 90.01 yuan in Shenzhen.

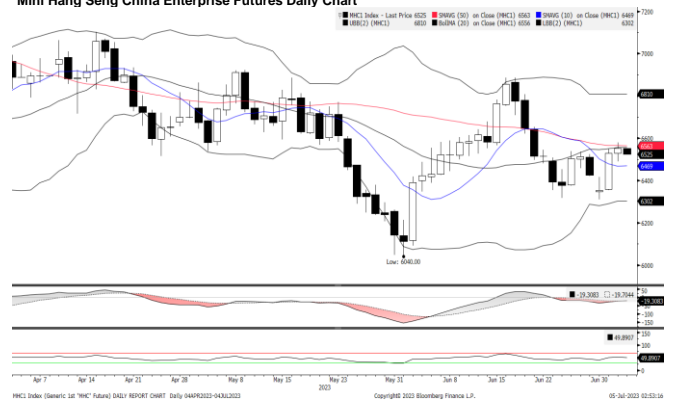
Key Asian markets were mixed. The Nikkei 225 in Japan fell 1 per cent, while the Kospi in South Korea lost 0.4 per cent and the S&P/ASX 200 in Australia added 0.5 per cent.

(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	106	19343	19379	19154
H. SENG FUT AUG 23	104	19388	19421	19211
H. SENG FUT SEP 23	106	19377	19402	19196
H. SENG FUT DEC 23	106	19343	19379	19154
MINI H. SENG FUT JUL 23	106	19343	19380	19155
MINI H. SENG FUT AUG 23	104	19388	19424	19208
MINI H. SENG FUT SEP 23	106	19377	19411	19192
MINI H. SENG FUT DEC 23	106	19343	19380	19155
HSCEI FUT JUL 23	22	6551	6579	6489
HSCEI FUT AUG 23	24	6581	6589	6520
HSCEI FUT SEP 23	25	6580	6595	6524
HSCEI FUT DEC 23	22	6551	6579	6489
MINI HSCEI FUT JUL 23	22	6551	6579	6489
MINI HSCEI FUT AUG 23	24	6581	6605	6520
MINI HSCEI FUT SEP 23	25	6580	6600	6523
MINI HSCEI FUT DEC 23	22	6551	6579	6489

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	81.55	0.55	81.65	80.75
**Tencent Holdings Ltd	339.2	1.2	341.2	336.2
*HSBC Holdings PLC	62.25	0.3	62.45	61.9
**China Construction Bank Corp	5.09	-0.03	5.15	5.08
**Ping An Insurance Group	51.6	0.15	52	51.15
**Meituan	127.6	1.2	128.8	124.9
*Hong Kong Exchanges & Clearing Ltd	303.6	3.4	304.6	300.2
**Alibaba Group Holdings Ltd	84	0.45	84	82.6
**Xiaomi Corp	11.12	0.14	11.22	10.86
**ICBC	4.19	-0.05	4.27	4.16

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	39.4	1.3	39.85	37.35
**China Mobile Ltd	64.9	0.4	65.35	64.2
**Bank of China Ltd	3.16	-0.03	3.2	3.14
*Techtronic Industries Co Ltd	87.4	0.15	88.6	86.8
*CK Hutchison Holdings Ltd	47.95	-0.2	48.2	47.85
*Link REIT	44.35	0.25	44.5	43.9
*CLP Holding Ltd	61.1	-0.15	61.35	60.75
**Geely Automobile Holdings Ltd	10.14	-0.02	10.2	9.96
**CNOOC Ltd	11.6	0.18	11.68	11.44
**ANTA Sports Products Ltd	84	1.7	84.5	82.5

Global Equity Indices	Close	Change	High	Low
Hang Seng	19415.68	109.09	19449.1	19253.22
HSCEI	6613.4	22.58	6638.95	6555.91
Shanghai Comp Index	3245.35	1.374	3246.96	3233.99
Nikkei 225	33422.5	-330.81	33576.5	33338.78
KOSPI	2593.31	-9.16	2607.66	2591.86
S&P/ASX200	7279.04	32.921	7285.8	7232.1
DJIA	0	0	0	0
S&P 500	0	0	0	0
NASDAQ	0	0	0	0
DAX	16039.2	-41.87	16104	16023.72
CAC	7369.93	-0.23	7401.46	7368.97
FTSE100	7519.72	-7.54	7547.38	7518.36

