

Fundamentals:

Hong Kong stocks retreated to a one-month low as a slump in crude oil prices revived jitters about the global growth outlook.

The Hang Seng Index fell 0.7 per cent to 17,108.71 at the close, the lowest level since August 9. The Hang Seng Tech Index rose less than 0.1 per cent, and the Shanghai Composite Index retreated 0.8 per cent.

China Petroleum and Chemical, also known as Sinopec, led the pack of decliners after crude futures tumbled by more than 4 per cent overnight to an all-time low. Chinese sportswear maker Li Ning slid after Citigroup downgraded its recommendation on the stock. Biotech firm Wuxi AppTec and electric-vehicle (EV) maker BYD rallied on share buy-back and stake increase plans.

Crude oil futures have tumbled by almost a fifth this year on concern that demand from China and the US, the world's biggest consumers, will slow down at a time when supply from Opec members remains sufficient.

"The big question is whether these price declines should be read as a sign of doom and gloom," said Stephen Innes, managing director at SPI Asset Management in Bangkok. "One thing's for sure, the Fed might want to take a closer look at the collapse in oil prices. It's a clear sign of disinflationary pressures building in the system. Weak global demand and sluggish economic activity are warning signs for riskier assets."

The US presidential debate between vice-president Kamala Harris and former president Donald Trump was under investor scrutiny for clues and clarity on the two candidates' respective policies in areas from China tariffs to tax proposals, government budgets and new energy.

Regardless of who wins the election in November, the geopolitical headwinds will continue for China equities in the next four years, Daiwa Securities Group said in a strategy report last month.

The Hang Seng Index has dropped about 5 per cent this month, reversing a 3.7 per cent gain in August, as China falls short of investors' expectations about introducing forceful measures to stem a slowdown in growth. Angst about the Federal Reserve not being able to cut interest rates quickly enough to prevent a recession is also weighing on sentiment.

Among the biggest decliners, Sinopec shed 3 per cent to HK\$4.28, CNOOC dropped 2.3 per cent to HK\$18.72 and PetroChina lost 1.4 per cent to HK\$5.61.

Li Ning tumbled 4.1 per cent to HK\$13.02 after Citigroup downgraded the stock to neutral from buy and reduced its price target by 27 per cent.

On the positive side, Wuxi AppTec rallied 6.8 per cent to HK\$34.40, and its Shanghai-traded shares added 3.4 per cent to 38.54 yuan on a plan to buy back its onshore stocks for no more than 1 billion yuan (US\$140.5 million). BYD rose 1.7 per cent to HK\$240.20, and its stock rallied 3.4 per cent to 258.10 yuan in Shenzhen. Senior executives bought 142,000 shares of the EV maker for 35.5 million yuan through the Shenzhen bourse last week, according to an exchange statement.

Elsewhere, Flaircomm Microelectronics, a maker of auto electronics, jumped 54 per cent to 61.23 yuan on its first day of trading in Shenzhen.

Other major Asian markets all headed lower. Japan's Nikkei 225 slid 1.5 per cent, while South Korea's Kospi slipped 0.4 per cent and Australia's S&P/ASX 200 lost 0.3 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 SEP 24	-104	17087	17195	16948
H. SENG FUT OCT 24	-108	17126	17233	16990
H. SENG FUT DEC 24	-110	17183	17292	17064
H. SENG FUT MAR 25	-116	17198	17212	17074
MINI H. SENG FUT SEP 24	-104	17087	17195	16948
MINI H. SENG FUT OCT 24	-108	17126	17234	16990
MINI H. SENG FUT DEC 24	-110	17183	17290	17050
MINI H. SENG FUT MAR 25	-116	17198	17313	17070
HSCEI FUT SEP 24	-31	5971	6005	5921
HSCEI FUT OCT 24	-35	5985	6020	5949
HSCEI FUT DEC 24	-34	6015	6046	5964
HSCEI FUT MAR 25	-38	6036	6000	6000
MINI HSCEI FUT SEP 24	-31	5971	6006	5921
MINI HSCEI FUT OCT 24	-35	5985	6019	5936
MINI HSCEI FUT DEC 24	-34	6015	6025	5973
MINI HSCEI FUT MAR 25	-38	6036	6069	5993

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	53.2	-0.3	53.4	52.3
**Tencent Holdings Ltd	370.2	1.6	370.6	365
**HSBC Holdings PLC	66.55	-0.95	66.8	65.75
**China Construction Bank Corp	5.33	-0.08	5.39	5.28
**Ping An Insurance Group	34.4	-0.2	34.6	34.2
**Meituan	119.4	0.5	119.9	116.7
*Hong Kong Exchanges & Clearing Ltd	220.8	-2.6	223.8	219.4
**Alibaba Group Holdings Ltd	81.45	-0.15	82.4	80.15
**Xiaomi Corp	18.96	0.3	19.06	18.34
**ICBC	4.11	-0.09	4.19	4.06

