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Wealth Daily

Tuesday, 8 September 2026

Asia's chip rally meets a renewed oil shock

Today's Must-Know News

Market Movers: Asian equities diverged sharply: South Korea's KOSPI surged 4.61% and Japan's Nikkei 2.12% as chip shares rallied, while Hong Kong's Hang Seng fell 0.93%. Singapore's STI eased 0.17%, Malaysa's KLCI gained 0.39% and Europe's STOXX 600 closed flat. US cash markets were closed for Labor Day. (AP, Reuters, Business Times, The Star)

Macro: The 162,000 August US payroll gain remained the global rate anchor, lifting the market-implied chance of a rate hike on 16 September FOMC to about 60%. The ECB is expected to raise rates by 25bp on Thursday; stronger euro-area growth and sentiment data reinforced that case. US PPI on Thursday and CPI on Friday will test whether the oil shock is broadening. (Reuters, BLS, ECB)

FICC: Brent settled 1.1% higher at US$97.31 after touching US$98.06 as US-Iran attacks and Tehran's planned restricted zone near Hormuz intensified supply risk. WTI had no official holiday settlement. The dollar index saw little change at 99.18, while the yen strengthened to 154.32 per US dollar. **Tencent Holdings (0700.HK) and Alibaba Group (9988.HK) are our Core Recommendations.** (Reuters)

Trader's Corner (Details on Page 6-7)

Ticker	Name	Rec.	Support	Resistance
2015.HK	Li Auto	-	HKD 47.28 / 44.56	HKD 56.10 / 62.00
0175.HK	Geely Automobile	CR	HKD 14.86 / 14.57	HKD 17.66 / 18.08

CR = Core Recommendation; TB = Trading Buy

Hong Kong IPO Calendar

Ticker	Company Name	Sector / status	Next date
9976.HK	Longsys	Memory chips; trading debut	8 Sep 09:00 SGT
3231.HK	Excelland Robot	Robotics; expected listing	9 Sep 09:00 SGT

Overnight Markets

Indices

	Price	1D	YTD
Dow Jones (4 Sep)	53,414.25	-0.51%	+11.13%
S&P 500 (4 Sep)	7,718.60	-0.38%	+12.75%
Nasdaq (4 Sep)	26,506.99	-0.29%	+14.05%
STI (7 Sep)	5,792.28	-0.17%	+24.67%
Hang Seng (7 Sep)	25,413.12	-0.93%	-0.85%
CSI 300 (7 Sep)	4,575.02	+0.59%	-1.19%
KLCI (7 Sep)	1,714.79	+0.39%	+2.06%

Government Bond Yields

Term	Yield	1D	YTD
US 2Y (4 Sep)	4.37%	+3.0bp	+90.0bp
US 10Y (4 Sep)	4.78%	+1.0bp	+60.0bp
Germany 2Y (7 Sep)	3.004%	+5.9bp	Unavailable
Germany 10Y (7 Sep)	3.381%	+4.3bp	+52.1bp

Precious Metals

	Price	1D	YTD
Gold Dec26 US$/oz (4 Sep)	4,476.60	Market not open	-0.46%
Silver Dec26 US$/oz (4 Sep)	66.820	Market not open	-8.27%

Currencies & Crude Oil

	Price	1D	YTD
DXY (7 Sep)	99.18	+0.02%	+0.91%
EUR/USD (7 Sep)	1.1632	+0.15%	-0.98%
WTI Oct26 US$/bbl (4 Sep)	91.48	No settlement	+60.63%
Brent Nov26 US$/bbl (7 Sep)	97.31	+1.07%	+61.67%

Must Watch Events

Date / SGT	Event
8 Sep 09:00	Longsys Hong Kong debut
9 Sep 22:00	US employer-cost data
10 Sep 20:15	ECB monetary-policy decision
10 Sep 20:30	US August PPI
11 Sep 20:30	US August CPI

Americas

- **U.S. markets pause for Labor Day.** NYSE markets were closed on 7 September, so the Dow, S&P 500 and Nasdaq entries retain their completed 4 September closes. The lack of a fresh US equity close matters: Monday's global repricing happened through oil, currencies and non-US markets rather than a new Wall Street cash signal. (NYSE)
- **Strong jobs keep a September Fed increase live.** Friday's 162,000 payroll gain continued to reverberate, with markets assigning roughly a 60% chance to a 25bp rate increase on 16 September FOMC. That is background rather than a new release, but it explains why higher oil prices translated quickly into renewed inflation and duration concerns. (Reuters)
- **Brent settles at a six-week high.** November Brent gained US$1.03, or 1.1%, to US$97.31 after reaching US$98.06. WTI was US$92.65 in holiday trading but did not settle. The trigger was renewed US-Iran attacks around shipping and Iran's planned restricted zone outside Hormuz, keeping a geopolitical premium embedded in energy. (Reuters)
- **Inflation releases become the next decision points.** The BLS calendar places August PPI at 20:30 SGT on Thursday and CPI at 20:30 SGT on Friday. With cash equities closed Monday, these releases are the next clean US tests of whether energy pressure is feeding broader prices and whether current Fed hike odds are durable. (BLS)

