

Fundamentals:

Hong Kong stocks erased gains as traders looked past China's upbeat GDP data amid worries about the festering property crisis in the world's second largest economy and the intensifying Israeli-Hamas war which is stoking oil prices and posing a risk to the global growth outlook.

The Hang Seng Index edged down 0.2 per cent to 17,732.52 at close of Wednesday trading, after gaining as much as 1 per cent mid-session. The Tech Index slipped 1.7 per cent, while the Shanghai Composite Index lost 0.7 per cent.

Tencent Holding lost 0.7 per cent to HK\$300, Alibaba Group dropped 0.6 per cent to HK\$81.45, and Baidu retreated 4.8 per cent to HK\$113.70. E-commerce platform operator JD.com tumbled 3 per cent to HK\$102.80 while Meituan lost 0.7 per cent HK\$113.70.

Property stocks tumbled as Country Garden, the once largest property developer, teetered on the brink of default. A gauge tracking mainland developers listed in Hong Kong lost 0.7 per cent to a near 11-month low. Longfor lost 1.2 per cent to HK\$11.92 while Evergrande retreated 8.6 per cent to HK\$0.26.

Official data released on Wednesday showed China's economy continued to recover, with gross domestic product (GDP) expanding a consensus-beating 4.9 per cent in the third quarter from a year earlier. Meanwhile, industrial output and retail sales grew by 4.5 and 5.5 per cent, respectively, and both data points were higher than expected.

The Hang Seng Index has retreated by 0.5 percent this month after the speculation that the "national team" would come to the rescue was doused. Sentiment remained subdued as US imposed renewed curbs on China's tech sector, while the property crisis worsened with Country Garden struggling on the verge of a default.

Traders are also monitoring US President Joe Biden's visit to Israel on Wednesday to gain insights as to the impact it could have on regional tensions. Israel's military spokesman said it is preparing for the next stages of the war against the Palestinian extremist organisation Hamas in the Gaza Strip.

US Treasury yields surged to new highs after strong retail sales data in the world's biggest economy, which reinforced the case for the Fed to keep rates higher for longer. Two-year US yields climbed to 5.19 per cent, the highest since 2006.

Key Asian markets were broadly higher. South Korea's Kospi added 0.1 per cent and Australia's S&P/ASX 200 gained 0.3 per cent, while Japan's Nikkei 225 gained less than 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 OCT 23	-39	17758	17872	17636
H. SENG FUT NOV 23	-43	17780	17888	17666
H. SENG FUT DEC 23	-43	17856	17975	17768
H. SENG FUT MAR 24	-39	17758	17872	17636
MINI H. SENG FUT OCT 23	-39	17758	17872	17637
MINI H. SENG FUT NOV 23	-43	17780	17896	17666
MINI H. SENG FUT DEC 23	-43	17856	17970	17750
MINI H. SENG FUT MAR 24	-39	17758	17872	17637
HSCEI FUT OCT 23	-19	6084	6138	6053
HSCEI FUT NOV 23	-22	6106	6156	6079
HSCEI FUT DEC 23	-20	6135	6180	6125
HSCEI FUT MAR 24	-19	6084	6138	6053
MINI HSCEI FUT OCT 23	-19	6084	6138	6054
MINI HSCEI FUT NOV 23	-22	6106	6160	6078
MINI HSCEI FUT DEC 23	-20	6135	6182	6114
MINI HSCEI FUT MAR 24	-19	6084	6138	6054

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	69.25	-0.15	70.05	68.6
**Tencent Holdings Ltd	300	-2.2	301.6	297.4
**HSBC Holdings PLC	62.25	0.4	62.4	61.9
**China Construction Bank Corp	4.65	-0.03	4.72	4.64
**Ping An Insurance Group	42.5	-0.4	43.15	42.45
**Meituan	113.7	-0.8	115.1	111.6
*Hong Kong Exchanges & Clearing Ltd	289.2	-2.8	292	288
**Alibaba Group Holdings Ltd	81.45	-0.55	82.7	81
**Xiaomi Corp	13.18	0.14	13.24	12.94
**ICBC	3.88	-0.03	3.94	3.87

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	47.35	-2.7	50	46.5
**China Mobile Ltd	65.85	0.65	66.3	64.85
**Bank of China Ltd	2.82	-0.02	2.85	2.81
*Techtronic Industries Co Ltd	68.5	-1.9	70.6	67.45
*CK Hutchison Holdings Ltd	40.9	0.15	41.05	40.55
*Link REIT	37	-0.4	37.3	36.75
*CLP Holding Ltd	58.2	0.2	58.45	57.7
**Geely Automobile Holdings Ltd	9.33	0.07	9.53	9.26
**CNOOC Ltd	13.74	0.2	13.84	13.6
**ANTA Sports Products Ltd	94.25	3.3	94.95	90.15

