

Fundamentals:

Hong Kong stocks stumbled after a surge in US unemployment and manufacturing contraction triggered worries about a slowdown in the world's largest economy, while the city's developer were under additional pressure after Hongkong Land reported a jump in losses in its latest earnings announcement.

The Hang Seng Index lost 2.1 per cent to 16,945.51 at the close of trade on Friday, pushing the benchmark into the red for the week. The Tech Index declined 2.6 per cent, while the Shanghai Composite Index dropped 0.9 per cent.

All but 12 of the 82 members of the index dropped. HSBC slid 3.7 per cent to HK\$65.75 and insurer AIA lost 2.5 per cent to HK\$51.60, leading declines in the financial sector. Tencent weakened 2 per cent to HK\$358.20, Alibaba lost 2.8 per cent to HK\$75.35 and Trip.com tumbled 3.9 per cent to HK\$315.20.

Electric vehicle maker BYD shed 3.4 per cent to HK\$219.20 and peer Li Auto weakened 1.9 per cent to HK\$74.40, as the intense price war in China's EV market squeezed carmakers' profitability.

Local developers tumbled after Hongkong Land reported a 150 per cent jump in net loss for the first half amid the prolonged property downturn on the mainland and Hong Kong. New World Developments slid 2.1 per cent to HK\$7.11 to hover near a record low, while Hang Lung Properties dropped 0.9 per cent to HK\$5.55, a fresh 24-year low. Overnight data showed the US economy cooled, with weekly unemployment claims approaching a one-year high, while manufacturing PMI declined more than expected.

Major Asian stock markets stumbled across the board as risk appetite soured, with Japan's Nikkei 255 Index leading the retreat with a 5.8 per cent loss. South Korea's Kospi lost 3.7 per cent and Australia's S&P/ASX 200 dropped 2.1 per cent.

"The market is now shifting its focus to signs of recession now that the Fed has turned more dovish on rate cut possibilities," Ping An Securities said in a note on Friday. "The risk-averse sentiment is likely to persist in the short term due to economic and geopolitical uncertainty."

After today's decline the Hang Seng Index, registered a third straight week of losses. The persistent deflation pressures in China and Beijing's reluctance to stimulate have also pushed investors to reduce their exposure.

(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 24	-346	16967	17347	16877
H. SENG FUT SEP 24	-350	16912	17293	16830
H. SENG FUT DEC 24	-357	17047	17415	16979
H. SENG FUT MAR 25	-367	17086	17243	17010
MINI H. SENG FUT AUG 24	-346	16967	17348	16878
MINI H. SENG FUT SEP 24	-350	16912	17299	16830
MINI H. SENG FUT DEC 24	-357	17047	17431	16963
MINI H. SENG FUT MAR 25	-367	17086	17476	17000
HSCEI FUT AUG 24	-112	5991	6122	5949
HSCEI FUT SEP 24	-113	5972	6102	5933
HSCEI FUT DEC 24	-115	6031	6050	5990
HSCEI FUT MAR 25	-118	6060	#N/A	#N/A
MINI HSCEI FUT AUG 24	-112	5991	6122	5949
MINI HSCEI FUT SEP 24	-113	5972	6103	5935
MINI HSCEI FUT DEC 24	-115	6031	6112	5992
MINI HSCEI FUT MAR 25	-118	6060	6100	6030

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	51.6	-1.3	52.25	51.2
**Tencent Holdings Ltd	358.2	-7.4	365.4	356.2
*HSBC Holdings PLC	65.75	-2.5	66.05	65.2
**China Construction Bank Corp	5.4	-0.06	5.44	5.35
**Ping An Insurance Group	33.45	-0.65	33.65	33.1
**Meituan	104	-5.2	107.8	100.7
*Hong Kong Exchanges & Clearing Ltd	226.6	-3.8	227.2	225
**Alibaba Group Holdings Ltd	75.35	-2.15	76.75	74.85
**Xiaomi Corp	16.08	-0.6	16.38	15.86
**ICBC	4.32	-0.03	4.35	4.25

