

Fundamentals:

Hong Kong stocks climbed from near a two-week low as traders cheered better-than-expected tech earnings from industry bellwethers. Rising Covid-19 cases, however, tempered optimism about imminent tweaks to Beijing's zero-Covid policy.

The Hang Seng Index advanced 0.6 per cent higher at 17,523.81 at the close of Wednesday trading. The benchmark slipped 5 per cent over the past five days. The Hang Seng Tech Index gained 1.1 per cent while the Shanghai Composite Index added 0.3 per cent.

Kuaishou Technology surged 5.7 per cent to HK\$53.10 and Baidu appreciated 3.4 per cent to HK\$92.95. Alibaba Group Holding climbed 3.2 per cent to HK\$75.40 and Tencent Holdings gained 1.7 per cent to HK\$282. Limiting gains, BYD slumped 1.8 per cent to HK\$175 after Berkshire Hathaway trimmed its stake again.

Meituan fell 1.1 per cent to HK\$138.40 after Naspers, a Tencent shareholder, said it would sell stock in the Chinese company once it receives Meituan shares as a special dividend distributed by Tencent.

Kuaishou reported a third-quarter loss of 2.7 billion yuan (US\$378 million), or 28 per cent lower than market consensus. Baidu's revenue climbed 2 per cent, topping analysts' estimates, while underlying profit jumped 16 per cent.

The Hang Seng Index has risen 19 per cent so far this month, the best performer among major global indices, after China loosened its Covid-19 curbs and US inflation cooled. The Hang Seng Index is now valued at 6.5 times earnings, the second cheapest among the world's major markets only after Brazil.

A sudden surge in Covid-19 cases is challenging market bulls. New infections rose to 28,183 on Tuesday, near the pandemic record of 29,137 cases detected on April 13. Some of the biggest mainland cities have tightened restrictions, with Shanghai barring new arrivals from entering public places from Thursday.

Mainland traders sold HK\$200.9 million (US\$25.7 million) worth of Hong Kong stocks through the Stock Connect on Wednesday, a second straight day of net selling, according to stock exchange data. They offloaded HK\$5.8 billion of local stocks a day earlier, the biggest selling since August 2021.

Elsewhere, BYD tumbled after Warren Buffett's Berkshire sold 3.23 million shares on November 17 at an average price of HK\$195.42 each or HK\$630.3 million, according to an exchange filing on Tuesday. The sale reduced its stake in the Chinese carmaker to 15.99 per cent from 16.28 per cent.

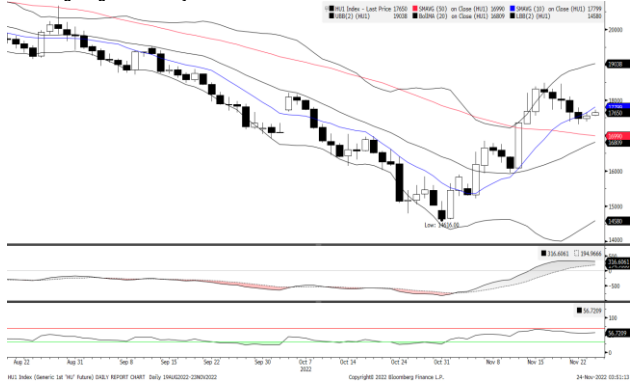
Other major Asian markets all rose. Japan's Nikkei 225 gained 0.6 per cent and Australia's S&P/ASX 200 both climbed 0.7 per cent, while South Korea's Kospi added 0.5 per cent.

(Source: South China Morning Post)

HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 24/Nov/2022

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	17824	2nd Resistance:	18088
1st Support:	17298	2nd Support:	17034
MACD:	319.466		
MACD DIFF:	154.786		
RSI:	55.817		

Mini Hang Seng China Enterprise

1st Resistance:	6053	2nd Resistance:	6143
1st Support:	5875	2nd Support:	5785
MACD:	106.069		
MACD DIFF:	55.067		
RSI:	55.0155		

Strategy:

Mini Hang Seng:	Long: Profit target: 17298	Stop-loss: 17471	17211	Long: Profit target: 17034	Stop-loss: 17205	16949
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	Short: Profit target: 17824	Stop-loss: 17646	17914	Short: Profit target: 18088	Stop-loss: 17907	18178
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Mini Hang Seng China Enterprise:	Long: Profit target: 5875	Stop-loss: 5933	5845	Long: Profit target: 5785	Stop-loss: 5843	5756
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	Short: Profit target: 6053	Stop-loss: 5993	6084	Short: Profit target: 6143	Stop-loss: 6081	6174
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Contracts	Chg	Sett	High	Low
H. SENG FUT NOV 22	86	17561	17662	17386
H. SENG FUT DEC 22	80	17628	17728	17451
H. SENG FUT MAR 23	86	17778	17820	17620
H. SENG FUT JUN 23	81	17720	17816	17600
MINI H. SENG FUT NOV 22	86	17561	17662	17386
MINI H. SENG FUT DEC 22	80	17628	17731	17455
MINI H. SENG FUT MAR 23	86	17778	17852	17618
MINI H. SENG FUT JUN 23	81	17720	17800	17550
HSCEI FUT NOV 22	47	5964	6013	5884
HSCEI FUT DEC 22	48	5991	6039	5911
HSCEI FUT MAR 23	47	6070	6110	6014
HSCEI FUT JUN 23	47	6058	#N/A	#N/A
MINI HSCEI FUT NOV 22	47	5964	6013	5884
MINI HSCEI FUT DEC 22	48	5991	6038	5909
MINI HSCEI FUT MAR 23	47	6070	6110	6002
MINI HSCEI FUT JUN 23	47	6058	6102	6006

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	74.6	0.45	75	73.3
**Tencent Holdings Ltd	282	4.6	284.8	277.4
*HSBC Holdings PLC	45.2	0.45	45.2	44.8
**China Construction Bank Corp	4.59	0	4.65	4.57
**Ping An Insurance Group	41.8	0.45	42.4	41.2
**Meituan	138.4	-1.5	142	134.1
*Hong Kong Exchanges & Clearing Ltd	288.6	3.8	291.4	281.2
**Alibaba Group Holdings Ltd	75.4	2.3	76.45	73.05
**Xiaomi Corp	9.8	-0.07	9.99	9.7
**ICBC	3.77	0.04	3.83	3.74

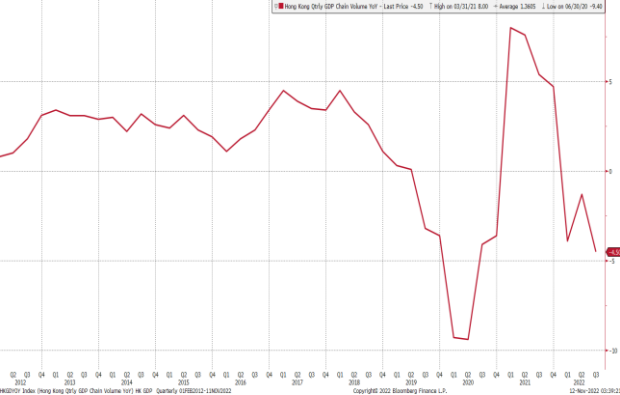
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	48.3	-0.7	49.25	45.7
**China Mobile Ltd	51.1	0.2	51.5	50.85
**Bank of China Ltd	2.68	0	2.7	2.66
*Techtronic Industries Co Ltd	90.45	0.55	90.7	88.7
*CK Hutchison Holdings Ltd	43.9	0.2	44.2	43.65
*Link REIT	50.65	-2.5	53.15	50
*CLP Holding Ltd	56.6	-0.95	58	56.5
**Geely Automobile Holdings Ltd	10.02	-0.06	10.24	9.94
**CNOOC Ltd	10.26	0.1	10.46	10.14
**ANTA Sports Products Ltd	83	-0.95	85.15	82

Global Equity Indices	Close	Change	High	Low
Hang Seng	17523.81	99.4	17640.8	17375.96
HSCEI	5945.11	43.89	6001.13	5887.35
Shanghai Comp Index	3096.91	7.964	3108.24	3075.324
Nikkei 225	0	0	0	0
KOSPI	2418.01	12.74	2427.28	2407.58
S&P/ASX200	7231.77	50.471	7246.6	7181.3
DJIA	34194.1	95.96	34262.1	34004.64
S&P 500	4027.26	23.68	4033.78	3998.66
NASDAQ	11285.3	110.91	11310.8	11174.61
DAX	14427.6	5.24	14446.3	14363.51
CAC	6679.09	0.32	6681.41	6642.03
FTSE100	7465.24	12.4	7498.34	7452.84

