

**Fundamentals:**

Hong Kong stocks erased losses after a late rally electric-car maker BYD before its expected record earnings. China's biggest lenders including Bank of China slumped, while HSBC weakened amid concerns about their loans to the nation's ailing property sector.

The Hang Seng Index closed little changed at 17,406.36 on Monday, after losing as much as 1 per cent. The Tech Index gained 1.3 per cent while the Shanghai Composite Index gained 0.1 per cent.

BYD climbed 0.2 per cent to HK\$246.20, overturning a drop of as much as 2 per cent as the carmaker prepares to publish its third quarter results. Tencent jumped 1 per cent to HK\$296. Alibaba climbed 0.7 per cent to HK\$83, while Hansoh Pharma surged 6.3 per cent to HK\$14.96 and Wuxi Biologics jumped 5.9 per cent to HK\$50.55.

Banks were a drag on the market. Industrial and Commercial Bank of China or ICBC slumped 3.6 per cent to HK\$3.71 and China Construction Bank lost 2.2 per cent to HK\$4.46. Bank of China weakened 1.8 per cent to HK\$2.71 and HSBC retreated 1.5 per cent to HK\$57.20.

Both Bank of China and HSBC missed market estimates for last quarter, their report cards today showed.

The Hang Seng Index has dropped 2.3 per cent this month, set for a third straight monthly loss amid China's shaky economic recovery and rising geopolitical tensions in the Middle East. Foreign investors have sold more than 160 billion yuan of A shares in the past three months, according to Stock Connect data.

Caution on banks prevailed after rival lender Standard Chartered last week reported worse-than-expected earnings for the third quarter because of high impairment charges related to its lending to mainland Chinese developers. Some 57 per cent of Chinese companies missed expectations in their third-quarter earnings so far, Goldman Sachs said in a report last week.

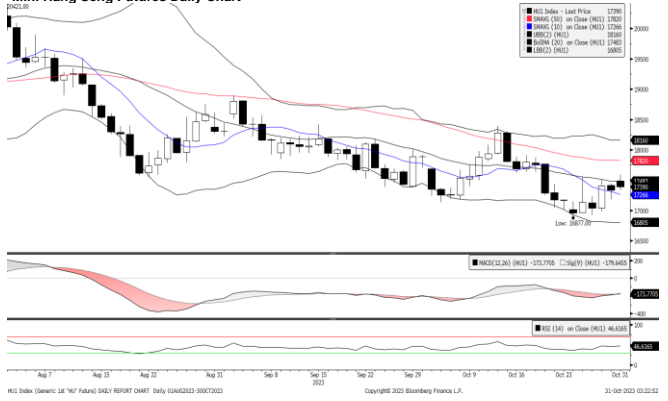
HSBC set aside US\$1.1 billion in expected credit losses and other credit impairment charges, in line with the same quarter in 2022, including about US\$500 million tied to China's commercial real estate sector. Standard Chartered booked US\$294 million of impairment, a 37 per cent increase from a year earlier, including US\$186 million in the same sector.

Elsewhere, Guangdong Decro Film New Materials surged 140 per cent to 75.98 yuan on its first day of trading in Shenzhen.

Major Asian markets were mixed. South Korea's Kospi gained 0.3 per cent while Australia's S&P/ASX 200 lost 0.8 per cent and Japan's Nikkei 225 dropped 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	-77	17333	17441	17175
H. SENG FUT NOV 23	48	17479	17504	17190
H. SENG FUT DEC 23	52	17545	17568	17266
H. SENG FUT MAR 24	-77	17333	17441	17175
MINI H. SENG FUT OCT 23	-77	17333	17440	17179
MINI H. SENG FUT NOV 23	48	17479	17504	17200
MINI H. SENG FUT DEC 23	52	17545	17571	17268
MINI H. SENG FUT MAR 24	-77	17333	17440	17179
HSCEI FUT OCT 23	-59	5922	6000	5890
HSCEI FUT NOV 23	-14	5996	6028	5918
HSCEI FUT DEC 23	-14	6025	6054	5930
HSCEI FUT MAR 24	-59	5922	6000	5890
MINI HSCEI FUT OCT 23	-59	5922	5999	5893
MINI HSCEI FUT NOV 23	-14	5996	6029	5919
MINI HSCEI FUT DEC 23	-14	6025	6040	5955
MINI HSCEI FUT MAR 24	-59	5922	5999	5893

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	68.7	0	68.9	67.35
**Tencent Holdings Ltd	295.4	2.6	297.8	290.8
**HSBC Holdings PLC	57.2	-0.85	58.75	56.8
**China Construction Bank Corp	4.48	-0.08	4.56	4.4
**Ping An Insurance Group	40.4	-0.2	40.85	39.65
**Meituan	114	1	115.5	111.1
*Hong Kong Exchanges & Clearing Ltd	280	2	280.2	275
**Alibaba Group Holdings Ltd	81.85	-0.55	82	80.7
**Xiaomi Corp	14.32	0.8	14.36	13.42
**ICBC	3.74	-0.11	3.86	3.68

