

Fundamentals:

Hong Kong stocks rose to a five-week high as China's sovereign wealth fund increased its stakes in the nation's four biggest banks for the first time since 2015, heightening expectations Beijing will intervene to support the market amid an exodus of global funds.

The Hang Seng Index climbed for a sixth day, adding 1.9 per cent to 18,238.21 on Thursday to hit the highest level since September 6. The Tech Index gained 1.7 per cent and the Shanghai Composite Index added 0.9 per cent.

China's biggest lender ICBC rallied 4.8 per cent to HK\$3.92, peer Construction Bank gained 5.6 per cent to HK\$4.69 and Bank of China rose 4 per cent to HK\$2.85, while Agricultural Bank advanced 4.5 per cent to HK\$3.01. Their shares rose by between 0.6 per cent and 3.2 per cent in Shanghai.

Alibaba Group added 1.5 per cent to HK\$85.85 and Tencent gained 1.8 per cent to HK\$316.60, while Meituan advanced 1.6 per cent to HK\$118.40.

Central Huijin Investment, a unit under the US\$1.35 trillion wealth fund China Investment Corp, spent about 477.5 million yuan (US\$65.4 million) to raise its stakes in the four Chinese lenders, based on their closing prices on Wednesday. It intends to buy more shares in the next six months, the banks said in their respective filings.

The move came after some local investors called on policymakers to intervene in the US\$9.5 trillion domestic market following a record US\$17.4 billion sell-off by foreign funds in August and September. Li Bei, a hedge fund manager at Shanghai Banxia Investment, urged Beijing to set up a stabilisation fund to help restore confidence.

Chinese stocks bottomed out about one month after Central Huijin's stake purchases in the local markets, Founder Securities said in a report, citing the fund's past moves during the market slumps between 2008 and 2015.

Two companies started trading in Hong Kong on Thursday. Electric-bike maker Luyuan Group rose 1 per cent to HK\$7.44 and rice and grain producer Shiyue Daotian Group jumped 20 per cent to HK\$18.84.

Other major Asian markets advanced. Japan's Nikkei 225 climbed 1.8 per cent, while South Korea's Kospi climbed 1.2 per cent and Australia's S&P/ASX 200 added 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	348	18283	18392	17921
H. SENG FUT NOV 23	351	18310	18395	17960
H. SENG FUT DEC 23	347	18384	18442	18047
H. SENG FUT MAR 24	348	18283	18392	17921
MINI H. SENG FUT OCT 23	348	18283	18390	17920
MINI H. SENG FUT NOV 23	351	18310	18400	17953
MINI H. SENG FUT DEC 23	347	18384	18480	18035
MINI H. SENG FUT MAR 24	348	18283	18390	17920
HSCEI FUT OCT 23	140	6289	6331	6145
HSCEI FUT NOV 23	140	6312	6342	6170
HSCEI FUT DEC 23	140	6342	6357	6203
HSCEI FUT MAR 24	140	6289	6331	6145
MINI HSCEI FUT OCT 23	140	6289	6331	6146
MINI HSCEI FUT NOV 23	140	6312	6339	6170
MINI HSCEI FUT DEC 23	140	6342	6376	6250
MINI HSCEI FUT MAR 24	140	6289	6331	6146

Major HSI Constituent Stocks	Close	Change	High	Low
*Alia Group Ltd	70	1.2	70.55	69.55
**Tencent Holdings Ltd	316.6	5.6	317.2	314.8
*HSBC Holdings PLC	63.2	0.4	63.7	63.05
**China Construction Bank Corp	4.69	0.25	4.71	4.54
**Ping An Insurance Group	44.8	0.8	45.65	44.6
**Meituan	118.4	1.9	120	118
*Hong Kong Exchanges & Clearing Ltd	298	6	299	295.6
**Alibaba Group Holdings Ltd	85.85	1.25	86.9	85.65
**Xiaomi Corp	12.66	0.36	12.78	12.42
**ICBC	3.92	0.18	3.95	3.82

