

**Fundamentals:**

Hong Kong's stocks declined, as a surprise drop in manufacturing raised concerns about the strength of China's economic recovery. BYD slipped, extending a three-month slump, after Berkshire Hathaway trimmed its stake again.

The Hang Seng Index dropped 0.1 per cent to 17,101.78 at the close of Wednesday trading, after earlier slipping as much as 0.8 per cent. The benchmark has lost about 15 per cent following setbacks in the past three months. The Tech Index lost 0.2 per cent while the Shanghai Composite Index added 0.1 per cent.

Alibaba Group dropped 0.7 per cent to HK\$79.50, and rival e-commerce platform operator JD.com weakened 1.1 per cent to HK\$98.70. Food delivery platform Meituan lost 1.4 per cent to HK\$109, Macau casino operator Sands China declined 1.7 per cent to HK\$20.65 and travel agency Trip.com retreated 2.5 per cent to HK\$262.20.

BYD dropped 1.6 per cent to HK\$233.60, adding to a 1.9 per cent loss in October. Warren Buffett's Berkshire Hathaway trimmed its stake again in the EV maker's Hong Kong-listed shares to 7.98 per cent on October 25 from 8.05 per cent, according to a stock exchange filing.

The Caixin/S&P Global PMI manufacturing index fell to 49.5 in October from 50.6 in September, versus consensus estimates of 50.8. A similar report by the statistics bureau on Tuesday showed activity surprisingly contracted last month, against forecast for an expansion.

Investors turned more bearish over the past month amid concerns about China's faltering economy and rising geopolitical risks in the Middle East. The Hang Seng Index has declined 14 per cent this year, the worst performer among major global stock indices this year, according to Bloomberg data.

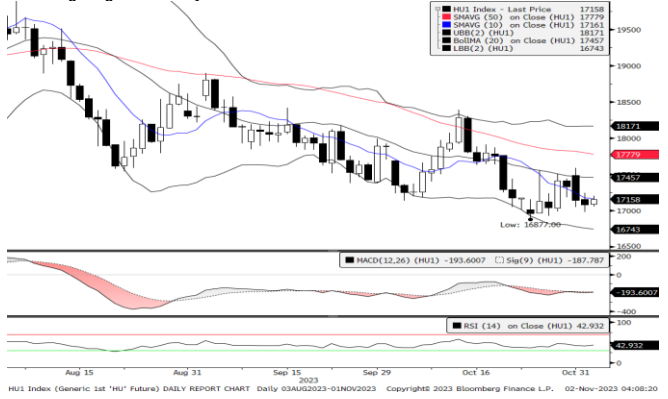
China remains steadfastly focused on stemming systemic risks in the financial system, offering little stimulus to rejuvenate the economy amid a property market slump. Preventing and resolving financial risks must be an "eternal theme" for the government, President Xi Jinping said at the end of a twice-a-decade financial work conference on Tuesday.

Investors stayed cautious before a Federal Reserve rate-setting meeting later today. Policymakers are likely to keep the key rate unchanged at a range of 5.25 to 5.5 per cent, with rates traders pricing in a 98 per cent chance of a pause, according to data compiled by the CME Group.

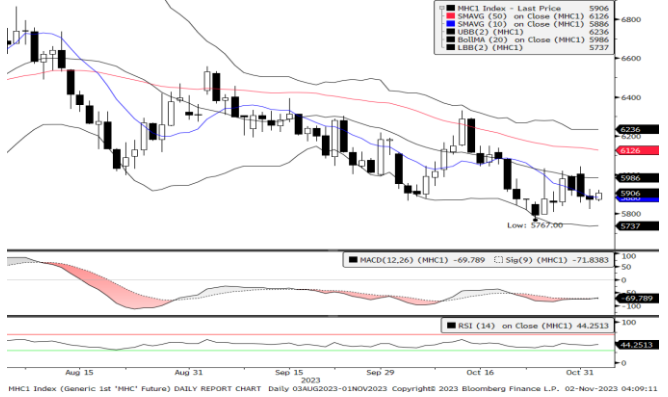
Geopolitical tensions between China and the US also showed signs of easing as Xi and his US counterpart Joe Biden are set to meet face to face in San Francisco later this month for "constructive" talks, the White House announced on Tuesday.

