

**Fundamentals:**

Hong Kong stocks tumbled after official reports showed producer and consumer prices in mainland China trailed market expectations, reigniting concerns about the nation's economic rebound. China's four biggest lenders retreated.

The Hang Seng Index declined from a five-week high, closing 2.3 per cent lower at 17,813.45. The index rose 0.2 per cent for the week, courtesy of rally in the preceding six days. The Tech Index slumped 3.5 per cent and the Shanghai Composite Index retreated 0.6 per cent.

Alibaba Group dropped 3.8 per cent to HK\$82.60 and rival e-commerce platform operator JD.com slumped 11 per cent to HK\$104.20. Jewellery retailer Chow Tai Fook lost 5.5 per cent to HK\$10.92 while Meituan slipped 3.2 per cent to HK\$114.60. Search engine operator Baidu sank 5.3 per cent to HK\$124.60.

Producer prices in mainland China dropped 2.5 per cent in September from a year earlier, capping a 12-month slide, the statistics bureau said on Friday. Economists had predicted a 2.4 per cent decline, versus a 3 per cent deflation in August. A separate report showed consumer prices were flat, versus consensus forecasts for a 0.2 per cent increase.

Elsewhere, China's Big Four lenders surrendered some of their gains from the previous day. Several incremental market purchases in the banks' stocks by the nation's US\$1.35 trillion sovereign wealth fund on Wednesday had fuelled talks Beijing is intervening to shore up confidence in the market.

ICBC, the largest of the Big Four, dropped 1.8 per cent to HK\$3.85, while Construction Bank slipped 1.1 per cent to HK\$4.64. Bank of China lost 1.4 per cent to HK\$2.81 and Agricultural Bank of China eased 1.3 per cent to HK\$2.97.

One stock started trading on Friday. Inner Mongolia Chevalaise Dairy Group fell 5.2 per cent to 4.74 yuan in Beijing.

Other major Asian markets weakened. South Korea's Kospi retreated 1 per cent, while Australia's S&P/ASX 200 and Japan's Nikkei 225 both slipped 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 OCT 23	-472	17811	18308	17794
H. SENG FUT NOV 23	-477	17833	18335	17820
H. SENG FUT DEC 23	-473	17911	18405	17900
H. SENG FUT MAR 24	-472	17811	18308	17794
MINI H. SENG FUT OCT 23	-472	17811	18307	17793
MINI H. SENG FUT NOV 23	-477	17833	18330	17820
MINI H. SENG FUT DEC 23	-473	17911	18408	17900
MINI H. SENG FUT MAR 24	-472	17811	18307	17793
HSCEI FUT OCT 23	-172	6117	6294	6112
HSCEI FUT NOV 23	-173	6139	6266	6136
HSCEI FUT DEC 23	-171	6171	6344	6167
HSCEI FUT MAR 24	-172	6117	6294	6112
MINI HSCEI FUT OCT 23	-172	6117	6294	6112
MINI HSCEI FUT NOV 23	-173	6139	6318	6138
MINI HSCEI FUT DEC 23	-171	6171	6344	6166
MINI HSCEI FUT MAR 24	-172	6117	6294	6112

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	68.3	-1.7	69	67.7
**Tencent Holdings Ltd	306.8	-9.8	313	305.4
**HSBC Holdings PLC	62.5	-0.7	62.95	62.1
**China Construction Bank Corp	4.64	-0.05	4.7	4.63
**Ping An Insurance Group	44.15	-0.65	44.4	43.85
**Meituan	114.6	-3.8	115.8	113.3
*Hong Kong Exchanges & Clearing Ltd	292.4	-5.6	296	291.6
**Alibaba Group Holdings Ltd	82.6	-3.25	83.9	82.5
**Xiaomi Corp	12.6	-0.06	12.76	12.4
**ICBC	3.85	-0.07	3.91	3.85