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	49.65	2.7	50	48.1
**China Mobile Ltd	64.7	-0.05	65.55	64.55
**Bank of China Ltd	2.85	0.11	2.87	2.8
*Techtronic Industries Co Ltd	76.7	2.35	76.75	74.75
*CK Hutchison Holdings Ltd	41.7	0.45	41.9	41.4
*Link REIT	38.25	0.55	38.35	37.9
*CLP Holding Ltd	58.4	1.2	58.4	57.6
**Geely Automobile Holdings Ltd	9.45	0.35	9.55	9.24
**CNOOC Ltd	13.52	-0.14	13.62	13.3
**ANTA Sports Products Ltd	91.5	2.8	91.7	89.05

Global Equity Indices	Close	Change	High	Low
Hang Seng	18238.21	345.11	18290.9	18175.35
HSCEI	6267.34	134.47	6289.47	6239.9
Shanghai Comp Index	3107.9	28.945	3109.99	3092.177
Nikkei 225	32494.7	558.15	32494.7	32120.94
KOSPI	2479.82	29.74	2479.82	2464.84
S&P/ASX200	7090.98	2.562	7112.7	7083.2
DJIA	33631.1	-173.73	33863.8	33455.6
S&P 500	4349.61	-27.34	4385.85	4325.43
NASDAQ	13574.2	-85.46	13714.1	13491.56
DAX	15425	-34.98	15575.3	15413.2
CAC	7104.53	-0.37	7182.3	7097.53
FTSE100	7644.78	24.75	7687.91	7620.03

Technical Analysis

Mini Hang Seng

1st Resistance:	18557	2nd Resistance:	18831
1st Support:	18009	2nd Support:	17735
MACD:	-96.212		
MACD DIFF:	90.7338		
RSI:	57.7493		

Mini Hang Seng China Enterprise

1st Resistance:	6383	2nd Resistance:	6478
1st Support:	6195	2nd Support:	6100
MACD:	-44.234		
MACD DIFF:	27.243		
RSI:	56.5582		

Strategy:

Mini Hang Seng:	Long: Profit target: 18009	Stop-loss: 18189	17919	Long: Profit target: 17735	Stop-loss: 17912	17646
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	Short: Profit target: 18557	Stop-loss: 18372	18650	Short: Profit target: 18831	Stop-loss: 18643	18926
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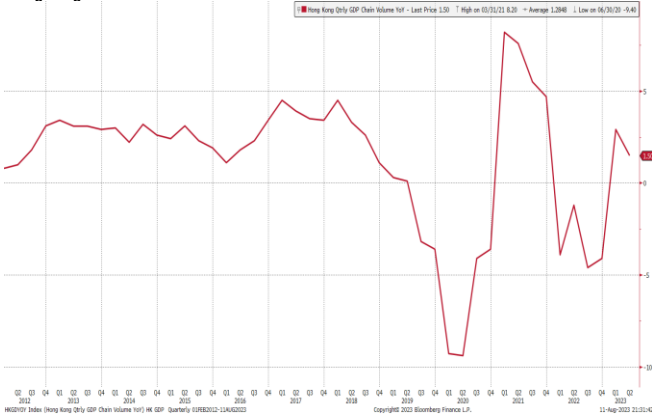
Mini Hang Seng China Enterprise:	Long: Profit target: 6195	Stop-loss: 6257	6164	Long: Profit target: 6100	Stop-loss: 6161	6070
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	Short: Profit target: 6383	Stop-loss: 6320	6415	Short: Profit target: 6478	Stop-loss: 6413	6510
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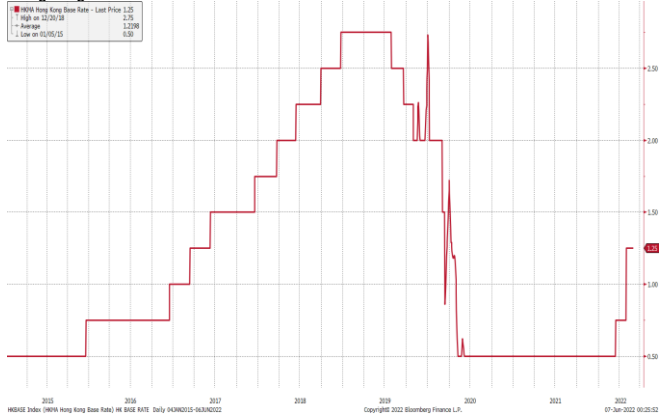
Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised
10/19/2023 16:30	Unemployment Rate SA	Sep	--	--	2.80%