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	11.3	0.4	11.32	10.74
**China Mobile Ltd	70.25	-0.95	70.95	69.6
**Bank of China Ltd	3.29	-0.07	3.36	3.25
*Techtronic Industries Co Ltd	103.6	-1	106.4	103
*CK Hutchison Holdings Ltd	41.6	-0.4	42.1	41.3
*Link REIT	37.2	-0.05	37.3	36.55
*CLP Holding Ltd	68.65	-1.4	69.55	68.2
**Geely Automobile Holdings Ltd	8.93	0.14	9	8.62
**CNOOC Ltd	18.72	-0.44	18.72	18
**ANTA Sports Products Ltd	70.4	-2.4	71.8	69.8

Global Equity Indices	Close	Change	High	Low
Hang Seng	17108.71	-125.38	17125	16964.28
HSCEI	5982.55	-43.79	5987.58	5928.37
Shanghai Comp Index	2721.8	-22.397	2732.73	2710.621
Nikkei 225	35619.8	-539.39	36056.9	35253.43
KOSPI	2513.37	-10.06	2526.13	2493.37
S&P/ASX200	7987.87	-24.067	8024.5	7963.9
DJIA	40785.6	48.67	40818.5	39993.07
S&P 500	5539.62	44.1	5540.75	5406.96
NASDAQ	17335.5	309.64	17344.9	16787.84
DAX	18330.3	64.35	18434.6	18208.84
CAC	7396.83	-0.14	7452.68	7363.31
FTSE100	8193.94	-12.04	8232.76	8169.96

Technical Analysis

Mini Hang Seng

1st Resistance:	17343	2nd Resistance:	17600
1st Support:	16831	2nd Support:	16574
MACD:	-42.907		
MACD DIFF:	-63.1612		
RSI:	40.4171		

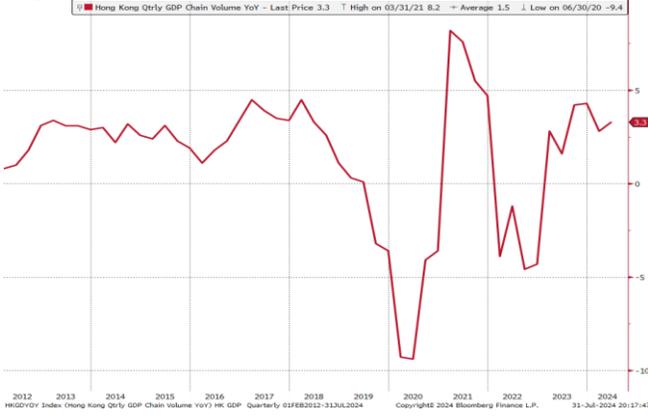
Mini Hang Seng China Enterprise

1st Resistance:	6061	2nd Resistance:	6150
1st Support:	5881	2nd Support:	5792
MACD:	-34.337		
MACD DIFF:	-26.197		
RSI:	38.72		

