

**Fundamentals:**

Hong Kong stocks dropped for a third day as investors await more clarity on fiscal stimulus from Beijing that is perceived as critical to sustain a 20 per cent gain over the past month.

The Hang Seng Index slipped 0.2 per cent to 20,286.85 at the close, marking a three-day, 4.5 per cent decline. The Hang Seng Tech Index fell 1.1 per cent. Mainland China's benchmarks were mixed: the CSI 300 Index slipped 0.6 per cent, taking its decline to 10 per cent from October 8, while the Shanghai Composite Index added 0.1 per cent.

Alibaba Group Holding and Tencent Holdings declined among the biggest constituents on the Hang Seng gauge. Limiting losses, Henderson Land Development paced gains among Hong Kong developers after Hong Kong Chief Executive John Lee Ka-chiu announced the city will let homebuyers borrow more in his policy address.

Investors are digesting the implications of a briefing over the weekend by mainland China's finance ministry, which refrained from providing specific numbers on the much-heralded fiscal support. Wall Street firms from Morgan Stanley to Goldman Sachs believe that detailed measures will come through after approval by the legislative body, whose standing committee is set to meet in coming weeks.

"To truly spark a rally, Beijing must show that its monetary stimulus is more than just window dressing, with real economic growth and a multiplier effect kicking in," said Stephen Innes, managing director with SPI Asset Management in Bangkok. "Without that concrete evidence, investor sentiment – even with support from government-backed financial institutions – will likely stay on edge."

Sentiment remains skittish, as a bull run that recovered as much as US\$4.4 trillion in market value over the past month for the markets in Hong Kong and China shows signs of cooling. Investors are jittery that share prices have moved far ahead of fundamentals and worry that the fiscal stimulus measures may fall short of expectations. Nomura Holdings estimates the stimulus package at more than 3 trillion yuan (US\$421.7 billion).

Alibaba dropped 0.9 per cent to HK\$98.95, and Tencent lost 0.3 per cent to HK\$415.80. E-commerce giant JD.com sank 3.1 per cent to HK\$155.40.

Henderson Land advanced 2.6 per cent to HK\$25.80, and New World Development gained 1.7 per cent to HK\$8.20. The Hang Seng property index climbed 1.9 per cent, the best performance among the four sub-gauges on the Hang Seng Index.

In his third policy address, delivered on Wednesday, Lee said that mortgages can be capped at 70 per cent of the value of purchased houses, as opposed to 60 per cent currently. The city will also expand an investment migration programme to attract more talent and prop up the property market, he added. The government will also cut the duty on some imported liquor to 10 per cent from 100 per cent, he said.

Chinese property developers surged as investors anticipate more support measures for the troubled sector from a housing ministry press conference scheduled for Thursday.

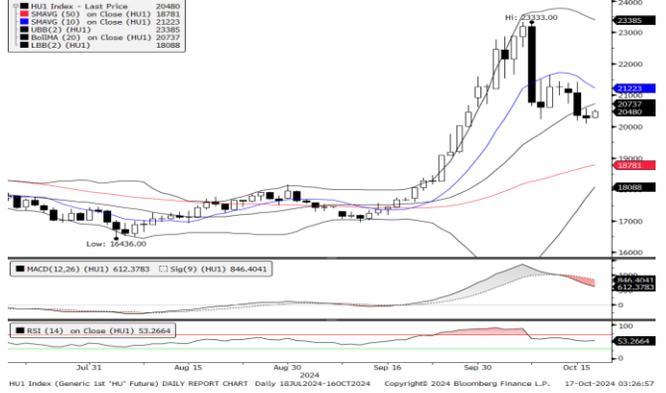
Longfor Group Holdings jumped 7.8 per cent to HK\$13.82, China Overseas Land and Development added 3.8 per cent to HK\$15.46 and China Resources Land rose 2.5 per cent to HK\$26.75.

Two companies started trading. Data service provider Qiniu tumbled 57 per cent from the offering price to HK\$1.19 in Hong Kong. Zhonghang Shangda Superalloys jumped 11 times to 79.85 yuan in Shenzhen.

