

Fundamentals:

Hong Kong stocks posted gains after China's central bank pledged more support for the private sector while sentiment also received a boost from Goldman Sachs' view that conditions appeared favourable for a rally into the year-end.

The Hang Seng Index gained 0.6 per cent to 19,539.46 at the closing of Friday trading, reversing a three-day losing streak. The Tech Index jumped 2.1 per cent, while the Shanghai Composite Index added 0.2 per cent.

Shares of e-commerce giant Alibaba Group jumped 2.2 per cent to HK\$95.15 and those in rivals JD.com advanced 3.1 per cent to HK\$155. Food delivery platform Meituan gained 2.7 per cent to HK\$144, while gaming giant NetEase jumped 2.5 per cent to HK\$172.90. Sportswear maker Li Ning advanced 1.4 per cent to HK\$44.45.

The property sector extended its rebound with developer Longfor adding 2 per cent to HK\$19.42. A benchmark that tracks mainland developers listed on the Hong Kong exchange jumped 0.7 per cent, the most since July 28.

Among losers, shares of CK Hutchison Holdings, the flagship company of Hong Kong's richest man Li Ka-shing, slumped 4.6 per cent to HK\$44.15 after posting a 41 per cent drop in profit for the first half. The outlook remains challenging for the rest of the year as the elevated interest rates and weak economic growth is likely to continue to weigh on the company, it said in a statement.

Officials of the People's Bank of China (PBOC), the country's central bank, met with representatives from eight private firms including Longfor and CIFI, according to a statement on Thursday. The central bank said it would increase funding support for private companies' bond issuance and meet the reasonable financing needs of developers.

In a further boost to sentiment, Zou Lan, head of the PBOC monetary policy department said at a press conference on Friday that the central bank will continue exploring its monetary toolbox to ensure the liquidity in the banking system.

Despite today's gain, the Hang Seng Index has declined 1.9 per cent this week as traders offloaded bets on Chinese market and took profits after strong gains in the past two months. Foreign institutional investors have only bought back 37 per cent of their net selling over three previous years, according to Goldman data.

Meanwhile, hedge funds' and mutual funds' China exposure was "very conservative" relative to past norms, even after factoring in longer-term macro challenges, domestic policy risks and geopolitical tension which are all well discounted in the market's risk premium, the US bank said.

Elsewhere, Up-shine Lighting jumped 8.6 per cent to 55.43 yuan on the first day of trading in Shenzhen.

(Source: South China Morning Post)

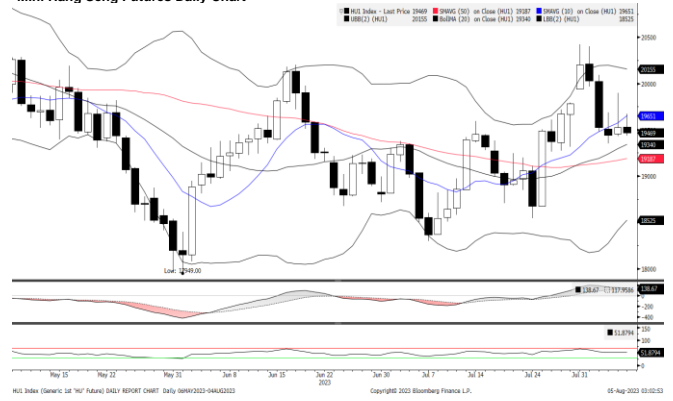
Contracts	Chg	Sett	High	Low
H. SENG FUT AUG 23	88	19527	19900	19439
H. SENG FUT SEP 23	83	19523	19898	19447
H. SENG FUT DEC 23	81	19740	20088	19741
H. SENG FUT MAR 24	88	19527	19900	19439
MINI H. SENG FUT AUG 23	88	19527	19899	19432
MINI H. SENG FUT SEP 23	83	19523	19895	19448
MINI H. SENG FUT DEC 23	81	19740	20111	19704
MINI H. SENG FUT MAR 24	88	19527	19899	19432
HSCEI FUT AUG 23	68	6739	6865	6672
HSCEI FUT SEP 23	64	6736	6858	6697
HSCEI FUT DEC 23	67	6835	6950	6868
HSCEI FUT MAR 24	68	6739	6865	6672
MINI HSCEI FUT AUG 23	68	6739	6865	6674
MINI HSCEI FUT SEP 23	64	6736	6860	6685
MINI HSCEI FUT DEC 23	67	6835	6928	6802
MINI HSCEI FUT MAR 24	68	6739	6865	6674

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	74.05	-1.25	76.2	73.85
**Tencent Holdings Ltd	343.4	1.2	350.6	339.2
*HSBC Holdings PLC	63.85	0.95	64.2	63.3
**China Construction Bank Corp	4.33	0	4.41	4.31
**Ping An Insurance Group	54.5	0.9	56.35	54.3
**Meituan	144	3.8	146.9	142
*Hong Kong Exchanges & Clearing Ltd	319	0.4	329.4	318.2
**Alibaba Group Holdings Ltd	95.15	2	96.6	94.4
**Xiaomi Corp	12.22	0.16	12.46	12.14
**ICBC	3.64	-0.01	3.73	3.63

