



KGI

CHINA
DEVELOPMENT
FINANCIAL

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Major Market Indicators

	21 Jun	20 Jun	19 Jun
Mkt. Turn.(mn)	118,600	97,800	105,100
Stock Advances	773	1,129	1,214
Stock Declines	916	569	530
HSI	28,473	28,550	28,202
Change	-76	+384	+703
HSI Turn.(\$bn)	44.47	37.21	42.44
HSCEI	10,921	10,922	10,764
Change	0	+157	+257
HSCEI Turn.(\$bn)	38.08	32.80	32.97

HSI Technical Indicators

10-days MA	27,704
50-days MA	28,480
250-days MA	27,639
14-days RSI	60.98
Primary resistance	28,800
Primary support	28,000

HSCEI Technical Indicators

10-days MA	10,608
50-days MA	10,983
250-days MA	10,820
14-days RSI	61.62
Primary resistance	10,983
Primary support	10,820

HSI Futures

	21 Jun	20 Jun	19 Jun
Jun	28,422	28,515	28,146
Volume	179,438	182,239	186,360
Open interests	137,509	149,690	138,022
Jul	28,377	28,464	28,090
Volume	5,592	3,750	3,732
Open interests	13,047	8,804	6,668

HSCEI Futures

	21 Jun	20 Jun	19 Jun
Jun	10,868	10,873	10,696
Volume	101,911	112,216	120,198
Open interests	213,843	228,394	241,011
Jul	10,824	10,830	10,647
Volume	7,210	4,559	1,979
Open interests	25,054	20,608	17,994

Market Overview

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

Although the US stock market continued to rise overnight, Hong Kong stocks retreated at a high level after recording a significant gain in recent days. The Hang Seng Index fell 77 points to 28,474 points on Friday. The H-Share Index is still fell 1 points to 10,921 points. Market turnover was HK\$118.6 billion. Iran has shot down a US military drone. The market is worried that there will be a military conflict between the two parties. Oil prices soared, CNOOC (0883.HK) shares rose 2.6%. On the other hand, CLP Holdings (0002) issued a profit warning to predict the HK\$6 to 7 billion impairment of goodwill for the Australian business. It is estimated that this year's interim results will record a loss while the share price fell by 3.9%.

Several Fed members released more dovish view on US economy outlook last Friday, US stock market continued its rally on early session, the Dow once rose 150 points. However, heightened tensions between Iran and the U.S triggered profit taking pressure, US stock retreated. The Dow and the Nasdaq fell 34 points (to 26,719) and 20 points (to 8,032) respectively. Looking ahead this week, President Xi Jinping and President Trump meeting at Osaka will be the major focus. Besides, investors will also eye on a series of US economy data to be released.

Hong Kong stock market accumulated significant gain recently. However, investors might prefer to switch to stay sideline ahead of G20 meeting. Hang Seng Index initial support at 28,000. Looking ahead, investors focus will eye on President Xi Jinping and President Trump meeting, to see whether it could enhance China and US relationship.

Technical Analysis

The Hang Seng Index opened higher again last Friday, and finally retreated with a black candlestick, closing below the 50 Day SMA (28,480) and 100 Day SMA(28,521). On the other hand, MACD remained in the positive territory, its positive trend has been accelerated again. Hang Seng Index remained firmed. Hang Seng Index first support is at 28,000 while second support is 250 Day SMA (27,639). On the other hand, first resistance is 28,800, while second resistance is at 29,000.

HSI Chart



Sources : Google