

Fundamentals:

Hong Kong stocks rose for a third day on speculation China will ramp up fiscal stimulus while the government called for a wider economic reopening, signalling heightened concern about the nation's faltering recovery.

The Hang Seng Index advanced 1.1 per cent to 18,860.95 at the close of Wednesday trading, notching its longest winning stretch in a month. The Tech Index jumped 2 per cent while the Shanghai Composite Index declined 0.8 per cent.

Alibaba Group Holding climbed 1.2 per cent to HK\$89.85, while Tencent added 1.9 per cent to HK\$340 and Meituan advanced 4.3 per cent to HK\$127.30. JD.com strengthened 1.5 per cent to HK\$141.60, and online travel operator Trip.com gained 2.7 per cent to HK\$285 and casino operator Galaxy gained 1.1 per cent to HK\$52.75.

Carmakers BYD fell 1.1 per cent to HK\$260.80, following a jump as much as 1.4 per cent, and Xpeng surged 2.5 per cent to HK\$59.60 after Goldman Sachs initiated coverage on both EV makers with a buy rating on their US-listed shares, citing strong overseas sales. Peer Li Auto added 1.6 per cent to HK\$145.70.

Beijing is expected to roll out more supportive policies to boost the economy, the state-run China Securities Journal reported, adding that there is a chance it will ease fiscal strain with special bond sales to help local governments as revenue from land sales dries up. Beijing last week eased a liquidity crunch faced by weak property developers by asking lenders to extend their loan maturity.

"While regulators have acknowledged the slowdown and implemented policy actions, there is mixed sentiment regarding the expected policy stimulus, with uncertainty surrounding its magnitude and timing," BlackRock said in a report. Elsewhere, President Xi Jinping called for further reopening of the world's second-biggest economy to focus on foreign cooperation in areas including trade, investment and financial innovation, Bloomberg reported, citing a CCTV broadcast.

Five stocks started trading for the first time on Wednesday. In Shenzhen, Suzhou Highfine Biotech jumped 52 per cent to 103.09 yuan, GKHT Medical Technology gained 95 per cent to 26.08 yuan and Sailvan Times gained 115 per cent to 43.99 yuan. Shenzhen UTIMES Intelligent Equipment fell 7.8 per cent to 77.35 yuan in Shanghai, while fitness platform operator Keep rose 0.3 per cent to HK\$29 in Hong Kong.

Key Asian markets were mixed. The Nikkei 225 in Japan fell 0.8 per cent while the S&P/ASX 200 in Australia added 0.4 per cent and the Kospi Index in South Korea advanced 0.5 per cent.

(Source: South China Morning Post)

Contracts	Chg	Sett	High	Low
H. SENG FUT JUL 23	216	18861	18975	18578
H. SENG FUT AUG 23	212	18900	18999	18629
H. SENG FUT SEP 23	213	18893	19000	18615
H. SENG FUT DEC 23	216	18861	18975	18578
MINI H. SENG FUT JUL 23	216	18861	18973	18579
MINI H. SENG FUT AUG 23	212	18900	19005	18620
MINI H. SENG FUT SEP 23	213	18893	19001	18620
MINI H. SENG FUT DEC 23	216	18861	18973	18579
HSCEI FUT JUL 23	90	6383	6431	6267
HSCEI FUT AUG 23	88	6410	6458	6305
HSCEI FUT SEP 23	88	6407	6445	6370
HSCEI FUT DEC 23	90	6383	6431	6267
MINI HSCEI FUT JUL 23	90	6383	6430	6268
MINI HSCEI FUT AUG 23	88	6410	6455	6304
MINI HSCEI FUT SEP 23	88	6407	6450	6345
MINI HSCEI FUT DEC 23	90	6383	6430	6268

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	78.6	1.1	78.7	77.5
**Tencent Holdings Ltd	340	6.2	341	335.8
*HSBC Holdings PLC	61.4	0.65	61.45	60.55
**China Construction Bank Corp	4.39	0.03	4.42	4.37
**Ping An Insurance Group	50.3	1.05	50.8	49.65
**Meituan	127.3	5.3	128.2	123.1
*Hong Kong Exchanges & Clearing Ltd	290.6	4.4	293.8	288
*Alibaba Group Holdings Ltd	89.85	1.1	90.95	89.05
**Xiaomi Corp	11.1	0.22	11.1	10.9
**ICBC	3.6	0	3.64	3.58

