

**Fundamentals:**

Hong Kong stocks eased on Friday after official data showed China's imports slowed, underscoring the challenge facing the world's second-largest economy to revive domestic demand.

The Hang Seng Index fell 0.6 per cent to close at 18,366.95. Still, the benchmark ended the week with a 1.6 per cent gain. The Hang Seng Tech Index dropped 1.8 per cent, while the CSI 300 Index slid 0.5 per cent, with smaller companies leading the sell-off despite the firm from the regulator downplaying delisting risks.

Markets in Hong Kong and the mainland will be shut on Monday for a public holiday.

Better-than-expected data on China's exports failed to impress investors as the focus remained on tepid domestic demand reflected in slowing imports. Deceleration in imports, which rose just 1.8 per cent in May versus last month's 8.4 per cent jump, worried analysts.

"The data shows that China's economic recovery is bumpy and the issue of weak demand still needs to be addressed," said Song Yiwei, an analyst at Bohai Securities in Tianjin. "June will be a window for investors to observe the effect of all these supportive policies, particularly the ones on the property market. If there's a pickup in high-frequency data or signs of fresh reform, that will lift market expectations and push the market further higher."

Bank of America expects Chinese stocks to be rangebound over the next few weeks as investors await fresh catalysts such as June macro data, home transaction updates and the Chinese Communist Party's third plenum that may outline a path for long-term reforms and economic policies. A technical analyst from trading firm Oanda said that Hong Kong stocks could extend gains, due to the widening breadth of the run-up.

The spectacular run that began in January which pushed the Hong Kong market into bull territory has shown some signs of stalling, as recent property data has been sluggish despite China's rescue package aimed at the beleaguered sector. Home sales volumes in 33 major cities dropped 42 per cent from a year ago through June 4 this year, barely improving from a 44 per cent decline in the year-to-date period until the end of April, according to BofA.

"So far, the scale of policy support is not sufficient to move the needle but we expect more is on the horizon," analysts led by Yi Wang at Goldman Sachs wrote in a report this week.

Chinese electric-vehicle (EV) manufacturer Li Auto shed 1.1 per cent to HK\$78.10 on concern about stiffer competition in the industry after rival Nio posted a quarterly loss. Nio, which is not a member on the Hang Seng Index, tumbled 7.2 per cent to HK\$38.25. Personal-computer maker Lenovo Group slumped 6.8 per cent to HK\$10.64 and machine tool maker Techtronic Industries lost 2.8 per cent to HK\$97.05.

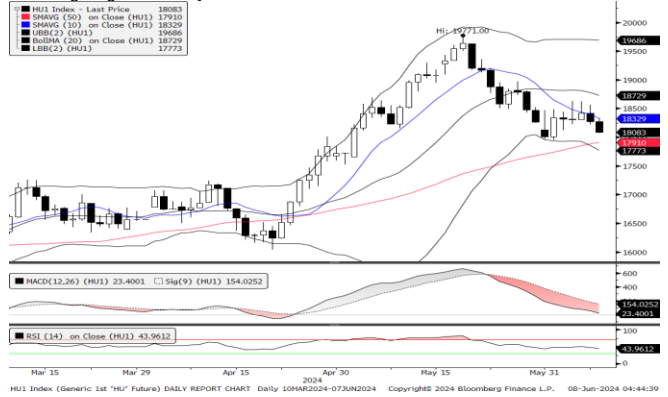
Contemporary Amperex Technology, the world's biggest maker of lithium-ion batteries for EVs, slumped 5.7 per cent to 193.20 yuan in Shenzhen after a US lawmaker proposed to put the Chinese company on a black list for alleged human right issues.

Three companies made their stock market debut on Friday. Jiangxi Rimang Group rose 0.1 per cent from its initial public offering price to HK\$15, and Easou Technology Holdings surged 92 per cent to HK\$11.12, in Hong Kong. Ningbo Lian Technology jumped 349 per cent to 127 yuan in Shenzhen.

Other major Asian markets were broadly higher. South Korea's KOSPI rose 1.2 per cent, Australia's S&P/ASX 200 added 0.5 per cent, but Japan's Nikkei 225 slipped 0.1 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 JUN 24	-147	18273	18564	18221
H. SENG FUT JUL 24	-146	18175	18466	18136
H. SENG FUT SEP 24	-150	18167	18400	18138
H. SENG FUT DEC 24	-149	18327	18535	18280
MINI H. SENG FUT JUN 24	-147	18273	18564	18222
MINI H. SENG FUT JUL 24	-146	18175	18464	18126
MINI H. SENG FUT SEP 24	-150	18167	18456	18120
MINI H. SENG FUT DEC 24	-149	18327	18600	18286
HSCEI FUT JUN 24	-60	6460	6580	6447
HSCEI FUT JUL 24	-58	6396	6505	6388
HSCEI FUT SEP 24	-62	6394	6507	6384
HSCEI FUT DEC 24	-62	6458	6540	6460
MINI HSCEI FUT JUN 24	-60	6460	6580	6447
MINI HSCEI FUT JUL 24	-58	6396	6513	6383
MINI HSCEI FUT SEP 24	-62	6394	6479	6390
MINI HSCEI FUT DEC 24	-62	6458	6568	6450