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	11.4	-0.02	11.82	11.18
**China Mobile Ltd	73.75	0.1	74.1	72.85
**Bank of China Ltd	3.43	0	3.45	3.36
*Techtronic Industries Co Ltd	97.9	-4.1	102	97.5
*CK Hutchison Holdings Ltd	40.1	-1.1	40.9	39.8
*Link REIT	33.55	-0.55	34.1	33.35
*CLP Holding Ltd	68.55	-0.6	68.95	68.1
**Geely Automobile Holdings Ltd	7.72	-0.28	7.9	7.63
**CNOOC Ltd	20.4	-0.5	20.4	20
**ANTA Sports Products Ltd	68.05	0.1	68.65	66.9

Global Equity Indices	Close	Change	High	Low
Hang Seng	16945.51	-359.45	17075.5	16865.93
HSCEI	5974.85	-111.55	6011.58	5936.71
Shanghai Comp Index	2905.34	-27.05	2931.26	2902.72
Nikkei 225	35909.7	-2216.63	37471.5	35880.15
KOSPI	2676.19	-101.49	2725.05	2666.4
S&P/ASX200	7943.24	-171.431	8114.7	7920
DJIA	39737.3	-610.71	40075.3	39358.68
S&P 500	5328.04	-118.64	5383.89	5302.03
NASDAQ	16776.2	-417.98	16920.6	16582.79
DAX	17661.2	-421.83	17918	17623.97
CAC	7251.8	-1.61	7350.29	7227.79
FTSE100	8174.71	-108.65	8283.36	8158.03

Technical Analysis

Mini Hang Seng

1st Resistance: 17222
 2nd Resistance: 17476
 1st Support: 16712
 2nd Support: 16458
 MACD: -221.579
 MACD DIFF: -29.6491
 RSI: 38.9009

Mini Hang Seng China Enterprise

1st Resistance: 6081
 2nd Resistance: 6171
 1st Support: 5901
 2nd Support: 5811
 MACD: -95.435
 MACD DIFF: -15.317
 RSI: 38.1811

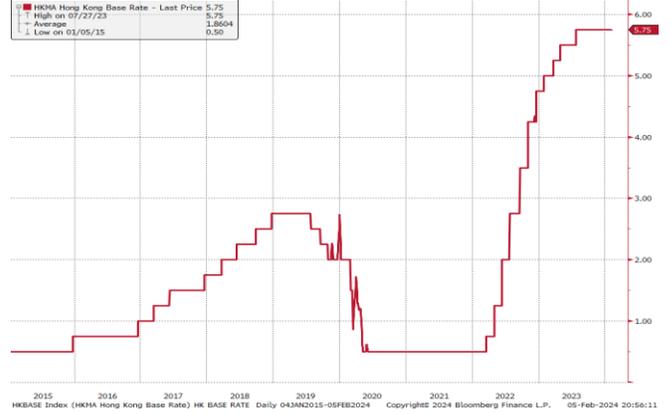
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
07/31/2024 16:30	GDP SA QoQ	2Q A	0.30%	0.40%	2.30%	2.50%
07/31/2024 16:30	GDP YoY	2Q A	2.70%	3.30%	2.70%	2.80%
07/31/2024 16:30	Money Supply M1 HKD YoY	Jun	--	-5.90%	-8.40%	--
07/31/2024 16:30	Money Supply M2 HKD YoY	Jun	--	1.50%	1.50%	--
07/31/2024 16:30	Money Supply M3 HKD YoY	Jun	--	1.50%	1.50%	--
08/01/2024 16:30	Retail Sales Volume YoY	Jun	-12.70%	-11.20%	-12.90%	-12.70%
08/01/2024 16:30	Retail Sales Value YoY	Jun	-11.80%	-9.70%	-11.50%	-11.40%
08/05/2024 08:30	S&P Global Hong Kong PMI	Jul	--	--	48.2	--
08/16/2024 16:30	GDP SA QoQ	2Q F	--	--	0.40%	--
08/16/2024 16:30	GDP YoY	2Q F	--	--	3.30%	--
08/16/2024 16:30	Unemployment Rate SA	Jul	--	--	3.00%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
07/31/2024 09:30	Composite PMI	Jul	--	50.2	50.5	--
07/31/2024 09:30	Manufacturing PMI	Jul	49.4	49.4	49.5	--
07/31/2024 09:30	Non-manufacturing PMI	Jul	50.3	50.2	50.5	--
08/01/2024 09:45	Caixin China PMI Mfg	Jul	51.5	49.8	51.8	--
08/05/2024 09:45	Caixin China PMI Composite	Jul	--	--	52.8	--
08/05/2024 09:45	Caixin China PMI Services	Jul	51.5	--	51.2	--
08/09/2024 09:30	PPI YoY	Jul	--	--	-0.80%	--
08/09/2024 09:30	CPI YoY	Jul	--	--	0.20%	--
08/09/2024 08/15	Money Supply M2 YoY	Jul	--	--	6.20%	--
08/09/2024 08/15	Money Supply M1 YoY	Jul	--	--	-5.00%	--
08/09/2024 08/15	Money Supply M0 YoY	Jul	--	--	-11.70%	--
08/11/2024 08/18	FDI YTD YoY CNY	Jul	--	--	-29.10%	--
08/15/2024 10:00	Retail Sales YoY	Jul	--	--	2.00%	--
08/15/2024 10:00	Retail Sales YTD YoY	Jul	--	--	3.70%	--