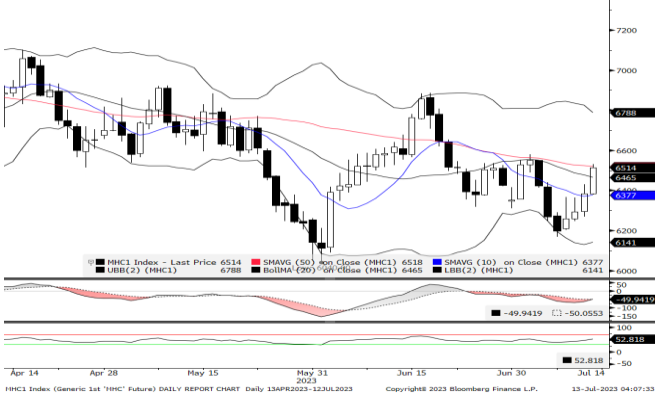
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	37.5	-0.95	38.75	37.2
**China Mobile Ltd	62.4	-0.2	63	62.3
**Bank of China Ltd	2.74	0	2.77	2.74
*Techtronic Industries Co Ltd	84.85	-0.65	86.8	84.4
*CK Hutchison Holdings Ltd	46.8	-0.05	47.15	46.6
*Link REIT	42.45	0.15	43.3	42.3
*CLP Holding Ltd	59.75	0.3	59.85	59.3
**Geely Automobile Holdings Ltd	9.78	0.06	9.93	9.66
**CNOOC Ltd	12.06	0.28	12.14	11.92
*ANTA Sports Products Ltd	81	1.2	81.45	78.8

Global Equity Indices	Close	Change	High	Low
Hang Seng	18860.95	201.12	18932.2	18739.6
HSCEI	6377.99	82.14	6415.66	6332.81
Shanghai Comp Index	3196.13	-25.233	3224.33	3193.437
Nikkei 225	31943.9	-259.64	32312	31791.71
KOSPI	2574.72	12.23	2574.73	2554.26
S&P/ASX200	7135.67	26.819	7158.5	7108.9
DJIA	34347.4	86.01	34586.9	34308.78
S&P 500	4472.45	33.19	4488.34	4463.23
NASDAQ	13919	158.26	13963.5	13842.13
DAX	16023	232.66	16044.3	15806.28
CAC	7333.01	1.57	7348.06	7231.33
FTSE100	7416.11	133.59	7425.1	7282.52

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	19144	2nd Resistance:	19427
1st Support:	18578	2nd Support:	18295
MACD:	-173.953		
MACD DIFF:	-38.018		
RSI:	46.8698		

Mini Hang Seng China Enterprise

1st Resistance:	6479	2nd Resistance:	6574
1st Support:	6287	2nd Support:	6192
MACD:	-65.625		
MACD DIFF:	-15.599		
RSI:	46.9537		

Strategy:

Mini Hang Seng:	Long: Profit target: 18578	Stop-loss: 18764	18485	Long: Profit target: 18295	Stop-loss: 18478	18204
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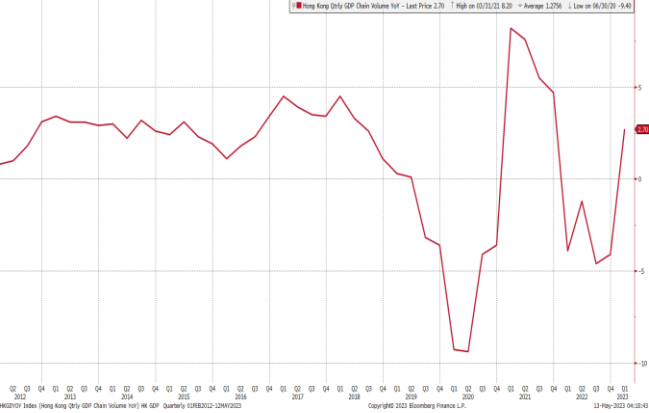
	Short: Profit target: 19144	Stop-loss: 18952	19240	Short: Profit target: 19427	Stop-loss: 19233	19524
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Mini Hang Seng China Enterprise:	Long: Profit target: 6287	Stop-loss: 6350	6256	Long: Profit target: 6192	Stop-loss: 6253	6161
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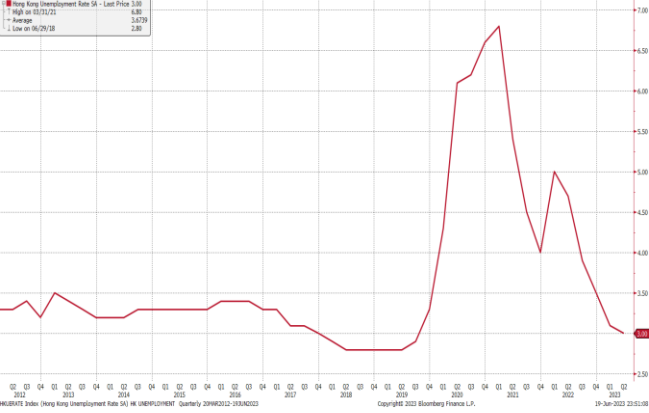
	Short: Profit target: 6479	Stop-loss: 6414	6511	Short: Profit target: 6574	Stop-loss: 6509	6607
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Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised
07/07/2023 16:30	Foreign Reserves	Jun	--	\$417.3b	\$421.0b

