

Fundamentals:

Hong Kong stocks dropped for a third day after a government report showed China's exports languished for a fourth month in August, underpinning the need for bigger measures to spur domestic consumption. The yuan weakened to near a 15-year low.

The Hang Seng Index slipped 1.3 per cent to 18,202.07 at the closing of Thursday trading, the lowest level since August 28. The Tech Index slipped 2 per cent while the Shanghai Composite Index erased gains to lose 1.1 per cent.

JD.com tumbled 3.1 per cent to HK\$128.50, Tencent lost 1.8 per cent to HK\$321.60 and Meituan dropped 2.6 per cent to HK\$125. Chinese developer Longfor retreated 2.7 per cent to HK\$17.42 and China Resources Land declined 1.6 per cent to HK\$33.85.

China's biggest chip maker SMIC slumped from a two-month high, losing 7.6 per cent to HK\$19.82. Its shares sank 8.3 per cent to 52.12 yuan in Shanghai, the most in four months. Some US lawmakers suggested greater curbs, saying SMIC may have circumvented US sanctions by supplying the chip that powers Huawei's Mate 60 Pro smartphones. Peer Hua Hong Semiconductors slumped 5.7 per cent to HK\$19.84.

The Hang Seng Index has lost 1 per cent this week, halting a two-week rebound as Beijing's stimulus measures failed to convince investors while the economy struggled. Foreign funds have sold 4.8 billion yuan (US\$655 million) of onshore stocks this week. Stock Connect data shows, extending a record selling spree in August.

China's exports contracted 8.8 per cent last month, after shrinking 14.5 per cent in July, the customs bureau reported today. That was in line with consensus estimates from analysts tracked by Bloomberg. Imports fell 7.3 per cent versus 12.4 per cent in July.

Even with increased policy offsets, the risks are skewed slightly to the downside, the Wall Street investment bank added in a report. An unfavourable interest-rate spreads will continue to pressure the Chinese yuan in the near term.

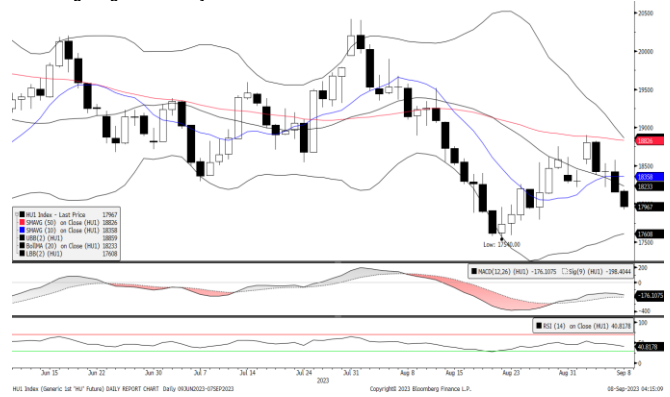
The onshore yuan recently traded at 7.3268 per US dollar, near the weakest since 2008, adding to an almost 6 per cent depreciation this year. China has been easing domestic rates to help revive the home sales and repair confidence in the property market, while the Federal Reserve has been raising rates from near-zero since March last year.

Oil producers were the bright spot. PetroChina added 2.9 per cent to HK\$6.02 while CNOOC advanced 0.5 per cent to HK\$13.48, after a rally in global crude prices.

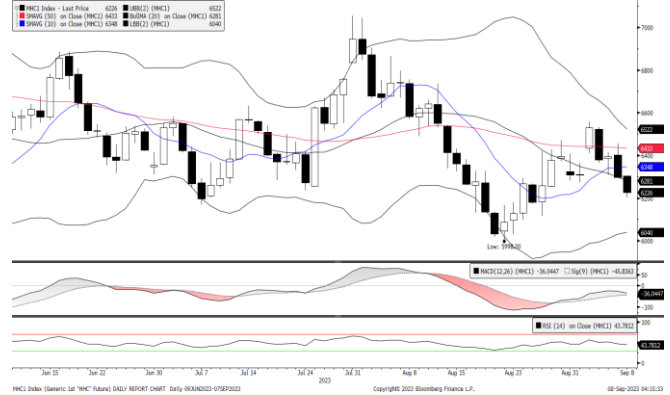
Asian markets traded lower on Thursday. Japan's Nikkei 225 lost 0.8 per cent, while Australia's S&P/ASX 200 and South Korea's Kospi declined by 0.6 to 1.2 per cent.

