

Fundamentals:

Hong Kong stocks slid as the latest economic data from mainland China gave investors more cause to doubt a rebound in growth and the property crisis continued to weigh on sentiment.

The Hang Seng Index dropped 1.6 per cent to 18,773.55 at the close of Monday trading, near a three-week low. The tech index slipped 1.5 per cent while the Shanghai Composite Index declined 0.3 per cent.

Almost all 80 index members declined. Alibaba Group lost 2.6 per cent to HK\$92.80, rival JD.com tumbled 1.3 per cent to HK\$144.20 and Tencent Holdings declined 0.8 per cent to HK\$333.20. EV maker BYD tumbled 6.2 per cent to HK\$238.60, while Macau casino operator Sands China slid 1.4 per cent to HK\$28.20.

Embattled property giant Country Garden crashed 18.4 per cent to HK\$0.80, a historical low, as investors continue to sell the company's shares amid fears of a debt restructuring. Country Garden Real Estate Group is suspending trading of 11 of its onshore bonds from Monday, according to the Shenzhen Stock Exchange.

Also on Monday, state-backed Developer Sino-Ocean suspended trading of 6 per cent guaranteed notes due in 2024 due to non-payment of US\$20.94 million in interest. The company's shares lost 5.1 per cent to HK\$0.37.

China's credit growth in July came in well below market expectations, with new aggregate financing standing at 528 billion yuan (US\$72.8 billion), less than half of consensus expectations. Meanwhile, loans to the real economy plummeted to 36.4 billion yuan, the lowest since 2006, according to Goldman Sachs.

The Hang Seng Index has slumped for two weeks amid property woes spurred by Country Garden and slowdown concerns. Investors have started to question whether Beijing's stimulus can help the market to turn the corner amid mounting downward pressure.

Official data due on Tuesday is also likely to show China's economy struggling. Industrial output, retail sales and fixed-assets investment are all expected to post only marginal growth, Bloomberg data showed.

Major Asian markets traded lower on Monday. The Nikkei 225 in Japan declined 1.3 per cent, and the S&P/ASX 200 in Australia lost 0.9 per cent. The Kospi in South Korea declined 0.8 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 AUG 23	-360	18729	19082	18548
H. SENG FUT SEP 23	-364	18712	19055	18546
H. SENG FUT DEC 23	-364	18921	19244	18750
H. SENG FUT MAR 24	-360	18729	19082	18548
MINI H. SENG FUT AUG 23	-360	18729	19074	18548
MINI H. SENG FUT SEP 23	-364	18712	19060	18538
MINI H. SENG FUT DEC 23	-364	18921	19244	18748
MINI H. SENG FUT MAR 24	-360	18729	19074	18548
HSCEI FUT AUG 23	-136	6414	6547	6338
HSCEI FUT SEP 23	-133	6405	6523	6339
HSCEI FUT DEC 23	-140	6496	6617	6450
HSCEI FUT MAR 24	-136	6414	6547	6338
MINI HSCEI FUT AUG 23	-136	6414	6543	6338
MINI HSCEI FUT SEP 23	-133	6405	6527	6334
MINI HSCEI FUT DEC 23	-140	6496	6619	6425
MINI HSCEI FUT MAR 24	-136	6414	6543	6338

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	71.9	-1	72.25	70.15
**Tencent Holdings Ltd	333.2	-2.6	334.4	327.8
**HSBC Holdings PLC	62.35	-0.25	62.35	61.5
**China Construction Bank Corp	4.2	-0.07	4.24	4.18
**Ping An Insurance Group	49.85	-1.6	50.35	48.8
**Meituan	135.4	-1.8	135.9	131.6
*Hong Kong Exchanges & Clearing Ltd	304.6	-5.4	305.2	302.2
**Alibaba Group Holdings Ltd	92.8	-2.5	93.35	91.45
**Xiaomi Corp	11.78	-0.08	11.84	11.5
**ICBC	3.5	-0.07	3.53	3.46

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	42.55	-0.8	42.75	41.2
**China Mobile Ltd	66.3	0.1	66.7	65.6
**Bank of China Ltd	2.71	-0.05	2.74	2.7
*Techtronic Industries Co Ltd	81.25	-0.85	82.25	80.5
*CK Hutchison Holdings Ltd	42.6	-0.45	42.95	42.4
*Link REIT	38.35	-1.35	39.2	37.65
*CLP Holding Ltd	61.3	-1.15	62.45	61
**Geely Automobile Holdings Ltd	9.77	-0.2	9.8	9.56
**CNOOC Ltd	13	-0.08	13.08	12.86
**ANTA Sports Products Ltd	83.9	-1.65	84.5	82.75

Global Equity Indices	Close	Change	High	Low
Hang Seng	18773.55	-301.64	18792.7	18554.51
HSCEI	6423.84	-116.79	6432.99	6335.26
Shanghai Comp Index	3178.43	-10.821	3180.51	3141.655
Nikkei 225	32059.9	-413.74	32614	32031.54
KOSPI	2570.87	-20.39	2592.91	2561.88
S&P/ASX200	7276.95	-63.184	7340.1	7259.1
DJIA	35307.6	26.23	35335.5	35169.97
S&P 500	4489.72	25.67	4490.33	4453.44
NASDAQ	13788.3	143.48	13789.2	13582.49
DAX	15904.3	72.08	15937.8	15817.59
CAC	7348.84	0.12	7371.93	7309.94
FTSE100	7507.15	-17.01	7530.25	7476.45