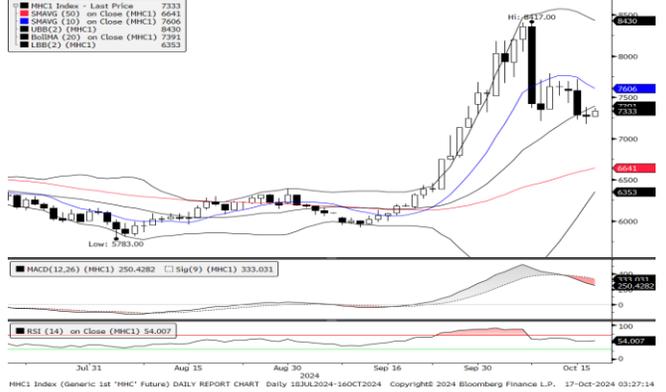
Other major Asian markets dropped as technology stocks led a sell-off after weak guidance from chipmaking machine maker ASML Holdings. Japan's Nikkei 225 slid 1.8 per cent, while South Korea's Kospi retreated 0.9 per cent and Australia's S&P/ASX 200 lost 0.4 per cent.

(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 OCT 24	-78	20283	20594	20091
H. SENG FUT NOV 24	-71	20327	20601	20147
H. SENG FUT DEC 24	-71	20387	20688	20216
H. SENG FUT MAR 25	-75	20458	20691	20300
MINI H. SENG FUT OCT 24	-78	20283	20592	20088
MINI H. SENG FUT NOV 24	-71	20327	20628	20130
MINI H. SENG FUT DEC 24	-71	20387	20683	20168
MINI H. SENG FUT MAR 25	-75	20458	20750	20262
HSCEI FUT OCT 24	-20	7267	7383	7173
HSCEI FUT NOV 24	-21	7290	7396	7228
HSCEI FUT DEC 24	-20	7311	7425	7225
HSCEI FUT MAR 25	-20	7354	7435	7291
MINI HSCEI FUT OCT 24	-20	7267	7382	7173
MINI HSCEI FUT NOV 24	-21	7290	7404	7200
MINI HSCEI FUT DEC 24	-20	7311	7425	7250
MINI HSCEI FUT MAR 25	-20	7354	7396	7270

Major HSI Constituent Stocks	Close	Change	High	Low
*Ala Group Ltd	63.2	-0.45	64	62
**Tencent Holdings Ltd	415.8	-1.2	425.8	412.6
**HSBC Holdings PLC	67.7	0.1	68.15	67.5
**China Construction Bank Corp	6.07	0.04	6.14	5.99
**Ping An Insurance Group	48.95	0.5	49.5	47.85
**Meituan	173.2	2.4	177.6	167.1
*Hong Kong Exchanges & Clearing Ltd	305.4	-0.4	310.4	299
**Alibaba Group Holdings Ltd	98.95	-0.9	100.9	97.85
**Xiaomi Corp	22.7	-0.3	23.2	22.5
**ICBC	4.77	0.05	4.83	4.68

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	15.68	-0.46	16.24	15.5
**China Mobile Ltd	73.5	-0.15	74.55	73.4
**Bank of China Ltd	3.81	0.04	3.88	3.76
*Techtronic Industries Co Ltd	113.2	-0.2	115	112
*CK Hutchison Holdings Ltd	41.7	-0.3	42.4	41.65
*Link REIT	38	0.25	38.5	37.45
*CLP Holding Ltd	66.2	-0.15	66.9	66
**Geely Automobile Holdings Ltd	12.1	0.1	12.4	11.58
**CNOOC Ltd	19.1	-0.2	19.36	19
**ANTA Sports Products Ltd	86.45	-2.25	87.65	84.9

Global Equity Indices	Close	Change	High	Low
Hang Seng	20286.85	-31.94	20548.18	20131.34
HSCEI	7267.98	-9.85	7370.47	7203.74
Shanghai Comp Index	3202.95	1.656	3236.848	3167.736
Nikkei 225	39180.3	-730.25	39362.63	39062.85
KOSPI	2610.36	-23.09	2622.33	2601.35
S&P/ASX200	8284.75	-33.62	8318.4	8274.3
DJIA	43055.3	314.87	43098.14	42692.37
S&P 500	5844.27	29.01	5846.52	5808.34
NASDAQ	18360.9	45.26	18383.11	18214.96
DAX	19432.8	-53.38	19510.26	19401.54
CAC	7492	-0.4	7511.1	7420.85
FTSE100	8329.07	79.79	8346.55	8249.28

**Technical Analysis**

**Mini Hang Seng**

1st Resistance:	20587	2nd Resistance:	20891
1st Support:	19979	2nd Support:	19675
MACD:	692.893		
MACD DIFF:	-212.249		
RSI:	51.61448		

**Mini Hang Seng China Enterprise**

1st Resistance:	7376	2nd Resistance:	7485
1st Support:	7158	2nd Support:	7049
MACD:	280.856		
MACD DIFF:	-72.911		
RSI:	52.61222		

Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
09/30/2024 16:30	Money Supply M1 HKD YoY	Aug	--	-3.70%	-3.00%	--
09/30/2024 16:30	Money Supply M2 HKD YoY	Aug	--	1.90%	2.00%	--
09/30/2024 16:30	Money Supply M3 HKD YoY	Aug	--	1.90%	2.00%	--
10/03/2024 16:30	Retail Sales Volume YoY	Aug	-10.1%	-11.8%	-13.3%	-13.2%
10/03/2024 16:30	Retail Sales Value YoY	Aug	-9.0%	-10.1%	-11.8%	-13.7%
10/04/2024 08:30	S&P Global Hong Kong PMI	Sep	--	50.0	49.4	--
10/18/2024 16:30	Unemployment Rate SA	Sep	--	3.00%	--	--
10/22/2024 16:30	CPI Composite YoY	Sep	--	2.50%	--	--
10/31/2024 16:30	GDP SA QoQ	3Q A	--	0.40%	--	--
10/31/2024 16:30	GDP YoY	3Q A	--	3.30%	--	--
10/31/2024 16:30	Money Supply M1 HKD YoY	Sep	--	-3.70%	--	--
10/31/2024 16:30	Money Supply M2 HKD YoY	Sep	--	1.90%	--	--
10/31/2024 16:30	Money Supply M3 HKD YoY	Sep	--	1.90%	--	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
10/09/2024 10/15	Money Supply M2 YoY	Sep	6.40%	6.80%	6.30%	--
10/09/2024 10/15	Money Supply M1 YoY	Sep	-7.20%	-7.40%	-7.30%	--
10/09/2024 10/15	Money Supply M0 YoY	Sep	--	11.50%	12.20%	--
10/14/2024 10/18	FDI YTD YoY CNY	Sep	--	--	-31.50%	--
10/13/2024 09:30	PPI YoY	Sep	-2.60%	-2.80%	-1.80%	--
10/13/2024 09:30	CPI YoY	Sep	0.60%	0.40%	0.60%	--
10/18/2024 10:00	GDP YoY	3Q	4.50%	--	4.70%	--
10/18/2024 10:00	GDP SA QoQ	3Q	1.10%	--	0.70%	--
10/18/2024 10:00	GDP YTD YoY	3Q	4.90%	--	5.00%	--
10/18/2024 10:00	Retail Sales YoY	Sep	2.50%	--	2.10%	--
10/18/2024 10:00	Retail Sales YTD YoY	Sep	3.30%	--	3.40%	--
10/31/2024 09:30	Composite PMI	Oct	--	--	50.4	--
10/31/2024 09:30	Manufacturing PMI	Oct	--	--	49.8	--
10/31/2024 09:30	Non-manufacturing PMI	Oct	--	--	50	--

### Hong Kong GDP Y on Y



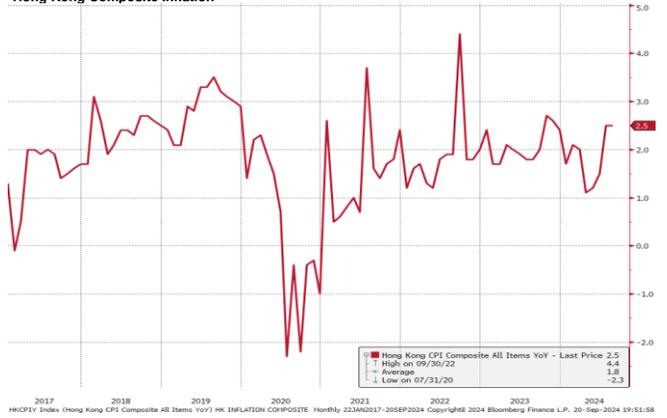
### Hong Kong Base Interest Rate



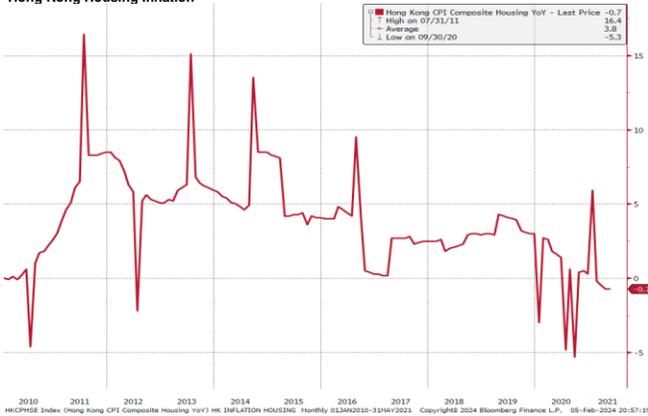
### Hong Kong Unemployment Rate



### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.