

Fundamentals:

Hong Kong stocks rose by the most in four weeks and chalked up a gain for the week after several buy-back proposals by bellwether Chinese companies lifted confidence and industrial profits increased for a second straight month.

The Hang Seng Index advanced 2.1 per cent to 17,398.73 at the close, bringing the gain to 1.3 per cent from last Friday. The Tech Index climbed 2.5 per cent while the Shanghai Composite Index added 1 per cent.

Wuxi Biologics surged 7.3 per cent to HK\$47.75, and e-commerce platform operator JD.com rose 3.4 per cent to HK\$101.40. Game operator NetEase climbed 3.5 per cent to HK\$169.30, and Alibaba Group Holding added 3.3 per cent to HK\$82.40. China Petroleum and Chemical Corp, or Sinopec, strengthened 2.7 per cent to HK\$4.14 after third-quarter profit rose 38 per cent from a year earlier.

Limiting gains, China Life Insurance slid 0.7 per cent to HK\$10.66, the biggest drag on the market, after its third-quarter profit plunged 99 per cent from a year earlier as investment gains narrowed.

EV battery maker Contemporary Amperex Technology (CATL) and air-conditioner maker Gree Electric Appliance, plan to spend as much as 3 billion yuan (US\$410 million) each to buy back their Shenzhen-listed shares, according to exchange filings. CATL rose 3.7 per cent to 184.72 yuan and Gree added 2.5 per cent to 34.22 yuan.

Profits for Chinese industrial companies rose 11.9 per cent from a year earlier in September after growing 17.2 per cent the previous month, the statistics bureau said on Friday.

Policymakers in the mainland and Hong Kong have both ramped up efforts to revive growth. China this week unveiled a 1 trillion yuan special government bond issue to fund disaster relief and reconstruction, while the sovereign wealth fund bought exchange-traded funds tracking yuan stocks on Monday.

Hong Kong will cut stamp duty on stock transactions and eased restrictions on home purchases for the first time in more than a decade, among incentives announced by Chief Executive John Lee Ka-chiu in his annual policy address on Wednesday.

Elsewhere, Ping An Insurance, China Merchants Bank and Zijin Mining Group are among major companies publishing their third-quarter earnings later today. Nine Hang Seng Index members have reported so far, averaging an 11 per cent drop from a year earlier, according to Bloomberg data. Earnings rose 7 per cent in the first half of 2023.

Two companies started trading for the first time. Courier service provider J&T Global Express was unchanged from its offer price at HK\$12 in Hong Kong. Ahwit Precision, a medical equipment maker, surged 11-fold to 70.49 yuan in Beijing.

Other major Asian markets traded higher. Japan's Nikkei 225 climbed 1.3 per cent, while South Korea's Kospi and Australia's S&P/ASX 200 both added 0.2 per cent.

(Source: South China Morning Post)

| Contracts | Chg | Sett | High | Low |
|-------------------------|-----|-------|-------|-------|
| H. SENG FUT OCT 23 | 368 | 17410 | 17508 | 16985 |
| H. SENG FUT NOV 23 | 376 | 17431 | 17535 | 16997 |
| H. SENG FUT DEC 23 | 373 | 17493 | 17598 | 17072 |
| H. SENG FUT MAR 24 | 368 | 17410 | 17508 | 16985 |
| MINI H. SENG FUT OCT 23 | 368 | 17410 | 17509 | 16984 |
| MINI H. SENG FUT NOV 23 | 376 | 17431 | 17535 | 16996 |
| MINI H. SENG FUT DEC 23 | 373 | 17493 | 17597 | 17060 |
| MINI H. SENG FUT MAR 24 | 368 | 17410 | 17509 | 16984 |
| HSCEI FUT OCT 23 | 122 | 5981 | 6019 | 5839 |
| HSCEI FUT NOV 23 | 122 | 6010 | 6049 | 5863 |
| HSCEI FUT DEC 23 | 128 | 6039 | 6072 | 5890 |
| HSCEI FUT MAR 24 | 122 | 5981 | 6019 | 5839 |
| MINI HSCEI FUT OCT 23 | 122 | 5981 | 6020 | 5838 |
| MINI HSCEI FUT NOV 23 | 122 | 6010 | 6048 | 5865 |
| MINI HSCEI FUT DEC 23 | 128 | 6039 | 6068 | 5895 |
| MINI HSCEI FUT MAR 24 | 122 | 5981 | 6020 | 5838 |

| Major HSI Constituent Stocks | Close | Change | High | Low |
|-------------------------------------|-------|--------|-------|-------|
| *Alia Group Ltd | 68.7 | 1 | 68.95 | 67.65 |
| **Tencent Holdings Ltd | 292.8 | 5.2 | 294.6 | 287 |
| *HSBC Holdings PLC | 58.05 | 0.95 | 58.85 | 57.8 |
| **China Construction Bank Corp | 4.56 | 0.03 | 4.59 | 4.51 |
| **Ping An Insurance Group | 40.6 | 0.2 | 41 | 39.55 |
| **Meituan | 113 | 3.2 | 113.9 | 109 |
| *Hong Kong Exchanges & Clearing Ltd | 278 | 4.8 | 279.6 | 270.4 |
| **Alibaba Group Holdings Ltd | 82.4 | 2.65 | 82.8 | 80.25 |
| **Xiaomi Corp | 13.52 | 0.16 | 13.64 | 13.28 |
| **ICBC | 3.85 | 0.05 | 3.9 | 3.81 |

| Major HSCEI Constituent Stocks | Close | Change | High | Low |
|---------------------------------|-------|--------|-------|-------|
| *Wuxi Biologics Cayman Inc | 47.75 | 3.25 | 49.15 | 44 |
| **China Mobile Ltd | 62.85 | 0.05 | 63.15 | 61.95 |
| **Bank of China Ltd | 2.76 | 0.04 | 2.78 | 2.73 |
| *Techtronic Industries Co Ltd | 71.25 | 1.95 | 71.55 | 69.45 |
| *CK Hutchison Holdings Ltd | 39.65 | 0.75 | 39.8 | 38.9 |
| *Link REIT | 36.1 | 0.5 | 36.35 | 35.55 |
| *CLP Holding Ltd | 57.8 | 1.2 | 57.85 | 56.6 |
| **Geely Automobile Holdings Ltd | 8.92 | 0.12 | 9.04 | 8.77 |
| **CNOOC Ltd | 13.32 | 0.08 | 13.38 | 13.14 |
| **ANTA Sports Products Ltd | 89.85 | 3.9 | 90.1 | 84.75 |

| Global Equity Indices | Close | Change | High | Low |
|-----------------------|----------|---------|---------|----------|
| Hang Seng | 17398.73 | 354.12 | 17497.7 | 17078.24 |
| HSCEI | 5979.01 | 119.46 | 6015.65 | 5862.35 |
| Shanghai Comp Index | 3017.78 | 29.485 | 3029.21 | 2974.88 |
| Nikkei 225 | 30991.7 | 389.91 | 31081.5 | 30687.33 |
| KOSPI | 2302.81 | 3.73 | 2321.84 | 2293.05 |
| S&P/ASX200 | 6826.86 | 14.54 | 6845.7 | 6809.7 |
| DJIA | 32417.6 | -366.71 | 32787.6 | 32327.2 |
| S&P 500 | 4117.37 | -19.86 | 4156.7 | 4103.78 |
| NASDAQ | 12643 | 47.4 | 12772.4 | 12600.57 |
| DAX | 14687.4 | -43.64 | 14824.3 | 14667.37 |
| CAC | 6795.38 | -1.36 | 6898.98 | 6784.62 |
| FTSE100 | 7291.28 | -63.29 | 7380.33 | 7279.86 |

HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 30/Oct/2023

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

| | | | |
|-----------------|----------|-----------------|-------|
| 1st Resistance: | 17671 | 2nd Resistance: | 17932 |
| 1st Support: | 17149 | 2nd Support: | 16888 |
| MACD: | -203.646 | | |
| MACD DIFF: | -24.8184 | | |
| RSI: | 46.7411 | | |

Mini Hang Seng China Enterprise

| | | | |
|-----------------|---------|-----------------|------|
| 1st Resistance: | 6071 | 2nd Resistance: | 6160 |
| 1st Support: | 5891 | 2nd Support: | 5802 |
| MACD: | -77.330 | | |
| MACD DIFF: | -6.050 | | |
| RSI: | 47.0914 | | |

Strategy:

| | | | | | | |
|-----------------|----------------------------|------------------|-------|----------------------------|------------------|-------|
| Mini Hang Seng: | Long: Profit target: 17149 | Stop-loss: 17320 | 17063 | Long: Profit target: 16888 | Stop-loss: 17057 | 16803 |
|-----------------|----------------------------|------------------|-------|----------------------------|------------------|-------|

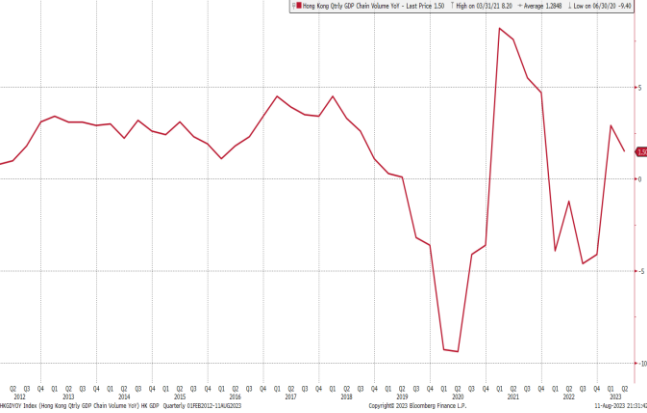
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|--|-----------------------------|------------------|-------|-----------------------------|------------------|-------|
| | Short: Profit target: 17671 | Stop-loss: 17494 | 17760 | Short: Profit target: 17932 | Stop-loss: 17753 | 18022 |
|--|-----------------------------|------------------|-------|-----------------------------|------------------|-------|