(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 NOV 23	-60	17084	17248	16976
H. SENG FUT DEC 23	-58	17158	17319	17050
H. SENG FUT MAR 24	-57	17277	17375	17275
H. SENG FUT JUN 24	-57	17249	17318	17171
MINI H. SENG FUT NOV 23	-60	17084	17246	16977
MINI H. SENG FUT DEC 23	-58	17158	17316	17050
MINI H. SENG FUT MAR 24	-57	17277	17433	17175
MINI H. SENG FUT JUN 24	-54	17249	17388	17170
HSCEI FUT NOV 23	-14	5875	5926	5822
HSCEI FUT DEC 23	-17	5904	5948	5855
HSCEI FUT MAR 24	-16	5991	6013	6005
HSCEI FUT JUN 24	-15	6010	#N/A	#N/A
MINI HSCEI FUT NOV 23	-14	5875	5926	5823
MINI HSCEI FUT DEC 23	-17	5904	5945	5853
MINI HSCEI FUT MAR 24	-16	5991	6033	5940
MINI HSCEI FUT JUN 24	-15	6010	6046	5980

Major HSI Constituent Stocks	Close	Change	High	Low
*Alia Group Ltd	67.4	-0.45	67.8	66.4
**Tencent Holdings Ltd	287	-2.2	290	284.4
**HSBC Holdings PLC	56.9	0.75	57.1	56.3
**China Construction Bank Corp	4.47	0.03	4.49	4.41
**Ping An Insurance Group	39.75	-0.35	40.4	39.5
**Meituan	109	-1.6	112.2	107.7
*Hong Kong Exchanges & Clearing Ltd	273.8	-1.2	277.4	271.6
**Alibaba Group Holdings Ltd	79.6	-0.45	80.7	79.1
**Xiaomi Corp	14.22	0.2	14.44	13.94
**ICBC	3.8	0.04	3.82	3.75

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	47.9	-0.7	49.35	46.7
**China Mobile Ltd	62.05	0.1	62.4	61.65
**Bank of China Ltd	2.77	0.03	2.78	2.74
*Techtronic Industries Co Ltd	71	-0.3	71.95	69.8
*CK Hutchison Holdings Ltd	39.55	0	39.85	39.05
*Link REIT	35.85	-0.05	35.95	35.5
*CLP Holding Ltd	57.55	0.3	57.85	57.1
**Geely Automobile Holdings Ltd	8.85	-0.02	8.93	8.8
**CNOOC Ltd	12.9	0.22	12.96	12.58
**ANTA Sports Products Ltd	88.35	0	88.9	86.6

Global Equity Indices	Close	Change	High	Low
Hang Seng	17101.78	-10.7	17188.9	16979.26
HSCEI	5859.57	-2.17	5891.72	5811.74
Shanghai Comp Index	3023.08	4.305	3038.33	3013.933
Nikkei 225	31601.7	742.8	31601.7	31301.51
KOSPI	2301.56	23.57	2312.15	2288.64
S&P/ASX200	6838.31	57.627	6838.3	6780.7
DJIA	33274.6	221.71	33337.2	33010.85
S&P 500	4238.97	45.17	4245.64	4197.74
NASDAQ	13061.5	210.23	13072.4	12875.2
DAX	14923.3	112.93	14949.6	14786.32
CAC	6932.63	0.68	6954.84	6873.55
FTSE100	7342.43	20.71	7385.39	7304.89

**Technical Analysis**

**Mini Hang Seng**

1st Resistance:	17340	2nd Resistance:	17597
1st Support:	16828	2nd Support:	16571
MACD:	-198.189		
MACD DIFF:	-11.6314		
RSI:	41.1112		

**Mini Hang Seng China Enterprise**

1st Resistance:	5963	2nd Resistance:	6051
1st Support:	5787	2nd Support:	5699
MACD:	-73.331		
MACD DIFF:	-0.899		
RSI:	42.2362		

**Strategy:**

Mini Hang Seng:		Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
		16828	16996	16744	16571	16737	16489

Short:		Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	
		17340	17167	17427	17597	17421	17685

Mini Hang Seng China Enterprise:		Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
		5787	5845	5758	5699	5756	5670

Short:		Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	
		5963	5903	5993	6051	5991	6082

