



KGI

CHINA
DEVELOPMENT
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Major Market Indicators

	15 Jul	12 Jul	11 Jul
Mkt. Turn.(mn)	71,400	62,400	67,400
Stock Advances	780	702	936
Stock Declines	850	901	668
HSI	28,554	28,471	28,431
Change	+83	+39	+227
HSI Turn.(\$bn)	24.41	19.90	19.86
HSCEI	10,838	10,788	10,784
Change	+50	+4	+82
HSCEI Turn.(\$bn)	20.58	19.16	18.12

HSI Technical Indicators

10-days MA	28,541
50-days MA	28,057
250-days MA	27,608
14-days RSI	56.16
Primary resistance	28,630
Primary support	28,372

HSCEI Technical Indicators

10-days MA	10,820
50-days MA	10,726
250-days MA	10,800
14-days RSI	53.77
Primary resistance	11,000
Primary support	10,800

HSI Futures

	15 Jul	12 Jul	11 Jul
Jul	28,523	28,539	28,454
Volume	186,952	150,068	148,098
Open interests	114,800	115,360	123,685
Aug	28,489	28,511	28,427
Volume	638	286	633
Open interests	1,855	1,656	1,565

HSCEI Futures

	15 Jul	12 Jul	11 Jul
Jul	10,820	10,822	10,789
Volume	70,842	58,596	62,117
Open interests	190,732	197,396	200,235
Aug	10,830	10,832	10,796
Volume	346	671	2,348
Open interests	6,924	6,175	6,038

Market Overview

The Hang Seng Index is expected to trade at 28,300-28,700 today

The US stock market hit a new high on Friday, but Hong Kong stocks opened lower on Monday due to the influence of the Budweiser APAC's cancellation of its listing plan on the Hong Kong market. Mainland China announced major economic data for the first half of the year, GDP was in line with market expectations, and the industrial production, retail sales and investment were better than market expectations. A shares and Hong Kong stocks subsequently rebounded. Hong Kong stocks closed at 28,554 points, up 83 points. The H-Share Index rose 50 points to 10,838 points. The market turnover was HK\$71.4 billion. The pharmaceutical sector up, a subsidiary of CSPC Pharma (1093) announced that net profit of 1H2019 increased 12-30% YoY, CSPC Pharma rose 7.0%, making it the best blue chip.

US stock market traded within narrow range on Monday. Citigroup announced quarter results, net profit beat market expectation, but overall performance was mixed, profit taking pressure seen on the banking sector. However, thanks to buying on utilities and technology stocks, the three major stock index hit new high, the Dow and the Nasdaq rose 27 points (to 27,359) and 14 points (to 8,258) respectively. On the other hand, China second quarter GDP slowed, investors concern it might impact global oil demand, oil price fell 1.1% to 59.6 US Dollar per barrel.

US Treasury Secretary said that China and US will continue phone conversation this week, investors will eye on whether there is progress on trade talk. Since Hong Kong stock market lack of new drivers, market turnover is weak, Hang Seng Index is expected to continue range trading today. 50 Day SMA is the short term major support.

Technical Analysis

The Hang Seng Index once fell on Monday, but found support at 50 Day SMA(28,057). It rebounded with a white candlestick and closed above 10 Day SMA(28,541). On the other hand, MACD dipped into the negative territory while its negative trend has decelerated. Together with low market turnover, the Hang Seng Index is still pending for change. Hang Seng Index first support is at 20 Day SMA (28,372) while second support is 50 Day SMA (28,057). On the other hand, first resistance is 100 Day SMA (28,630).while second resistance is at 29,000.

HSI Chart



Sources : Google