Technical Analysis

Mini Hang Seng

1st Resistance:	19010	2nd Resistance:	19291
1st Support:	18448	2nd Support:	18167
MACD:	-21.437		
MACD DIFF:	-84.8334		
RSI:	40.3447		

Mini Hang Seng China Enterprise

1st Resistance:	6510	2nd Resistance:	6606
1st Support:	6318	2nd Support:	6222
MACD:	20.196		
MACD DIFF:	-26.898		
RSI:	42.902		

Strategy:

Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
18448	18633	18356	18167	18349	18076

Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
19010	18820	19105	19291	19098	19387

Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
6318	6381	6286	6222	6284	6190

Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
6510	6445	6543	6606	6540	6639

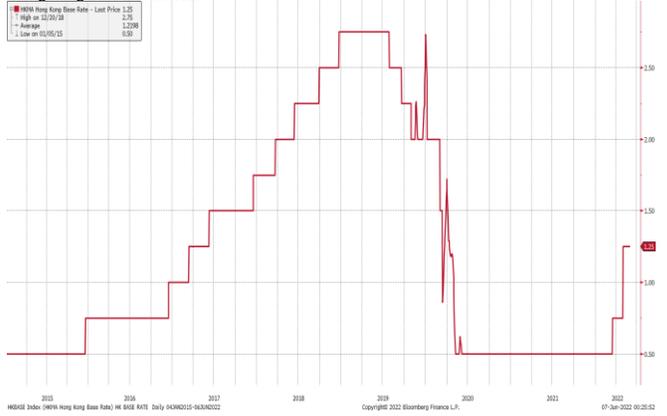
Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised
08/17/2023 16:30	Unemployment Rate SA	Jul	2.90%	--	2.90%
08/21/2023 16:30	CPI Composite YoY	Jul	--	--	1.90%

China Economic Releases	Period	Survey	Actual	Prior	Revised
08/14/2023 08:18	FDI YTD YoY CNY	Jul	--	--	-2.70%
08/15/2023 09:20	1-Yr Medium-Term Lending Facility Ra	Aug-15	2.65%	--	2.65%
08/15/2023 09:20	1-Yr Medium-Term Lending Facilities v	Aug-15	410.0b	--	103.0b
08/15/2023 10:00	Industrial Production YoY	Jul	4.30%	--	4.40%
08/15/2023 10:00	Industrial Production YTD YoY	Jul	3.80%	--	3.80%
08/15/2023 10:00	Retail Sales YoY	Jul	4.00%	--	3.10%
08/15/2023 10:00	Retail Sales YTD YoY	Jul	7.60%	--	8.20%
08/15/2023 10:00	Fixed Assets Ex Rural YTD YoY	Jul	3.70%	--	3.80%
08/15/2023 10:00	Property Investment YTD YoY	Jul	-8.10%	--	-7.90%
08/15/2023 10:00	Residential Property Sales YTD YoY	Jul	--	--	3.70%
08/15/2023 10:00	Surveyed Jobless Rate	Jul	5.20%	--	5.20%
08/15/2023	FX Net Settlement - Clients CNY	Jul	--	--	89.5b
08/16/2023 09:30	New Home Prices MoM	Jul	--	--	-0.06%
08/21/2023 09:15	5-Year Loan Prime Rate	Aug-21	4.20%	--	4.20%
08/21/2023 09:15	1-Year Loan Prime Rate	Aug-21	3.55%	--	3.55%

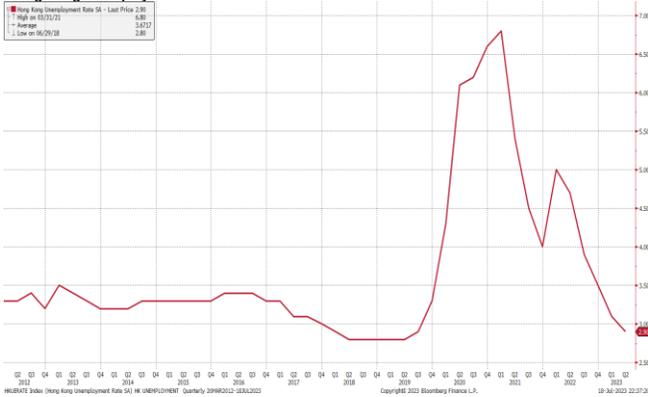
Hong Kong GDP Q on Q



Hong Kong Base Interest Rate



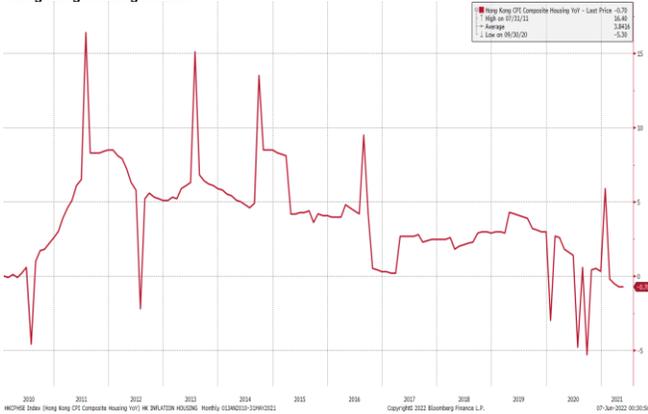
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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