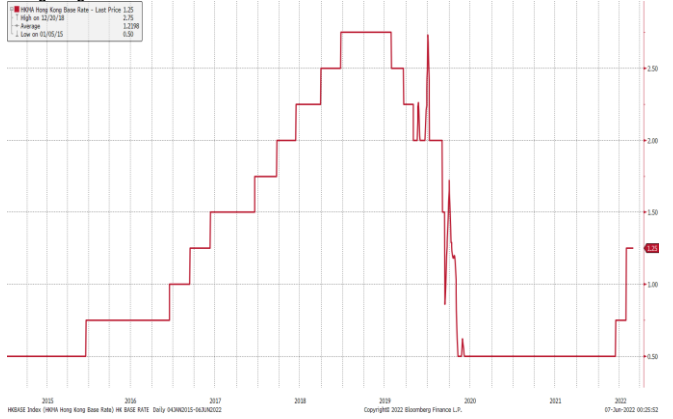
Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised	
10/31/2023 16:30	GDP YoY	3Q A	5.20%	0.041	1.50%	--
10/31/2023 16:30	GDP SA QoQ	3Q A	1.50%	0.001	-1.30%	--
10/31/2023	Money Supply M1 HKD YoY	Sep	--	-0.192	-18.80%	--
10/31/2023	Money Supply M2 HKD YoY	Sep	--	0.023	1.40%	--
10/31/2023	Money Supply M3 HKD YoY	Sep	--	0.023	1.40%	--
10/31/2023	Budget Balance HKD	Sep	--	-41.5b	-39.1b	--
11/01/2023 16:30	Retail Sales Value YoY	Sep	13.80%	0.13	13.70%	--
11/01/2023 16:30	Retail Sales Volume YoY	Sep	10.90%	0.101	11.00%	--
11/03/2023 08:30	S&P Global Hong Kong PMI	Oct	--	--	49.6	--

China Economic Releases	Period	Survey	Actual	Prior	Revised	
10/31/2023 09:30	Composite PMI	Oct	--	50.7	52	52
10/31/2023 09:30	Manufacturing PMI	Oct	50.2	49.5	50.2	50.2
10/31/2023 09:30	Non-manufacturing PMI	Oct	52	50.6	51.7	51.7
10/31/2023 14:00	Bloomberg Oct. China Economic Survey (Table)					
11/01/2023 09:45	Caixin China PMI Mfg	Oct	50.8	49.5	50.6	50.6
11/03/2023 09:45	Caixin China PMI Composite	Oct	--	--	50.9	50.9
11/03/2023 09:45	Caixin China PMI Services	Oct	51	--	50.2	50.2
11/03/2023	BoP Current Account Balance	3Q P	--	--	\$64.7b	\$64.7b

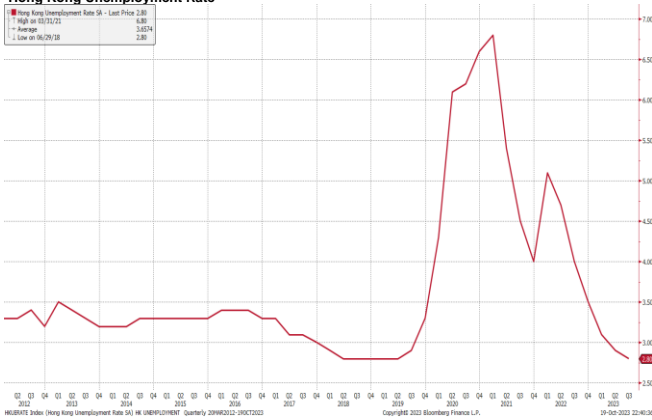
### Hong Kong GDP Q on Q



### Hong Kong Base Interest Rate



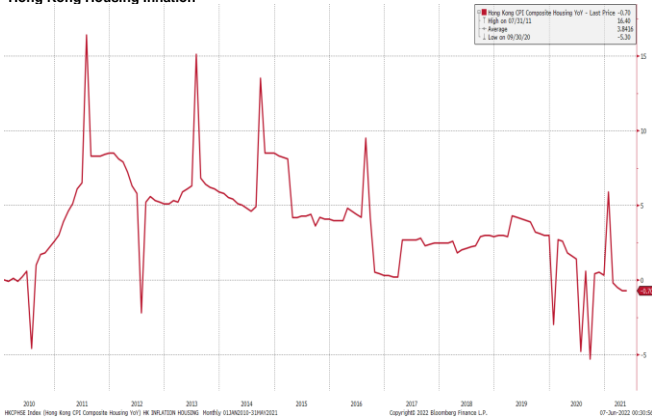
### Hong Kong Unemployment Rate



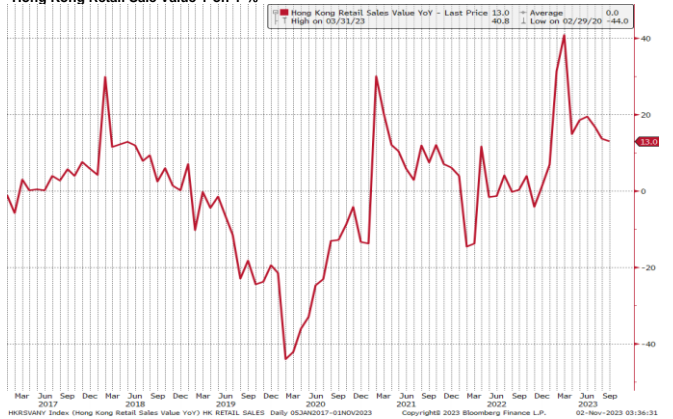
### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.