Global Equity Indices	Close	Change	High	Low
Hang Seng	17732.52	-40.82	17831.2	17625.89
HSCEI	6075.68	-16.87	6126.18	6045.67
Shanghai Comp Index	3058.71	-24.786	3076.58	3057.059
Nikkei 225	32042.3	1.96	32101.5	31866.95
KOSPI	2462.6	2.43	2465.33	2450.78
S&P/ASX200	7077.61	21.515	7078.5	7044.6
DJIA	33665.1	-332.57	33991.5	33598.64
S&P 500	4314.6	-58.6	4364.2	4303.84
NASDAQ	13314.3	-219.45	13499.7	13275.3
DAX	15094.9	-156.78	15271.2	15081.69
CAC	6965.99	-0.91	7045.18	6954.1
FTSE100	7588	-87.21	7681.5	7579.26

Technical Analysis

Mini Hang Seng

1st Resistance:	18024	2nd Resistance:	18291
1st Support:	17492	2nd Support:	17225
MACD:	-74.305		
MACD DIFF:	49.8746		
RSI:	48.0926		

Mini Hang Seng China Enterprise

1st Resistance:	6175	2nd Resistance:	6267
1st Support:	5993	2nd Support:	5901
MACD:	-36.633		
MACD DIFF:	15.428		
RSI:	47.1511		

Strategy:

Mini Hang Seng:

Long: Profit target:	17492	Stop-loss:	17667	17404	Long: Profit target:	17225	Stop-loss:	17398	17139
Short: Profit target:	18024	Stop-loss:	17844	18114	Short: Profit target:	18291	Stop-loss:	18108	18382

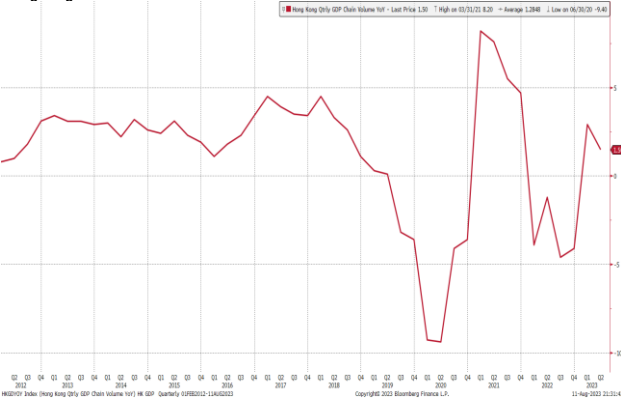
Mini Hang Seng China Enterprise:

Long: Profit target:	5993	Stop-loss:	6053	5963	Long: Profit target:	5901	Stop-loss:	5960	5872
Short: Profit target:	6175	Stop-loss:	6114	6206	Short: Profit target:	6267	Stop-loss:	6204	6298

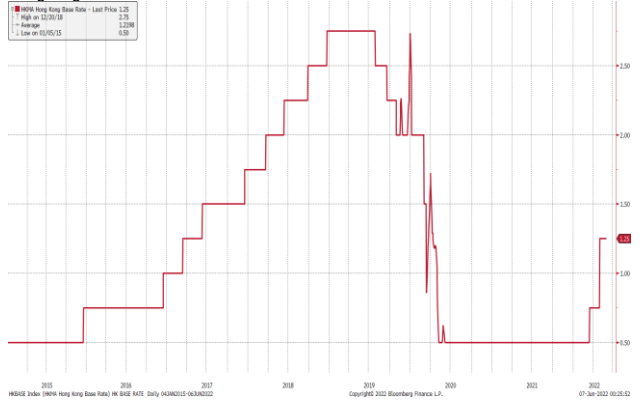
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
10/19/2023 16:30	Unemployment Rate SA	Sep	--	--	2.80%	--
10/20/2023 16:30	CPI Composite YoY	Sep	1.80%	--	1.80%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
10/18/2023 10:00	GDP YoY	3Q	4.50%	4.90%	6.30%	--
10/18/2023 10:00	GDP SA QoQ	3Q	0.90%	1.30%	0.80%	0.50%
10/18/2023 10:00	GDP YTD YoY	3Q	5.00%	5.20%	5.50%	--
10/18/2023 10:00	Industrial Production YoY	Sep	4.40%	4.50%	4.50%	--
10/18/2023 10:00	Industrial Production YTD YoY	Sep	3.90%	4.00%	3.90%	--
10/18/2023 10:00	Retail Sales YoY	Sep	4.90%	5.50%	4.60%	--
10/18/2023 10:00	Retail Sales YTD YoY	Sep	6.70%	6.80%	7.00%	--
10/18/2023 10:00	Fixed Assets Ex Rural YTD YoY	Sep	3.20%	3.10%	3.20%	--
10/18/2023 10:00	Property Investment YTD YoY	Sep	-8.90%	-9.10%	-8.80%	--
10/18/2023 10:00	Residential Property Sales YTD YoY	Sep	--	-3.20%	-1.50%	--
10/18/2023 10:00	Surveyed Jobless Rate	Sep	5.20%	5.00%	5.20%	--
10/18/2023 10:20	FDI YTD YoY CNY	Sep	--	--	-5.10%	--
10/19/2023 09:00	Swift Global Payments CNY	Sep	--	--	-3.47%	--
10/19/2023 09:30	New Home Prices MoM	Sep	--	--	-0.29%	--
10/20/2023 09:15	5-Year Loan Prime Rate	Oct-20	4.20%	--	4.20%	--
10/20/2023 09:15	1-Year Loan Prime Rate	Oct-20	3.45%	--	3.45%	--
10/20/2023	FX Net Settlement - Clients CNY	Sep	--	--	-43.9b	--

