

Fundamentals:

Hong Kong stocks snapped a three-day rebound as earnings results from some industry bellwethers heightened concerns about their business outlook, while the US central bank retained a hawkish stance on monetary policy to contain inflation.

The Hang Seng Index fell 1.4 per cent to 17,956.38 at the close, trimming the weekly gain to less than 0.1 per cent. The Tech Index dropped 2.4 per cent. The Shanghai Composite Index retreated 0.6 per cent, while the nation's securities regulator called on pension funds and insurers to buy more stocks.

Online game operator NetEase slumped 6.7 per cent to HK\$153.50 after second-quarter revenue missed estimates. Food delivery platform operator Meituan lost 5.6 per cent to HK\$132.20 as stiffer competition and the management forecast of slowing food delivery orders overshadowed a strong second-quarter report card. Alibaba Group slipped 2.3 per cent to HK\$87.50 and rival JD.com sank 2.4 per cent to HK\$130.

Gold producer Zijin Mining shed 1.9 per cent to HK\$12.24 and China Merchants Bank added 0.7 per cent to HK\$30.75. They are due to report their earnings today.

Some 49 of the Hang Seng Index's 80 members including AIA Group have released their quarterly or interim results so far, registering an average 5.9 per cent growth in earnings, according to Bloomberg data. The members posted an average 5.5 per cent increase in 2022.

Investors lightened their holdings to take advantage of a three-day bounce, with worries about more interest-rate hikes in the US. While futures on Fed funds suggest the Fed will hold its key rate next month, the odds have weakened to 81 per cent from 88 per cent, according to CME Group.

Fed Chair Jerome Powell will speak at the Jackson Hole symposium later today, with economists eyeing new signals.

Many Hong Kong stocks rebounded in the preceding three days after investors returned for beaten-down blue chip stocks. Half of the Hang Seng Index's 80 members fell earlier this week into technically oversold territory.

Beijing has been restrained in delivering economic stimulus so far to pursue high-quality growth, deepening the sell-off in August. Overseas investors have sold Chinese onshore stocks in 13 successive trading days, a record pace since the Stock Connect's Northbound data began. The Hang Seng Index has lost about 9 per cent this year, the worst among major global stock benchmarks.

New World Development plunged 5.8 per cent to HK\$16.32 on speculation about the developer's financial health concerning the debt level and asset pledging. A company spokesperson dismissed it as "market rumours" and said that it would consider reporting to law enforcement agencies.

A gauge of property stock under the Shanghai Composite Index rose 1.9 per cent on Friday after China's financial regulators recalibrated the definition of first-home purchases on Friday to shore up the property market. Those who have no housing under registration but have mortgage records will be considered as first-home buyers, according to a joint notice by the People's Bank of China and the National Financial Regulatory Administration.

Poly Developments and Holdings Group gained 3 per cent to 13.98 yuan in Shanghai and Gemdale rallied 3.2 per cent to 7.32 yuan.

Chip maker Telink Semiconductor rose 31 per cent to 32.70 yuan on the first day of trading in Shanghai.

(Source: South China Morning Post)

Contracts	Chg	Sett	High	Low
H. SENG FUT AUG 23	-243	17954	18193	17936
H. SENG FUT SEP 23	-235	17918	18149	17895
H. SENG FUT DEC 23	-247	18074	18221	18099
H. SENG FUT MAR 24	-243	17954	18193	17936
MINI H. SENG FUT AUG 23	-243	17954	18194	17935
MINI H. SENG FUT SEP 23	-235	17918	18144	17895
MINI H. SENG FUT DEC 23	-247	18074	18300	18060
MINI H. SENG FUT MAR 24	-243	17954	18194	17935
HSCEI FUT AUG 23	-87	6181	6267	6174
HSCEI FUT SEP 23	-91	6159	6248	6156
HSCEI FUT DEC 23	-87	6245	6310	6239
HSCEI FUT MAR 24	-87	6181	6267	6174
MINI HSCEI FUT AUG 23	-87	6181	6267	6175
MINI HSCEI FUT SEP 23	-91	6159	6249	6157
MINI HSCEI FUT DEC 23	-87	6245	6309	6248
MINI HSCEI FUT MAR 24	-87	6181	6267	6175

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	67.65	-2.05	69.4	67.5
**Tencent Holdings Ltd	320	-5.2	323.8	320
**HSBC Holdings PLC	58.4	-0.45	58.7	58.2
**China Construction Bank Corp	4.1	-0.01	4.15	4.1
**Ping An Insurance Group	44.45	0.25	45.2	43.85
**Meituan	132.2	-7.8	135.8	130.2
*Hong Kong Exchanges & Clearing Ltd	287.6	-2.6	290.8	285.4
**Alibaba Group Holdings Ltd	87.5	-2.05	88.5	87.3
**Xiaomi Corp	12.1	-0.04	12.28	12.04
**ICBC	3.46	0.01	3.53	3.45

