

## Fundamentals:

Hong Kong stocks rose to a six-month high amid increasing optimism that China's economic recovery from the damage inflicted by Covid-19 will gather pace and a crackdown on the technology industry is nearing end.

The Hang Seng index climbed 0.5 per cent to 21,436.05 at the close on Wednesday, the highest level since July 8. The Hang Seng Tech Index retreated 0.3 per cent as smaller tech firms fell, while the Shanghai Composite Index slipped 0.2 per cent.

Alibaba Group advanced 3.1 per cent to HK\$112.90 and Tencent Holdings gained 3.2 per cent to HK\$373.80. Search engine operator Baidu climbed 2.5 per cent to HK\$133.80. Coal producer China Shenhua jumped 4.7 per cent to HK\$24.35, and Ping An Insurance added 3.5 per cent to HK\$58.75.

In another sign of Beijing's softening stance towards big tech platforms, the municipal government of Hangzhou, where Alibaba is based, signed an agreement on Tuesday to foster deeper strategic cooperation with the e-commerce giant. That followed a comment at the weekend by the head of the banking regulator that curbs on the industry are almost over.

There are signs that coronavirus infections may have already peaked after China called time on its rigid pandemic controls. Travel between cities and commuter numbers in big metropolises like Beijing and Shanghai are picking up, according to some high-frequency data.

In a sign that herd immunity might be within sight, the central province of Henan said on Friday that almost 90 per cent of its population had been infected. New Covid-19 cases may have peaked around New Year's Day in most parts of the country, according to Vanho Securities.

Investors brushed aside an official report released on Tuesday by the central bank that showed China's aggregate financing trailed the consensus estimates and growth in money supply slowed, betting that the fallout from the pandemic would be a one-off factor.

Stock traders will be keeping a close eye on December US inflation data due on Thursday. American consumer prices probably rose 6.5 per cent last month, slowing from a 7.1 per cent gain in November, according to a JPMorgan Chase forecast.

Elsewhere, Changzhou Shine Science and Technology, which makes welding helmets, was unchanged at 13 yuan on its first day of trading in Beijing.

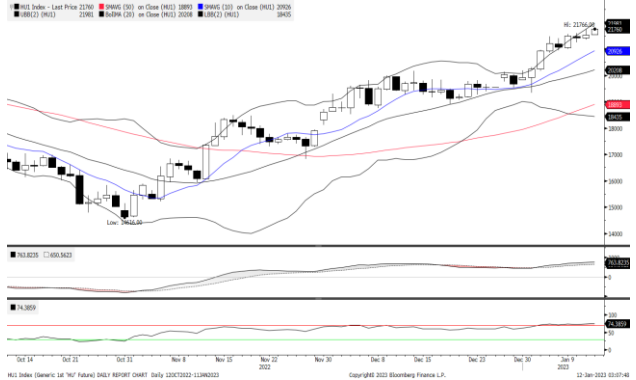
Other major Asian markets rose on Wednesday. Japan's Nikkei 225 climbed 1 per cent per cent and Australia's S&P/ASX 200 added 0.9 per cent, while South Korea's Kospi edged up 0.3 per cent.

(Source: South China Morning Post)

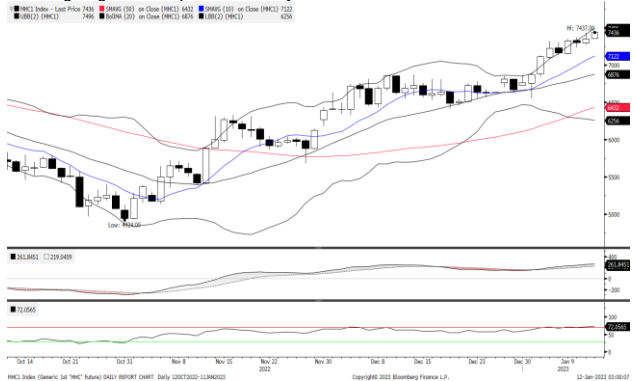
## HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 12/Jan/2023

### Mini Hang Seng Futures Daily Chart



### Mini Hang Seng China Enterprise Futures Daily Chart



### Technical Analysis

#### Mini Hang Seng

1st Resistance:	21861	2nd Resistance:	22184
1st Support:	21215	2nd Support:	20892
MACD:	735.964		
MACD DIFF:	113.933		
RSI:	72.7519		

#### Mini Hang Seng China Enterprise

1st Resistance:	7460	2nd Resistance:	7571
1st Support:	7240	2nd Support:	7130
MACD:	249.994		
MACD DIFF:	41.736		
RSI:	70.3052		

### Strategy:

Mini Hang Seng:	Long: Profit target: 21215	Stop-loss: 21427	21109	Long: Profit target: 20892	Stop-loss: 21101	20787
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	Short: Profit target: 21861	Stop-loss: 21642	21970	Short: Profit target: 22184	Stop-loss: 21962	22295
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Mini Hang Seng China Enterprise:	Long: Profit target: 7240	Stop-loss: 7312	7204	Long: Profit target: 7130	Stop-loss: 7201	7094
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	Short: Profit target: 7460	Stop-loss: 7386	7498	Short: Profit target: 7571	Stop-loss: 7495	7608
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Contracts	Chg	Sett	High	Low
H. SENG FUT JAN 23	108	21538	21756	21352
H. SENG FUT FEB 23	103	21607	21822	21430
H. SENG FUT MAR 23	107	21620	21836	21480
H. SENG FUT JUN 23	102	21563	21770	21398
MINI H. SENG FUT JAN 23	108	21538	21756	21352
MINI H. SENG FUT FEB 23	103	21607	21820	21430
MINI H. SENG FUT MAR 23	107	21620	21830	21450
MINI H. SENG FUT JUN 23	102	21563	21768	21438
HSCEI FUT JAN 23	53	7350	7435	7266
HSCEI FUT FEB 23	54	7380	7442	7300
HSCEI FUT MAR 23	53	7410	7479	7356
HSCEI FUT JUN 23	53	7395	7450	7340
MINI HSCEI FUT JAN 23	53	7350	7434	7266
MINI HSCEI FUT FEB 23	54	7380	7460	7299
MINI HSCEI FUT MAR 23	53	7410	7492	7350
MINI HSCEI FUT JUN 23	53	7395	7463	7310

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	85.75	-0.6	87.35	85.3
**Tencent Holdings Ltd	373.8	11.4	378.8	366.6
*HSBC Holdings PLC	53.65	0.35	53.9	53.3
**China Construction Bank Corp	4.99	0	5.02	4.96
**Ping An Insurance Group	58.75	2	59.6	57.3
**Meituan	174	-4.5	181.9	172.2
*Hong Kong Exchanges & Clearing Ltd	366.6	-7.2	377.8	365
**Alibaba Group Holdings Ltd	112.9	3.4	115	110.5
**Xiaomi Corp	11.74	-0.24	12.18	11.64
**ICBC	4.14	0	4.18	4.12

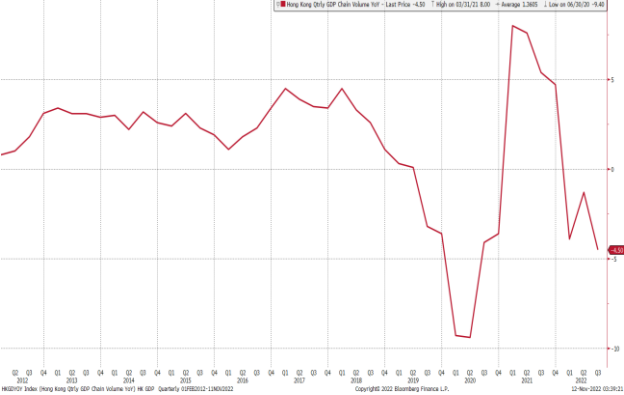
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	69.95	2.55	73.3	68
**China Mobile Ltd	53.8	0.6	54.3	53.35
**Bank of China Ltd	2.92	0.02	2.94	2.9
*Techtronic Industries Co Ltd	96.05	1.5	97.8	93.9
*CK Hutchison Holdings Ltd	47.7	-1.1	49.3	47.6
*Link REIT	59.45	-0.5	60.4	59.4
*CLP Holding Ltd	56.8	-0.8	57.75	56.75
**Geely Automobile Holdings Ltd	12.02	-0.34	12.46	12
**CNOOC Ltd	10.1	0.15	10.2	9.92
**ANTA Sports Products Ltd	109.7	1.7	111.7	108

Global Equity Indices	Close	Change	High	Low
Hang Seng	21436.05	104.59	21686.3	21327.41
HSCEI	7310.92	47.29	7403.95	7271.36
Shanghai Comp Index	3161.84	-7.669	3184.76	3160.89
Nikkei 225	26446	270.44	26480	26332.05
KOSPI	2359.53	8.22	2369.66	2350.36
S&P/ASX200	7195.34	64.342	7204	7131
DJIA	33973	268.91	33974.7	33711.04
S&P 500	3969.61	50.36	3970.07	3928.54
NASDAQ	10931.7	189.04	10932.4	10762.73
DAX	14947.9	173.31	14965.5	14794.99
CAC	6924.19	0.8	6946.67	6874.71
FTSE100	7724.98	30.49	7772.37	7694.35