Technical Analysis

Mini Hang Seng

1st Resistance:	19633	2nd Resistance:	19923
1st Support:	19053	2nd Support:	18763
MACD:	-66.561		
MACD DIFF:	-3.8666		
RSI:	51.8785		

Mini Hang Seng China Enterprise

1st Resistance:	6649	2nd Resistance:	6748
1st Support:	6453	2nd Support:	6354
MACD:	-22.734		
MACD DIFF:	-3.006		
RSI:	51.1792		

Strategy:

Mini Hang Seng:

Long: Profit target:	19053	19243	18958	Long: Profit target:	18763	18950	18669
Stop-loss:				Stop-loss:			
Short: Profit target:	19633	19437	19731	Short: Profit target:	19923	19724	20023
Stop-loss:				Stop-loss:			

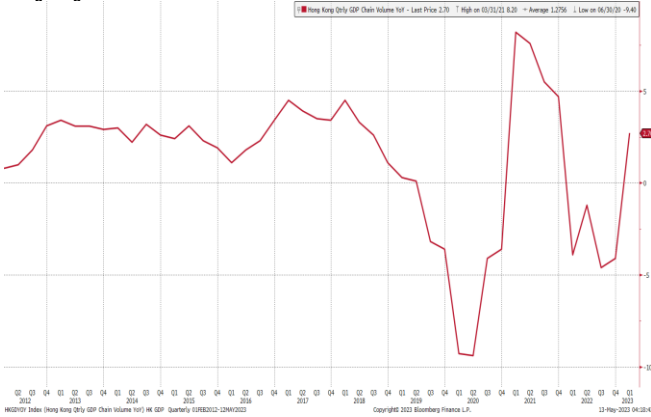
Mini Hang Seng China Enterprise:

Long: Profit target:	6453	6517	6420	Long: Profit target:	6354	6418	6323
Stop-loss:				Stop-loss:			
Short: Profit target:	6649	6583	6683	Short: Profit target:	6748	6680	6781
Stop-loss:				Stop-loss:			

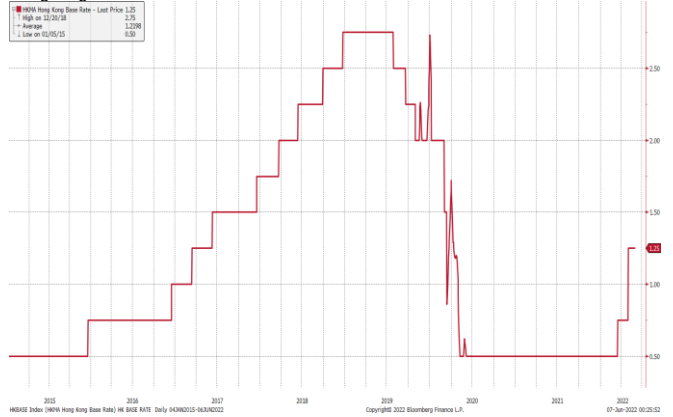
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
07/05/2023 08:30	S&P Global Hong Kong PMI	Jun	--	--	50.6	--
07/07/2023	Foreign Reserves	Jun	--	--	\$421.0b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
07/05/2023 09:45	Caixin China PMI Composite	Jun	--	--	55.6	--
07/05/2023 09:45	Caixin China PMI Services	Jun	56.2	--	57.1	--
07/07/2023	Foreign Reserves	Jun	\$3189.00b	--	\$3176.51b	--
07/09/2023 07:15	Aggregate Financing CNY	Jun	2820.0b	--	1560.0b	1555.6b
07/09/2023 07:15	Money Supply M2 YoY	Jun	11.20%	--	11.60%	--
07/09/2023 07:15	Money Supply M0 YoY	Jun	--	--	9.60%	--
07/09/2023 07:15	New Yuan Loans CNY	Jun	2000.0b	--	1360.0b	1362.8b
07/09/2023 07:15	Money Supply M1 YoY	Jun	--	--	4.70%	--
07/10/2023 09:30	CPI YoY	Jun	--	--	0.20%	--
07/10/2023 09:30	PPI YoY	Jun	--	--	-4.60%	--

