

**Fundamentals:**

Hong Kong stocks rose by the most in a week after China said that it will sell an additional 1 trillion yuan (US\$137 billion) of bonds, signalling extra fiscal stimulus to strengthen recovery. John Lee Ka-chiu, Hong Kong's chief executive, proposed a cut in stamp duty on local stock transactions.

The Hang Seng Index jumped 0.6 per cent to 17,085.33 at the close, rebounding from an 11-month low. The Tech Index rose 2.2 per cent, while the Shanghai Composite Index added 0.4 per cent.

Alibaba Group surged 2.7 per cent to HK\$79.30, Tencent added 1.7 per cent to HK\$287.80 and Meituan rallied 2 per cent to HK\$109.60. Aluminium producer China Hongqiao advanced 4.7 per cent to HK\$7.07, and personal computer maker Lenovo soared 7.3 per cent to HK\$8.93.

The special government bonds will be issued in the fourth quarter and utilised by local governments to fund disaster relief and reconstruction efforts, according to state-run Xinhua News Agency. That is expected to widen China's fiscal deficit to about 3.8 per cent from 3 per cent, the agency said.

The fiscal boost followed recent measures to shore up confidence in the stock market. Central Huijin Investment, managed by the nation's sovereign wealth fund, bought exchange-traded funds tracking onshore stocks on Monday, adding to purchases in the nation's big four lenders earlier this month.

Beijing may have become more willing to add more debt on its balance sheet, especially on-budget debt, as local governments' off-budget borrowings have become increasingly unsustainable because of shrinking revenue, according to Lu Ting, chief China economist at Nomura Holdings.

Elsewhere, Hong Kong developers also advanced after Lee said that the city would loosen its curbs on the property market for the first time in more than a decade, scrapping or halving the stamp duty on different homebuyers and sellers. Hang Lung Properties added 1.2 per cent to HK\$10.20, while Wharf Holdings surged 2 per cent to HK\$19.96.

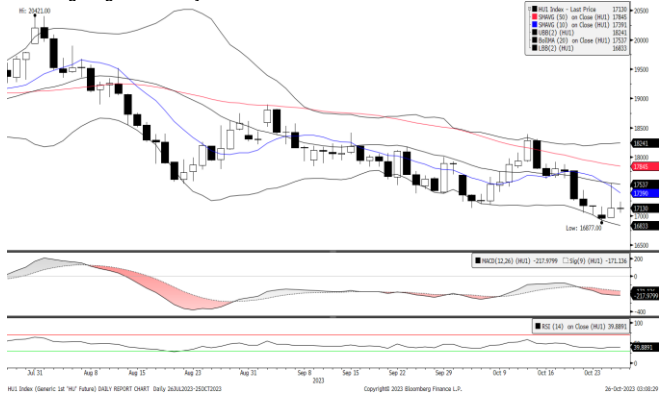
Lee also proposed reducing the stamp duty on stock transactions to 0.1 per cent from 0.13 per cent for both buyers and sellers, once approved by the legislative council next month. He also offered cash handouts and tax allowances for new parents, among measures to enhance the local economy.

In China's onshore exchanges, infrastructure-linked stocks powered gains. Yunnan Metropolitan Real Estate Development, Anhui Construction Engineering Group and Qianjiang Water Resources Development all jumped by the 10 per cent daily limit.

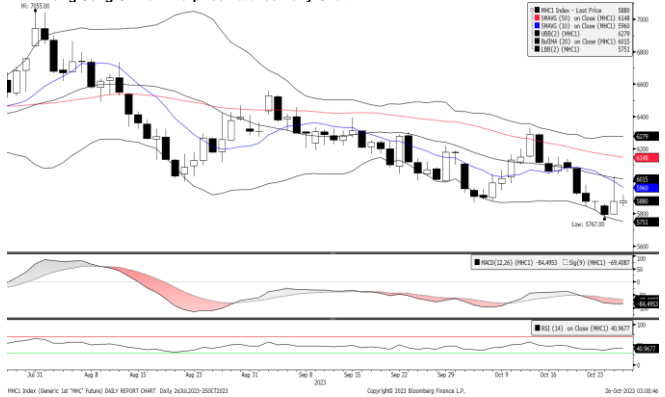
Other major Asian markets were mixed. Japan's Nikkei 225 climbed 0.7 per cent, while South Korea's Kospi dropped 0.9 per cent and Australia's S&P/ASX 200 slipped less than 0.1 per cent.