(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	-268	18156	18572	18147
H. SENG FUT OCT 23	-274	18211	18625	18208
H. SENG FUT DEC 23	-273	18323	18699	18326
H. SENG FUT MAR 24	-268	18156	18572	18147
MINI H. SENG FUT SEP 23	-268	18156	18572	18147
MINI H. SENG FUT OCT 23	-274	18211	18630	18207
MINI H. SENG FUT DEC 23	-273	18323	18739	18320
MINI H. SENG FUT MAR 24	-268	18156	18572	18147
HSCEI FUT SEP 23	-98	6298	6456	6295
HSCEI FUT OCT 23	-98	6321	6462	6321
HSCEI FUT DEC 23	-101	6376	6533	6400
HSCEI FUT MAR 24	-98	6298	6456	6295
MINI HSCEI FUT SEP 23	-98	6298	6456	6295
MINI HSCEI FUT OCT 23	-98	6321	6478	6320
MINI HSCEI FUT DEC 23	-101	6376	6527	6380
MINI HSCEI FUT MAR 24	-98	6298	6456	6295

Major HSI Constituent Stocks	Close	Change	High	Low
*Alia Group Ltd	68	-0.8	68.6	67.7
**Tencent Holdings Ltd	321.6	-6	327.2	320.2
**HSBC Holdings PLC	57.3	-0.45	57.75	57.1
**China Construction Bank Corp	4.29	-0.04	4.33	4.27
**Ping An Insurance Group	47.85	-1.2	49	47.3
**Meituan	125	-3.3	129	124.2
*Hong Kong Exchanges & Clearing Ltd	307.2	-4.8	312	305.2
**Alibaba Group Holdings Ltd	90.8	-1.45	93.05	90.5
**Xiaomi Corp	11.9	0.14	12.02	11.54
**ICBC	3.77	0.03	3.8	3.71

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	41.85	-0.95	43.15	41.5
**China Mobile Ltd	65	0.1	65.4	64.65
**Bank of China Ltd	2.69	-0.02	2.71	2.68
*Techtronic Industries Co Ltd	75.8	-1.1	76.85	75.25
*CK Hutchison Holdings Ltd	41.35	-0.45	41.95	41.25
*Link REIT	38.55	-0.2	39	38.35
*CLP Holding Ltd	59.2	-0.2	59.4	59
**Geely Automobile Holdings Ltd	9.66	-0.16	9.83	9.61
**CNOOC Ltd	13.48	0.07	13.74	13.44
**ANTA Sports Products Ltd	88.8	-0.75	91.5	88.6

Global Equity Indices	Close	Change	High	Low
Hang Seng	18202.07	-247.91	18437.5	18173.44
HSCEI	6314.67	-89.03	6403.73	6304.77
Shanghai Comp Index	3122.35	-35.725	3152.27	3120.823
Nikkei 225	32991.1	-249.94	33322.5	32986.35
KOSPI	2548.26	-15.08	2562.42	2539.24
S&P/ASX200	7171.01	-86.039	7257.1	7157.1
DJIA	34500.7	57.54	34560.9	34351.18
S&P 500	4451.14	-14.34	4457.81	4430.46
NASDAQ	13748.8	-123.64	13774.6	13642.47
DAX	15718.7	-22.71	15794.7	15661.38
CAC	7196.1	0.03	7240.72	7165.98
FTSE100	7441.72	15.58	7462.18	7385.92