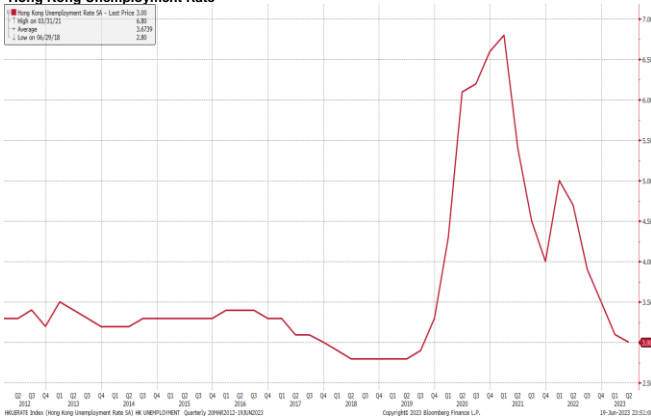
Hong Kong GDP Q on Q



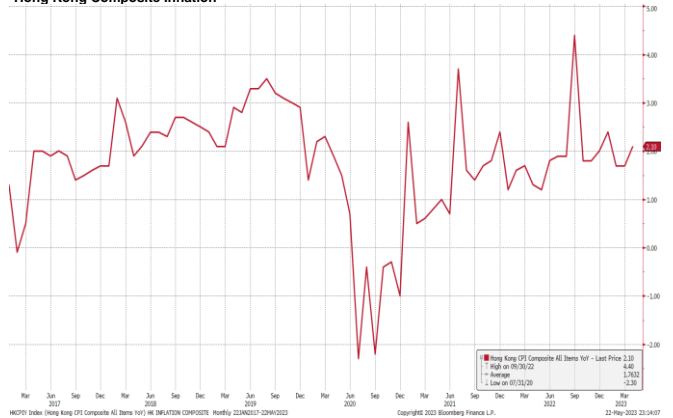
Hong Kong Base Interest Rate



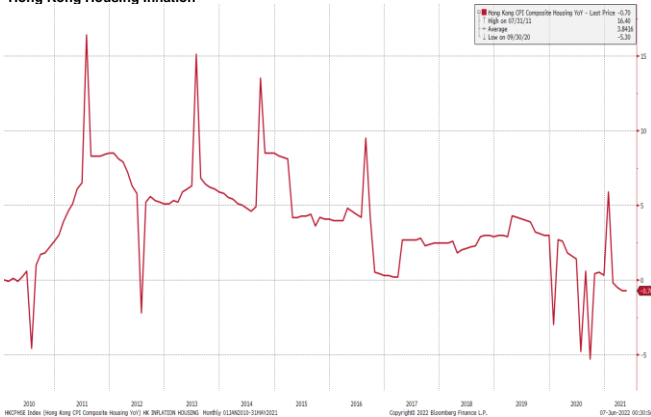
Hong Kong Unemployment Rate



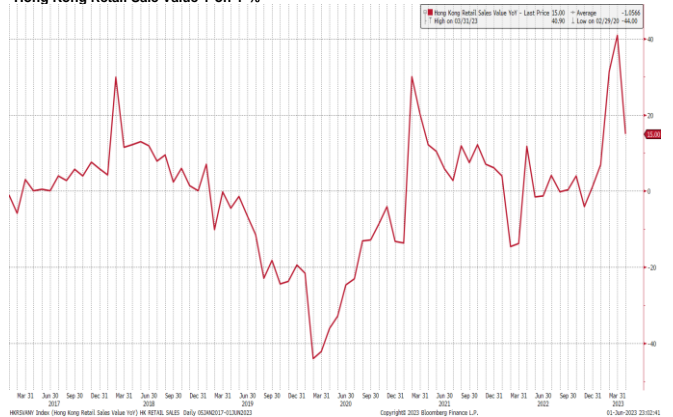
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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