

Fundamentals:

Stocks in Hong Kong and mainland China jumped after Beijing halved the stamp duty on onshore equity transactions and eased margin requirements to help revive confidence. China Evergrande crashed after ending a 17-month trading halt.

The Hang Seng Index rose 1 per cent to 18,130.74 at the close of Monday trading. The benchmark earlier surged by as much as 3.4 per cent, the most since July 25. The Tech Index gained 1.7 per cent while the Shanghai Composite Index jumped 1.1 per cent.

Bourse operator Hong Kong Exchanges and Clearing climbed 3.3 per cent to HK\$297.20, while PC maker Lenovo surged 3 per cent to HK\$8.28. China Merchants Bank added 1 per cent to HK\$31.05 after reporting a 9.2 per cent increase in first-half profit. Alibaba Group gained 1.6 per cent to HK\$88.90 and Meituan added 1.9 per cent to HK\$134.70.

Elsewhere, BYD advanced 0.7 per cent to HK\$225.20, Xiaomi rose 0.8 per cent to HK\$12.20 and Ping An Insurance strengthened 2.1 per cent to HK\$45.40. The trio are due to post their latest earnings results this week.

China lowered the stamp duty on stock transactions to 0.05 per cent from Monday, making the first cut since 2008. The China Securities Regulatory Commission (CSRC) separately lowered margin requirements for buying securities to 80 per cent from 100 per cent, with effect from the close of trading on September 8.

Pressure has been building up on Beijing to offer a bigger dose of stimulus, after reports this month showed the economy struggling with a slump in the housing market and shrinking exports. Foreign investors sold onshore stocks at a record pace earlier this month.

Today's rebound trimmed the decline in the Hang Seng Index to 9.7 per cent in August. The benchmark has retreated 8.4 per cent this year, the worst performer among the world's major benchmark stock indices. The Shanghai Composite Index has risen 0.3 per cent this year.

The cut in the stamp duty, couple with the CSRC's market-boosting measures, would do little to sustain the rally in stocks and reinvigorate growth, without massive stimulus, according to Nomura Holdings.

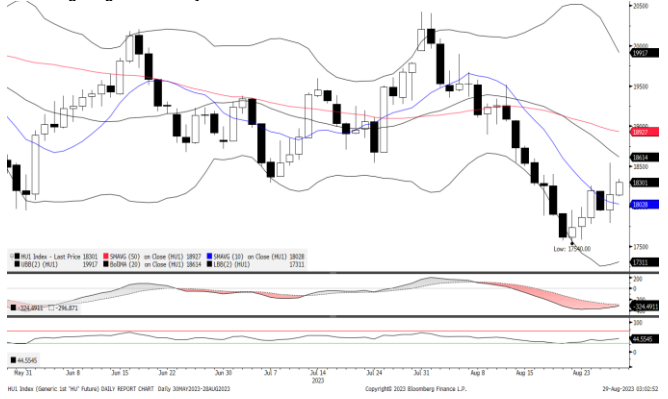
China Evergrande tumbled by as much as 87 per cent to HK\$0.22, erasing about US\$2.4 billion of market value, after the stock resumed trading for the first time since late March 2022. The shares closed 79 per cent lower at HK\$0.35. Creditors are due to vote on its rescue plan later today.

Guangzhou Dopple Electronic Technologies, which makes non-destructive testing equipment, jumped 79 per cent to 128.21 yuan on the first day of trading in Shenzhen.

Other major Asian markets gained. Japan's Nikkei 225 climbed 1.7 per cent, while South Korea's Kospi rose 1 per cent and Australia's S&P/ASX 200 added 0.6 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 AUG 23	197	18151	18541	17791
H. SENG FUT SEP 23	190	18108	18508	17750
H. SENG FUT DEC 23	191	18265	18640	17936
H. SENG FUT MAR 24	197	18151	18541	17791
MINI H. SENG FUT AUG 23	197	18151	18542	17792
MINI H. SENG FUT SEP 23	190	18108	18508	17751
MINI H. SENG FUT DEC 23	191	18265	18668	17925
MINI H. SENG FUT MAR 24	197	18151	18542	17792
HSCEI FUT AUG 23	77	6258	6422	6116
HSCEI FUT SEP 23	84	6243	6404	6100
HSCEI FUT DEC 23	78	6323	6530	6200
HSCEI FUT MAR 24	77	6258	6422	6116
MINI HSCEI FUT AUG 23	77	6258	6420	6116
MINI HSCEI FUT SEP 23	84	6243	6402	6099
MINI HSCEI FUT DEC 23	78	6323	6481	6177
MINI HSCEI FUT MAR 24	77	6258	6420	6116

