

Fundamentals:

Hong Kong stocks slipped, snapping a three-day rally as Chinese tech giants wavered before earnings report cards from Tencent Holdings and Alibaba Group this week. Property developers lost traction amid concerns that the stimulus measures fall short to revive the sector.

The Hang Seng Index fell 0.5 per cent to 18,256.48 at the closing of Wednesday trading, retreating from a seven-week high. The Tech Index declined 0.2 per cent while the Shanghai Composite Index lost 0.5 per cent. An index tracking US-listed Chinese stocks surged 7.6 per cent overnight in New York.

Country Garden tumbled 15.3 per cent to HK\$2.71 and Longfor retreated 5.6 per cent to HK\$20.35, leading declines among Chinese developers as analysts and money managers, including those at BCA Research, Trivium China and abrdn, said the recent stimulus efforts did not go far enough to end the rot in the property market. Alibaba Group, which reports on Thursday, dropped 0.1 per cent to HK\$78.80. Analysts forecast the e-commerce group, the owner of the South China Morning Post, to report a small drop in income.

Limiting losses, Tencent Holdings added 2.2 per cent to HK\$294.40 amid local media reports the WeChat operator has started a new round of lay-offs as it prepares to release its third-quarter report today.

Neither of the recent changes to China's Covid-19 or real estate policies look to be significant enough to reverse the drag on growth that both are currently creating, analysts at Beijing-based consulting firm Trivium China wrote in a research note. "Headwinds to growth will persist."

Government reports this month showed activity weakened in October, partly because of tighter Covid-19 controls. Retail sales fell more than expected, while industrial production grew at a slower pace and property sales saw a deeper 23 per cent slump. Growth momentum in the first two weeks of November remained weak, UBS said.

BYD tumbled 1.8 per cent to HK\$192. China's biggest electric-vehicle maker by sales canceled a plan to spin off its semiconductor manufacturing unit through a stock listing, and decided to invest more money to boost production in the unit to meet chip demand in the EV industry.

The Hang Seng Index has appreciated over 24 per cent so far this month, contributing to a US\$800 billion recovery in market value of the broader Hong Kong market. The Tech Index has risen 33.4 per cent during the same period.

Asian stocks were mixed on Wednesday. The Nikkei 225 in Japan added 0.1 per cent, while the benchmark indices in South Korea and Australia declined 0.1 to 0.3 per cent.

(Source: South China Morning Post)

HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 17/Nov/2022

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	18506	2nd Resistance:	18780
1st Support:	17960	2nd Support:	17686
MACD:	220.762		
MACD DIFF:	383.64		
RSI:	64.1141		

Mini Hang Seng China Enterprise

1st Resistance:	6317	2nd Resistance:	6411
1st Support:	6131	2nd Support:	6037
MACD:	71.607		
MACD DIFF:	138.015		
RSI:	63.3957		

Strategy:

Mini Hang Seng:	Long: Profit target: 17960	Stop-loss: 18139	17870	Long: Profit target: 17686	Stop-loss: 17863	17598
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Short: Profit target: 18506	Stop-loss: 18321	18599	Short: Profit target: 18780	Stop-loss: 18592	18874
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Mini Hang Seng China Enterprise:	Long: Profit target: 6131	Stop-loss: 6192	6100	Long: Profit target: 6037	Stop-loss: 6098	6007
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Short: Profit target: 6317	Stop-loss: 6254	6349	Short: Profit target: 6411	Stop-loss: 6347	6443
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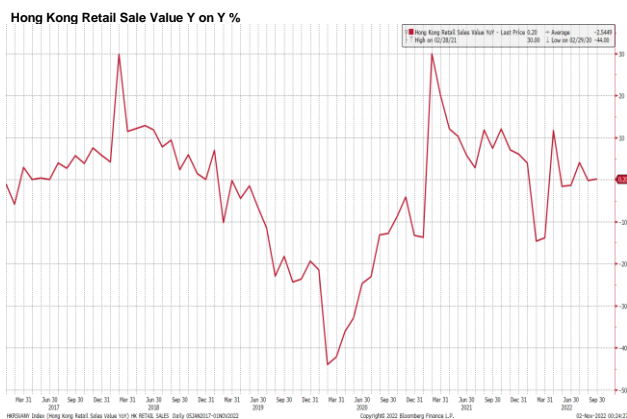
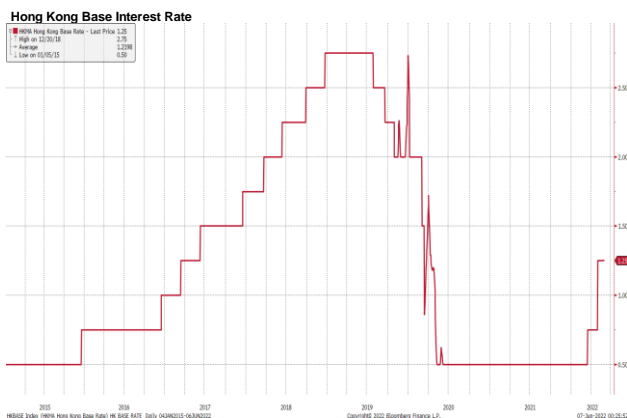
Contracts	Chg	Sett	High	Low
H. SENG FUT NOV 22	-91	18233	18494	18049
H. SENG FUT DEC 22	-83	18300	18542	18122
H. SENG FUT MAR 23	-82	18454	18671	18289
H. SENG FUT JUN 23	-67	18407	18630	18301
MINI H. SENG FUT NOV 22	-91	18233	18494	18049
MINI H. SENG FUT DEC 22	-83	18300	18556	18120
MINI H. SENG FUT MAR 23	-82	18454	18705	18272
MINI H. SENG FUT JUN 23	-67	18407	18648	18220
HSCEI FUT NOV 22	-41	6224	6329	6143
HSCEI FUT DEC 22	-38	6249	6351	6190
HSCEI FUT MAR 23	-40	6332	6399	6260
HSCEI FUT JUN 23	-39	6319	6373	6303
MINI HSCEI FUT NOV 22	-41	6224	6329	6143
MINI HSCEI FUT DEC 22	-38	6249	6349	6175
MINI HSCEI FUT MAR 23	-40	6332	6420	6286
MINI HSCEI FUT JUN 23	-39	6319	6415	6267

