

Fundamentals:

Hong Kong stocks recorded the biggest gain in more than two weeks, spurred by a tech sector rally led by JD.com after its strong earnings. A People's Bank of China (PBOC) pledge of more policy support bolstered the mood.

The Hang Seng Index added 1.9 per cent to 17,430.16 on Friday to record a second straight weekly gain. The Tech Index jumped 2.2 per cent, while the Shanghai Composite Index added less than 0.1 per cent.

E-commerce platform JD.com rallied 8.9 per cent to HK\$108.20, the biggest winner among the 82 blue-chip index members, after its quarterly profit nearly doubled despite intensifying competition. P&G advanced 4.8 per cent to HK\$80.10 after it reported 4 per cent revenue growth in the June quarter, and Tencent gained 1.1 per cent to HK\$372.60.

"The positive has been the earnings cycle," given that the macro environment is still soft, Wendy Liu, JPMorgan's chief Asia and China equity strategist, said in a media briefing earlier this week. The MSCI China Index got "a little bit of an upwards revision" since July, and consensus calls for 14 per cent year-over-year growth, she said.

"With China equities, when you get the earnings working, then you get the multiples and the flows will follow," she added.

Sentiment got a further boost after Beijing hinted at more supportive measures. The PBOC will step up efforts to make sure the fiscal and monetary policy measures already introduced this year will be effectively implemented, Pan Gongsheng, governor of the central bank, said in an interview with state-run CCTV on Thursday.

The bank will also prepare "incremental policy measures" to help the country's economy achieve its full-year growth target, he added.

Limiting gains on Friday, sportswear maker Li Ning slid 0.8 per cent to HK\$13.10 after its first-half profit slipped 8 per cent amid China's consumption slowdown. The flagship companies of the family of billionaire Li Ka-shing, CK Hutchison and CK Asset, slipped by 3.7 and 2.5 per cent, respectively, after profits weakened in the first half amid global trade conflicts and a property market slump at home.

Elsewhere, Suzhou Kematek, a ceramic material producer, surged nearly 370 per cent from the issue price to 37.46 yuan on its first day of trading in Shenzhen.

Other key Asian markets advanced. Japan's Nikkei 225 jumped 3.6 per cent, Australia's S&P/ASX 200 Index climbed 1.4 per cent, and South Korea's Kospi Index added 2 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 24	296	17424	17501	17105
H. SENG FUT SEP 24	301	17358	17422	17040
H. SENG FUT DEC 24	304	17494	17568	17188
H. SENG FUT MAR 25	311	17534	17580	17230
MINI H. SENG FUT AUG 24	296	17424	17500	17104
MINI H. SENG FUT SEP 24	301	17358	17433	17040
MINI H. SENG FUT DEC 24	304	17494	17568	17175
MINI H. SENG FUT MAR 25	311	17534	17600	17210
HSCEI FUT AUG 24	121	6160	6190	6034
HSCEI FUT SEP 24	123	6136	6164	6012
HSCEI FUT DEC 24	124	6193	6221	6122
HSCEI FUT MAR 25	127	6225	6226	6164
MINI HSCEI FUT AUG 24	121	6160	6190	6034
MINI HSCEI FUT SEP 24	123	6136	6165	6011
MINI HSCEI FUT DEC 24	124	6193	6216	6077
MINI HSCEI FUT MAR 25	127	6225	6238	6124

Major HSI Constituent Stocks	Close	Change	High	Low
*Alia Group Ltd	52	0.45	52.45	51.75
**Tencent Holdings Ltd	372.6	4.2	375.2	368.8
*HSBC Holdings PLC	66	1.4	66.1	65.35
**China Construction Bank Corp	5.64	0.06	5.64	5.57
**Ping An Insurance Group	34.35	0.55	34.5	33.8
**Meituan	107.7	5.3	108.3	103.8
*Hong Kong Exchanges & Clearing Ltd	230.4	3	231.2	227.8
**Alibaba Group Holdings Ltd	80.1	3.7	80.65	77.55
**Xiaomi Corp	17.32	0.1	17.42	17.14
**ICBC	4.62	0.04	4.64	4.58

