

**Fundamentals:**

Hong Kong stocks rose by the most in more than three months as sentiment was boosted by the announcement of financial market reforms at the Lujiazui financial forum, which got under way in Shanghai on Wednesday.

The Hang Seng Index jumped 2.9 per cent to 18,430.39 at close, its highest since March 12. The Tech Index surged 3.7 per cent but the Shanghai Composite Index declined 0.4 per cent.

China's top stock market regulator Wu Qing unveiled fresh measures to reform the technology board, or the Star Market, and said the overhaul would focus on underwritings, mergers, stock incentives and trading to promote tech innovation, during his keynote speech at the two-day Lujiazui financial forum.

That added to the optimism after Wall Street's rally overnight took the S&P 500 and Nasdaq to new peaks propelled by the artificial intelligence (AI) mania which made Nvidia the world's most valuable company.

AI-related stock Lenovo Group jumped 9 per cent to HK\$12.08. Morgan Stanley analysts say Lenovo is likely to be the main beneficiary of the AI PC boom in Asia. HSBC estimated Lenovo's AI PC penetration rate to rise and upgraded its target price to HK\$13.5 from HK\$11.7, according to a note in May. Chinese AI chip maker Semtime surged 6.7 per cent to HK\$1.43.

"The reforms announced at the Lujiazui Forum today are conducive to foreign funds entering the stock market as policy measures focus on protecting the rights and interests of investors and on improving the quality of listed companies," said Jason Chan, senior investment strategist at Bank of East Asia.

The policy emphasis on the development of China's technology sector is also beneficial to the technology sector and to AI-related stocks in Hong Kong, he added. Smartphone maker Xiaomi advanced 6.3 per cent to HK\$18.48, while Bilibili soared 19 per cent to HK\$144.3, after its new gaming title received positive market feedback.

But the Star Market, fell 0.7 per cent after the announcements at the Lujiazui forum. Investors are potentially worried about the "tightening supervision of listed companies and the pressure to delist", according to Chan.

Geely Automobile jumped 3.9 per cent to HK\$9.23 after HSBC said Geely's last month sales were better-than-expected, supported by a strong EV product cycle. Chinese developer Longfor added 4 per cent to HK\$12.02 following its annual general meeting on Tuesday, in which the developer said it has been steadily lowering overall debt levels, helped by positive net cash flows.

Traders are optimistic about further policy support as the world's second-largest economy remains under pressure amid patchy economic data unveiled earlier this week.

"In China, regulatory policies announced in May and June have generally been favourable for the property sector, as the country prioritises efforts to end a slump that has burdened the economy for the past three years," said Daniel Tan, portfolio manager at Grasshopper Asset Management.

Other key Asian markets broadly advanced. Japan's Nikkei 225 gained 0.2 per cent and South Korea's Kospi rose 1.2 per cent, but Australia's S&P/ASX 200 dropped 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 JUN 24	533	18428	18459	17895
H. SENG FUT JUL 24	541	18321	18360	17785
H. SENG FUT SEP 24	536	18304	18335	17778
H. SENG FUT DEC 24	546	18471	18488	17930
MINI H. SENG FUT JUN 24	533	18428	18459	17894
MINI H. SENG FUT JUL 24	541	18321	18350	17780
MINI H. SENG FUT SEP 24	536	18304	18335	17777
MINI H. SENG FUT DEC 24	546	18471	18500	17930
HSCEI FUT JUN 24	217	6582	6593	6363
HSCEI FUT JUL 24	219	6512	6522	6307
HSCEI FUT SEP 24	221	6511	6516	6304
HSCEI FUT DEC 24	225	6575	6545	6458
MINI HSCEI FUT JUN 24	217	6582	6595	6364
MINI HSCEI FUT JUL 24	219	6512	6523	6292
MINI HSCEI FUT SEP 24	221	6511	6515	6303
MINI HSCEI FUT DEC 24	225	6575	6584	6405

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	56.3	1.1	56.85	55.7
**Tencent Holdings Ltd	389	12	391	378.4
*HSBC Holdings PLC	68.55	0.6	68.85	67.7
**China Construction Bank Corp	5.81	0.2	5.82	5.64
**Ping An Insurance Group	37.5	1.4	37.7	36.35
**Meituan	121.4	6.4	121.9	115
*Hong Kong Exchanges & Clearing Ltd	265.4	7.2	265.6	260
**Alibaba Group Holdings Ltd	74.2	2.1	74.45	72.25
**Xiaomi Corp	18.48	1.1	18.5	17.44
**ICBC	4.55	0.16	4.56	4.41

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	11.94	0.26	12.04	11.62
**China Mobile Ltd	73.75	0.65	73.8	72.75
**Bank of China Ltd	3.92	0.12	3.94	3.81
*Techtronic Industries Co Ltd	96.65	0.65	97.25	95.7
*CK Hutchison Holdings Ltd	37.7	0.7	37.85	37.25
*Link REIT	32.7	0.5	32.85	32.35
*CLP Holding Ltd	65.2	0.75	65.45	64.55
**Geely Automobile Holdings Ltd	9.23	0.35	9.37	8.94
**CNOOC Ltd	22.7	1.25	22.75	21.6
**ANTA Sports Products Ltd	82.35	1.95	82.4	80.1

Global Equity Indices	Close	Change	High	Low
Hang Seng	18430.39	514.84	18448.7	18039.01
HSCEI	6587.77	219.67	6596.01	6413.6
Shanghai Comp Index	3018.05	-12.197	3030.23	3015.326
Nikkei 225	38570.8	88.65	38798	38453.41
KOSPI	2797.33	33.41	2799.32	2786.16
S&P/ASX200	7769.72	-8.362	7787.5	7755.2
DJIA	0	0	0	0
S&P 500	0	0	0	0
NASDAQ	0	0	0	0
DAX	18067.9	-64.06	18148	18055.63
CAC	7570.2	-0.77	7626.13	7566.09
FTSE100	8205.11	13.82	8212.65	8164.48

**Technical Analysis**

**Mini Hang Seng**

1st Resistance:	18704	2nd Resistance:	18981
1st Support:	18152	2nd Support:	17875
MACD:	-69.828		
MACD DIFF:	-50.3252		
RSI:	53.9387		

**Mini Hang Seng China Enterprise**

1st Resistance:	6681	2nd Resistance:	6779
1st Support:	6483	2nd Support:	6385
MACD:	-18.207		
MACD DIFF:	-14.000		
RSI:	56.5352		

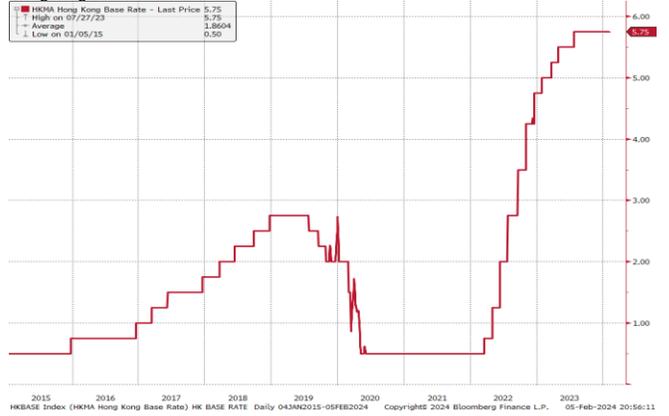
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
06/20/2024 16:30	Unemployment Rate SA	May	3.00%	--	3.00%	--
06/21/2024 16:30	BoP Current Account Balance	1Q	--	--	\$71.20b	\$70.72b
06/21/2024 16:30	BoP Overall	1Q	--	--	-\$9.11b	--
06/21/2024 16:30	CPI Composite YoY	May	1.30%	--	1.10%	--
06/25/2024 16:30	Exports YoY	May	--	--	11.90%	--
06/25/2024 16:30	Imports YoY	May	--	--	3.70%	--
06/25/2024 16:30	Trade Balance HKD	May	--	--	-10.2b	--
06/28/2024 16:30	Money Supply M1 HKD YoY	May	--	--	-9.90%	--
06/28/2024 16:30	Money Supply M2 HKD YoY	May	--	--	0.50%	--
06/28/2024 16:30	Money Supply M3 HKD YoY	May	--	--	0.50%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
06/27/2024 09:30	Industrial Profits YTD YoY	May	--	--	4.30%	--
06/27/2024 09:30	Industrial Profits YoY	May	--	--	4.00%	--
06/30/2024 09:30	Composite PMI	Jun	--	--	51	--
06/30/2024 09:30	Manufacturing PMI	Jun	--	--	49.5	--
06/30/2024 09:30	Non-manufacturing PMI	Jun	--	--	51.1	--

### Hong Kong GDP Y on Y



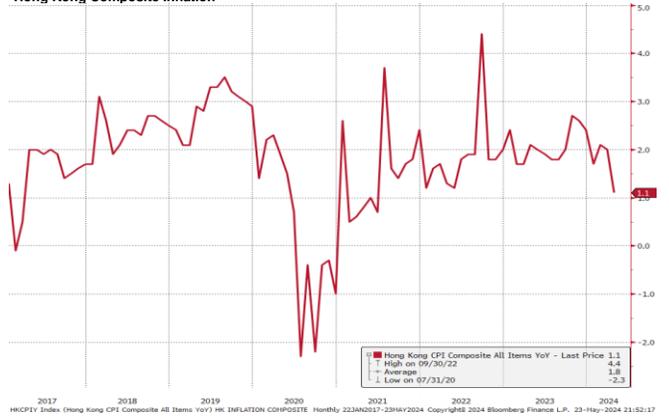
### Hong Kong Base Interest Rate



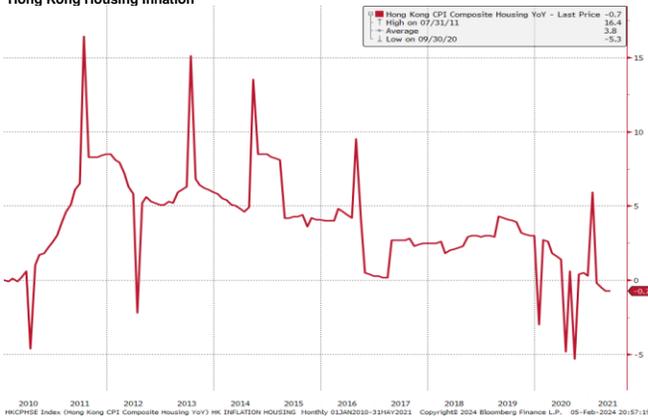
### Hong Kong Unemployment Rate



### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

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