

Fundamentals:

Hong Kong stocks fluctuated between gains and losses to finish the day little changed as investors as weighed the impact of the growth-stabilising measures on China's economy.

The Hang Seng Index dropped less than 0.1 per cent to 19,537.92 at the close, after changing direction more than 10 times. The Hang Seng Tech Index rose 0.1 per cent while the Shanghai Composite Index retreated 0.6 per cent.

Cyclical stocks including aluminium maker China Shenhua Energy and PetroChina advanced, while Hansoh Pharmaceutical Group and other drug makers dropped on concern about a widening anti-corruption drive targeting the nation's healthcare industry.

Local stocks remained weak after a 0.6 per cent drop last week as investors cashed out following a rally spurred by a dovish tone by the government to revive growth. Concerns have returned to dog investors that the current piecemeal stimulus measures will fail to stem a slowdown in growth and the likely policies may fall short of expectations. A joint briefing by government agencies, including the central bank and the finance ministry on Friday, failed to deliver any meaningful policies, repeating what policymakers had already pledged to spur growth.

Investors will be closely monitoring data to gauge the strength of China's economy, with figures on foreign trade, inflation and credit supply due in the coming week.

Coal producer Shenhua gained 1.8 per cent to HK\$22.60 and PetroChina also advanced by that much to HK\$5.64. CNOOC added 2.6 per cent to HK\$12.60. Hotpot restaurant operator Haidilao rallied 4.9 per cent to HK\$22.55.

Meituan gained 0.5 per cent to HK\$144.70 and Alibaba Group Holding also gained 0.5 per cent to HK\$95.60 before its earnings report on Thursday.

Limiting the gains, Hansoh Pharmaceutical shed 10 per cent to HK\$10.24, making it the worst performer on the Hang Seng Index. Sino Pharmaceutical dropped 5.6 per cent to HK\$3.19 and CSPC Pharmaceutical Group lost 4.2 per cent to HK\$5.92.

The party secretary of a hospital in Tibet was placed under investigation for breach of discipline, according to a local anti-graft body, signalling a widening anti-corruption campaign against the industry. By the end of July, about 160 hospital chiefs and party secretaries had been placed under investigation across China this year, according to local media.

Country Garden Holdings tumbled 7.7 per cent to HK\$1.32 and Country Garden Services plunged 7.3 per cent to HK\$8.99 and Greentown China Holdings lost 5.1 per cent to HK\$8.59 after saying contracted sales fell 32 per cent from a year earlier in July.

Hua Hong Semiconductor, China's second-biggest chip maker, gained 2 per cent to 53.06 yuan on the first day of trading in Shanghai, representing a 148 per cent premium to its Hong Kong-traded stock. It had earlier risen by as much as 15 per cent per cent. It is China's biggest initial public offering and the world's second largest this year, raking in 21.2 billion yuan (US\$2.95 billion).

Other major Asian markets were mixed after a Friday US jobs report stoked concerns about the resilience of the economy. Japan's Nikkei 225 climbed 0.2 per cent, South Korea's KOSPI retreated 0.9 per cent and Australia's S&P/ASX 200 lost 0.2 per cent.

(Source: South China Morning Post)

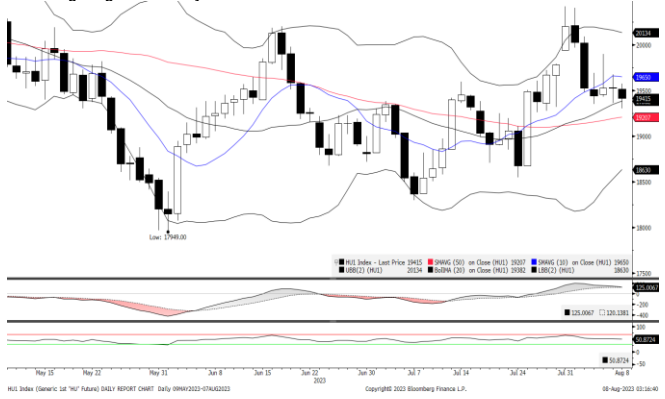
Contracts	Chg	Sett	High	Low
H. SENG FUT AUG 23	0	19527	19673	19363
H. SENG FUT SEP 23	2	19525	19670	19368
H. SENG FUT DEC 23	2	19742	19825	19600
H. SENG FUT MAR 24	0	19527	19673	19363
MINI H. SENG FUT AUG 23	0	19527	19673	19362
MINI H. SENG FUT SEP 23	2	19525	19670	19365
MINI H. SENG FUT DEC 23	2	19742	19883	19583
MINI H. SENG FUT MAR 24	0	19527	19673	19362
HSCEI FUT AUG 23	4	6743	6798	6668
HSCEI FUT SEP 23	7	6743	6777	6674
HSCEI FUT DEC 23	8	6843	6854	6811
HSCEI FUT MAR 24	4	6743	6798	6668
MINI HSCEI FUT AUG 23	4	6743	6796	6668
MINI HSCEI FUT SEP 23	7	6743	6792	6666
MINI HSCEI FUT DEC 23	8	6843	6883	6780
MINI HSCEI FUT MAR 24	4	6743	6796	6668