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	68.4	0.75	69.4	67.75
**Tencent Holdings Ltd	325.2	5.2	333.6	324.8
**HSBC Holdings PLC	58.75	0.35	59.3	58.5
**China Construction Bank Corp	4.14	0.04	4.24	4.13
**Ping An Insurance Group	45.4	0.95	47.5	45.3
**Meituan	134.7	2.5	139.3	134.2
*Hong Kong Exchanges & Clearing Ltd	297.2	9.6	310.6	296.8
**Alibaba Group Holdings Ltd	88.9	1.4	91.9	88.7
**Xiaomi Corp	12.2	0.1	12.64	12.14
**ICBC	3.51	0.05	3.59	3.51

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	45.25	0.9	46.35	45.15
**China Mobile Ltd	65.65	0.3	66.35	65.35
**Bank of China Ltd	2.66	0.02	2.72	2.65
*Techtronic Industries Co Ltd	77.7	0.7	79.9	77.45
*CK Hutchison Holdings Ltd	41.35	0.3	42	41.2
*Link REIT	38.15	-0.35	39.4	38.05
*CLP Holding Ltd	59.7	0.8	60.65	59.6
**Geely Automobile Holdings Ltd	9.55	0.04	9.97	9.53
**CNOOC Ltd	12.9	-0.08	13.26	12.88
**ANTA Sports Products Ltd	86.05	-1.4	90.25	85.85

Global Equity Indices	Close	Change	High	Low
Hang Seng	18130.74	174.36	18564.4	18113.23
HSCEI	6246.22	70.93	6427.56	6239.25
Shanghai Comp Index	3098.64	34.561	3219.04	3089.119
Nikkei 225	32170	545.71	32205.5	31881.93
KOSPI	2543.41	24.27	2543.41	2525.64
S&P/ASX200	7159.84	44.659	7161.7	7115.2
DJIA	34560	213.08	34652.9	34441.64
S&P 500	4433.31	27.6	4439.56	4414.98
NASDAQ	13705.1	114.48	13736	13626.64
DAX	15792.6	160.79	15805	15673.89
CAC	7324.71	1.32	7340.35	7261.5
FTSE100	0	0	0	0

Technical Analysis

Mini Hang Seng

1st Resistance:	18423	2nd Resistance:	18696
1st Support:	17879	2nd Support:	17606
MACD:	-354.719		
MACD DIFF:	-64.5806		
RSI:	41.5902		

Mini Hang Seng China Enterprise

1st Resistance:	6352	2nd Resistance:	6446
1st Support:	6164	2nd Support:	6070
MACD:	-103.184		
MACD DIFF:	-23.000		
RSI:	44.5951		

Strategy:

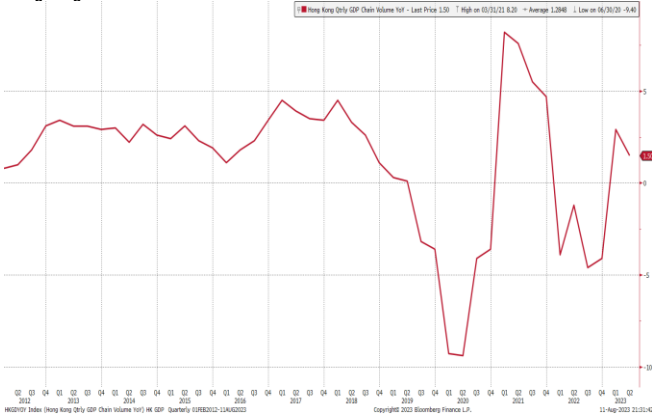
Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	17879	18058	17789	17606
	18423	18239	18515	18696

Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6164	6226	6133	6070
	6352	6288	6384	6446

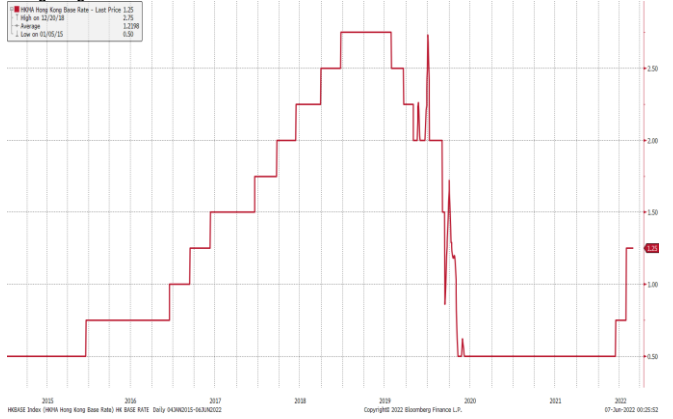
Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised
08/31/2023 16:30	Retail Sales Value YoY	Jul	--	--	19.60%
08/31/2023 16:30	Retail Sales Volume YoY	Jul	--	--	17.50%
08/31/2023	Money Supply M3 HKD YoY	Jul	--	--	-0.10%
08/31/2023	Budget Balance HKD	Jul	--	--	-30.0b
08/31/2023	Money Supply 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
08/28/2023 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

