

Fundamentals:

Hong Kong stocks rose for a second day on speculation China will lower borrowing costs soon, while most Federal Reserve policymakers turned less hawkish on rate policy. Stocks in Malaysia jumped after a political breakthrough to end a hung parliament.

The Hang Seng Index climbed 0.8 per cent to 17,660.90 at the close. The Hang Seng Tech Index gained 0.8 per cent, while the Shanghai Composite Index slipped 0.3 per cent.

Country Garden led a rally among Chinese developers, jumping 20 per cent to HK\$2.83, while Longfor Group surged 12 per cent to HK\$21.05. HSBC gained 1.8 per cent to HK\$46, and Hong Kong Exchanges & Clearing rose 1 per cent to HK\$291.40. Losses in tech leaders like Tencent Holdings and Xiaomi tempered optimism amid record-high Covid-19 cases in mainland China.

China will use more monetary tools, including a reduction in the amount of funds commercial lenders keep as reserves, to boost lending, the State Council said on Wednesday. The central bank typically cuts banks' reserve requirement ratio within days of such comments.

The People's Bank of China last cut the ratio on April 25, the only such reduction this year, and twice in 2021, despite rapid signs of deterioration in the economy. Separately, Chinese banks and authorities are ramping up aid to ease a liquidity crunch in the property industry.

Stocks also advanced following overnight gains in US equities, as traders seized on a dovish tilt among Fed officials. A substantial majority of participants judged that a slowing in the pace of increase "would soon be appropriate" while some members expressed concerns rate hikes might ultimately "exceed what was required" to tame inflation.

China recorded 31,444 new infections on Wednesday, surpassing the pandemic-high of 29,317 on April 13, with the cities of Guangzhou and Chongqing making up most of new cases. Stocks retreated earlier this week as the flare-up undermined bets for a pivot in zero-Covid policy.

Elsewhere, Meituan gained 0.4 per cent to HK\$138.90 before its quarterly report card on Friday. Prosus, Tencent's biggest foreign shareholder, said that it will treat Meituan shares as "assets for sale" when they arrive as interim dividends from the WeChat operator in January.

In Kuala Lumpur, the Composite Index climbed 3.8 per cent, the most since March 2020, after the Malaysian King named Anwar Ibrahim as the new prime minister, ending a political impasse. A nationwide poll over the weekend had produced no winner with a simple majority in parliament. The ringgit feasted 4.4952 per dollar, the strongest since September.

LX Technology Group, which offers technical subscription and data life cycle management services, rose 2.6 per cent to HK\$7.80 on its first day of trading in Hong Kong. Fellow debutant Hunan New Wellink Advanced Metallic Material, which makes products like spherical zinc powders, was unchanged at 9.60 yuan in Beijing.

Other major Asian markets advanced. Japan's Nikkei 225 and South Korea's Kospi both climbed 1 per cent, while Australia's S&P/ASX 200 added 0.1 per cent.

(Source: South China Morning Post)

HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 25/Nov/2022

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	17921	2nd Resistance:	18186
1st Support:	17391	2nd Support:	17126
MACD:	317.163		
MACD DIFF:	121.986		
RSI:	56.7828		

Mini Hang Seng China Enterprise

1st Resistance:	6079	2nd Resistance:	6169
1st Support:	5899	2nd Support:	5809
MACD:	104.793		
MACD DIFF:	43.032		
RSI:	55.6933		

Strategy:

Mini Hang Seng:	Long: Profit target: 17391	Stop-loss: 17565	Long: Profit target: 17126	Stop-loss: 17298	17041
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	Short: Profit target: 17921	Stop-loss: 17742	Short: Profit target: 18186	Stop-loss: 18004	18277
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Mini Hang Seng China Enterprise:	Long: Profit target: 5899	Stop-loss: 5958	Long: Profit target: 5809	Stop-loss: 5867	5780
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	Short: Profit target: 6079	Stop-loss: 6018	Short: Profit target: 6169	Stop-loss: 6107	6200
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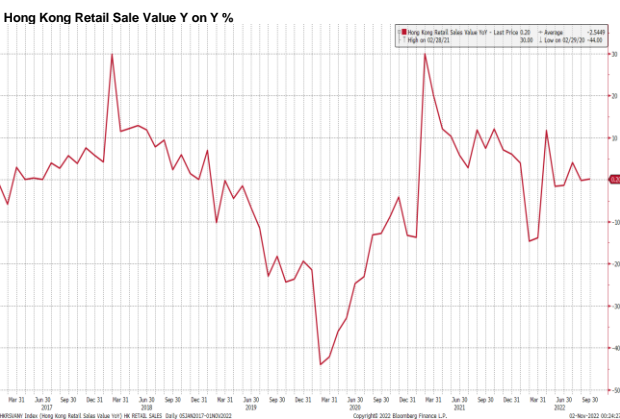
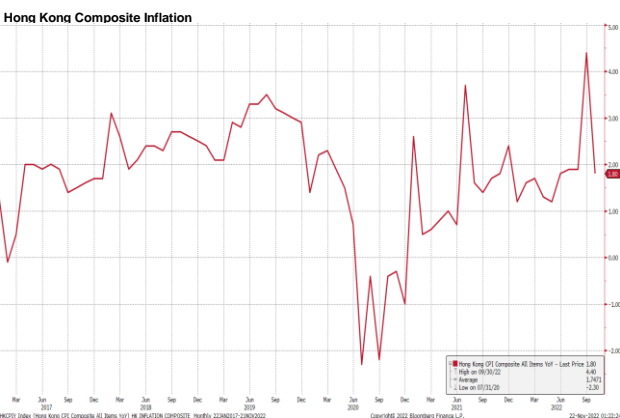
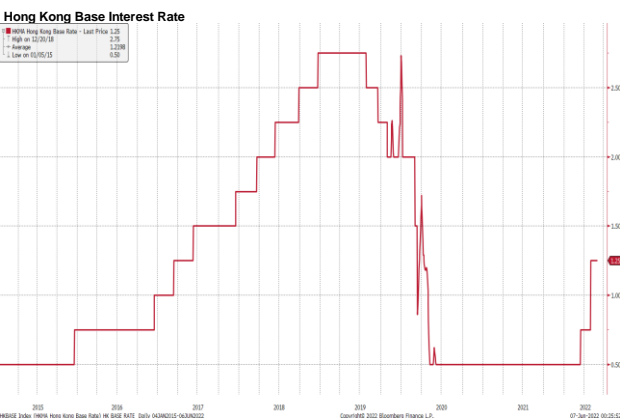
Contracts	Chg	Sett	High	Low
H. SENG FUT NOV 22	95	17656	17780	17526
H. SENG FUT DEC 22	105	17733	17855	17611
H. SENG FUT MAR 23	107	17885	17946	17771
H. SENG FUT JUN 23	106	17826	17925	17700
MINI H. SENG FUT NOV 22	95	17656	17780	17527
MINI H. SENG FUT DEC 22	105	17733	17856	17604
MINI H. SENG FUT MAR 23	107	17885	18000	17768
MINI H. SENG FUT JUN 23	106	17826	17912	17700
HSCEI FUT NOV 22	25	5989	6039	5943
HSCEI FUT DEC 22	25	6016	6065	5968
HSCEI FUT MAR 23	28	6098	6129	6058
HSCEI FUT JUN 23	26	6084	6084	6084
MINI HSCEI FUT NOV 22	25	5989	6039	5943
MINI HSCEI FUT DEC 22	25	6016	6064	5970
MINI HSCEI FUT MAR 23	28	6098	6135	6072
MINI HSCEI FUT JUN 23	26	6084	6121	6068

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	74.95	0.35	75.3	74.25
**Tencent Holdings Ltd	280.4	-1.6	289.4	279
*HSBC Holdings PLC	46	0.8	46.15	45.75
**China Construction Bank Corp	4.62	0.03	4.64	4.6
**Ping An Insurance Group	42.55	0.75	42.6	41.9
**Meituan	138.9	0.5	141.7	135.1
*Hong Kong Exchanges & Clearing Ltd	291.4	2.8	297.8	290
**Alibaba Group Holdings Ltd	76.4	1	77.2	74.9
**Xiaomi Corp	9.45	-0.35	9.86	9.25
**ICBC	3.8	0.03	3.83	3.77

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	48.55	0.25	49.45	47.65
**China Mobile Ltd	51.2	0.1	51.3	50.9
**Bank of China Ltd	2.7	0.02	2.71	2.68
*Techtronic Industries Co Ltd	89.6	-0.85	91	88.85
*CK Hutchison Holdings Ltd	43.9	0	43.95	43.4
*Link REIT	51.6	0.95	51.65	50.8
*CLP Holding Ltd	57.3	0.7	57.45	56.8
**Geely Automobile Holdings Ltd	9.99	-0.03	10.26	9.84
**CNOOC Ltd	10.2	-0.06	10.24	10.1
**ANTA Sports Products Ltd	83.35	0.35	84.75	82.65

Global Equity Indices	Close	Change	High	Low
Hang Seng	17660.90	137.09	17759.2	17517.12
HSCEI	5992.35	47.24	6030.85	5937
Shanghai Comp Index	3089.31	-7.597	3113.24	3084.855
Nikkei 225	28383.1	267.35	28502.3	28363.66
KOSPI	2441.33	23.32	2441.33	2428.12
S&P/ASX200	7241.75	9.985	7264.6	7231.8
DJIA	0	0	0	0
S&P 500	0	0	0	0
NASDAQ	0	0	0	0
DAX	14539.6	111.97	14570.7	14447.55
CAC	6707.32	0.42	6730.16	6679.8
FTSE100	7466.6	1.36	7488.07	7443.46

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	--



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