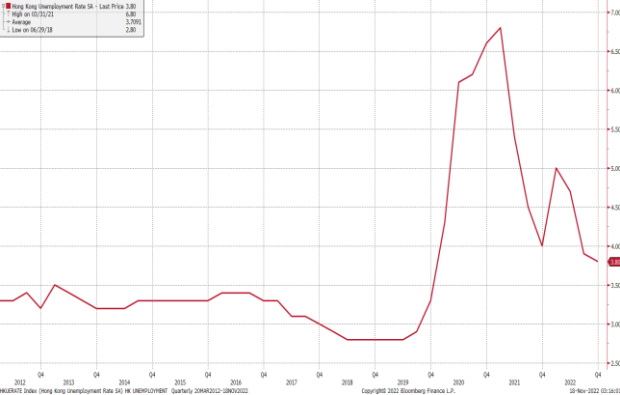
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
11/28/2022 16:30	Exports YoY	Oct	--	--	-9.10%	--
11/28/2022 16:30	Imports YoY	Oct	--	--	-7.80%	--
11/28/2022 16:30	Trade Balance HKD	Oct	--	--	-44.9b	--
11/30/2022 16:30	Budget Balance HKD	Oct	--	--	-70.0b	--
11/30/2022	Money Supply M1 HKD YoY	Oct	--	--	-11.40%	--
11/30/2022	Money Supply M2 HKD YoY	Oct	--	--	-0.80%	--
11/30/2022	Money Supply M3 HKD YoY	Oct	--	--	-0.80%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
11/27/2022 09:30	Industrial Profits YTD YoY	Oct	--	--	-2.30%	--
11/27/2022 09:30	Industrial Profits YoY	Oct	--	--	--	--
11/30/2022 09:30	Composite PMI	Nov	--	--	49	--
11/30/2022 09:30	Manufacturing PMI	Nov	--	--	49.2	--
11/30/2022 09:30	Non-manufacturing PMI	Nov	--	--	48.7	--

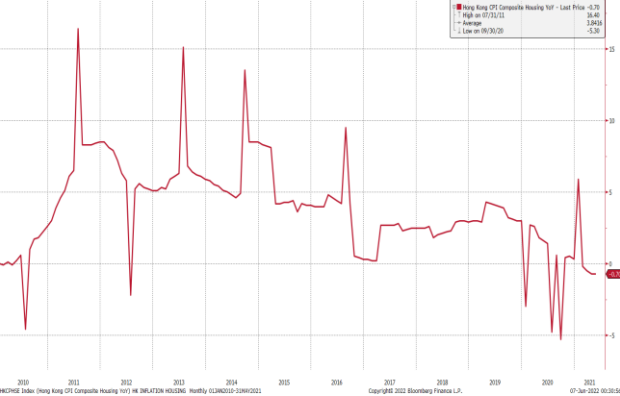
Hong Kong GDP Q on Q



Hong Kong Unemployment Rate



Hong Kong Housing Inflation



(Source: Bloomberg)

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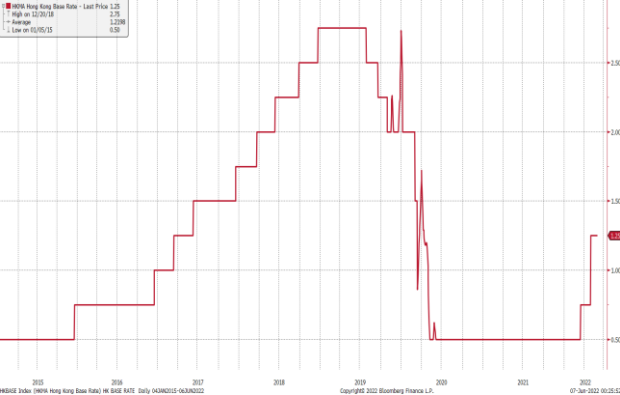
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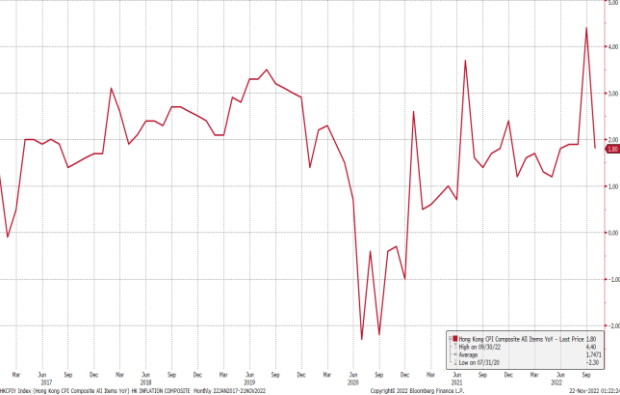
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Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %