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	58.35	-0.7	59.6	58.15
**Tencent Holdings Ltd	374.8	-6.8	384.6	372.8
*HSBC Holdings PLC	68.75	0.25	69.2	68.65
**China Construction Bank Corp	5.66	0.07	5.68	5.59
**Ping An Insurance Group	38.1	-0.833	39.55	38
**Meituan	110.4	-2.3	115	109.8
*Hong Kong Exchanges & Clearing Ltd	270.8	-2.2	275.6	269.6
**Alibaba Group Holdings Ltd	77.1	0	78.1	76.9
**Xiaomi Corp	17.62	-0.34	18.2	17.22
**ICBC	4.42	0.05	4.43	4.38

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	11.38	-0.18	11.68	11.26
**China Mobile Ltd	74.95	0.35	75.5	74.2
**Bank of China Ltd	3.79	0.03	3.82	3.76
*Techtronic Industries Co Ltd	97.05	-2.75	100.6	96
*CK Hutchison Holdings Ltd	38.65	-0.2	39.2	38.55
*Link REIT	33.9	-0.2	34.5	33.8
*CLP Holding Ltd	65.6	0.8	65.8	64.7
**Geely Automobile Holdings Ltd	9.75	-0.06	9.87	9.65
**CNOOC Ltd	21.25	0.15	21.65	21
**ANTA Sports Products Ltd	87.25	0.15	88	86.95

Global Equity Indices	Close	Change	High	Low
Hang Seng	18366.95	-109.85	18575.7	18302.33
HSCEI	6510.37	-44.69	6588.64	6482.37
Shanghai Comp Index	3051.28	2.485	3065.03	3031.044
Nikkei 225	38683.9	-19.58	38747.3	38560.85
KOSPI	2722.67	33.17	2729.63	2705.23
S&P/ASX200	7860.02	38.258	7861.8	7821.8
DJIA	38799	-87.18	39105.2	38751.85
S&P 500	5346.99	-5.97	5375.08	5331.33
NASDAQ	17133.1	-39.99	17229.3	17090.04
DAX	18557.3	-95.4	18649.1	18424.6
CAC	8001.8	-0.48	8048.59	7943.29
FTSE100	8245.37	-39.97	8297.01	8210.23

**Technical Analysis**

**Mini Hang Seng**

1st Resistance: 18547  
 2nd Resistance: 18821  
 1st Support: 17999  
 2nd Support: 17725  
 MACD: 57.440  
 MACD DIFF: -129.322  
 RSI: 47.5894

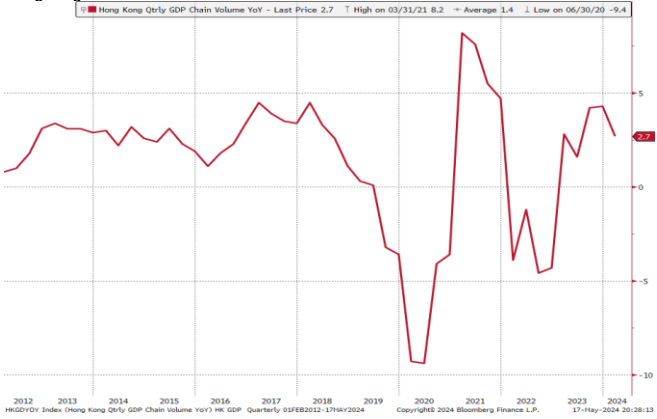
**Mini Hang Seng China Enterprise**

1st Resistance: 6557  
 2nd Resistance: 6654  
 1st Support: 6363  
 2nd Support: 6266  
 MACD: 20.683  
 MACD DIFF: -50.379  
 RSI: 46.8784