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	44.35	-0.25	45.95	43.95
**China Mobile Ltd	65.35	-0.1	65.7	65.1
**Bank of China Ltd	2.64	0.01	2.67	2.63
*Techtronic Industries Co Ltd	77	-0.2	77.75	75.65
*CK Hutchison Holdings Ltd	41.05	-0.45	41.5	41.05
*Link REIT	38.5	-0.25	38.95	38.5
*CLP Holding Ltd	58.9	-0.15	59.25	58.65
**Geely Automobile Holdings Ltd	9.51	0.06	9.71	9.46
**CNOOC Ltd	12.98	0.06	13.04	12.84
**ANTA Sports Products Ltd	87.45	-0.25	89.35	86.6

Global Equity Indices	Close	Change	High	Low
Hang Seng	17956.38	-255.79	18137.7	17956.38
HSCEI	6175.29	-92.66	6251.46	6175.29
Shanghai Comp Index	3064.08	-18.169	3085.05	3053.037
Nikkei 225	31624.3	-662.93	31885.5	31572.06
KOSPI	2519.14	-18.54	2526.37	2502.05
S&P/ASX200	7115.18	-66.928	7182.1	7091.8
DJIA	34346.9	247.48	34441.9	34029.22
S&P 500	4405.71	29.4	4418.46	4356.29
NASDAQ	13590.7	126.68	13633.4	13376.35
DAX	15631.8	10.33	15739.8	15578.97
CAC	7229.6	0.21	7287.56	7196.84
FTSE100	7338.58	4.95	7389.4	7326.97

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	18223	2nd Resistance:	18493
1st Support:	17685	2nd Support:	17415
MACD:	-372.731		
MACD DIFF:	-98.7369		
RSI:	37.5282		

Mini Hang Seng China Enterprise

1st Resistance:	6274	2nd Resistance:	6366
1st Support:	6088	2nd Support:	5996
MACD:	-110.132		
MACD DIFF:	-35.698		
RSI:	40.7979		

Strategy:

Mini Hang Seng:	Long: Profit target: 17685	Stop-loss: 17862	17596	Long: Profit target: 17415	Stop-loss: 17590	17328
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	Short: Profit target: 18223	Stop-loss: 18041	18314	Short: Profit target: 18493	Stop-loss: 18308	18585
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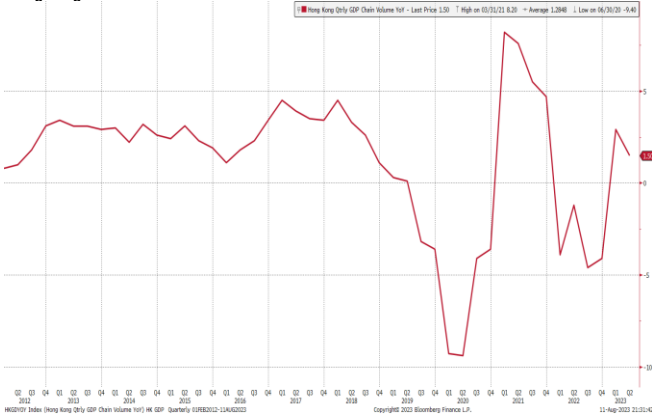
Mini Hang Seng China Enterprise:	Long: Profit target: 6088	Stop-loss: 6149	6058	Long: Profit target: 5996	Stop-loss: 6056	5966
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	Short: Profit target: 6274	Stop-loss: 6211	6305	Short: Profit target: 6366	Stop-loss: 6303	6398
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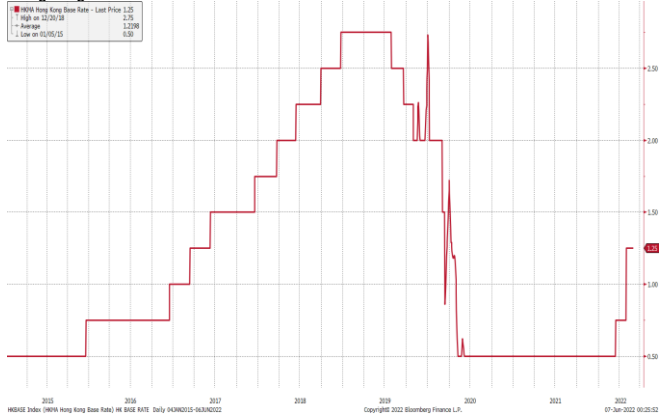
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
08/31/2023 16:30	Retail Sales Value YoY	Jul	--	--	19.60%	--
08/31/2023 16:30	Retail Sales Volume YoY	Jul	--	--	17.50%	--
08/31/2023	Money Supply M3 HKD YoY	Jul	--	--	-0.10%	--
08/31/2023	Budget Balance HKD	Jul	--	--	-30.0b	--
08/31/2023	Money Supply M1 HKD YoY	Jul	--	--	-21.70%	--
08/31/2023	Money Supply M2 HKD YoY	Jul	--	--	-0.10%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
08/27/2023 09:30	Industrial Profits YoY	Jul	--	--	-8.30%	--
08/27/2023 09:30	Industrial Profits YTD YoY	Jul	--	--	-16.80%	--
08/28/2023 10:00	Bloomberg Aug. China Economic Survey					
08/31/2023 09:30	Composite PMI	Aug	--	--	51.1	--
08/31/2023 09:30	Manufacturing PMI	Aug	49.1	--	49.3	--
08/31/2023 09:30	Non-manufacturing PMI	Aug	51	--	51.5	--
09/01/2023 09:45	Caixin China PMI Mfg	Aug	49.2	--	49.2	--