China Economic Releases	Period	Survey	Actual	Prior	Revised
10/11/2023 10/15	Aggregate Financing CNY	Sep	3700.0b	--	3120.0b
10/11/2023 10/18	FDI YTD YoY CNY	Sep	--	--	-5.10%
10/11/2023 10/15	Money Supply M2 YoY	Sep	10.60%	--	10.60%
10/11/2023 10/15	Money Supply M0 YoY	Sep	--	--	9.50%
10/11/2023 10/15	New Yuan Loans CNY	Sep	2500.0b	--	1360.0b
10/11/2023 10/15	Money Supply M1 YoY	Sep	2.40%	--	2.20%
10/13/2023 09:30	CPI YoY	Sep	0.20%	--	0.10%
10/13/2023 09:30	PPI YoY	Sep	-2.40%	--	-3.00%
10/13/2023	Trade Balance	Sep	\$70.60b	--	\$68.36b
10/13/2023	Exports YoY	Sep	-8.00%	--	-8.80%
10/13/2023	Imports YoY	Sep	-6.30%	--	-7.30%
10/13/2023	Exports YoY CNY	Sep	--	--	-3.20%
10/13/2023	Imports YoY CNY	Sep	--	--	-1.60%
10/13/2023	Trade Balance CNY	Sep	--	--	488.00b
10/16/2023 09:20	1-Yr Medium-Term Lending Facility Ra	Oct-15	2.50%	--	2.50%
10/16/2023 09:20	1-Yr Medium-Term Lending Facilities v	Oct-15	590.0b	--	591.0b

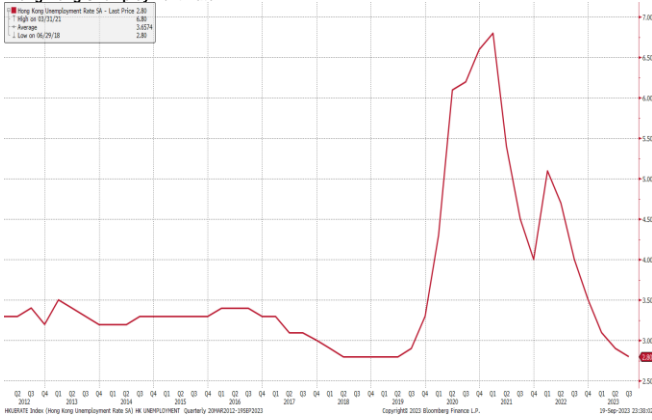
Hong Kong GDP Q on Q



Hong Kong Base Interest Rate



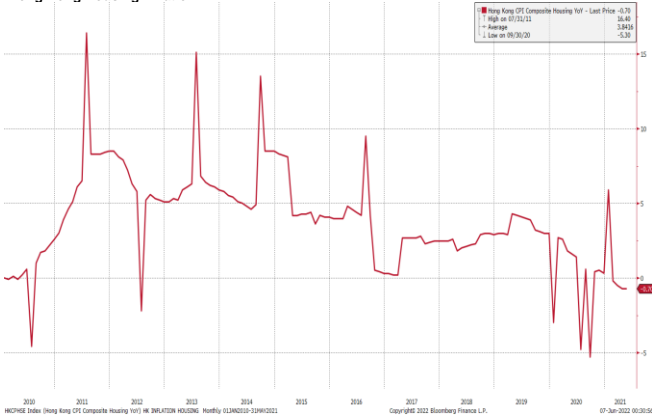
Hong Kong Unemployment Rate



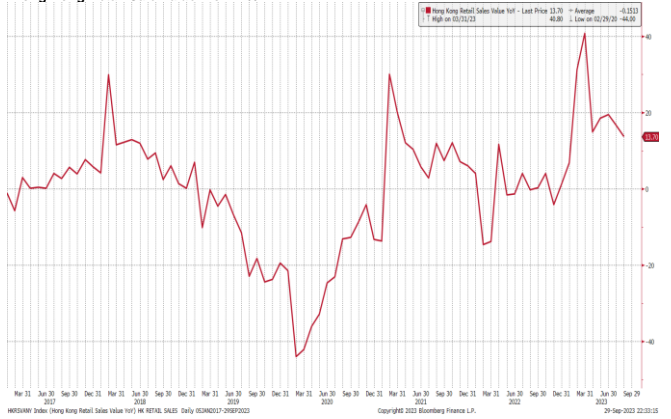
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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