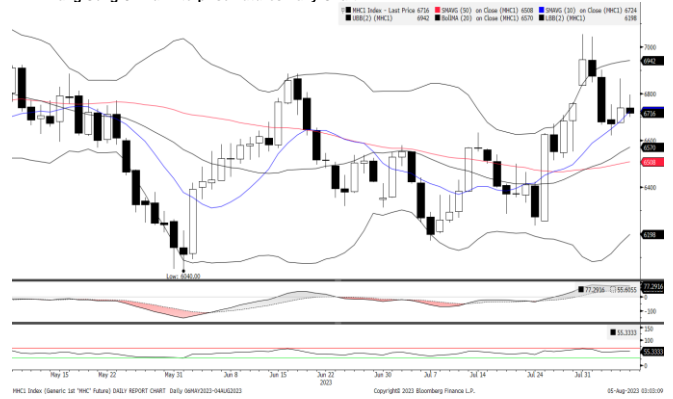
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	44.95	-0.4	46.25	44.5
**China Mobile Ltd	64.8	1.15	65.15	63.75
**Bank of China Ltd	2.78	-0.03	2.84	2.77
*Techtronic Industries Co Ltd	96.6	-0.35	98	96.05
*CK Hutchison Holdings Ltd	44.15	-2.15	45.2	43.9
*Link REIT	42	-0.3	42.9	41.95
*CLP Holding Ltd	62	-0.6	63.4	62
**Geely Automobile Holdings Ltd	10.8	0.04	11.08	10.76
**CNOOC Ltd	12.28	0.1	12.6	12.26
**ANTA Sports Products Ltd	87.7	0.85	89.8	86.9

Global Equity Indices	Close	Change	High	Low
Hang Seng	19539.46	118.59	19857.4	19461.61
HSCEI	6732.58	80.42	6841.82	6700.05
Shanghai Comp Index	3288.08	7.621	3315.05	3281.734
Nikkei 225	32192.8	33.47	32294.7	31934.35
KOSPI	2602.8	-2.59	2612.3	2598.38
S&P/ASX200	7325.34	13.656	7325.4	7285.5
DJIA	35065.6	-150.27	35506.9	35033.76
S&P 500	4478.03	-23.86	4540.34	4474.55
NASDAQ	13909.2	-50.47	14119.2	13897.93
DAX	15951.9	58.48	15974	15784.52
CAC	7315.07	0.75	7323.19	7244.19
FTSE100	7564.37	35.21	7569.55	7487.36

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	19820	2nd Resistance:	20113
1st Support:	19234	2nd Support:	18941
MACD:	153.030		
MACD DIFF:	40.4748		
RSI:	52.847		

Mini Hang Seng China Enterprise

1st Resistance:	6840	2nd Resistance:	6941
1st Support:	6638	2nd Support:	6537
MACD:	78.648		
MACD DIFF:	28.554		
RSI:	56.3411		

Strategy:

Mini Hang Seng:

Long: Profit target:	19234	19426	19138	Long: Profit target:	18941	19131	18846
Stop-loss:				Stop-loss:			
Short: Profit target:	19820	19622	19919	Short: Profit target:	20113	19912	20213
Stop-loss:				Stop-loss:			

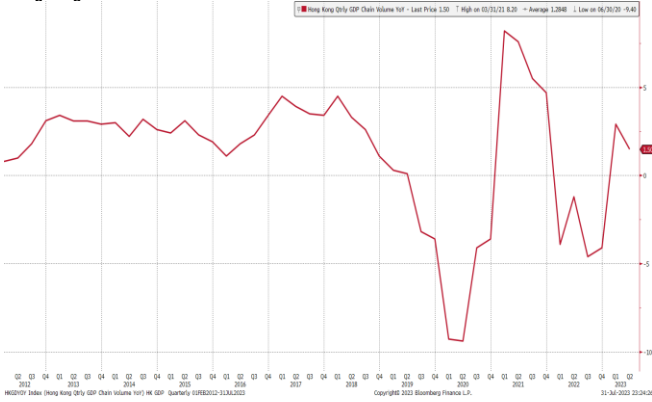
Mini Hang Seng China Enterprise:

Long: Profit target:	6638	6704	6605	Long: Profit target:	6537	6602	6504
Stop-loss:				Stop-loss:			
Short: Profit target:	6840	6772	6874	Short: Profit target:	6941	6872	6976
Stop-loss:				Stop-loss:			