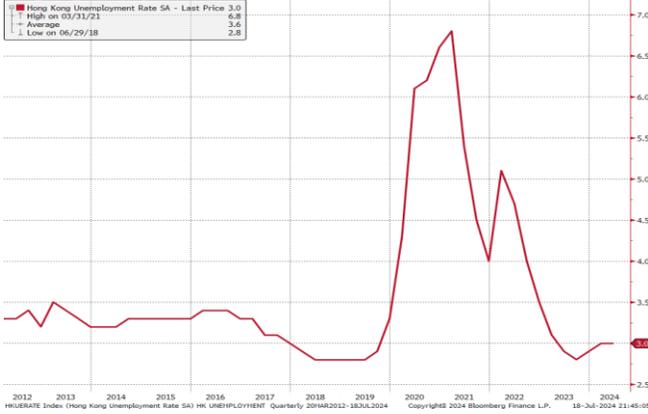
Hong Kong GDP Y on Y



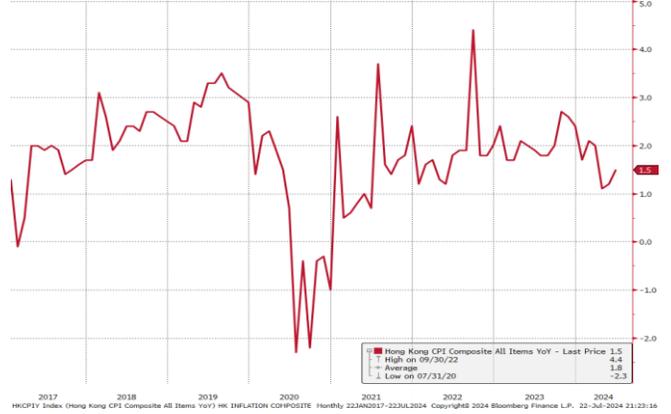
Hong Kong Base Interest Rate



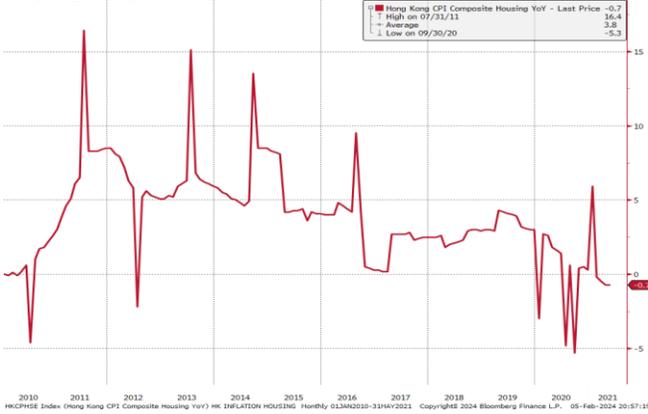
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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