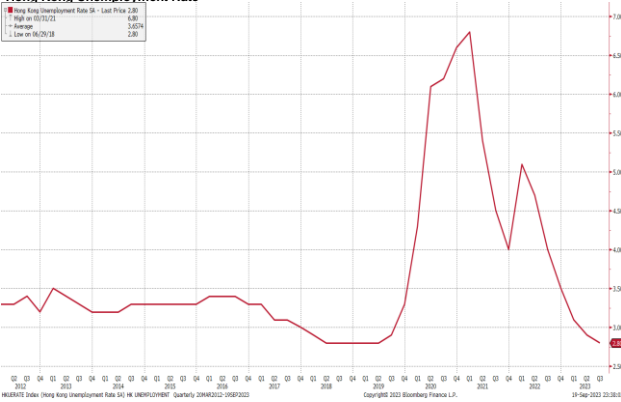
Hong Kong GDP Q on Q



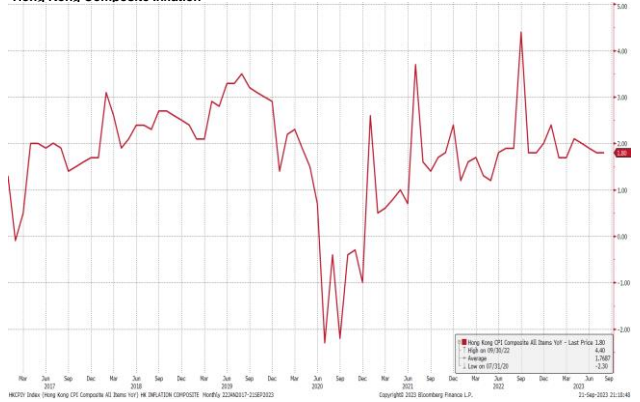
Hong Kong Base Interest Rate



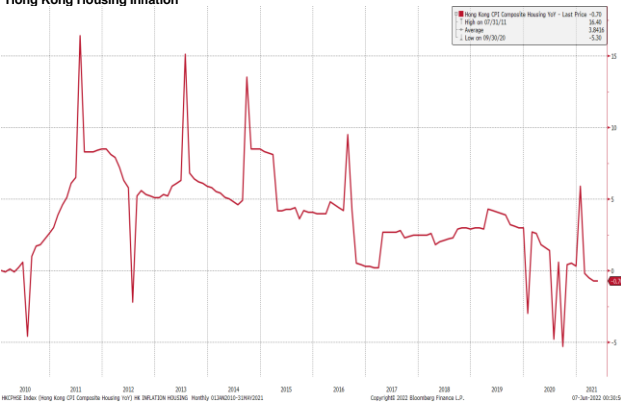
Hong Kong Unemployment Rate



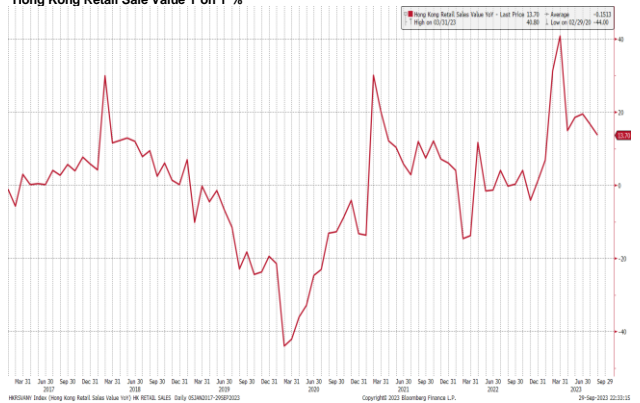
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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