Greater China

- **Hong Kong falls as mainland large caps edge higher.** The Hang Seng lost 237.75 points, or 0.93%, to 25,413.12; the HSCEI fell 1.5% and the Hang Seng Tech Index fell 0.9%. By contrast, the CSI 300 gained 0.59% to 4,575.02 and the Shanghai Composite added 0.06%. The split shows more resilient onshore breadth than the offshore technology tape. (ETNet / Reuters)
- **Tencent and Alibaba retreat below resistance.** Tencent closed at HK$438.40, down 0.99%, while Alibaba eased 0.45% to HK$109.60. Tencent remains below its recalculated 20- and 50-day averages; Alibaba is also below both trend measures. Both remain Core Recommendations, but the technical setup argues for confirmation above HK$447.60 and HK$111.90, respectively. (ETNet / Yahoo Finance)
- **Baidu enters southbound Stock Connect eligibility.** Baidu's Class A Hong Kong shares became eligible for Shanghai-Hong Kong Stock Connect trading on 7 September. The change broadens direct access for mainland investors; the investable effect will depend on sustained flows rather than eligibility alone. (Baidu / SEC)
- **Two technology IPOs define the near-term calendar.** Memory-chip company Longsys is due to begin trading on 8 September after publishing its allotment result, while Excelland Robot is scheduled for 9 September. Both sit near the current AI-hardware theme, but first-day liquidity and price discovery remain the immediate risks. (HKEX)

Asia ex. China

- **Korea and Japan lead a semiconductor rally.** The KOSPI surged 4.61% to 6,995.39 and the Nikkei gained 2.12% to 66,399.84. Samsung Electronics rose 5.7%, SK Hynix 8.1% and Tokyo Electron 4.7%. The move extended Friday's US chip strength, but richer valuations leave the group sensitive to yields and earnings delivery. (AP)
- **Singapore slips as banks outweigh selective winners.** The STI fell 9.68 points, or 0.17%, to 5,792.28. DBS lost 0.2% to S$78.47, OCBC 1.2% to S$31.88 and UOB 0.6% to S$41.75. Sats rose 2.3% to S$3.97, while DFI Retail fell 1.4% to US$3.57; gainers narrowly exceeded losers. (Business Times)
- **Malaysia advances on concentrated blue-chip demand.** The KLCI gained 6.69 points, or 0.39%, to 1,714.79, led by banking and utility heavyweights. PETRONAS Gas rose to RM17.70 and Tenaga to RM13.84, yet losers outnumbered gainers 610 to 488. The divergence suggests index support was narrower than the headline gain. (The Star)
- **Oil raises the bar for regional central banks.** The combination of resilient US employment and Brent near US$100 strengthens the higher-for-longer case across Asia. Japan's yen rally reflected expectations that the Bank of Japan could move again, while emerging markets must balance energy-import costs against still-uneven domestic demand. (Reuters)

EMEA

- **European equities finish flat as energy offsets defensives.** The STOXX 600 ended at 649.9, effectively unchanged. Energy gained 1.2%, while Switzerland fell 0.8% and Germany's DAX lost 0.2%. Stronger oil supported producers but raised the discount rate applied to longer-duration equities. (Reuters)
- **The ECB decision is the week's central catalyst.** The ECB publishes its decision at 20:15 SGT on Thursday, followed by a 20:45 SGT press conference. Markets and economists widely expect a 25bp increase. The key risk is guidance: another December move is increasingly debated as energy complicates the inflation path. (ECB / Reuters)
- **Growth data reduce the case for patience.** Euro-area second-quarter GDP was revised to 0.6% quarter on quarter and 1.2% year on year, both above expectations, while September investor morale reached a more than four-year high. Better activity gives the ECB more scope to respond to energy-driven inflation. (Reuters)
- **Novartis drops after a cardiovascular study miss.** Novartis fell 3.2% after pelacarsen failed to reduce heart attacks and strokes in a closely watched study. The move shows how binary late-stage outcomes can override a supportive sector backdrop; follow-up scrutiny now shifts to subgroup evidence and pipeline replacement. (Reuters)
- **IQE turns profitable as AI-photonics demand builds.** IQE reported adjusted first-half core profit of GBP6 million versus a GBP0.4 million loss a year earlier and maintained its annual outlook. Demand for data-centre photonics supported the improvement, although indium-phosphide substrate bottlenecks remain an execution risk. (Reuters)

Traders' corner

Source: TradingView

Li Auto (2015.HK)

Last Price:	HKD 50.40
Support:	HKD 47.28 (-6.5%) / HKD 44.56 (-11.7%)
Resistance:	HKD 56.10 (+11.0%) / HKD 62.00 (+22.9%)

Our Technical View

- Price indicates potential major bottoming behavior following a successful rebound off its previous low support boundary.
- A bullish RSI divergence has developed while the oscillator holds securely above its neutral 50-midline.
- This structural momentum alignment signals that downside sell-side pressure has exhausted.
- A decisive penetration above the HK$51.80 swing resistance pivot—followed by the validation of a higher low—will complete a classic structural trend reversal, confirming a shift in market bias and unlocking further upside expansion toward higher primary target levels.

Traders' corner (continued)

Source: TradingView

Geely Automobile (0175.HK)

Last Price:	HKD 16.79
Support:	HKD 14.86 (-11.5%) / HKD 14.57 (-13.1%)
Resistance:	HKD 17.66 (+5.2%) / HKD 18.08 (+7.9%)

Our Technical View

- Price experienced a sharp rejection at its support-turned-resistance zone, marked by a shooting star candlestick pattern and validated by immediate bearish follow-through.
- Technical momentum reinforces this breakdown, as the RSI drops cleanly below its neutral 50-midline to signal expanding downside acceleration.
- As long as intraday retests remain capped below this converted resistance ceiling, path-of-least-resistance dynamics favours a continued downside drift toward lower primary support targets.

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