

Fundamentals:

Hong Kong stocks fell by the most in three weeks on Monday, amid concerns China's property woes will intensify after China Evergrande Group, the world's most indebted developer, cancelled creditor meetings in a setback to its debt restructuring plans.

The Hang Seng Index slid 1.8 per cent to 17,729.29 at close, adding to last week's 0.7 per cent fall. The Hang Seng Tech Index dropped 2.7 per cent and the Shanghai Composite Index retreated 0.5 per cent.

Property stocks led the pack of decliners after China Evergrande said that six creditor meetings scheduled for this week would be scrapped because of poorer-than-expected sales. Longfor Group slid 6.5 per cent to HK\$14.16 and Country Garden Services Holdings slumped 4.3 per cent to HK\$8.21. E-commerce platform JD.com dropped 4.1 per cent to HK\$115.40 for a record-low close and Tencent Holdings sank 2.9 per cent to HK\$304.40.

China Evergrande tumbled 22 per cent HK\$0.43 after it said in another exchange filing that it was unable to meet the regulatory requirements for new bond issuances. China Aoyuan Group, a smaller property developer, plunged 72 per cent to HK\$0.325 as the stock resumed trading after it was suspended on March 31 last year for a debt revamp.

The property sector alone accounted for 6.1 per cent of China's economy last year and industries linked to the real-estate market can contribute to about a quarter of the economy, according to China Galaxy Securities.

Last week, local stocks had dropped for a third consecutive week as traders fretted that China's piecemeal stimulus measures would not be enough to stem a slowdown in economic growth. So far, Beijing has cut the mortgage rates on first-home purchases, scrapped purchase restrictions in some of the major cities and reduced banks' reserve requirement ratio, but that has failed to cheer investors. The Hang Seng Index has dropped more than 6 per cent for the three months ending in September, heading for a second straight quarterly loss.

Four companies made their trading debut on Monday. LC Logistics dropped 0.6 per cent to HK\$5.10 and Wuhan YZY Biopharma was unchanged from its offer price at HK\$16 in Hong Kong. Jiangsu Hengxing New Material Technology, which makes chemical products, jumped 19 per cent to 30.54 yuan in Shanghai and Anhui Wanbang Pharmaceutical Technology rose 9 per cent to 74 yuan in Shenzhen.

Elsewhere, mainland-traded suppliers of Huawei Technologies surged before the launch of new products by the telecoms equipment makers, which may include smart cars and MatePad Pro. Wuhu Sanlian Forging surged by the 10 per cent daily limit to 40.73 yuan and Dongguan Chitwing Technology also soared by that much to 39.53 yuan.

Other major Asian markets were mixed. Japan's Nikkei 225 climbed 0.9 per cent, while South Korea's Kospi retreated 0.5 per cent and Australia's S&P/ASX 200 added 0.1 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 SEP 23	-392	17705	18178	17690
H. SENG FUT OCT 23	-393	17761	18240	17755
H. SENG FUT DEC 23	-391	17870	18338	17870
H. SENG FUT MAR 24	-392	17705	18178	17690
MINI H. SENG FUT SEP 23	-392	17705	18178	17690
MINI H. SENG FUT OCT 23	-393	17761	18238	17757
MINI H. SENG FUT DEC 23	-391	17870	18340	17859
MINI H. SENG FUT MAR 24	-392	17705	18178	17690
HSCEI FUT SEP 23	-161	6119	6304	6112
HSCEI FUT OCT 23	-158	6142	6323	6135
HSCEI FUT DEC 23	-163	6196	6376	6195
HSCEI FUT MAR 24	-161	6119	6304	6112
MINI HSCEI FUT SEP 23	-161	6119	6303	6113
MINI HSCEI FUT OCT 23	-158	6142	6326	6136
MINI HSCEI FUT DEC 23	-163	6196	6380	6200
MINI HSCEI FUT MAR 24	-161	6119	6303	6113

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	63.6	-1.75	65.7	63.2
**Tencent Holdings Ltd	304.4	-9.2	311.6	303.2
**HSBC Holdings PLC	61.05	-0.35	61.65	60.9
**China Construction Bank Corp	4.4	-0.06	4.47	4.4
**Ping An Insurance Group	46.1	-1.05	47.05	45.9
**Meituan	117.2	-3.6	120	116.6
*Hong Kong Exchanges & Clearing Ltd	292.6	-3.4	296.6	290.8
**Alibaba Group Holdings Ltd	84.35	-1.55	86.5	84.25
**Xiaomi Corp	11.84	-0.22	12.08	11.82
**ICBC	3.75	-0.06	3.83	3.74