(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	173	17131	17553	16966
H. SENG FUT NOV 23	178	17151	17570	16998
H. SENG FUT DEC 23	181	17216	17607	17066
H. SENG FUT MAR 24	173	17131	17553	16966
MINI H. SENG FUT OCT 23	173	17131	17552	16969
MINI H. SENG FUT NOV 23	178	17151	17566	16998
MINI H. SENG FUT DEC 23	181	17216	17613	17071
MINI H. SENG FUT MAR 24	173	17131	17552	16969
HSCEI FUT OCT 23	83	5877	6033	5800
HSCEI FUT NOV 23	86	5899	6052	5829
HSCEI FUT DEC 23	82	5921	6074	5847
HSCEI FUT MAR 24	83	5877	6033	5800
MINI HSCEI FUT OCT 23	83	5877	6032	5798
MINI HSCEI FUT NOV 23	86	5899	6050	5822
MINI HSCEI FUT DEC 23	82	5921	6061	5878
MINI HSCEI FUT MAR 24	83	5877	6032	5798

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	67	0.4	68.4	66.9
**Tencent Holdings Ltd	287.8	4.8	296.4	285.2
**HSBC Holdings PLC	58.45	-0.15	59.25	58.2
**China Construction Bank Corp	4.48	0.01	4.61	4.47
**Ping An Insurance Group	40.4	0.1	42.2	40.15
**Meituan	109.6	2.1	113.5	108.2
*Hong Kong Exchanges & Clearing Ltd	278.2	-11.8	298	276
**Alibaba Group Holdings Ltd	79.3	2.1	81.4	79
**Xiaomi Corp	13.2	0.24	13.76	13.04
**ICBC	3.77	0.03	3.85	3.75

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	45.65	-0.5	47.95	45.3
**China Mobile Ltd	62	-1.35	64.1	61.75
**Bank of China Ltd	2.71	-0.01	2.77	2.7
*Techtronic Industries Co Ltd	70.35	1.45	71.35	69.95
*CK Hutchison Holdings Ltd	39.25	-0.05	39.95	39.1
*Link REIT	35.9	0.3	36.65	35.55
*CLP Holding Ltd	56.25	0.05	57.25	56.1
**Geely Automobile Holdings Ltd	8.78	0.08	9.03	8.73
**CNOOC Ltd	13.04	-0.38	13.42	12.88
**ANTA Sports Products Ltd	90.8	0.8	93.95	90.05

Global Equity Indices	Close	Change	High	Low
Hang Seng	17085.33	93.8	17465.8	17001.43
HSCEI	5853.97	54.59	5999.91	5818.31
Shanghai Comp Index	2974.11	11.87	2993.3	2972.418
Nikkei 225	31269.9	207.57	31466.9	31195.58
KOSPI	2363.17	-20.34	2389.9	2362.69
S&P/ASX200	6854.34	-2.519	6897.4	6832.2
DJIA	33035.9	-105.45	33267.9	32989.72
S&P 500	4186.77	-60.91	4232.42	4181.42
NASDAQ	12821.2	-318.66	13042.5	12804.3
DAX	14892.2	12.24	14933.7	14789.63
CAC	6915.07	0.31	6927.27	6846.51
FTSE100	7414.34	24.64	7428.11	7368.38

**Technical Analysis**

**Mini Hang Seng**

1st Resistance:	17388	2nd Resistance:	17645
1st Support:	16874	2nd Support:	16617
MACD:	-211.641		
MACD DIFF:	-52.1263		
RSI:	39.9072		

**Mini Hang Seng China Enterprise**

1st Resistance:	5965	2nd Resistance:	6053
1st Support:	5789	2nd Support:	5701
MACD:	-83.816		
MACD DIFF:	-18.152		
RSI:	40.7873		

**Strategy:**

**Mini Hang Seng:**

Long: Profit target:	16874	17043	16790	Long: Profit target:	16617	16783	16534
Stop-loss:				Stop-loss:			
Short: Profit target:	17388	17214	17475	Short: Profit target:	17645	17468	17733
Stop-loss:				Stop-loss:			

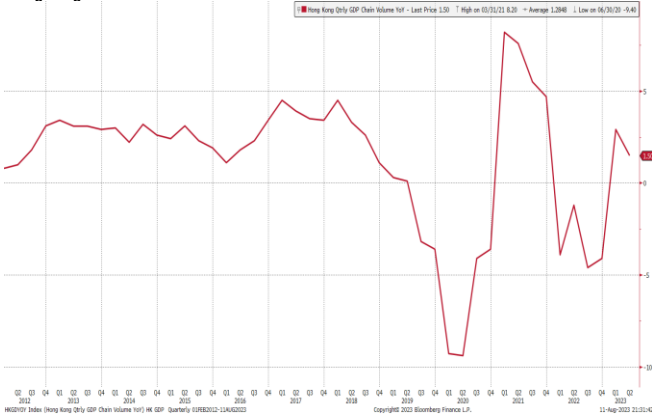
**Mini Hang Seng China Enterprise:**

Long: Profit target:	5789	5847	5760	Long: Profit target:	5701	5758	5672
Stop-loss:				Stop-loss:			
Short: Profit target:	5965	5906	5995	Short: Profit target:	6053	5993	6084
Stop-loss:				Stop-loss:			