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	74	-0.05	74.65	73.75
**Tencent Holdings Ltd	341.2	-2.2	341.8	338
*HSBC Holdings PLC	63.95	0.1	64.1	63.1
**China Construction Bank Corp	4.31	-0.02	4.35	4.3
**Ping An Insurance Group	54.1	-0.4	54.3	53.25
**Meituan	144.7	0.7	146.2	141.4
*Hong Kong Exchanges & Clearing Ltd	317.2	-1.8	318.8	314.4
**Alibaba Group Holdings Ltd	95.6	0.45	96.05	93.6
**Xiaomi Corp	12.32	0.1	12.36	12.04
**ICBC	3.64	0	3.66	3.62

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	43.85	-1.1	44.8	42.8
**China Mobile Ltd	65.1	0.3	65.4	64.8
**Bank of China Ltd	2.79	0.01	2.8	2.77
*Techtronic Industries Co Ltd	97.3	0.7	97.75	95.6
*CK Hutchison Holdings Ltd	44.3	0.15	44.4	43.7
*Link REIT	42.35	0.35	42.65	42
*CLP Holding Ltd	62.75	0.75	63.1	61.5
**Geely Automobile Holdings Ltd	10.7	-0.1	10.78	10.5
**CNOOC Ltd	12.6	0.32	12.72	12.36
**ANTA Sports Products Ltd	87	-0.7	87.95	86.35

Global Equity Indices	Close	Change	High	Low
Hang Seng	19537.92	-1.54	19581.8	19352.35
HSCEI	6734.31	1.73	6754.08	6649.71
Shanghai Comp Index	3268.83	-19.253	3276.78	3258.537
Nikkei 225	32254.6	61.81	32306.9	31830.23
KOSPI	2580.71	-22.09	2607.36	2580.71
S&P/ASX200	7309.2	-16.14	7325.7	7294.6
DJIA	35473.1	407.51	35497.4	35125.6
S&P 500	4518.44	40.41	4519.84	4491.15
NASDAQ	13994.4	85.16	13997.2	13864.92
DAX	15950.8	-1.1	15962.6	15824.78
CAC	7319.76	0.06	7330.24	7269.48
FTSE100	7554.49	-9.88	7564.95	7505.15

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:	143.155		
MACD DIFF:	24.4796		
RSI:	52.847		

Mini Hang Seng China Enterprise

1st Resistance:	6844	2nd Resistance:	6945
1st Support:	6642	2nd Support:	6541
MACD:	79.389		
MACD DIFF:	23.436		
RSI:	56.4793		

Strategy:

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	19234	19426	19138	18941

Mini Hang Seng:	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	19820	19622	19919	20113

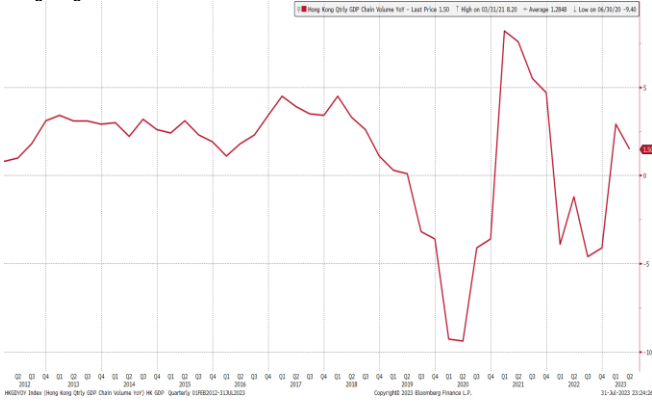
Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6642	6708	6609	6541

Mini Hang Seng China Enterprise:	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	6844	6776	6878	6945

