

**Fundamentals:**

Hong Kong stocks traded close to the lowest level in three weeks after Washington's new measures on restricting investments in China rekindled concerns about geopolitical risks. China Unicom's strong earnings and China's lifting of a ban on group travel to the US offset some pessimism.

The Hang Seng Index rose less 0.1 per cent to 19,248.26 at the close after erasing a loss of as much as 1.1 per cent. Still, the benchmark traded near the lowest close since July 24. The Hang Seng Tech Index gained 0.1 per cent, while the Shanghai Composite Index added 0.3 per cent.

China Unicom advanced by the most in four weeks after reporting a 14 per cent increase in first-half profit and Trip.com Group climbed after China resumed group travel to the US and Japan. Alibaba Group Holding gained before its earnings release later on Thursday. Chinese property developers Country Garden Holdings and Longfor Group Holdings extended declines amid sell-offs on fears about their financial health and debt-servicing capability.

The Biden administration unveiled plans on Wednesday to impose restrictions on US investments in China in semiconductors and micro electronics, quantum information technologies and certain artificial intelligence systems. President Joe Biden named China as he declared a national emergency to deal with threats from countries with technology advancement.

The resurgence of the geopolitical risk adds to investors' worries over the waning growth momentum in China. Exports fell by the most in three years in July and both consumer and producer prices slid into deflationary territory.

China Unicom rallied 3.3 per cent to HK\$5.67, the steepest gain since July 14. Trip.com advanced 2.7 per cent to HK\$326.40.

Alibaba added 0.2 per cent to HK\$94.30. Its profit for the June quarter probably rose by 20 per cent from a year earlier to 27.3 billion yuan (US\$3.8 billion) based on global accounting standards, according to a consensus estimate of analysts tracked by Bloomberg.

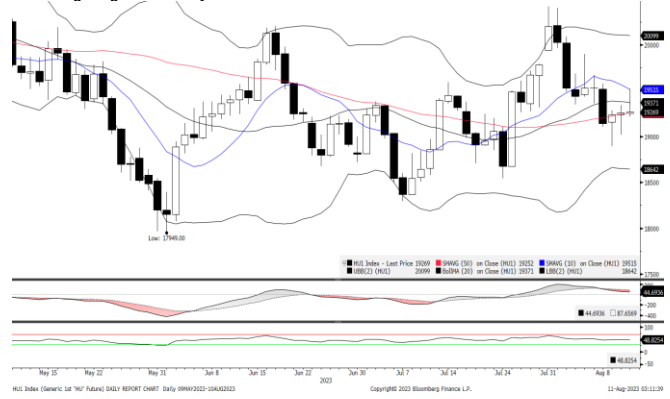
China Mobile rose 0.5 per cent to HK\$64.85 while Chinese sportswear maker Li Ning climbed 0.8 per cent to HK\$43.35. The companies are also due to release earnings results on Thursday.

Country Garden sank 6.3 per cent to HK\$1.04 and Longfor lost 2.2 per cent to HK\$17.70. Power-tool maker Techtronic Industries tumbled 17 per cent to HK\$78.95 after posting an 18 per cent year-on-year drop in first-half earnings, prompting JPMorgan Chase and Citigroup to lower the price target for the stock.

Two companies started trading on the mainland's bourses. Foshan Blue Rocket Electronics, which is involved in semiconductor packaging, jumped 207 per cent to 55.58 yuan in Shenzhen, while motorcycle maker Zhejiang Kayo Motor gained 25 per cent to 20.62 yuan in Beijing.

(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 AUG 23	21	19257	19341	19022
H. SENG FUT SEP 23	12	19248	19324	19029
H. SENG FUT DEC 23	11	19459	19480	19260
H. SENG FUT MAR 24	21	19257	19341	19022
MINI H. SENG FUT AUG 23	21	19257	19342	19021
MINI H. SENG FUT SEP 23	12	19248	19335	19021
MINI H. SENG FUT DEC 23	11	19459	19523	19234
MINI H. SENG FUT MAR 24	21	19257	19342	19021
HSCEI FUT AUG 23	21	6641	6660	6535
HSCEI FUT SEP 23	22	6639	6650	6548
HSCEI FUT DEC 23	20	6730	6744	6641
HSCEI FUT MAR 24	21	6641	6660	6535
MINI HSCEI FUT AUG 23	21	6641	6660	6535
MINI HSCEI FUT SEP 23	22	6639	6655	6534
MINI HSCEI FUT DEC 23	20	6730	6738	6630
MINI HSCEI FUT MAR 24	21	6641	6660	6535

