

Fundamentals:

Hong Kong stocks tumbled as the turmoil surrounding Credit Suisse and bank failures including Silicon Valley Bank infected markets in Asia-Pacific. Investors turned cautious amid conflicting bets on the US rate outlook. Baidu slumped after it unveiled a ChatGPT-like bot to disappointment.

The Hang Seng Index fell 1.7 per cent to 19,203.91 closing of Thursday trading, the lowest since December 21. The Tech Index declined 1.4 per cent while the Shanghai Composite Index retreated 1.2 per cent.

Banks and insurers led losses. HSBC slipped 2.4 per cent to HK\$53.90, while its subsidiary Hang Seng Bank declined 2 per cent to HK\$115.60 and Bank of China (Hong Kong) slumped 3.9 per cent to HK\$24.90. AIA Group lost 5.1 per cent to HK\$76.40 and peer Ping An Insurance slid 3.3 per cent to HK\$50.50.

Most Asia-Pacific markets weakened. Japan's Nikkei dropped 0.8 per cent, Australia's ASX S&P 200 fell 1.5 per cent and South Korea's Kospi slipped 0.1 per cent.

Credit Suisse said it will borrow as much as 50 billion Swiss francs (US\$53.7 billion) from Swiss National Bank to pre-emptively boost its liquidity and buy back some of its dollar- and euro-denominated bonds from investors. The move increased its chances of survival, after a confidence crisis sent its stock to a record-low in Zurich and drove default insurance costs to distressed levels.

Stresses in the banking sector this month have prompted rate traders to rein in bets on a 50-basis point hike by the Federal Reserve at its March 21-22 policy meeting. While Goldman Sachs called for a pause, there is still more than an even chance of a quarter-point rise according to Fed fund futures.

Elsewhere, Baidu sank 6.4 per cent to HK\$125.10 for its biggest sell-off since February 10. China's biggest search-engine operator unveiled Ernie, a rival to ChatGPT app, with no live preview and CEO Robin Li spoke via a pre-recorded video.

Other Chinese tech stocks also weakened amid signs the US-China tech war is worsening, with Tencent losing 2.5 per cent to HK\$336 and chip maker Shanghai Fudan Microelectronics dropping 1.9 per cent to HK\$31.65 and Hua Hong Semiconductor fell 3.3 per cent to HK\$31.80.

Some directors, including two US citizens, resigned from chip-equipment maker Advanced Micro-Fabrication Equipment, months after the Biden administration restricted US persons from helping to develop China's chip industry.

Elsewhere, textile manufacturer Zhejiang Cady Industry surged 44 per cent to 28.58 yuan on its first day of trading in Shanghai.

(Source: South China Morning Post)

Contracts	Chg	Sett	High	Low
H. SENG FUT MAR 23	-455	19147	19600	19025
H. SENG FUT APR 23	-463	19186	19594	19075
H. SENG FUT JUN 23	-469	19039	19315	18930
H. SENG FUT SEP 23	-455	19147	19600	19025
MINI H. SENG FUT MAR 23	-455	19147	19592	19025
MINI H. SENG FUT APR 23	-463	19186	19602	19074
MINI H. SENG FUT JUN 23	-469	19039	19301	18928
MINI H. SENG FUT SEP 23	-455	19147	19592	19025
HSCEI FUT MAR 23	-105	6477	6580	6405
HSCEI FUT APR 23	-105	6494	6591	6430
HSCEI FUT JUN 23	-109	6444	6545	6394
HSCEI FUT SEP 23	-105	6477	6580	6405
MINI HSCEI FUT MAR 23	-105	6477	6581	6405
MINI HSCEI FUT APR 23	-105	6494	6590	6424
MINI HSCEI FUT JUN 23	-109	6444	6540	6377
MINI HSCEI FUT SEP 23	-105	6477	6581	6405