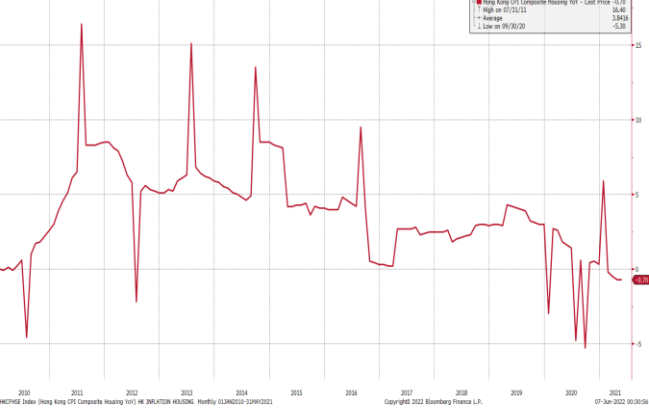
Hong Kong GDP Q on Q



Hong Kong Unemployment Rate



Hong Kong Housing Inflation

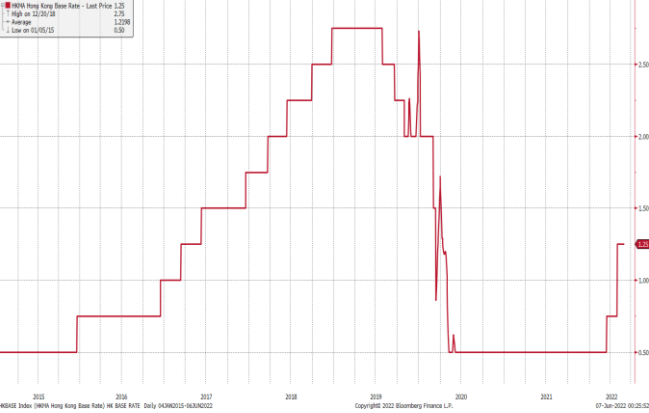


(Source: Bloomberg)

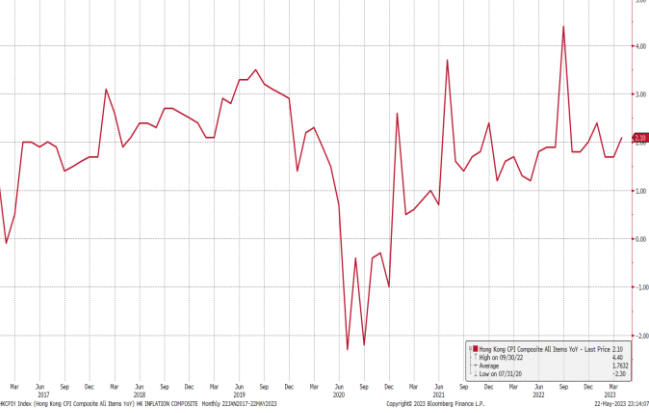
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China Economic Releases	Period	Survey	Actual	Prior	Revised
07/10/2023 09:30	CPI YoY	Jun	0.002	0	0.002
07/10/2023 09:30	PPI YoY	Jun	-0.05	-0.054	-0.046
07/11/2023 17:32	Aggregate Financing CNY	Jun	3100.0b	4220.0b	1560.0b
07/11/2023 17:32	New Yuan Loans CNY	Jun	2318.5b	3050.0b	1360.0b
07/11/2023 17:32	Money Supply M2 YoY	Jun	0.112	0.113	0.116
07/11/2023 17:32	Money Supply M1 YoY	Jun	4.40%	0.031	4.70%
07/11/2023 17:32	Money Supply M0 YoY	Jun	--	0.098	9.60%
07/12/2023 07/18	FDI YTD YoY CNY	Jun	--	--	0.10%
07/13/2023	Trade Balance	Jun	\$74.90b	--	\$65.81b
07/13/2023	Exports YoY	Jun	-0.1	--	-0.075
07/13/2023	Imports YoY	Jun	-4.10%	--	-4.50%
07/13/2023	Exports YoY CNY	Jun	--	--	-0.80%
07/13/2023	Imports YoY CNY	Jun	--	--	2.30%
07/13/2023	Trade Balance CNY	Jun	--	--	452.33b
07/15/2023 09:30	New Home Prices MoM	Jun	--	--	0.001

Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %