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	73.75	2.05	74.1	72.05
**Tencent Holdings Ltd	339.8	2.6	341.6	335.6
**HSBC Holdings PLC	62.6	-0.4681	63.15	62.05
**China Construction Bank Corp	4.3	-0.01	4.32	4.27
**Ping An Insurance Group	52.9	-0.05	53.1	52.1
**Meituan	141	0.1	142	137.6
*Hong Kong Exchanges & Clearing Ltd	312.4	0.2	314.4	309
**Alibaba Group Holdings Ltd	94.3	0.2	94.7	92.35
**Xiaomi Corp	12.08	-0.06	12.2	11.9
**ICBC	3.6	-0.02	3.63	3.56

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	43.85	0	44.25	43.4
**China Mobile Ltd	64.85	0.35	65.4	64.3
**Bank of China Ltd	2.79	0	2.8	2.76
*Techtronic Industries Co Ltd	78.95	-16.2	84.7	75.6
*CK Hutchison Holdings Ltd	43.25	0.05	43.65	42.95
*Link REIT	40.5	-0.8	40.9	40.1
*CLP Holding Ltd	62.25	0.25	62.5	61.6
**Geely Automobile Holdings Ltd	10.26	-0.06	10.32	10.1
**CNOOC Ltd	13	0.22	13.04	12.82
**ANTA Sports Products Ltd	86.35	0.05	86.75	84.4

Global Equity Indices	Close	Change	High	Low
Hang Seng	19248.26	2.23	19315.2	19030.39
HSCEI	6628.55	15.32	6647.88	6540.77
Shanghai Comp Index	3254.56	10.073	3257.03	3234.116
Nikkei 225	32473.7	269.32	32504.9	32015.96
KOSPI	2601.56	-3.56	2601.56	2590.02
S&P/ASX200	7357.39	19.436	7357.4	7320.9
DJIA	35176.2	52.79	35578.6	35107.6
S&P 500	4468.83	1.12	4527.37	4457.92
NASDAQ	13738	15.97	13947.2	13686.51
DAX	15996.5	143.94	16060.3	15880.41
CAC	7433.62	1.52	7464.79	7368.95
FTSE100	7618.6	31.3	7622.92	7572.61

**Technical Analysis**

**Mini Hang Seng**

1st Resistance:	19546	2nd Resistance:	19835
1st Support:	18968	2nd Support:	18679
MACD:	59.041		
MACD DIFF:	-39.1619		
RSI:	48.5955		

**Mini Hang Seng China Enterprise**

1st Resistance:	6741	2nd Resistance:	6840
1st Support:	6541	2nd Support:	6442
MACD:	52.942		
MACD DIFF:	-4.100		
RSI:	52.0105		

**Strategy:**

**Mini Hang Seng:**

Long: Profit target:	18968	19158	18873	Long: Profit target:	18679	18866	18586
Stop-loss:				Stop-loss:			
Short: Profit target:	19546	19350	19644	Short: Profit target:	19835	19636	19934
Stop-loss:				Stop-loss:			

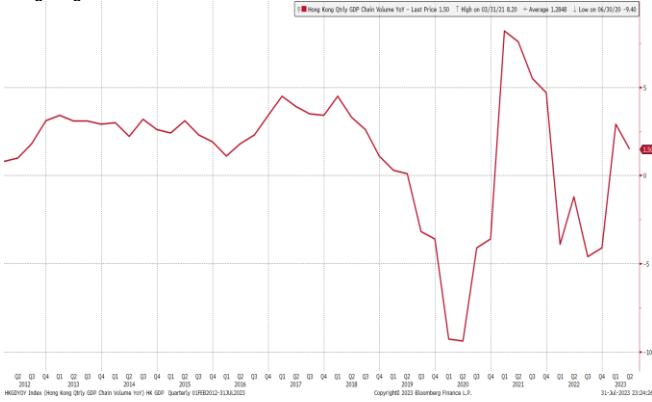
**Mini Hang Seng China Enterprise:**

Long: Profit target:	6541	6607	6509	Long: Profit target:	6442	6506	6410
Stop-loss:				Stop-loss:			
Short: Profit target:	6741	6673	6774	Short: Profit target:	6840	6772	6874
Stop-loss:				Stop-loss:			