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	11.76	0.46	12	11.22
**China Mobile Ltd	74.2	0.25	75	74
**Bank of China Ltd	3.49	0.05	3.5	3.44
*Techtronic Industries Co Ltd	103.9	4.3	104.5	101.8
*CK Hutchison Holdings Ltd	39.35	-1.5	39.95	38.75
*Link REIT	34.75	-0.3	35.3	34.6
*CLP Holding Ltd	69.45	-0.65	70.5	68.8
**Geely Automobile Holdings Ltd	7.76	0.06	7.82	7.72
**CNOOC Ltd	20.6	0.68	20.7	20.1
**ANTA Sports Products Ltd	68.1	2.2	68.5	66.8

Global Equity Indices	Close	Change	High	Low
Hang Seng	17430.16	321.02	17473.9	17255.86
HSCEI	6161.9	126.63	6180.06	6094.35
Shanghai Comp Index	2879.43	2.072	2888.68	2873.06
Nikkei 225	38062.7	1336.03	38143.6	37304.93
KOSPI	2697.23	52.73	2699.61	2680.74
S&P/ASX200	7971.05	105.532	7976.9	7865.5
DJIA	40679.8	116.76	40726	40453.58
S&P 500	5554.41	11.19	5561.98	5525.17
NASDAQ	17632.1	37.56	17674.7	17502.82
DAX	18322.4	139.16	18344.2	18226.6
CAC	7449.7	0.35	7460.33	7421.48
FTSE100	8311.41	-35.94	8350.35	8292.01

Technical Analysis

Mini Hang Seng

1st Resistance: 17685
 2nd Resistance: 17947
 1st Support: 17163
 2nd Support: 16901
 MACD: -131.344
 MACD DIFF: 65.5359
 RSI: 53.3423

Mini Hang Seng China Enterprise

1st Resistance: 6252
 2nd Resistance: 6345
 1st Support: 6068
 2nd Support: 5975
 MACD: -58.307
 MACD DIFF: 25.842
 RSI: 53.0606

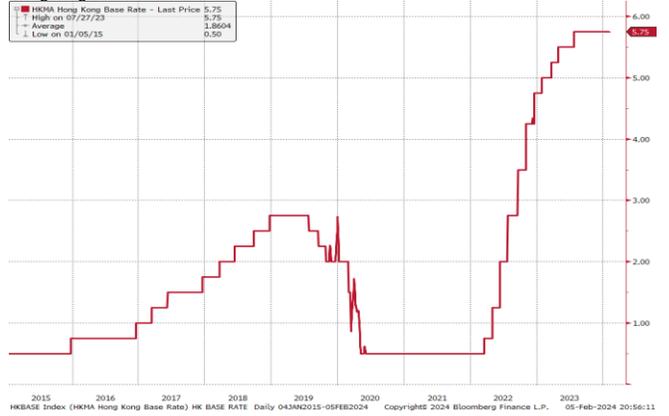
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
08/01/2024 16:30	Retail Sales Volume YoY	Jun	-12.70%	-11.20%	-12.90%	-12.70%
08/01/2024 16:30	Retail Sales Value YoY	Jun	-11.80%	-9.70%	-11.50%	-11.40%
08/05/2024 08:30	S&P Global Hong Kong PMI	Jul	--	49.5	48.2	--
08/16/2024 16:30	GDP SA QoQ	2Q F	0.40%	0.40%	0.40%	--
08/16/2024 16:30	GDP YoY	2Q F	3.30%	3.30%	3.30%	--
08/16/2024 16:30	Unemployment Rate SA	Jul	3.00%	3.00%	3.00%	--
08/20/2024 16:30	CPI Composite YoY	Jul	1.90%	--	1.50%	--
08/30/2024 16:30	Retail Sales Volume YoY	Jul	--	--	-11.20%	--
08/30/2024 16:30	Retail Sales Value YoY	Jul	--	--	-9.70%	--
08/30/2024 16:30	Money Supply M1 HKD YoY	Jul	--	--	-5.90%	--
08/30/2024 16:30	Money Supply M2 HKD YoY	Jul	--	--	1.50%	--
08/30/2024 16:30	Money Supply M3 HKD YoY	Jul	--	--	1.50%	--
09/04/2024 08:30	S&P Global Hong Kong PMI	Aug	--	--	49.5	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
08/09/2024 09:30	PPI YoY	Jul	-0.90%	-0.80%	-0.80%	--
08/09/2024 09:30	CPI YoY	Jul	0.30%	0.50%	0.20%	--
08/09/2024 08/15	Money Supply M2 YoY	Jul	6.00%	6.30%	6.20%	--
08/09/2024 08/15	Money Supply M1 YoY	Jul	-5.30%	-6.60%	-5.00%	--
08/09/2024 08/15	Money Supply M0 YoY	Jul	--	12.00%	11.70%	--
08/11/2024 08/18	FDI YTD YoY CNY	Jul	--	-29.60%	-29.10%	--
08/15/2024 10:00	Retail Sales YoY	Jul	2.60%	2.70%	2.00%	--
08/15/2024 10:00	Retail Sales YTD YoY	Jul	3.50%	3.50%	3.70%	--
08/31/2024 09:30	Composite PMI	Aug	--	--	50.2	--
08/31/2024 09:30	Manufacturing PMI	Aug	--	--	49.4	--
08/31/2024 09:30	Non-manufacturing PMI	Aug	--	--	50.2	--
09/02/2024 09:45	Caixin China PMI Mfg	Aug	--	--	49.8	--
09/04/2024 09:45	Caixin China PMI Composite	Aug	--	--	51.2	--
09/04/2024 09:45	Caixin China PMI Services	Aug	--	--	52.1	--