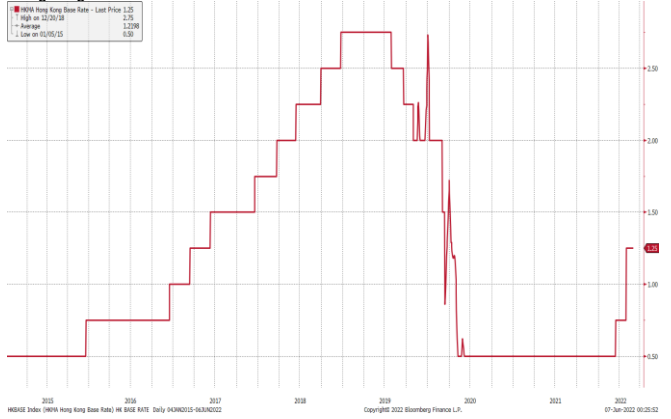
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
08/07/2023 16:30	Foreign Reserves	Jul	--	\$421.6b	\$417.3b	--
08/11/2023 16:30	GDP YoY	2Q F	1.50%	--	1.50%	--
08/11/2023 16:30	GDP SA QoQ	2Q F	--	--	-1.30%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
08/07/2023 16:00	Foreign Reserves	Jul	\$3203.00b	\$3204.27b	\$3193.00b	--
08/08/2023	Exports YoY	Jul	-13.20%	--	-12.40%	--
08/08/2023	Imports YoY	Jul	-5.60%	--	-6.80%	--
08/08/2023	Trade Balance	Jul	\$70.00b	--	\$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	-0.40%	--	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	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	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%	--

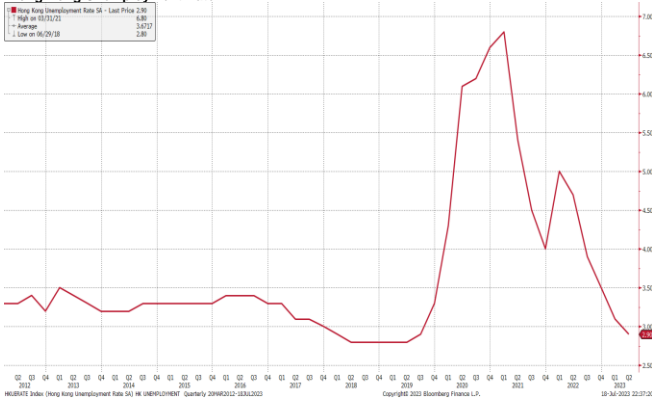
Hong Kong GDP Q on Q



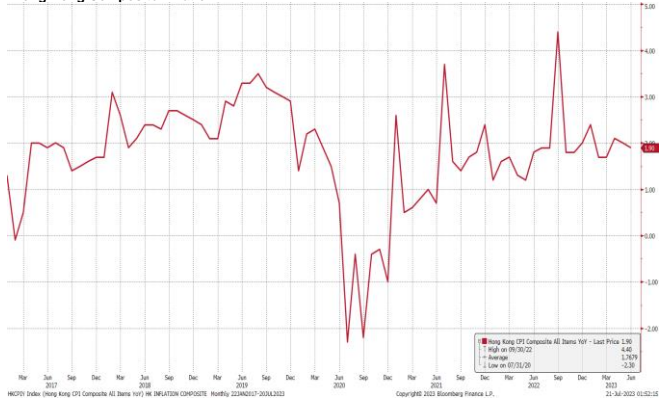
Hong Kong Base Interest Rate



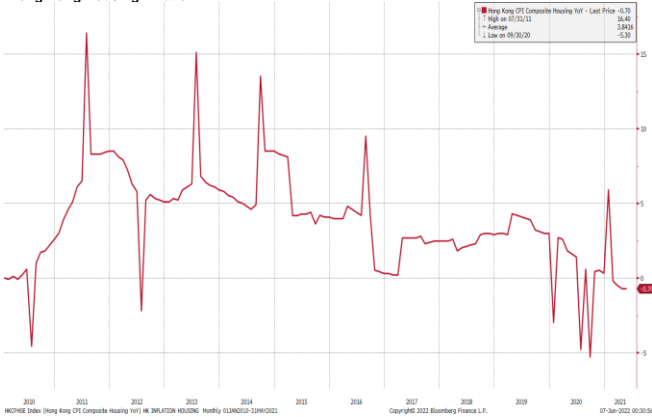
Hong Kong Unemployment Rate



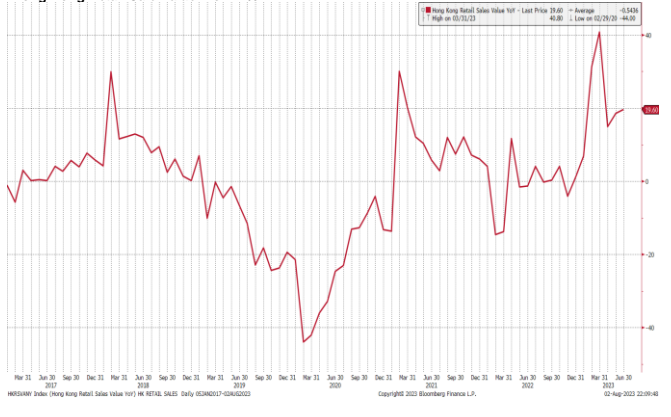
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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