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	50.5	2.75	51.2	47.95
**China Mobile Ltd	61.95	-0.9	62.7	61.4
**Bank of China Ltd	2.73	-0.03	2.77	2.69
*Techtronic Industries Co Ltd	72.85	1.6	73.3	70.8
*CK Hutchison Holdings Ltd	39.85	0.2	39.9	39.4
*Link REIT	36.4	0.3	36.4	35.7
*CLP Holding Ltd	57.8	0	57.95	57.25
**Geely Automobile Holdings Ltd	9	0.08	9.03	8.82
**CNOOC Ltd	12.86	-0.46	13.28	12.72
**ANTA Sports Products Ltd	90.7	0.85	90.95	88.2

Global Equity Indices	Close	Change	High	Low
Hang Seng	17406.36	7.63	17406.4	17225.65
HSCEI	5960.33	-18.68	5972.03	5897.6
Shanghai Comp Index	3021.55	3.769	3028.26	3002.348
Nikkei 225	30697	-294.73	30762.5	30538.29
KOSPI	2310.55	7.74	2317.75	2292.34
S&P/ASX200	6772.93	-53.932	6829.5	6751.3
DJIA	32929	511.37	33003	32537.54
S&P 500	4166.82	49.45	4177.47	4132.94
NASDAQ	12789.5	146.47	12843	12691.56
DAX	14716.5	29.13	14798	14678.73
CAC	6825.07	0.44	6854.6	6809.84
FTSE100	7327.39	36.11	7361.5	7291.28

**Technical Analysis**

**Mini Hang Seng**

1st Resistance:	17593	2nd Resistance:	17853
1st Support:	17073	2nd Support:	16813
MACD:	-190.693		
MACD DIFF:	-9.49252		
RSI:	45.3745		

**Mini Hang Seng China Enterprise**

1st Resistance:	6011	2nd Resistance:	6100
1st Support:	5833	2nd Support:	5744
MACD:	-74.217		
MACD DIFF:	-2.349		
RSI:	44.3746		

**Strategy:**

**Mini Hang Seng:**

Long: Profit target:	17073	17244	16988	Long: Profit target:	16813	16981	16729
Stop-loss:				Stop-loss:			
Short: Profit target:	17593	17417	17681	Short: Profit target:	17853	17674	17942
Stop-loss:				Stop-loss:			

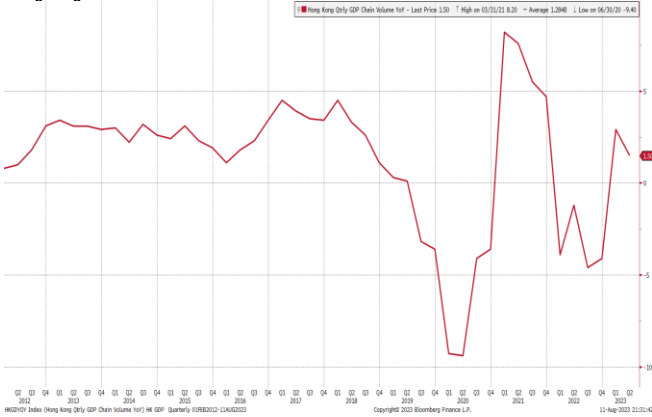
**Mini Hang Seng China Enterprise:**

Long: Profit target:	5833	5892	5804	Long: Profit target:	5744	5802	5716
Stop-loss:				Stop-loss:			
Short: Profit target:	6011	5951	6041	Short: Profit target:	6100	6039	6130
Stop-loss:				Stop-loss:			

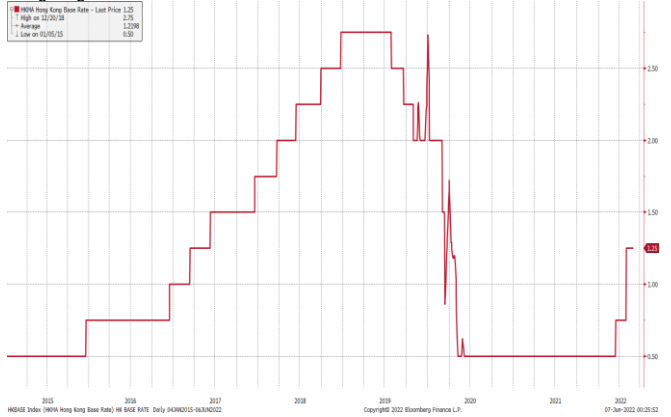
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
10/31/2023 16:30	GDP YoY	3Q A	5.20%	--	1.50%	--
10/31/2023 16:30	GDP SA QoQ	3Q A	1.50%	--	-1.30%	--
10/31/2023	Money Supply M1 HKD YoY	Sep	--	--	-18.80%	--
10/31/2023	Money Supply M2 HKD YoY	Sep	--	--	1.40%	--
10/31/2023	Money Supply M3 HKD YoY	Sep	--	--	1.40%	--
10/31/2023	Budget Balance HKD	Sep	--	--	-39.1b	--
11/01/2023 16:30	Retail Sales Value YoY	Sep	13.80%	--	13.70%	--
11/01/2023 16:30	Retail Sales Volume YoY	Sep	10.90%	--	11.00%	--
11/03/2023 08:30	S&P Global Hong Kong PMI	Oct	--	--	49.6	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
10/30/2023 10:00	Bloomberg Oct. China Economic Survey					
10/31/2023 09:30	Composite PMI	Oct	--	--	52	--
10/31/2023 09:30	Manufacturing PMI	Oct	50.2	--	50.2	--
10/31/2023 09:30	Non-manufacturing PMI	Oct	--	--	51.7	--
11/01/2023 09:45	Caixin China PMI Mfg	Oct	50.8	--	50.6	--
11/03/2023 09:45	Caixin China PMI Composite	Oct	--	--	50.9	--
11/03/2023 09:45	Caixin China PMI Services	Oct	--	--	50.2	--
11/03/2023	BoP Current Account Balance	3Q P	--	--	\$64.7b	--