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	76.05	0.25	76.75	74
**Tencent Holdings Ltd	294.4	6.4	296.8	280
*HSBC Holdings PLC	44.35	-0.35	44.65	43.7
**China Construction Bank Corp	4.6	-0.05	4.65	4.56
**Ping An Insurance Group	44.45	0.3	44.5	43.5
**Meituan	162.3	-4.1	167.8	157.7
*Hong Kong Exchanges & Clearing Ltd	304.8	-4.4	313.8	299
**Alibaba Group Holdings Ltd	78.8	-0.1	80.8	77
**Xiaomi Corp	10.56	-0.34	11	10.34
**ICBC	3.73	-0.04	3.8	3.7

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	54.05	0.05	56.3	52.55
**China Mobile Ltd	49.5	0.2	49.8	49.05
**Bank of China Ltd	2.66	-0.03	2.7	2.66
*Techtronic Industries Co Ltd	97.8	1.3	99.85	95.05
*CK Hutchison Holdings Ltd	44.2	0.05	44.3	43.55
*Link REIT	56.1	-0.4	57.1	55.9
*CLP Holding Ltd	58.1	0.45	58.8	56.9
**Geely Automobile Holdings Ltd	10.88	-0.54	11.42	10.72
**CNOOC Ltd	10.44	-0.04	10.56	10.42
**ANTA Sports Products Ltd	88.25	0.85	89.4	85.5

Global Equity Indices	Close	Change	High	Low
Hang Seng	18256.48	-86.64	18414.1	18031.87
HSCEI	6225.71	-43.58	6299.79	6135.72
Shanghai Comp Index	3119.98	-14.098	3145.75	3115.345
Nikkei 225	28028.3	38.13	28069.3	27743.15
KOSPI	2477.45	-2.88	2487	2446.79
S&P/ASX200	7122.24	-19.394	7142.5	7102.9
DJIA	33553.8	-39.09	33682.8	33516.99
S&P 500	3958.79	-32.94	3983.09	3954.34
NASDAQ	11183.7	-174.75	11286.1	11162.92
DAX	14234	-144.48	14382.6	14195.31
CAC	6607.22	-0.52	6656.33	6587.2
FTSE100	7351.19	-18.25	7394.42	7341.59

China Economic Releases		Period	Survey	Actual	Prior	Revised
11/16/2022	09:30	New Home Prices MoM	Oct	--	-0.37%	-0.28%
11/17/2022	09:00	Swift Global Payments CNY	Oct	--	--	2.44%
11/16/2022	11:20	FDI YTD YoY CNY	Oct	--	--	15.60%
11/21/2022	09:15	1-Year Loan Prime Rate	Nov-21	3.65%	--	3.65%
11/21/2022	09:15	5-Year Loan Prime Rate	Nov-21	4.30%	--	4.30%
11/22/2022	11:00	Bloomberg Nov. China Economic Survey				



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