| | | | | | | |
|----------------------------------|---------------------------|-----------------|------|---------------------------|-----------------|------|
| Mini Hang Seng China Enterprise: | Long: Profit target: 5891 | Stop-loss: 5950 | 5862 | Long: Profit target: 5802 | Stop-loss: 5860 | 5773 |
|----------------------------------|---------------------------|-----------------|------|---------------------------|-----------------|------|

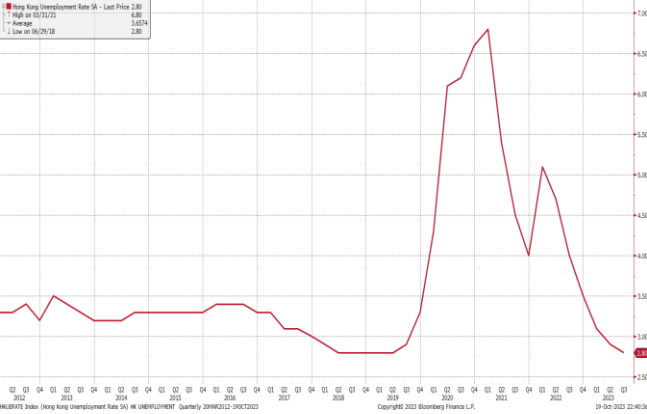
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|--|----------------------------|-----------------|------|----------------------------|-----------------|------|
| | Short: Profit target: 6071 | Stop-loss: 6010 | 6101 | Short: Profit target: 6160 | Stop-loss: 6099 | 6191 |
|--|----------------------------|-----------------|------|----------------------------|-----------------|------|

| 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 | -- | -- | -1.30% | -- |
| 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 | -- | -- | 13.70% | -- |
| 11/01/2023 16:30 | Retail Sales Volume YoY | Sep | -- | -- | 11.00% | -- |
| 11/03/2023 08:30 | S&P Global Hong Kong PMI | Oct | -- | -- | 49.6 | -- |

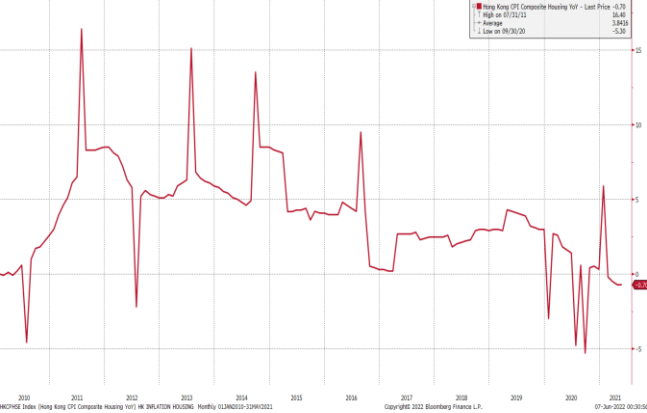
Hong Kong GDP Q on Q



Hong Kong Unemployment Rate



Hong Kong Housing Inflation



(Source: Bloomberg)

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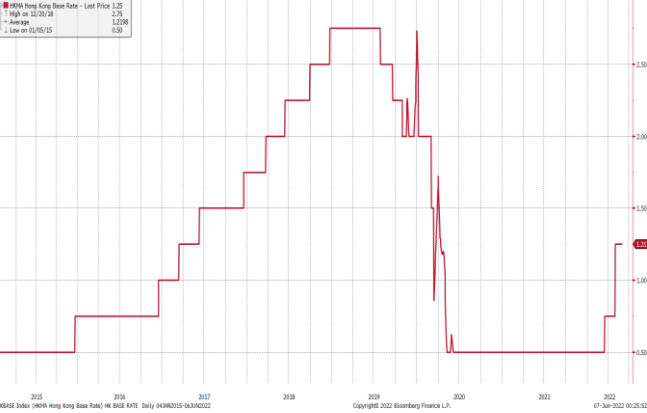
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| China Economic Releases | | Period | Survey | Actual | Prior | Revised |
|-------------------------|--------------------------------------|--------|--------|--------|---------|---------|
| 10/27/2023 09:30 | Industrial Profits YoY | Sep | -- | 11.90% | 17.20% | -- |
| 10/27/2023 09:30 | Industrial Profits YTD YoY | Sep | -- | -9.00% | -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 | -- | 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 Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %

