

Fundamentals:

Hong Kong stocks reversed losses to climb for a third day, as lacklustre Chinese economic data spurred hope that Beijing would roll out more stimulus, while the US Federal Reserve's imminent easing cycle lifted sentiment.

The Hang Seng Index gained 0.3 per cent to 17,422.12 on Monday, after losing as much as 1.1 per cent in earlier trading. The Tech Index jumped 0.5 per cent; mainland markets are closed through Tuesday for a holiday.

Food delivery platform Meituan advanced 2.8 per cent to HK\$126.50 and Tencent gained 1.1 per cent to HK\$379. New World Development rallied 5 per cent to HK\$6.75, Sun Hung Kai Properties added 1.5 per cent to HK\$79 and Henderson Land added 1.5 per cent to HK\$23.80, leading gains among local developers ahead of the Fed's rate decision.

Economic data released over the weekend showed China's industrial production, retail sales and fixed-asset investment all fell short of expectations for August. In addition, credit growth eased on a sustained decline in demand from households and companies. That is pressuring Beijing to step up monetary easing and stimulate domestic demand, analysts said.

"We think the disappointing activity, credit and inflation data will prompt the central bank to roll out more monetary easing soon", Barclays economists, including Jian Chang, said in a note on Monday.

The People's Bank of China (PBOC) could deliver a 50-basis-point cut in the reserve requirement ratio (RRR) for banks in the coming weeks - likely this month - followed by another cut of half a point in the first half of next year, they said.

The expected policy easing from the Fed this week is also expected to offer more wiggle room for the PBOC and help with liquidity in Hong Kong's stock market. Traders are pricing in a 57 per cent chance of a half-point cut at this month's meeting, according to CME FedWatch.

Limiting gains on Monday, Longfor tumbled 1.8 per cent to HK\$7.87, while China Resources Land lost 2.1 per cent to HK\$19.18, after home prices reported their steepest annual decline in nine years.

Australia's S&P/ASX 200 added 0.3 per cent, while Japan and South Korea were closed for holidays.

(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	75	17450	17451	17188
H. SENG FUT OCT 24	73	17490	17490	17232
H. SENG FUT DEC 24	74	17555	17547	17320
H. SENG FUT MAR 25	73	17567	17517	17359
MINI H. SENG FUT SEP 24	75	17450	17450	17189
MINI H. SENG FUT OCT 24	73	17490	17490	17233
MINI H. SENG FUT DEC 24	74	17555	17550	17299
MINI H. SENG FUT MAR 25	73	17567	17568	17315
HSCEI FUT SEP 24	27	6095	6097	5997
HSCEI FUT OCT 24	27	6111	6105	6021
HSCEI FUT DEC 24	29	6143	6128	6050
HSCEI FUT MAR 25	28	6163	6161	6161
MINI HSCEI FUT SEP 24	27	6095	6097	5996
MINI HSCEI FUT OCT 24	27	6111	6111	6020
MINI HSCEI FUT DEC 24	29	6143	6140	6058
MINI HSCEI FUT MAR 25	28	6163	6164	6084

Major HSI Constituent Stocks	Close	Change	High	Low
*Alia Group Ltd	54.75	-0.1	55.15	54.35
**Tencent Holdings Ltd	377.8	3	377.8	370.4
**HSBC Holdings PLC	67.25	-0.05	67.3	66.8
**China Construction Bank Corp	5.45	0	5.46	5.38
**Ping An Insurance Group	35.1	-0.25	35.3	34.6
**Meituan	126.5	3.5	127	122.2
*Hong Kong Exchanges & Clearing Ltd	221.2	-2.8	223	218.4
**Alibaba Group Holdings Ltd	82	-0.75	82.3	81.4
**Xiaomi Corp	19.24	0.02	19.3	18.94
**ICBC	4.26	0.04	4.27	4.19

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	11.46	-0.08	11.58	11.22
**China Mobile Ltd	71.25	0.15	71.3	70.55
**Bank of China Ltd	3.4	0.03	3.41	3.34
*Techtronic Industries Co Ltd	108.9	3.9	109	104.7
*CK Hutchison Holdings Ltd	41.9	0.35	41.9	41.25
*Link REIT	38.2	0.4	38.2	37.2
*CLP Holding Ltd	70.4	0.6	70.4	69.25
**Geely Automobile Holdings Ltd	9.02	-0.07	9.09	8.87
**CNOOC Ltd	18.42	-0.06	18.5	18.14
**ANTA Sports Products Ltd	69.4	-0.7	69.4	68.35

Global Equity Indices	Close	Change	High	Low
Hang Seng	17422.12	53.03	17422.12	17177.08
HSCEI	6090.16	18.64	6090.58	5994.32
Shanghai Comp Index	0	0	0	0
Nikkei 225	0	0	0	0
KOSPI	0	0	0	0
S&P/ASX200	8121.6	21.654	8145	8099.9
DJIA	41615.8	221.98	41733.97	41435.17
S&P 500	5627.99	1.97	5635.05	5604.53
NASDAQ	17580.4	-103.56	17618.4	17480.66
DAX	18633.1	-66.29	18672.23	18599.53
CAC	7449.44	-0.21	7480.6	7430.06
FTSE100	8278.44	5.35	8290	8247.92