Technical Analysis

Mini Hang Seng

1st Resistance:	18428	2nd Resistance:	18701
1st Support:	17884	2nd Support:	17611
MACD:	-155.719		
MACD DIFF:	48.155		
RSI:	43.4831		

Mini Hang Seng China Enterprise

1st Resistance:	6392	2nd Resistance:	6487
1st Support:	6204	2nd Support:	6109
MACD:	-28.633		
MACD DIFF:	19.599		
RSI:	46.5588		

Strategy:

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	17884	18062	17794	17611

Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
18428	18244	18520	18701

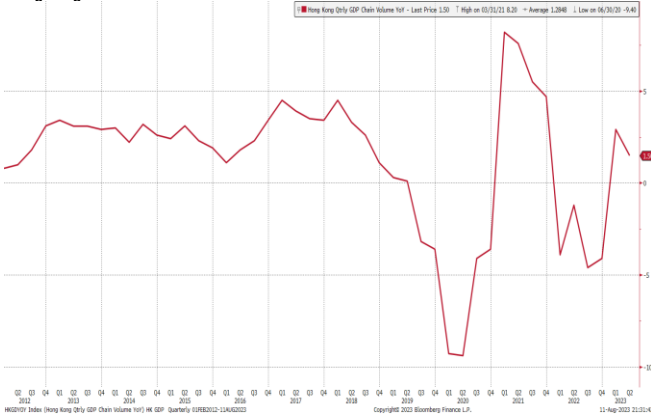
Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6204	6266	6173	6109

Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
6392	6329	6424	6487

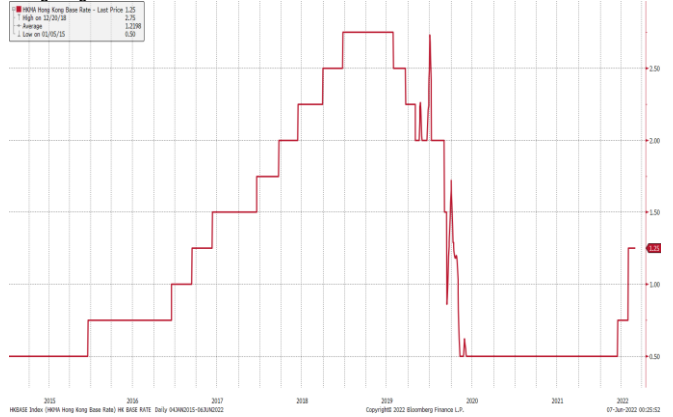
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
09/07/2023 16:30	Foreign Reserves	Aug	--	\$418.4b	\$421.6b	--
09/08/2023	Bloomberg Sept. Hong Kong Economic Survey					
09/13/2023 16:30	PPI YoY	2Q	--	--	1.00%	0.90%
09/13/2023 16:30	Industrial Production YoY	2Q	--	--	3.90%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
09/07/2023 11:00	Exports YoY	Aug	-9.00%	-8.80%	-14.50%	
09/07/2023 11:00	Imports YoY	Aug	-9.00%	-7.30%	-12.40%	
09/07/2023 11:00	Trade Balance	Aug	\$73.90b	\$68.36b	\$80.60b	
09/07/2023 11:00	Exports YoY CNY	Aug	--	-3.20%	-9.20%	
09/07/2023 11:00	Imports YoY CNY	Aug	--	-1.60%	-2.90%	
09/07/2023 11:00	Trade Balance CNY	Aug	--	488.00b	575.70b	
09/07/2023 16:00	Foreign Reserves	Aug	\$3184.00b	\$3160.10b	\$3204.27b	
09/09/2023 09:30	CPI YoY	Aug	0.10%	--	-4.30%	
09/09/2023 09:30	PPI YoY	Aug	-2.90%	--	-4.40%	
09/09/2023 09:15	Money Supply M2 YoY	Aug	10.70%	--	10.70%	
09/09/2023 09:15	Money Supply M1 YoY	Aug	2.40%	--	2.30%	
09/09/2023 09:15	Money Supply M0 YoY	Aug	--	--	9.90%	
09/09/2023 09:15	New Yuan Loans CNY	Aug	1250.0b	--	345.9b	

