

Fundamentals: Hong Kong stocks fell deeper into a technical correction, hitting the lowest level this year, following a mixed bag of earnings from Chinese big tech companies. Techtronic industries recovered from a 19 per cent plunge triggered by a short-seller attack.

The Hang Seng Index slipped 1.7 per cent to 20,010.04 at the close of Friday trading bringing the decline for the week to 3.4 per cent to cap a four-week losing streak. The Tech Index retreated 3.3 per cent, while the Shanghai Composite Index weakened 0.6 per cent.

Alibaba Group dropped 5.4 per cent to HK\$90.05 after revenue grew 2.1 per cent to 247.76 billion yuan (US\$35.9 billion) in the December quarter, while job cuts in 2022 helped trim costs. NetEase slumped 11.2 per cent to HK\$123.50, after its net profit trailed market consensus. Baidu tumbled 6 per cent to HK\$131.40 and Tencent dropped 1.9 per cent to HK\$349.40.

The rally from late October lost momentum amid US-China geopolitical tensions and corporate earnings headwinds, while US rate concerns persisted. Traders this week raised the odds on higher Fed funds rate for June meeting amid sticky US inflation.

Elsewhere, Macau casino operator Galaxy Entertainment surged 2.6 per cent to HK\$53.25 after the company reported better-than-expected earnings in the final quarter of 2022 and chairman Lui Che-woo said he was hopeful of a sustained recovery. Peer Sands China added 0.9 per cent to HK\$77.70.

Techtronic advanced 4.4 per cent to HK\$3.30. The Hong Kong-based power-tool maker rejected a report by short-seller Jehoshaphat Research that alleged the firm inflated its profits. The stock sank 19 per cent on Thursday, the most since November 2008, wiping out HK\$32.2 billion of its market value.

Major Asian markets were mixed on Friday. The Nikkei 225 in Japan jumped 1.3 per cent and the S&P/ASX 200 in Australia advanced 0.3 per cent. The Kospi Index in South Korea declined 0.6 per cent.

(Source: South China Morning Post)

Contracts	Chg	Sett	High	Low
H. SENG FUT FEB 23	-385	19965	20456	19940
H. SENG FUT MAR 23	-405	19949	20455	19933
H. SENG FUT JUN 23	-401	19882	20289	19862
H. SENG FUT SEP 23	-385	19965	20456	19940
MINI H. SENG FUT FEB 23	-385	19965	20456	19939
MINI H. SENG FUT MAR 23	-405	19949	20452	19934
MINI H. SENG FUT JUN 23	-401	19882	20378	19865
MINI H. SENG FUT SEP 23	-385	19965	20456	19939
HSCEI FUT FEB 23	-176	6685	6903	6677
HSCEI FUT MAR 23	-178	6713	6934	6702
HSCEI FUT JUN 23	-175	6694	6888	6683
HSCEI FUT SEP 23	-176	6685	6903	6677
MINI HSCEI FUT FEB 23	-176	6685	6903	6677
MINI HSCEI FUT MAR 23	-178	6713	6934	6704
MINI HSCEI FUT JUN 23	-175	6694	6895	6688
MINI HSCEI FUT SEP 23	-176	6685	6903	6677

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	81.2	0.1	81.7	80.25
**Tencent Holdings Ltd	349.4	-6.6	355.2	347.4
*HSBC Holdings PLC	59.55	0.2	59.75	59.05
*China Construction Bank Corp	4.88	-0.05	4.95	4.88
**Ping An Insurance Group	54.15	-1.75	55.8	54.1
*Meituan	134.4	-4.7	138.1	133.8
*Hong Kong Exchanges & Clearing Ltd	319.4	-8.2	325.2	316
*Alibaba Group Holdings Ltd	90.05	-5.1	93.25	90
*Xiaomi Corp	12	-0.14	12.34	11.96
*ICBC	3.99	-0.03	4.03	3.97

Major HSCFI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	53.3	-1.5	54.95	53
**China Mobile Ltd	57.95	-0.65	58.55	57.85
**Bank of China Ltd	2.91	-0.02	2.93	2.91
*Techtronic Industries Co Ltd	78.25	3.3	81	75.05
*CK Hutchison Holdings Ltd	47.55	0.1	47.7	47.1
*Link REIT	50.1	-1.6	51.55	49.4
*CLP Holding Ltd	56.5	0.35	56.65	55.9
**Geely Automobile Holdings Ltd	10.8	-0.62	11.44	10.74
**CNOOC Ltd	11.38	-0.1	11.52	11.36
**ANTA Sports Products Ltd	103	-1.4	104.7	102.5