Technical Analysis

Mini Hang Seng

1st Resistance: 17712 2nd Resistance: 17974
 1st Support: 17188 2nd Support: 16927
 MACD: -36.184
 MACD DIFF: -25.692
 RSI: 50.8511

Mini Hang Seng China Enterprise

1st Resistance: 6186 2nd Resistance: 6278
 1st Support: 6004 2nd Support: 5912
 MACD: -32.113
 MACD DIFF: -11.049
 RSI: 48.3535

Strategy:

Mini Hang Seng: Long: Profit target: 17188 Stop-loss: 17360 17102 Long: Profit target: 16927 Stop-loss: 17096 16842

Short: Profit target: 17712 Stop-loss: 17535 17800 Short: Profit target: 17974 Stop-loss: 17794 18063

Mini Hang Seng China Enterprise: Long: Profit target: 6004 Stop-loss: 6064 5974 Long: Profit target: 5912 Stop-loss: 5971 5883

Short: Profit target: 6186 Stop-loss: 6125 6217 Short: Profit target: 6278 Stop-loss: 6215 6309

Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised	
09/04/2024 08:30	S&P Global Hong Kong PMI	Aug	--	49.4	49.5	--
09/12/2024 16:30	PPI YoY	2Q	--	3.00%	1.20%	--
09/19/2024 16:30	Unemployment Rate SA	Aug	3.00%	--	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	2.60%	--	2.50%	--
09/30/2024 16:30	Money Supply M1 HKD YoY	Aug	--	-3.00%	--	--
09/30/2024 16:30	Money Supply M2 HKD YoY	Aug	--	2.00%	--	--
09/30/2024 16:30	Money Supply M3 HKD YoY	Aug	--	2.00%	--	--

China Economic Releases	Period	Survey	Actual	Prior	Revised	
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%	6.30%	--
09/09/2024 09:15	Money Supply M1 YoY	Aug	-6.70%	-7.30%	-6.60%	--
09/09/2024 09:15	Money Supply M0 YoY	Aug	--	12.20%	12.00%	--
09/11/2024 09:18	FDI YTD YoY CNY	Aug	--	-31.50%	-29.60%	--
09/30/2024 09:30	Composite PMI	Sep	--	--	50.1	--
09/30/2024 09:30	Manufacturing PMI	Sep	--	--	49.1	--
09/30/2024 09:30	Non-manufacturing PMI	Sep	--	--	50.3	--
09/30/2024 09:45	Caixin China PMI Composite	Sep	--	--	51.2	--
09/30/2024 09:45	Caixin China PMI Mfg	Sep	--	--	50.4	--
09/30/2024 09:45	Caixin China PMI Services	Sep	--	--	51.6	--
09/30/2024	BoP Current Account Balance	2Q F	--	--	\$54.9b	--

Hong Kong GDP Y on Y



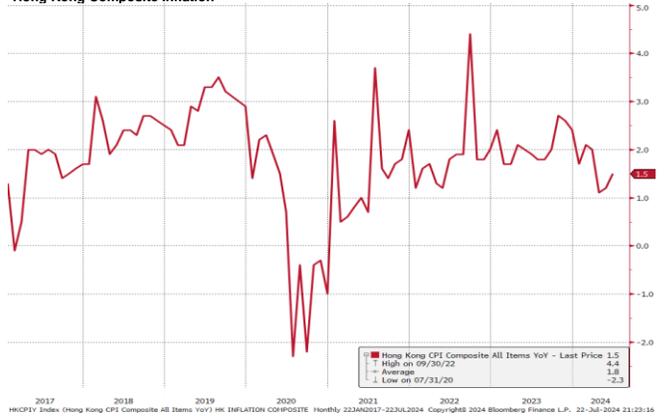
Hong Kong Base Interest Rate



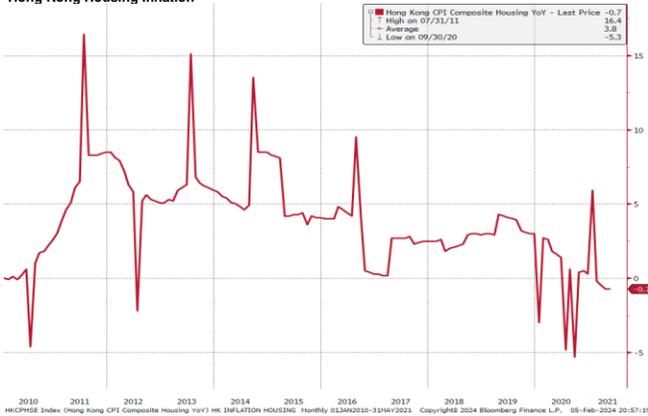
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y



(Source: Bloomberg)

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