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	49.1	-0.55	51	48.05
**China Mobile Ltd	64.6	-0.1	65	64.35
**Bank of China Ltd	2.81	-0.04	2.85	2.81
*Techtronic Industries Co Ltd	73.8	-2.9	75.75	73.2
*CK Hutchison Holdings Ltd	40.8	-0.9	41.6	40.8
*Link REIT	37.1	-1.15	37.75	36.95
*CLP Holding Ltd	57.3	-1.1	58.15	57.25
**Geely Automobile Holdings Ltd	9.32	-0.13	9.42	9.24
**CNOOC Ltd	13.52	0	13.58	13.36
**ANTA Sports Products Ltd	89.85	-1.65	92	88.9

Global Equity Indices	Close	Change	High	Low
Hang Seng	17813.45	-424.76	18013.7	17776.95
HSCEI	6115.88	-151.46	6191.02	6106.88
Shanghai Comp Index	3088.1	-19.802	3094.92	3080.548
Nikkei 225	32316	-178.67	32533.1	32249.03
KOSPI	2456.15	-23.67	2466.62	2452.83
S&P/ASX200	7051.03	-39.949	7091	7016.8
DJIA	33670.3	39.15	33957.7	33551.58
S&P 500	4327.78	-21.83	4377.1	4311.97
NASDAQ	13407.2	-166.99	13619.5	13361.85
DAX	15186.7	-238.37	15409.9	15178.07
CAC	7003.53	-1.42	7108.76	6997.48
FTSE100	7599.6	-45.18	7660.05	7590.72

**Technical Analysis**

**Mini Hang Seng**

1st Resistance:	18078	2nd Resistance:	18345
1st Support:	17544	2nd Support:	17277
MACD:	-86.421		
MACD DIFF:	80.4196		
RSI:	48.7887		

**Mini Hang Seng China Enterprise**

1st Resistance:	6209	2nd Resistance:	6301
1st Support:	6025	2nd Support:	5933
MACD:	-40.261		
MACD DIFF:	24.973		
RSI:	48.3337		

**Strategy:**

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	17544	17719	17456	17277

Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
18078	17897	18169	18345

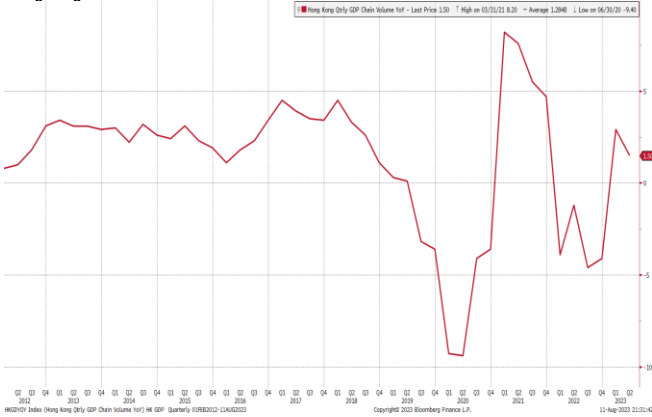
Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6025	6085	5995	5933

Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
6209	6147	6240	6301

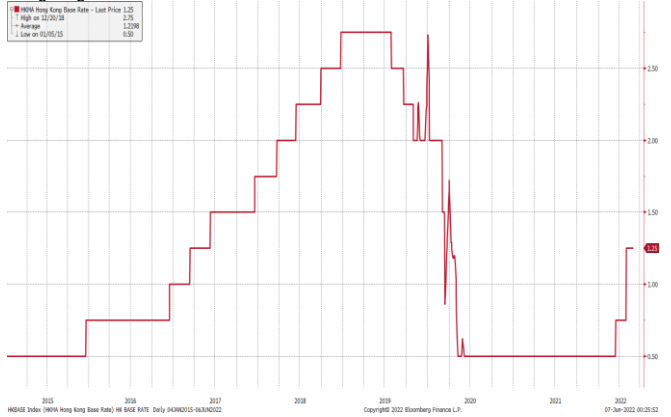
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
10/19/2023 16:30	Unemployment Rate SA	Sep	--	--	2.80%	--
10/20/2023 16:30	CPI Composite YoY	Sep	1.80%	--	1.80%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
10/13/2023 09:30	CPI YoY	Sep	0.20%	0.00%	0.10%	--
10/13/2023 09:30	PPI YoY	Sep	-2.40%	-2.50%	-3.00%	--
10/13/2023 11:08	Exports YoY CNY	Sep	--	-0.60%	-3.20%	--
10/13/2023 11:08	Trade Balance CNY	Sep	--	558.74b	488.00b	--
10/13/2023 11:08	Exports YoY	Sep	-8.00%	-6.20%	-8.80%	--
10/13/2023 11:08	Imports YoY CNY	Sep	--	-0.80%	-1.60%	--
10/13/2023 11:08	Imports YoY	Sep	-6.30%	-6.20%	-7.30%	--
10/13/2023 11:08	Trade Balance	Sep	\$70.60b	\$77.71b	\$68.36b	\$68.20b
10/13/2023 16:02	Aggregate Financing CNY	Sep	3700.0b	4120.0b	3120.0b	3123.7b
10/13/2023 16:02	Money Supply M2 YoY	Sep	10.60%	10.30%	10.60%	--
10/13/2023 16:02	Money Supply M0 YoY	Sep	--	10.70%	9.50%	--
10/13/2023 16:02	New Yuan Loans CNY	Sep	2500.0b	2310.0b	1360.0b	1358.0b
10/13/2023 16:02	Money Supply M1 YoY	Sep	2.40%	2.10%	2.20%	--
10/13/2023 10/18	FDI YTD YoY CNY	Sep	--	--	-5.10%	--