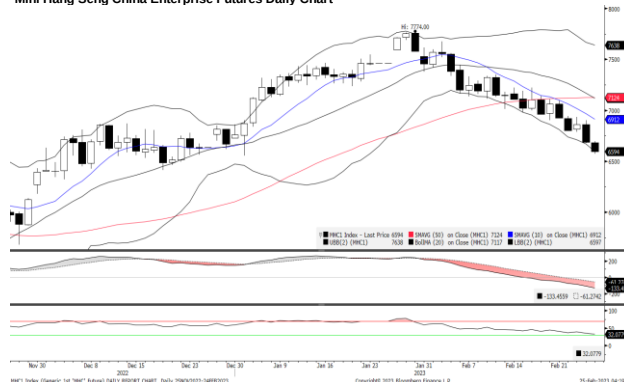
Global Equity Indices	Close	Change	High	Low
Hang Seng	20010.04	-341.31	20233.6	20006.78
HSCEI	6703.45	-156.5	6813.5	6703.45
Shanghai Comp Index	3267.16	-20.317	3288.39	3253.975
Nikkei 225	27453.5	149.16	27465.9	27128.32
KOSPI	2423.61	-35.48	2452.97	2421.47
S&P/ASX200	7307.03	21.635	7315.5	7278.7
DJIA	32816.16	-336.99	32999.2	32643.48
NASDAQ	3970.04	-42.28	3978.25	3943.08
NASDAQ	11394.9	-195.46	11434.4	11334.47
DAX	15209.7	-265.95	15530.5	15162.48
CAC	7187.27	-1.78	7366.07	7187.27
FTSE100	7878.66	-29.06	7939.17	7870.39

Date Prepared : 27/Feb/2023

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Mini Hang Seng

Mini Hang Seng

1st Resistance:	20264	2nd Resistance:	20564
1st Support:	19666	2nd Support:	19366
MACD:	-260.622		
MACD DIFF:	-181.302		
RSI:	32.9518		

Mini Hang Seng China Enterprise

1st Resistance:	6785	2nd Resistance:	6886
1st Support:	6585	2nd Support:	6484
MACD:	-110.393		
MACD DIFF:	-67.105		
RSI:	34.3022		

Strategy:

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	19666	19862	19366	19560
		19567		19269

Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
20264	20062 20366	20564	20358 20667

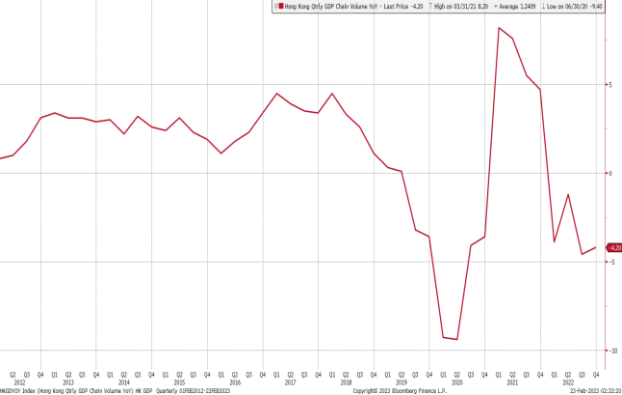
<i>Mini Hang Seng</i>	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
<i>China Enterprise:</i>	6585	6651	6484	6549
		6552		6452

Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
6785	6717	6819	6886	6817	6920

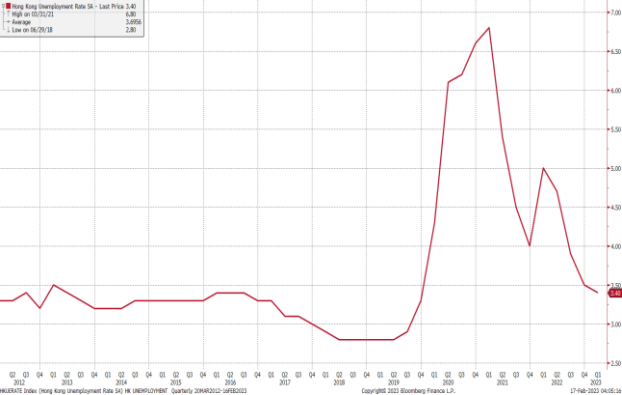
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
02/27/2023 16:30	Exports YoY	Jan	--	--	-28.90%	-23.50%
02/27/2023 16:30	Imports YoY	Jan	--	--	-23.50%	--
02/27/2023 16:30	Trade Balance HKD	Jan	--	--	-51.6b	--
02/28/2023 16:30	Budget Balance HKD	Jan	--	--	87.1b	--
02/28/2023	Money Supply M3 HKD YoY	Jan	--	--	0.60%	--
02/28/2023	Money Supply M2 HKD YoY	Jan	--	--	0.60%	--
02/28/2023	Money Supply M1 HKD YoY	Jan	--	--	-17.80%	--
03/02/2023 16:30	Retail Sales Value YoY	Jan	--	--	1.10%	--
03/02/2023 16:30	Retail Sales Volume YoY	Jan	--	--	-0.70%	--
03/03/2023 08:30	S&P Global Hong Kong PMI	Feb	--	--	51.2	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
02/24/2023 10:00	Bloomberg Feb. China Economic Survey (Table)					
03/01/2023 09:30	Composite PMI	Feb	--	--	52.9	--
03/01/2023 09:30	Manufacturing PMI	Feb	50.7	--	50.1	--
03/01/2023 09:30	Non-manufacturing PMI	Feb	55	--	54.4	--
03/01/2023 09:45	Cixin China PMI Mfg	Feb	51.3	--	49.2	--
03/03/2023 09:45	Cixin China PMI Composite	Feb	--	--	51.1	--
03/03/2023 09:45	Cixin China PMI Services	Feb	54.8	--	52.9	--