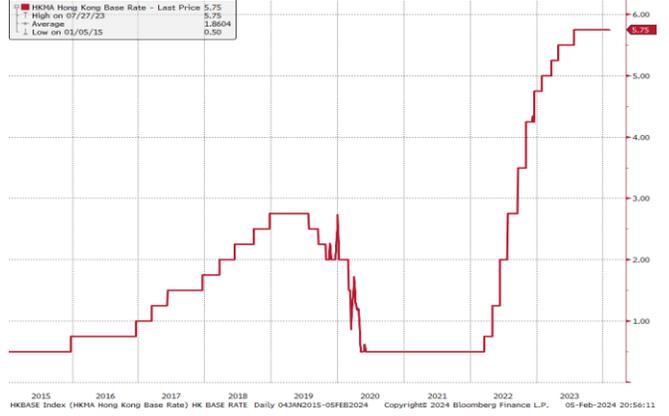
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
08/30/2024 16:30	Retail Sales Volume YoY	Jul	-10.9	-13.3	-11.20%	--
08/30/2024 16:30	Retail Sales Value YoY	Jul	-8.6	-11.8	-9.70%	--
08/30/2024 16:30	Money Supply M1 HKD YoY	Jul	--	-3.0%	-5.90%	--
08/30/2024 16:30	Money Supply M2 HKD YoY	Jul	--	2.0%	1.50%	--
08/30/2024 16:30	Money Supply M3 HKD YoY	Jul	--	2.0%	1.50%	--
09/04/2024 08:30	S&P Global Hong Kong PMI	Aug	--	49.4	49.5	--
09/12/2024 16:30	PPI YoY	2Q	--	--	1.20%	--
09/19/2024 16:30	Unemployment Rate SA	Aug	--	--	3.00%	--
09/20/2024 16:30	BoP Current Account Balance	2Q	--	--	\$100.96b	\$98.08b
09/20/2024 16:30	BoP Overall	2Q	--	--	-\$35.51b	--
09/20/2024 16:30	CPI Composite YoY	Aug	--	--	2.50%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
08/31/2024 09:30	Composite PMI	Aug	--	50.1	50.2	--
08/31/2024 09:30	Manufacturing PMI	Aug	49.5	49.1	49.4	--
08/31/2024 09:30	Non-manufacturing PMI	Aug	50.1	50.3	50.2	--
09/02/2024 09:45	Caixin China PMI Mfg	Aug	50.0	50.4	49.8	--
09/04/2024 09:45	Caixin China PMI Composite	Aug	--	51.2	51.2	--
09/04/2024 09:45	Caixin China PMI Services	Aug	52.1	51.6	52.1	--
09/09/2024 09:30	PPI YoY	Aug	-1.40%	-1.80%	-0.80%	--
09/09/2024 09:30	CPI YoY	Aug	0.70%	0.60%	0.50%	--
09/09/2024 09/15	Money Supply M2 YoY	Aug	6.20%	--	6.30%	--
09/09/2024 09/15	Money Supply M1 YoY	Aug	-6.70%	--	-6.60%	--
09/09/2024 09/15	Money Supply M0 YoY	Aug	--	--	12.00%	--
09/11/2024 09/18	FDI YTD YoY CNY	Aug	--	--	-29.60%	--

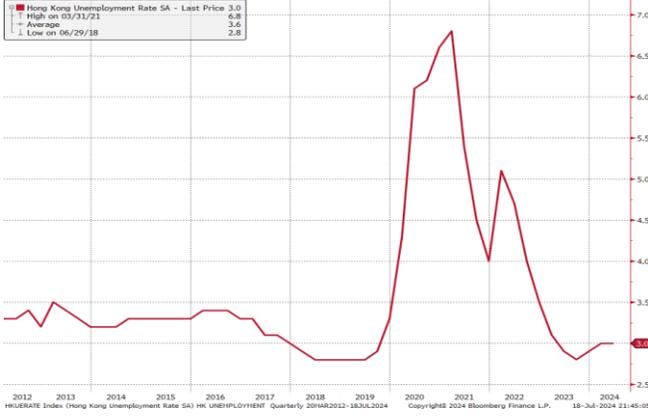
Hong Kong GDP Y on Y



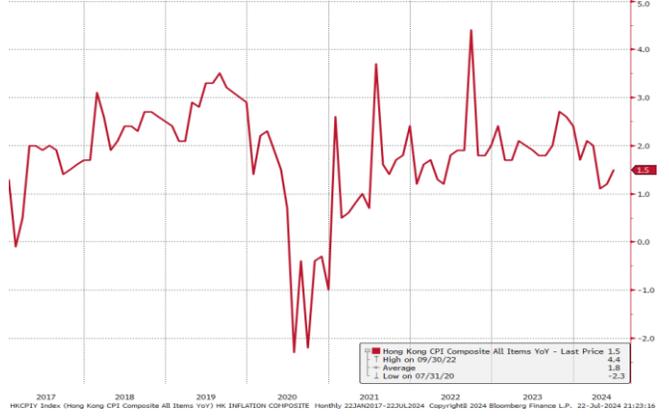
Hong Kong Base Interest Rate



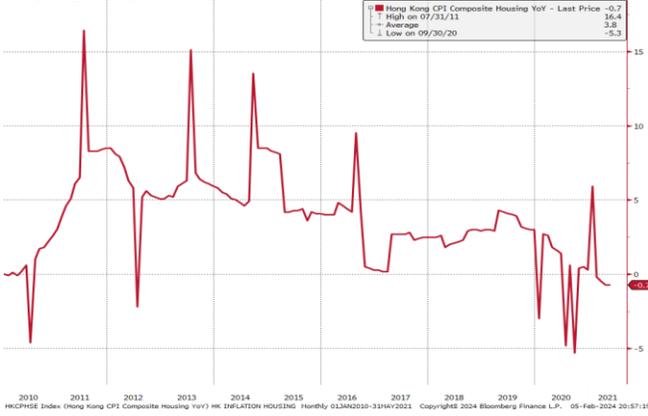
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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