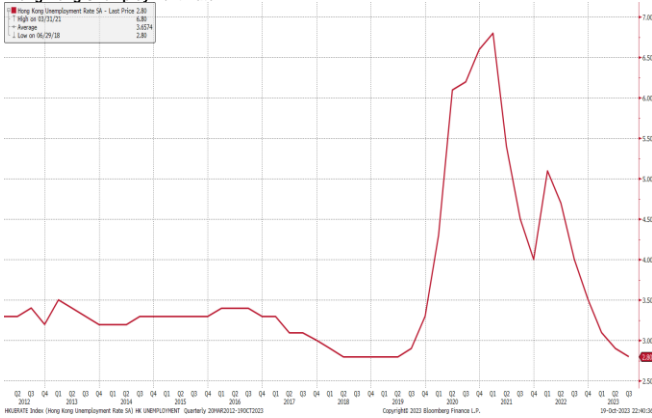
### Hong Kong GDP Q on Q



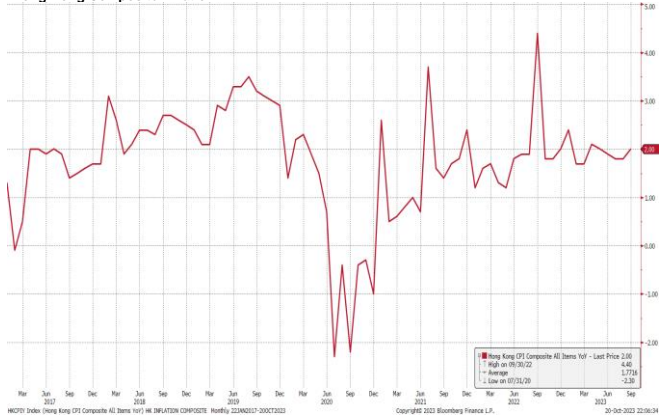
### Hong Kong Base Interest Rate



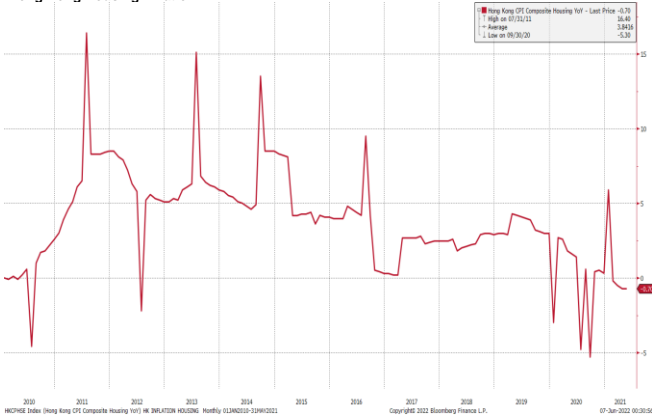
### Hong Kong Unemployment Rate



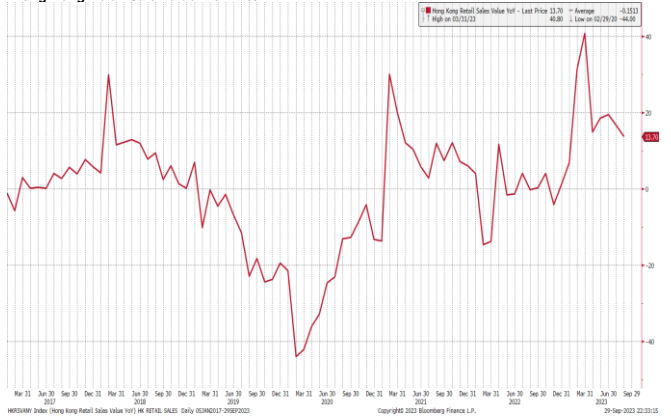
### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

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