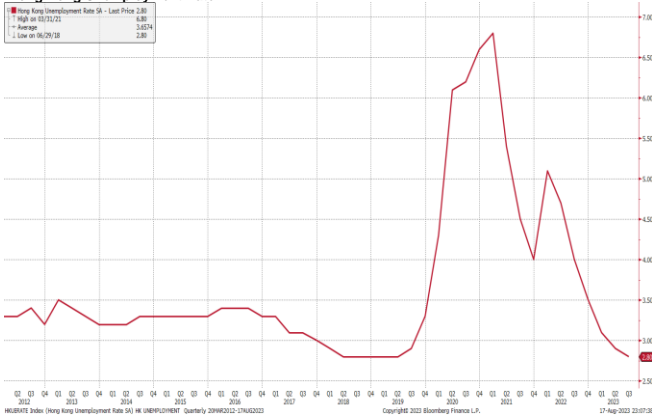
Hong Kong GDP Q on Q



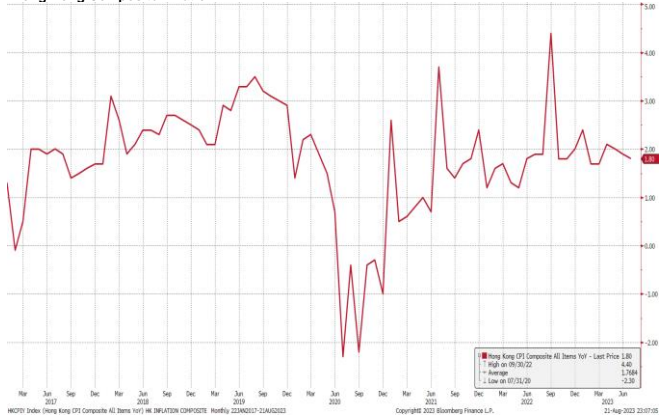
Hong Kong Base Interest Rate



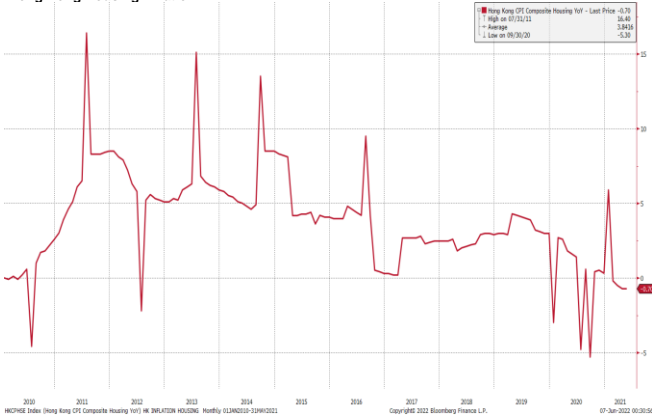
Hong Kong Unemployment Rate



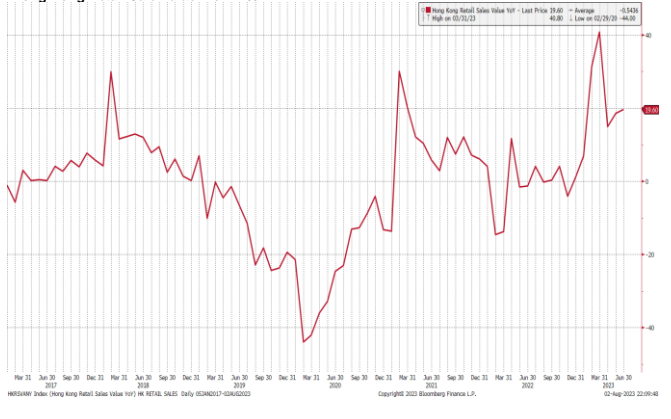
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sales Value Y on Y %



(Source: Bloomberg)

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