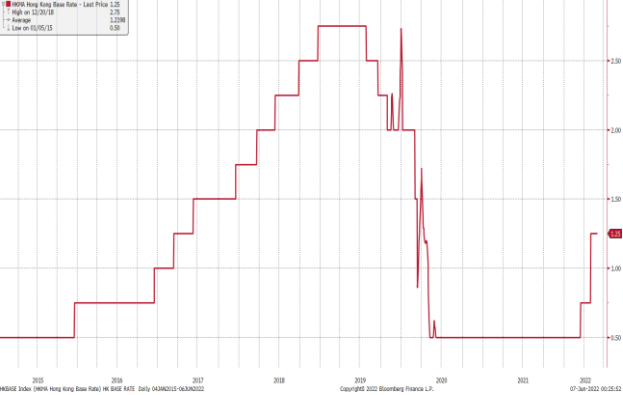
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
01/19/2023 16:30	Unemployment Rate SA	Dec	--	--	3.70%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
01/12/2023 09:30	PPI YoY	Dec	-0.10%	--	-1.30%	--
01/12/2023 09:30	CPI YoY	Dec	1.80%	--	1.60%	--
01/11/2023 01:18	FDI YTD YoY CNY	Dec	--	--	9.90%	--
01/13/2023	Trade Balance	Dec	\$76.90b	--	\$69.84b	\$69.25b
01/13/2023	Exports YoY	Dec	-11.10%	--	-8.70%	-8.90%
01/13/2023	Imports YoY	Dec	-10.00%	--	-10.60%	--
01/13/2023	Exports YoY CNY	Dec	--	--	0.90%	--
01/13/2023	Imports YoY CNY	Dec	--	--	-1.10%	--
01/13/2023	Trade Balance CNY	Dec	--	--	494.33b	--
01/13/2023 01:16	FX Net Settlement - Clients CNY	Dec	--	--	-65.7b	--
01/16/2023 09:20	1-Yr Medium-Term Lending Facility Ra	Jan-15	2.75%	--	2.75%	--
01/16/2023 09:20	1-Yr Medium-Term Lending Facilities V	Jan-15	800.0b	--	650.0b	--
01/16/2023 09:30	New Home Prices MoM	Dec	--	--	-0.25%	--

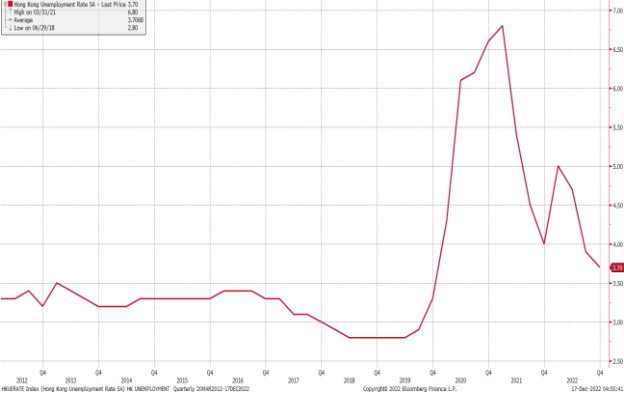
Hong Kong GDP Q on Q



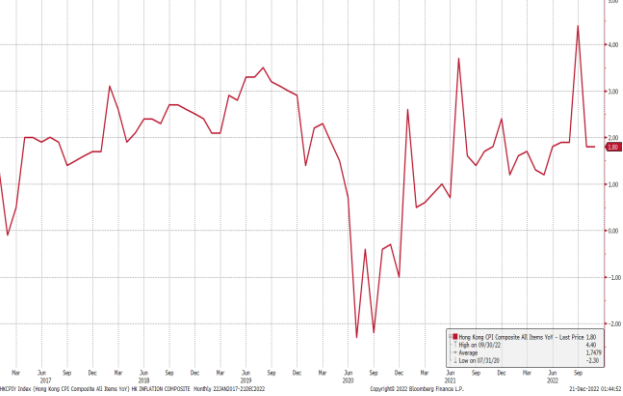
Hong Kong Base Interest Rate



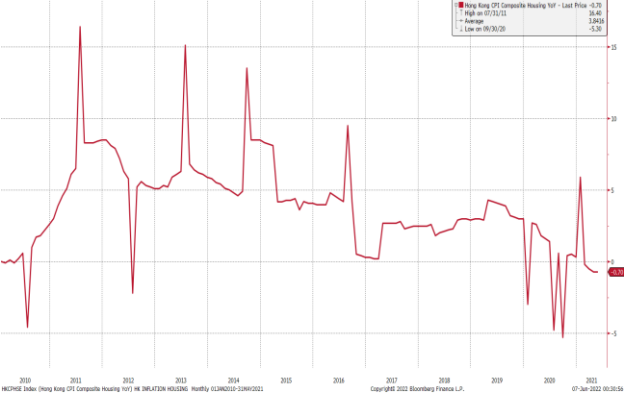
Hong Kong Unemployment Rate



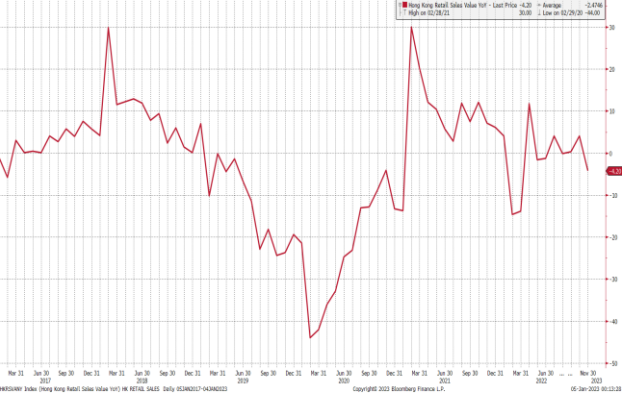
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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