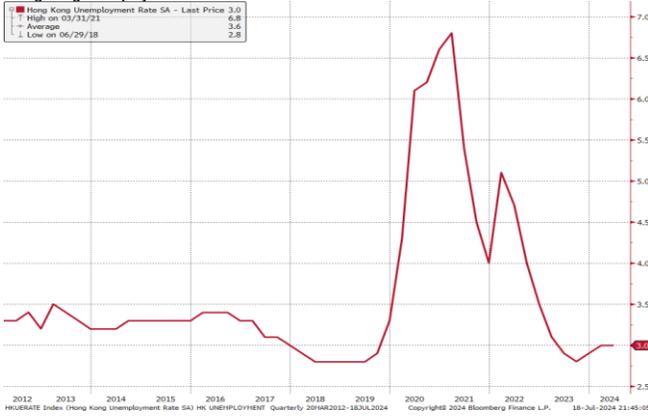
Hong Kong GDP Y on Y



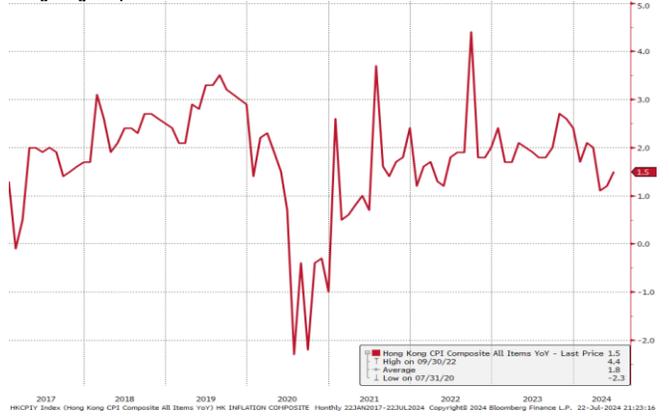
Hong Kong Base Interest Rate



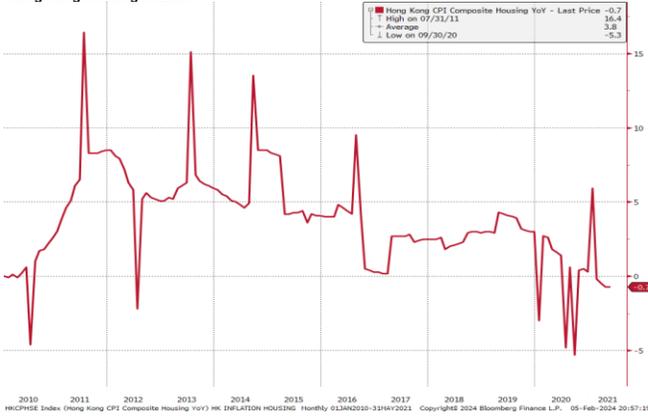
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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