

Fundamentals:

Hong Kong stocks retreated amid losses in Chinese property developers while an early rally in Alibaba Group and tech peers faltered. Volatility will continue before China takes more concrete steps to reopen its economy, analysts said.

The Hang Seng Index dropped 0.3 per cent to 17,992.54 as the close of Friday trading, reversing a gain of as much as 1.8 per cent. The Tech Index gained 0.5 per cent after surging more than 3 per cent, while the Shanghai Composite Index retreated 0.6 per cent.

Country Garden dropped 6.5 per cent to HK\$2.61. New World Development slipped 5.3 per cent to HK\$19.22 while China Overseas Land lost 4 per cent to HK\$19.20. Moody's said recent policy support from Beijing would not be enough yet to overcome the gloomy trends on the ground.

Tech stocks also pared gains toward the end of trading. Alibaba Group gained 2.2 per cent to HK\$79.95 after rising more than 6 per cent. Its American depositary shares surged 7.8 per cent overnight in New York. JD.com advanced 2.4 per cent to HK\$215.40 and Tencent slipped 1.4 per cent to HK\$287.80.

Alibaba's operating income surged 68 per cent in the September quarter from a year earlier. Traders shrugged off a surprise loss caused by lower equity investments. The firm, which has spent US\$18 billion of its US\$25 billion stock buy-back programme, will boost that limit to US\$40 billion through 2025.

Alibaba, the owner of this newspaper, is "well positioned to grab long-term growth opportunities," analysts at Huatai Financial wrote on Friday. The buy-back program will be well funded by the company's strong cash position, they added.

China could be the only major economy globally to deliver positive "GDP growth delta", or upside surprise, with still-easy policy and mild inflation in 2023 after the reopening. Goldman Sachs said in a report on Friday. The US bank forecast a 16 per cent gain in MSCI China Index in 2023.

The Hang Seng Index has risen about 3.9 per cent over five days, extending the winning streak to three weeks. It has advanced 22 per cent from the lowest point in October, contributing to a US\$769 billion gain in market capitalisation across the city's stock market. Hang Seng Indexes Co, the index compiler, is due to announce potential changes to its 73 member constituents in a quarterly review later today.

Three stocks debuted on Friday. Hangzhou Tianyuan Pet Products slumped 10 per cent in Shenzhen, while Hangzhou Huaguang Welding Materials added 0.3 per cent and textile maker Zhejiang Yunzhongma surged 44 per cent in Shanghai.

Elsewhere in Asia, stocks in Japan lost 0.1 per cent, while the benchmark index in South Korea and Australia gained by 0.1 and 0.2 per cent, respectively.

(Source: South China Morning Post)

HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 21/Nov/2022

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	18263	2nd Resistance:	18533
1st Support:	17723	2nd Support:	17453
MACD:	335.457		
MACD DIFF:	326.328		
RSI:	61.2301		

Mini Hang Seng China Enterprise

1st Resistance:	6216	2nd Resistance:	6308
1st Support:	6032	2nd Support:	5940
MACD:	112.700		
MACD DIFF:	117.305		
RSI:	60.274		

Strategy:

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	17723	17900	17634	17453
Mini Hang Seng China Enterprise:	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	18263	18080	18354	18347
Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6032	6092	6002	5940
Mini Hang Seng China Enterprise:	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	6216	6154	6247	6308

Contracts	Chg	Sett	High	Low
H. SENG FUT NOV 22	-52	17993	18468	17740
H. SENG FUT DEC 22	-48	18063	18499	17820
H. SENG FUT MAR 23	-47	18209	18600	18033
H. SENG FUT JUN 23	-50	18154	18532	18080
MINI H. SENG FUT NOV 22	-52	17993	18466	17741
MINI H. SENG FUT DEC 22	-48	18063	18530	17810
MINI H. SENG FUT MAR 23	-47	18209	18675	17969
MINI H. SENG FUT JUN 23	-50	18154	18540	17901
HSCEI FUT NOV 22	-16	6124	6312	6029
HSCEI FUT DEC 22	-17	6149	6333	6054
HSCEI FUT MAR 23	-15	6231	6404	6176
HSCEI FUT JUN 23	-19	6217	6340	6217
MINI HSCEI FUT NOV 22	-16	6124	6312	6030
MINI HSCEI FUT DEC 22	-17	6149	6330	6061
MINI HSCEI FUT MAR 23	-15	6231	6384	6150
MINI HSCEI FUT JUN 23	-19	6217	6376	6134

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	76.1	-0.3	77.4	75.5
**Tencent Holdings Ltd	287.8	-4.2	302.8	286.4
*HSBC Holdings PLC	44.15	-0.2	44.55	43.85
**China Construction Bank Corp	4.51	-0.05	4.58	4.47
**Ping An Insurance Group	42.45	-1.65	44	42.1
**Meituan	160.4	7.4	167	156.9
*Hong Kong Exchanges & Clearing Ltd	301	-2.4	313	298.2
**Alibaba Group Holdings Ltd	79.95	1.7	83.5	79.25
**Xiaomi Corp	10.3	0	10.74	10.2
**ICBC	3.67	-0.05	3.72	3.65