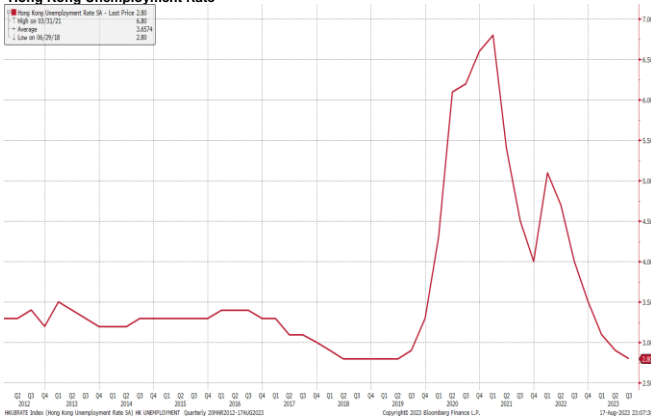
Hong Kong GDP Q on Q



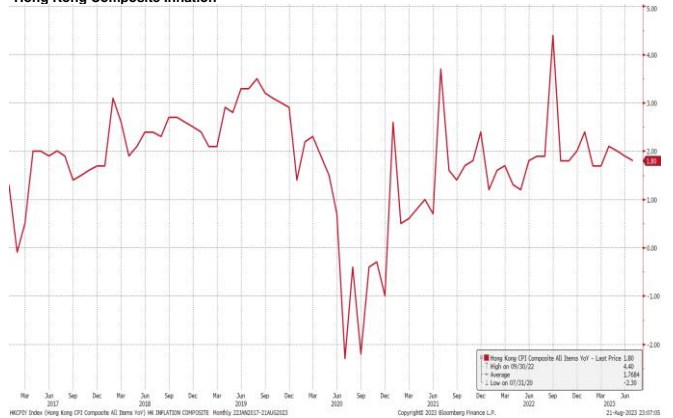
Hong Kong Base Interest Rate



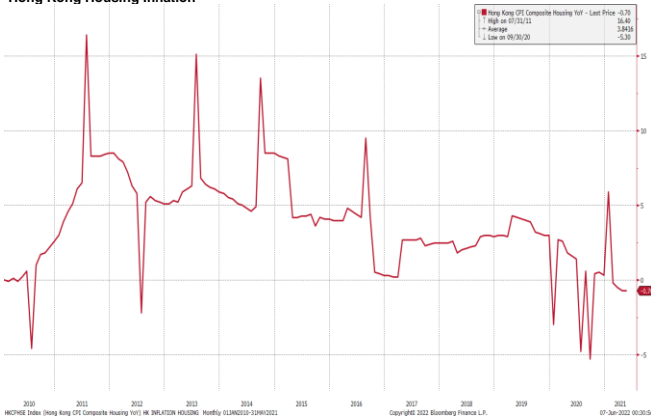
Hong Kong Unemployment Rate



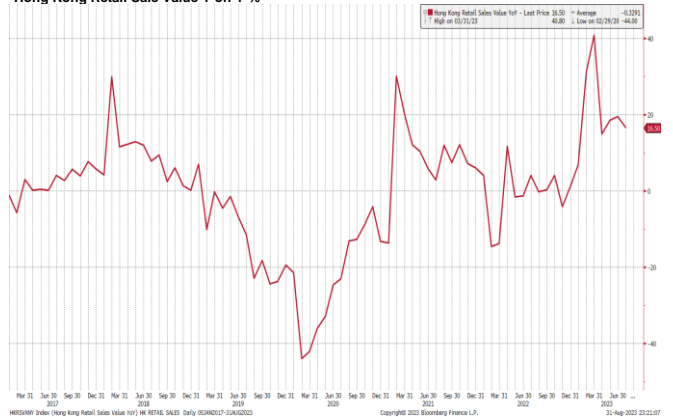
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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