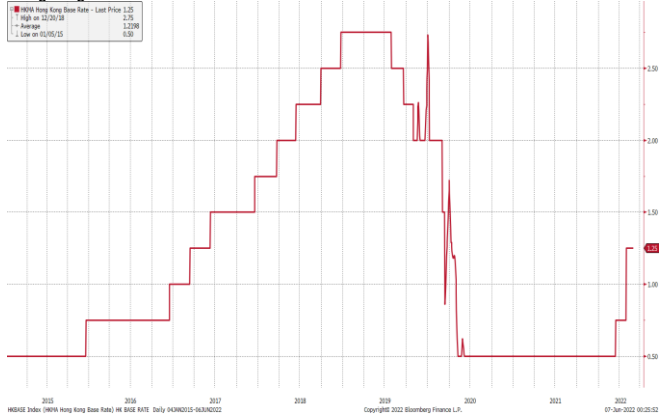
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
10/26/2023 16:30	Exports YoY	Sep	-5.20%	--	-3.70%	--
10/26/2023 16:30	Imports YoY	Sep	-7.20%	--	-0.30%	--
10/26/2023 16:30	Trade Balance HKD	Sep	-32.5b	--	-25.6b	--
10/31/2023 16:30	GDP YoY	3Q A	--	--	1.50%	--
10/31/2023 16:30	GDP SA QoQ	3Q A	--	--	-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	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
10/27/2023 09:30	Industrial Profits YoY	Sep	--	--	17.20%	--
10/27/2023 09:30	Industrial Profits YTD YoY	Sep	--	--	-11.70%	--
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	--
10/31/2023 09:30	Non-manufacturing PMI	Oct	--	--	51.7	--

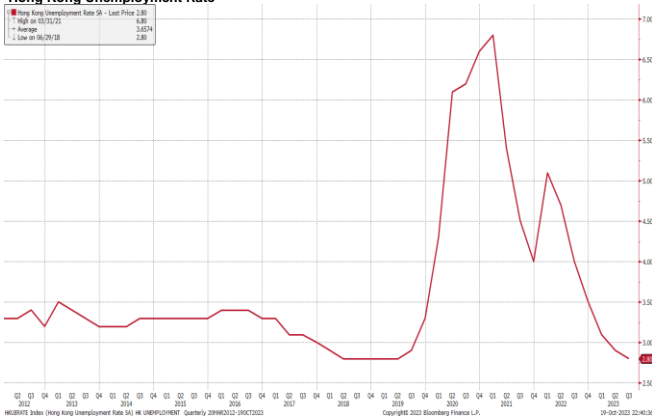
### Hong Kong GDP Q on Q



### Hong Kong Base Interest Rate



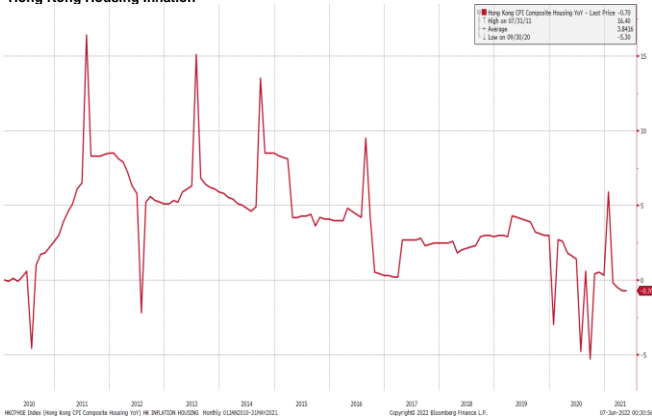
### Hong Kong Unemployment Rate



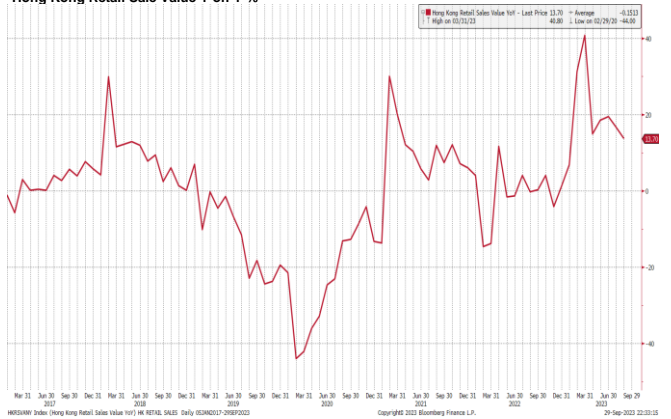
### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

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