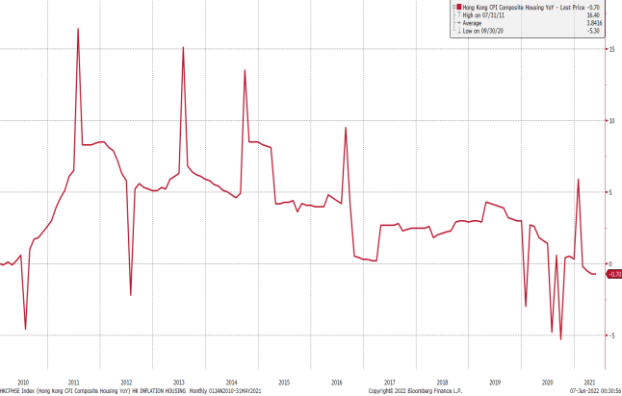
Hong Kong GDP Q on Q



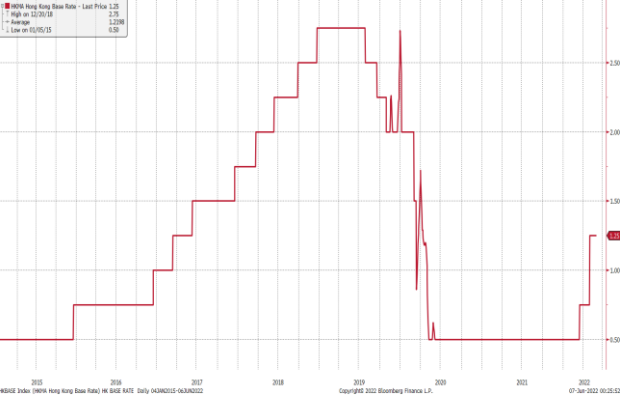
Hong Kong Unemployment Rate



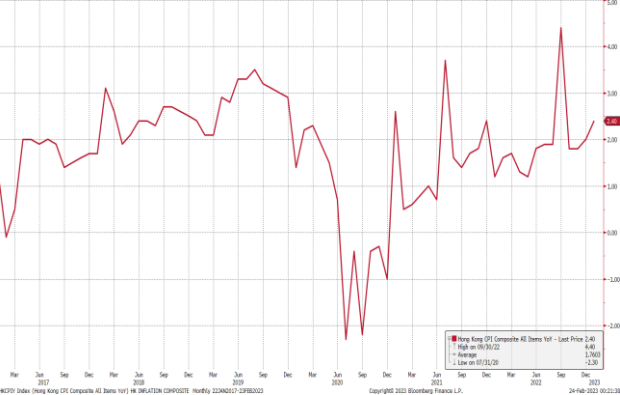
Hong Kong Housing Inflation



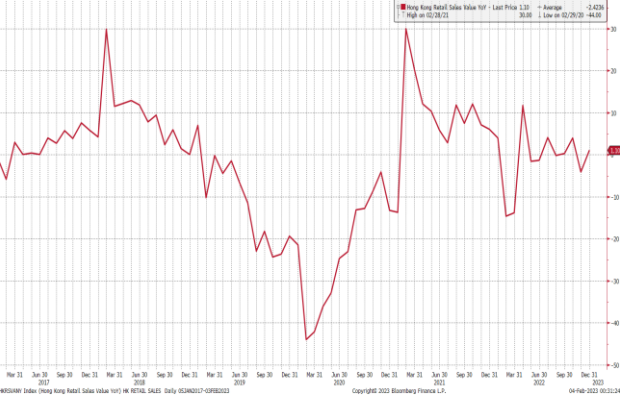
Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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