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	43.7	1.05	44.6	42.4
**China Mobile Ltd	66.95	-1.25	68.7	66.75
**Bank of China Ltd	2.73	-0.03	2.77	2.73
*Techtronic Industries Co Ltd	77.75	-1.6	79.35	77.65
*CK Hutchison Holdings Ltd	41.3	-0.6	42.3	41.2
*Link REIT	37.3	-0.7	38	37.2
*CLP Holding Ltd	58.45	-0.25	58.85	58.25
**Geely Automobile Holdings Ltd	9.31	-0.21	9.6	9.31
**CNOOC Ltd	13.58	-0.14	13.82	13.5
**ANTA Sports Products Ltd	87.5	-2.45	90.3	87.3

Global Equity Indices	Close	Change	High	Low
Hang Seng	17729.29	-328.16	18046.9	17722.49
HSCEI	6130.25	-132.36	6257.36	6129.25
Shanghai Comp Index	3115.61	-16.825	3131.21	3112.15
Nikkei 225	32678.6	276.21	32722.2	32388.28
KOSPI	2495.76	-12.37	2509.38	2486.44
S&P/ASX200	7076.53	7.692	7076.5	7022.9
DJIA	34006.9	43.04	34017.5	33780.67
S&P 500	4337.44	17.38	4338.51	4302.7
NASDAQ	13271.3	59.51	13277.8	13132
DAX	15405.5	-151.8	15572.1	15329.4
CAC	7123.88	-0.85	7199.95	7087.63
FTSE100	7623.99	-59.92	7684.82	7580.81

Technical Analysis

Mini Hang Seng

1st Resistance:	17971	2nd Resistance:	18236
1st Support:	17439	2nd Support:	17174
MACD:	-193.853		
MACD DIFF:	-10.4079		
RSI:	40.0476		

Mini Hang Seng China Enterprise

1st Resistance:	6211	2nd Resistance:	6303
1st Support:	6027	2nd Support:	5935
MACD:	-54.426		
MACD DIFF:	-9.156		
RSI:	41.7296		

Strategy:

Mini Hang Seng:

Long: Profit target:	17439	17614	17352	Long: Profit target:	17174	17346	17088
Stop-loss:				Stop-loss:			
Short: Profit target:	17971	17791	18060	Short: Profit target:	18236	18054	18327
Stop-loss:				Stop-loss:			

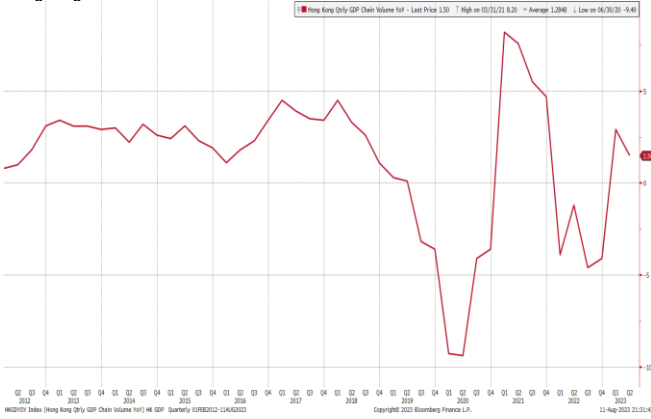
Mini Hang Seng China Enterprise:

Long: Profit target:	6027	6087	5997	Long: Profit target:	5935	5995	5906
Stop-loss:				Stop-loss:			
Short: Profit target:	6211	6149	6242	Short: Profit target:	6303	6240	6334
Stop-loss:				Stop-loss:			