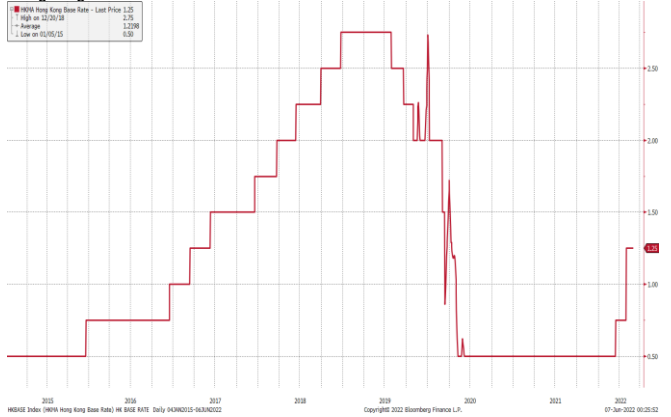
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
08/11/2023 16:30	GDP YoY	2Q F	1.50%	--	1.50%	--
08/11/2023 16:30	GDP SA QoQ	2Q F	--	--	-1.30%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
08/09/2023 09:30	CPI YoY	Jul	-0.40%	-0.30%	0.00%	--
08/09/2023 09:30	PPI YoY	Jul	-4.00%	-4.40%	-5.40%	--
08/09/2023 08/15	Aggregate Financing CNY	Jul	1100.0b	--	4220.0b	4224.1b
08/09/2023 08/15	New Yuan Loans CNY	Jul	780.0b	--	3050.0b	3049.5b
08/09/2023 08/15	Money Supply M2 YoY	Jul	11.00%	--	11.30%	--
08/09/2023 08/15	Money Supply M1 YoY	Jul	3.00%	--	3.10%	--
08/09/2023 08/15	Money Supply M0 YoY	Jul	--	--	9.80%	--
08/11/2023 08/18	FDI YTD YoY CNY	Jul	--	--	-2.70%	--

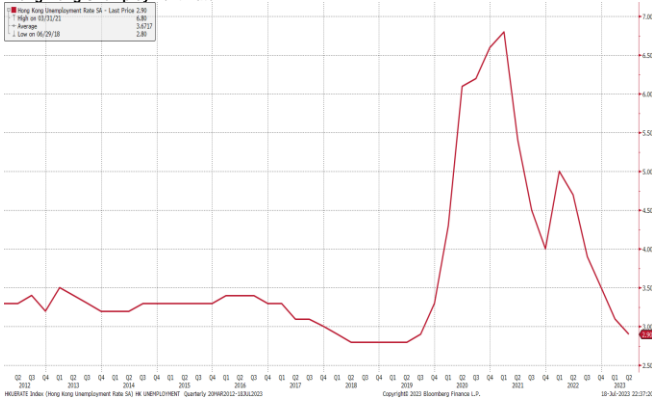
### Hong Kong GDP Q on Q



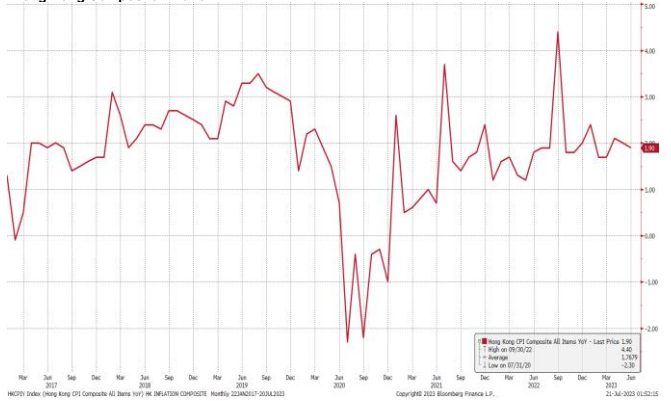
### Hong Kong Base Interest Rate



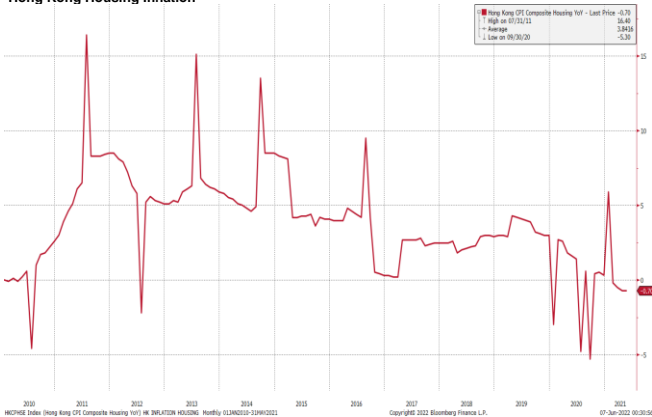
### Hong Kong Unemployment Rate



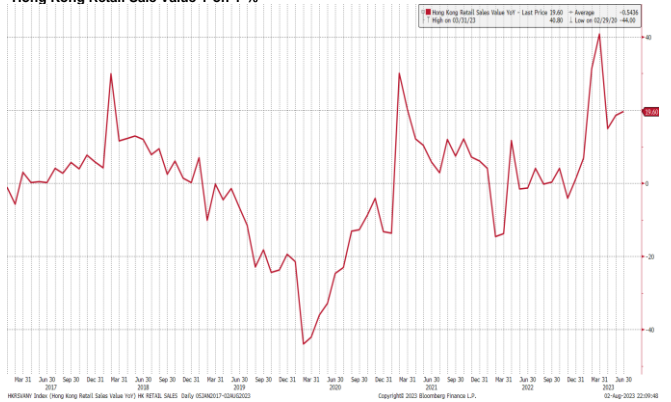
### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

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