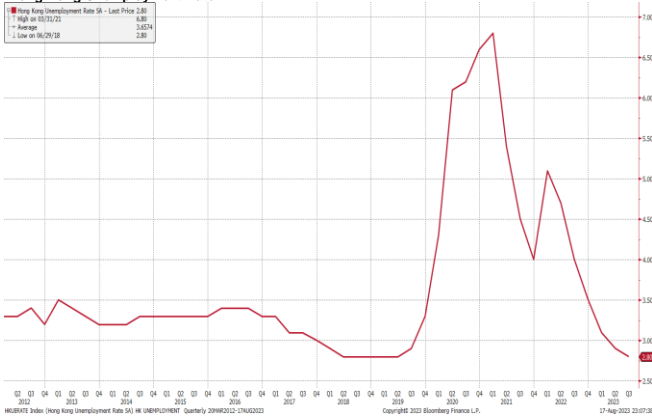
Hong Kong GDP Q on Q



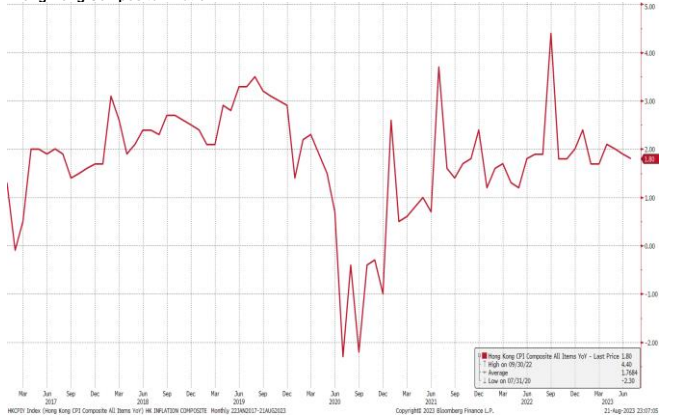
Hong Kong Base Interest Rate



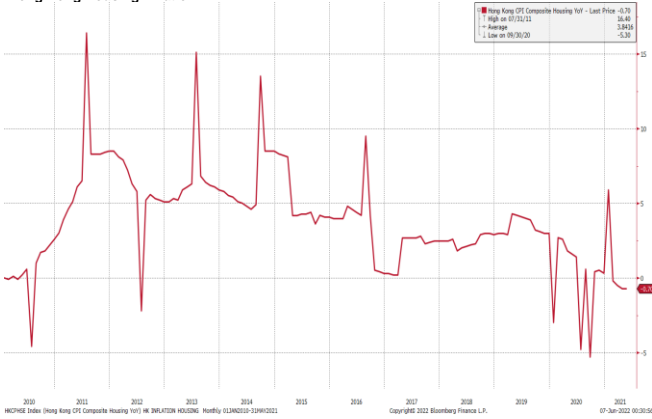
Hong Kong Unemployment Rate



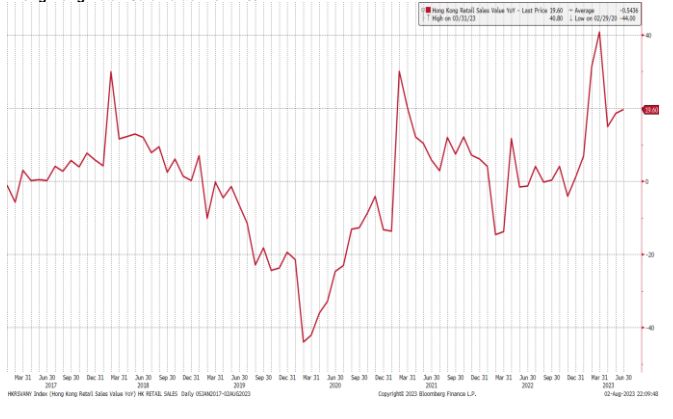
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sales Value Y on Y %



(Source: Bloomberg)

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.