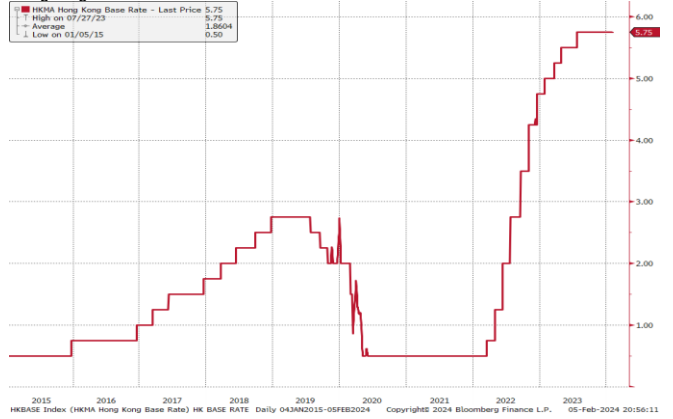
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
05/31/2024 16:30	Retail Sales Volume YoY	Apr	-9.10%	-16.50%	-8.60%	-8.70%
05/31/2024 16:30	Retail Sales Value YoY	Apr	-6.30%	-14.70%	-7.00%	--
05/31/2024 16:30	Money Supply M1 HKD YoY	Apr	--	-9.90%	-11.40%	--
05/31/2024 16:30	Money Supply M2 HKD YoY	Apr	--	0.50%	-0.40%	--
05/31/2024 16:30	Money Supply M3 HKD YoY	Apr	--	0.50%	-0.40%	--
06/05/2024 08:30	S&P Global Hong Kong PMI	May	--	49.2	50.6	--
06/14/2024 16:30	PPI YoY	1Q	--	--	2.70%	--
06/14/2024 16:30	Industrial Production YoY	1Q	--	--	4.10%	--
06/20/2024 16:30	Unemployment Rate SA	May	--	--	3.00%	--
06/21/2024 16:30	BoP Current Account Balance	1Q	--	--	\$71.20b	\$70.72b
06/21/2024 16:30	BoP Overall	1Q	--	--	-\$9.11b	--
06/21/2024 16:30	CPI Composite YoY	May	--	--	1.10%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
05/31/2024 09:30	Composite PMI	May	--	51	51.7	--
05/31/2024 09:30	Manufacturing PMI	May	50.5	49.5	50.4	--
05/31/2024 09:30	Non-manufacturing PMI	May	51.5	51.1	51.2	--
06/09/2024 06/15	Money Supply M2 YoY	May	--	--	7.20%	--
06/09/2024 06/15	Money Supply M1 YoY	May	--	--	-1.40%	--
06/09/2024 06/15	Money Supply M0 YoY	May	--	--	10.80%	--
06/11/2024 06/18	FDI YTD YoY CNY	May	--	--	-27.90%	--
06/12/2024 09:30	PPI YoY	May	--	--	-2.50%	--
06/12/2024 09:30	CPI YoY	May	--	--	0.30%	--
06/17/2024 10:00	Industrial Production YoY	May	--	--	6.70%	--
06/17/2024 10:00	Industrial Production YTD YoY	May	--	--	6.30%	--
06/17/2024 10:00	Retail Sales YoY	May	--	--	2.30%	--
06/17/2024 10:00	Retail Sales YTD YoY	May	--	--	4.10%	--

### Hong Kong GDP Y on Y



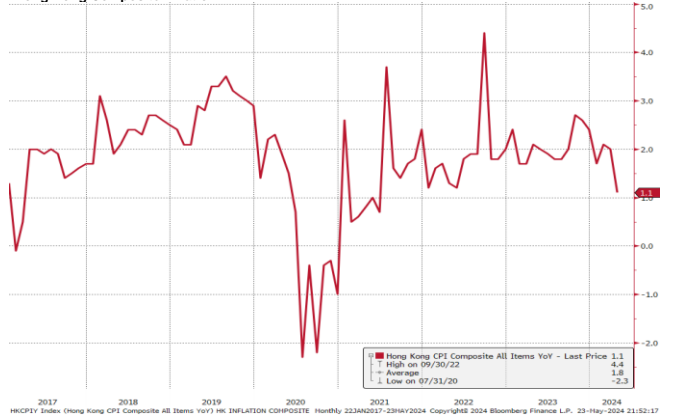
### Hong Kong Base Interest Rate



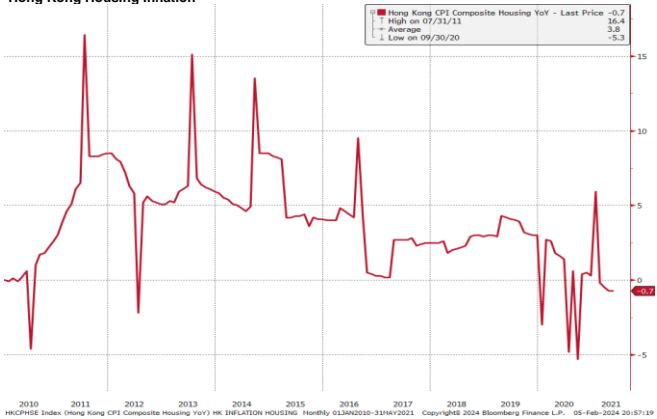
### Hong Kong Unemployment Rate



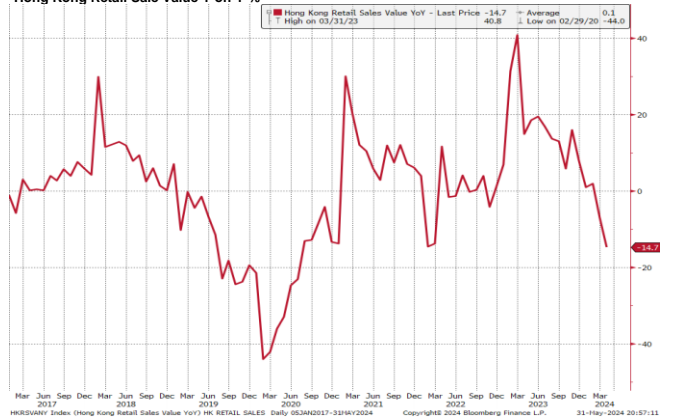
### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

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