

Research Paper No.75: Half-yearly Review of the Global and Local Securities Markets

16 August 2024



Executive Summary

1. Market sentiment was bullish in overseas markets during the first half of 2024. Major US and European indices hit record highs successively. Major US stock indices



Performance of stock markets

Overseas markets

- 6. In the US, the Dow, Nasdaq and S&P500 rose 3.8%, 18.1% and 14.5% respectively during the first half of 2024. In Europe, FTSE and DAX rose 5.6% and 8.9%, whilst the CAC fell 0.8%. Major US and European indices hit new highs successively.
- 7. In the US, market gains seemed to be largely driven by technology stocks, given the favourable prospects for the artificial intelligence sector. In the Eurozone, GDP grew 0.3% in the first quarter of 2024, the strongest growth since the third quarter of 2022. The UK GDP growth was 0.7% in the first quarter of this year, easing recessionary concerns.

8.



Performance of the Dow and S&P500 during the first half of 2024

Performance of FTSE and DAX during the first half of 2024

Performance of major stock markets



SZCOMP performance and market turnover (RMB billion) during the first half of 2024

Hong Kong

Market performance

14. Hong Kong market sentiment improved during the first half of 2024 given optimism five measures. The HSI and HSCEI 1 0 0 o82.8 83006S00080008871 0 595.32 84



HSI performance and market turnover (\$ billion) during the first half of 2024

Trading activities

19. During the first half of 2024, average daily turnover in the Hong Kong stock market increased 5.1% to \$110.4 billion from \$105.0 billion in 2023.

Short-selling activities

20. Short selling in Hong Kong remained stable as a percentage of total market turnover during the period. Daily short selling



21.





The Hong Kong market gains accelerated after the CSRC announced measures on capital market cooperation with Hong Kong on 19 April 2024. These measures included: (i) expanding the scope of eligible exchange-traded funds (ETFs) under Stock Connect; (ii) incorporating real estate investment trusts (REITs) into Stock Connect; (iii) supporting the inclusion of RMB-denominated stocks into SB Stock Connect; (iv) enhancing the mutual recognition of funds scheme; and (v) supporting the listing of leading Mainland companies in Hong Kong.

Year-to-date HSI performance recovered to positive territory

rose 3.9% during the first half. During 22 April 28 June, the HSI rose 1,494 points or 9.2%. The HSCEI and the Hang Seng TECH Index advanced 10.2% and 8.4% respectively. The HSI rose for 10 days in a row during 22 April 6 May. This was the longest rising streak in more than six years.

Outperforming most major markets

During 22 April 28 Jun401.35 555.79 Tm0 g0 G[Th)4(i)5(s)17(w)5(as)30(t)-4(he)3



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