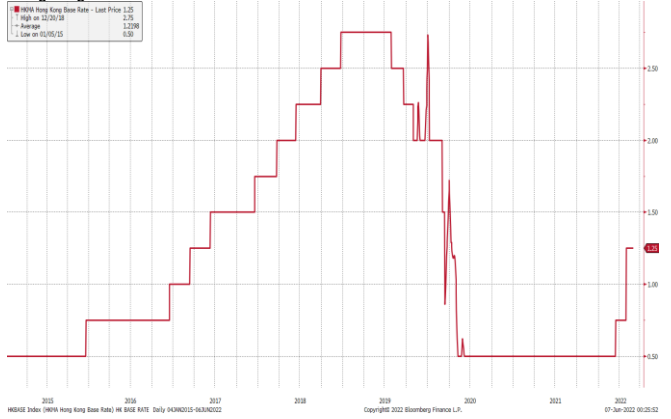
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
08/07/2023	Foreign Reserves	Jul	--	--	\$417.3b	--
08/11/2023 16:30	GDP YoY	2Q F	--	--	1.50%	--
08/11/2023 16:30	GDP SA QoQ	2Q F	--	--	-1.30%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
08/04/2023 16:41	BoP Current Account Balance	2Q P	--	\$65.3b	\$81.5b	--
08/07/2023	Foreign Reserves	Jul	\$3203.00b	--	\$3193.00b	--
08/08/2023	Exports YoY	Jul	-12.60%	--	-12.40%	--
08/08/2023	Imports YoY	Jul	-5.50%	--	-6.80%	--
08/08/2023	Trade Balance	Jul	\$68.00b	--	\$70.62b	--
08/08/2023	Exports YoY CNY	Jul	--	--	-8.30%	--
08/08/2023	Imports YoY CNY	Jul	--	--	-2.60%	--
08/08/2023	Trade Balance CNY	Jul	--	--	491.25b	--
08/09/2023 09:30	CPI YoY	Jul	-0.50%	--	0.00%	--
08/09/2023 09:30	PPI YoY	Jul	-4.00%	--	-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	755.0b	--	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	2.90%	--	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%	--

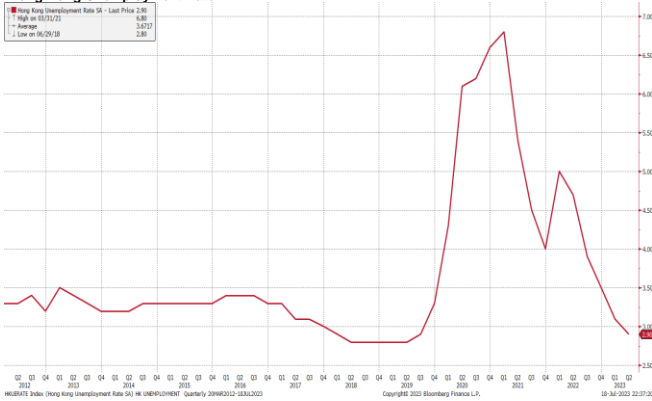
Hong Kong GDP Q on Q



Hong Kong Base Interest Rate



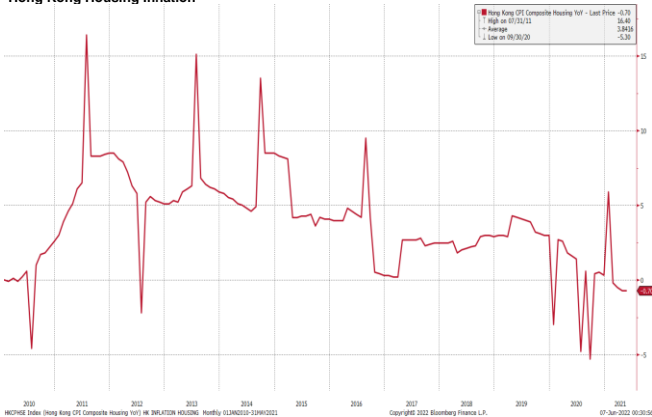
Hong Kong Unemployment Rate



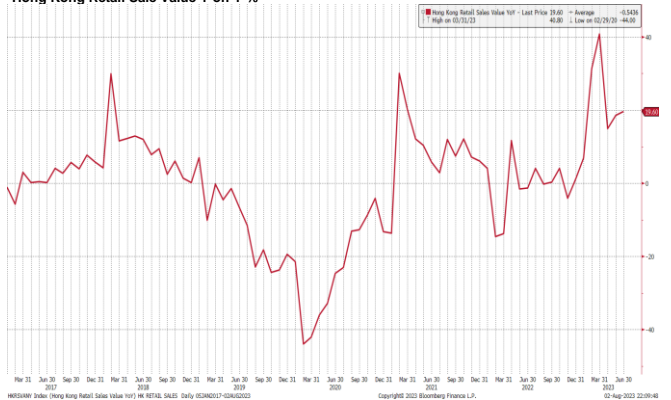
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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