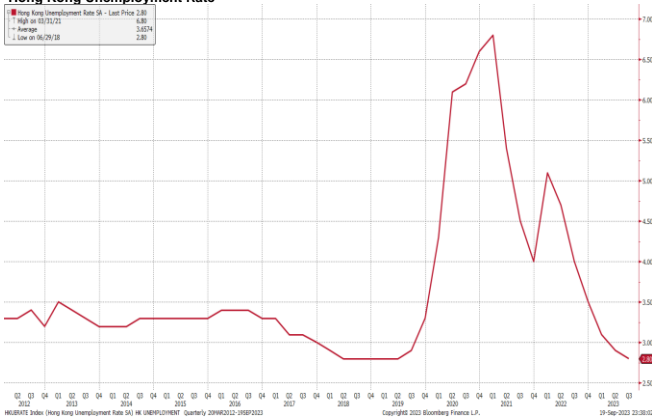
### Hong Kong GDP Q on Q



### Hong Kong Base Interest Rate



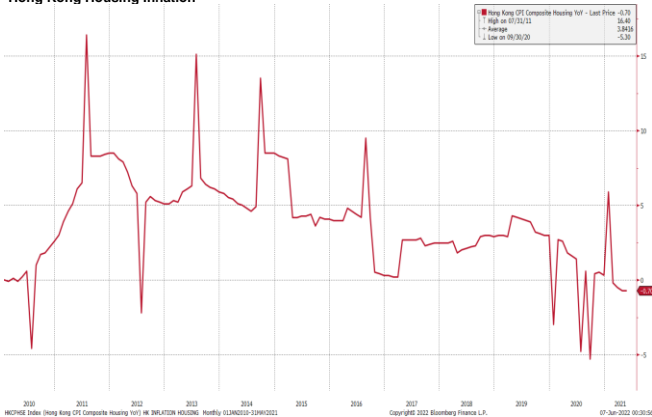
### Hong Kong Unemployment Rate



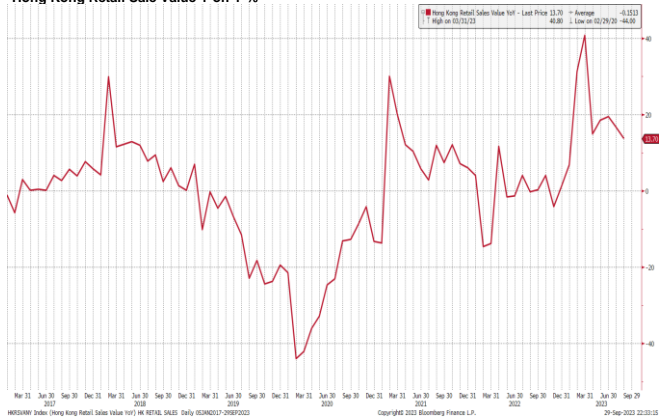
### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



### Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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