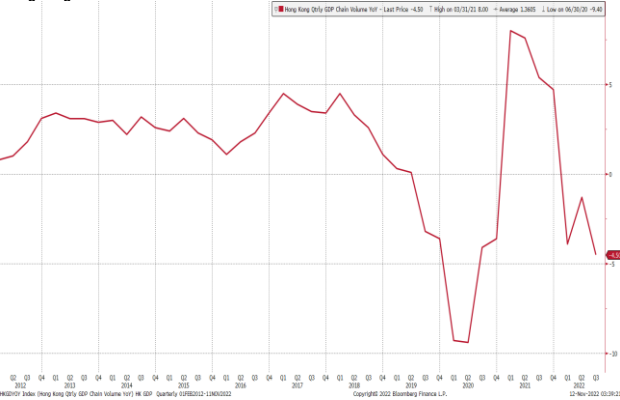
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	51.65	-0.65	54.15	51.1
**China Mobile Ltd	49.75	-0.1	50.3	49.75
**Bank of China Ltd	2.62	-0.04	2.66	2.62
*Techtronic Industries Co Ltd	92.6	-0.1	94.85	92.1
*CK Hutchison Holdings Ltd	43.55	-0.65	44.25	43.35
*Link REIT	55.1	-0.65	55.9	54.4
*CLP Holding Ltd	57.2	-1.05	58.2	57.15
**Geely Automobile Holdings Ltd	10.44	-0.32	11	10.4
**CNOOC Ltd	10.2	-0.18	10.32	10.14
**ANTA Sports Products Ltd	88.75	1.15	89.9	87.5

Global Equity Indices	Close	Change	High	Low
Hang Seng	17992.54	-53.12	18378.1	17910.19
HSCEI	6125.4	-15.17	6276.15	6095.73
Shanghai Comp Index	3097.24	-18.192	3126.71	3096.886
Nikkei 225	27899.8	-30.8	28045.4	27877.78
KOSPI	2444.48	1.58	2471.87	2442.87
S&P/ASX200	7151.83	16.181	7166.2	7135.7
DJIA	33745.7	199.37	33827.9	33540.64
S&P 500	3965.34	18.78	3979.89	3935.98
NASDAQ	11146.1	1.1	11259.4	11059.16
DAX	14431.9	165.48	14457.8	14300.21
CAC	6644.46	1.04	6667.2	6601.56
FTSE100	7385.52	38.98	7423.51	7343.5

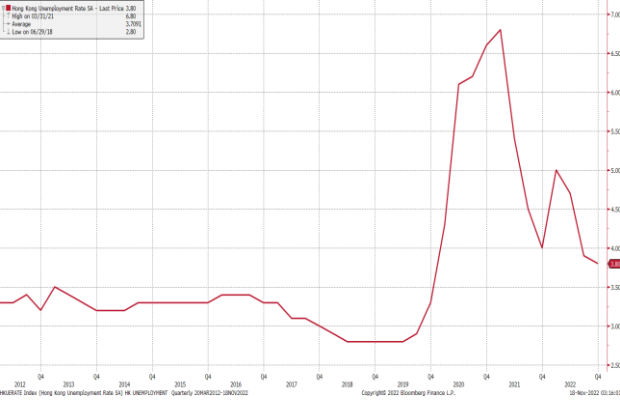
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
11/18/2022 14:00	Bloomberg Nov. Hong Kong Economic Survey					
11/21/2022 16:30	CPI Composite YoY	Oct	1.90%	--	4.40%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
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					

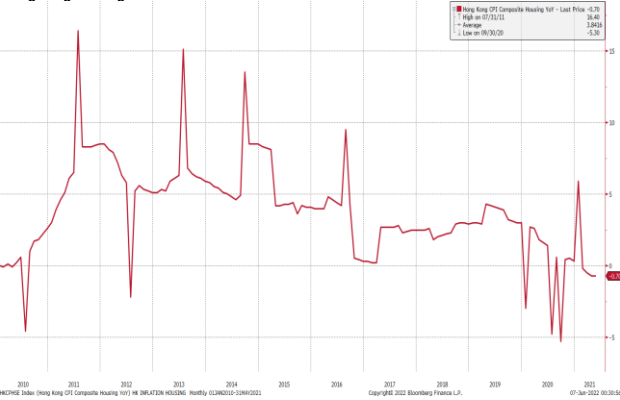
Hong Kong GDP Q on Q



Hong Kong Unemployment Rate



Hong Kong Housing Inflation



(Source: Bloomberg)

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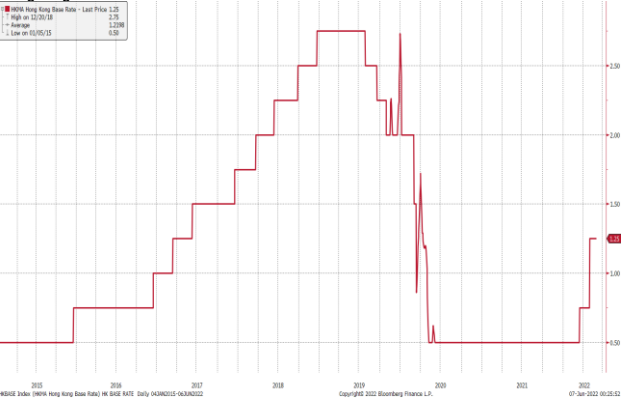
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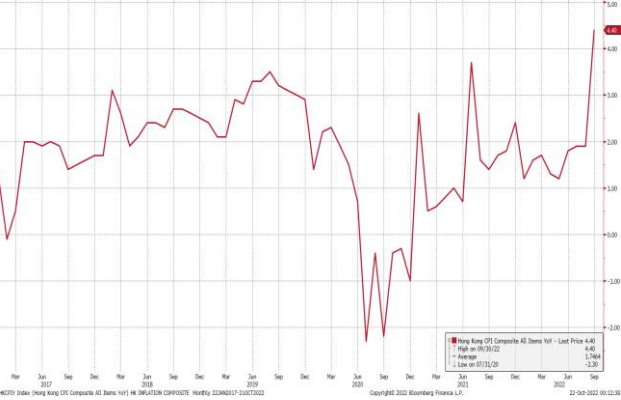
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Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %