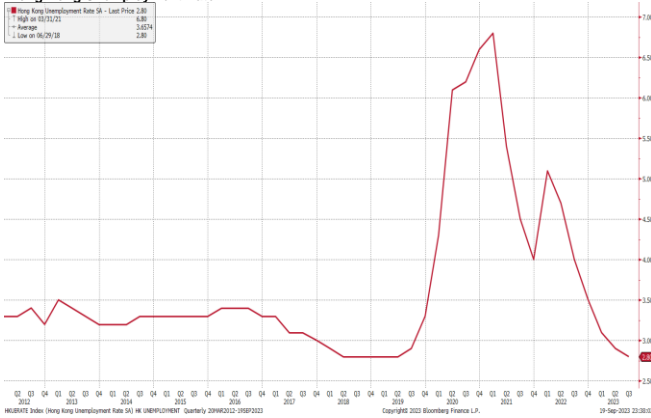
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
09/26/2023 16:30	Exports YoY	Aug	--	--	-9.10%	--
09/26/2023 16:30	Imports YoY	Aug	--	--	-7.90%	--
09/26/2023 16:30	Trade Balance HKD	Aug	--	--	-30.0b	--
09/29/2023 16:30	Retail Sales Value YoY	Aug	--	--	16.50%	--
09/29/2023 16:30	Retail Sales Volume YoY	Aug	--	--	14.00%	--
09/29/2023	Money Supply M1 HKD YoY	Aug	--	--	-20.10%	--
09/29/2023	Money Supply M2 HKD YoY	Aug	--	--	0.30%	--
09/29/2023	Money Supply M3 HKD YoY	Aug	--	--	0.30%	--
09/29/2023	Budget Balance HKD	Aug	--	--	-41.8b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
09/26/2023	Bloomberg Sept. China Economic Survey					
09/27/2023 09:30	Industrial Profits YoY	Aug	--	--	-6.70%	--
09/27/2023 09:30	Industrial Profits YTD YoY	Aug	--	--	-15.50%	--
09/28/2023	BoP Current Account Balance	2Q F	--	--	\$65.3b	--
09/30/2023 09:30	Composite PMI	Sep	--	--	51.3	--
09/30/2023 09:30	Manufacturing PMI	Sep	50.1	--	49.7	--
09/30/2023 09:30	Non-manufacturing PMI	Sep	51.5	--	51	--
10/01/2023 09:45	Caixin China PMI Composite	Sep	--	--	51.7	--
10/01/2023 09:45	Caixin China PMI Mfg	Sep	51.2	--	51	--
10/01/2023 09:45	Caixin China PMI Services	Sep	52	--	51.8	--

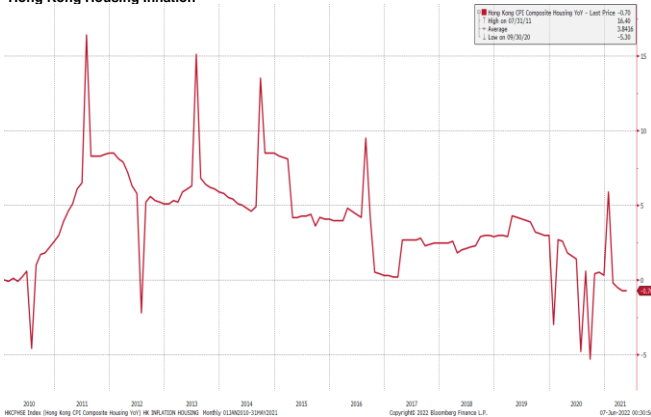
Hong Kong GDP Q on Q



Hong Kong Unemployment Rate



Hong Kong Housing Inflation



(Source: Bloomberg)

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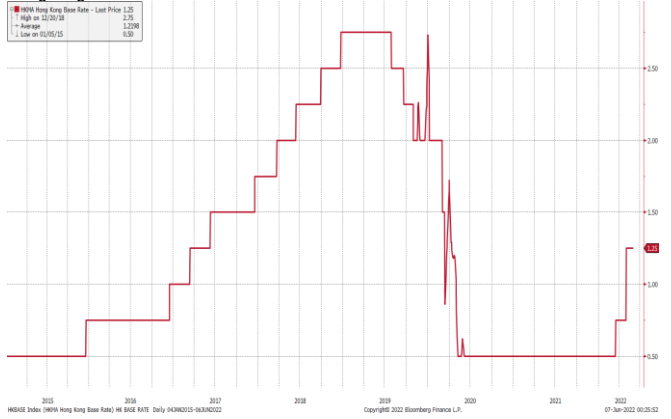
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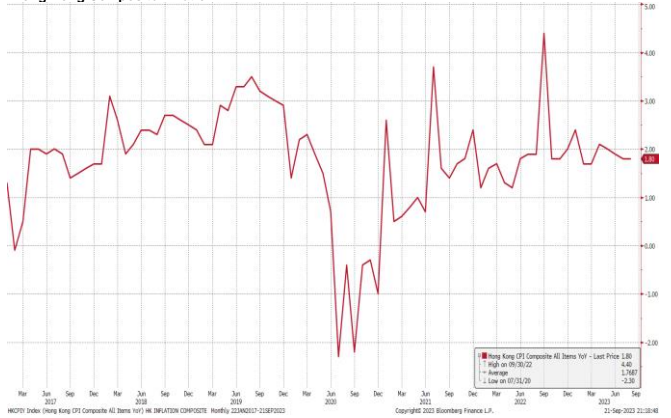
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Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %