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	76.4	-4.1	77	75.15
**Tencent Holdings Ltd	336	-8.6	345	333.8
*HSBC Holdings PLC	53.9	-1.3	54.05	53.3
**China Construction Bank Corp	5.07	0.02	5.08	5.01
**Ping An Insurance Group	50.5	-1.75	51.1	49.85
**Meituan	126.3	-0.4	129.5	124.2
*Hong Kong Exchanges & Clearing Ltd	326.2	-4.4	331.8	324
**Alibaba Group Holdings Ltd	80.5	-1.55	81.45	79.8
**Xiaomi Corp	10.9	-0.02	11.08	10.76
**ICBC	4.23	-0.01	4.26	4.18

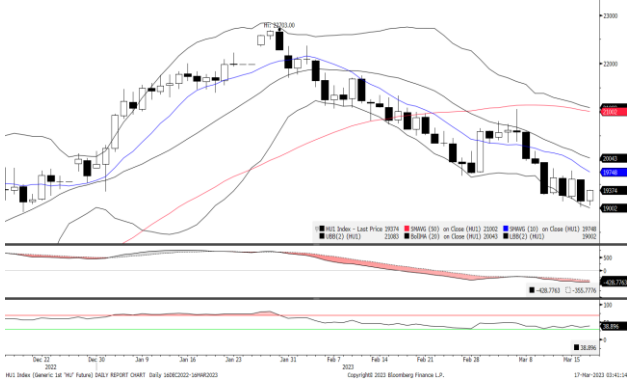
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	48.8	-1.85	50.75	48.45
**China Mobile Ltd	64.45	-0.25	64.8	63.85
**Bank of China Ltd	3	0.02	3.02	2.97
*Techtronic Industries Co Ltd	84.15	-0.15	85	82.65
*CK Hutchison Holdings Ltd	47.9	-1.15	49.05	47.2
*Link REIT	49.7	1.2	50	47.6
*CLP Holding Ltd	57.35	0.15	57.35	56.55
**Geely Automobile Holdings Ltd	9.16	0.04	9.3	8.98
**CNOOC Ltd	11.24	-0.58	11.48	11.14
**ANTA Sports Products Ltd	102.9	-1.7	105.1	102.3

Global Equity Indices	Close	Change	High	Low
Hang Seng	19203.91	-335.96	19388.8	19109.07
HSCEI	6482.47	-77.39	6565.96	6451.71
Shanghai Comp Index	3226.89	-36.424	3257.43	3224.722
Nikkei 225	27010.6	-218.87	27057.5	26632.92
KOSPI	2377.91	-1.81	2382.79	2346.11
S&P/ASX200	6965.54	-103.385	7068.9	6911.1
DJIA	32246.6	371.98	32281.6	31571.46
S&P 500	3960.28	68.35	3964.46	3864.11
NASDAQ	11717.3	283.23	11733.8	11365.49
DAX	14967.1	231.84	15018.3	14664.17
CAC	7025.72	2.03	7063.31	6876.61
FTSE100	7410.03	65.58	7458.64	7331.49

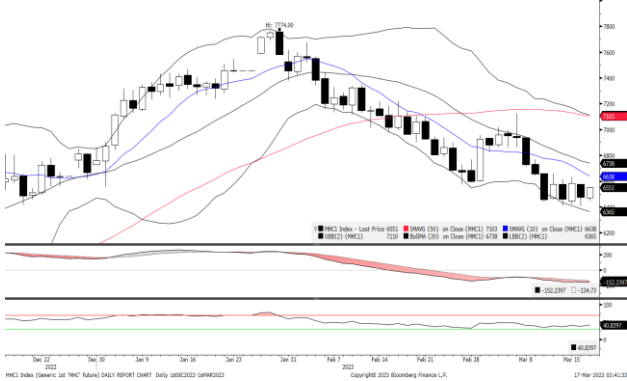
HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 17/Mar/2023

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	19434	2nd Resistance:	19721
1st Support:	18860	2nd Support:	18573
MACD:	-425.882		
MACD DIFF:	-88.2218		
RSI:	35.178		

Mini Hang Seng China Enterprise

1st Resistance:	6574	2nd Resistance:	6671
1st Support:	6380	2nd Support:	6283
MACD:	-155.208		
MACD DIFF:	-24.811		
RSI:	37.7162		

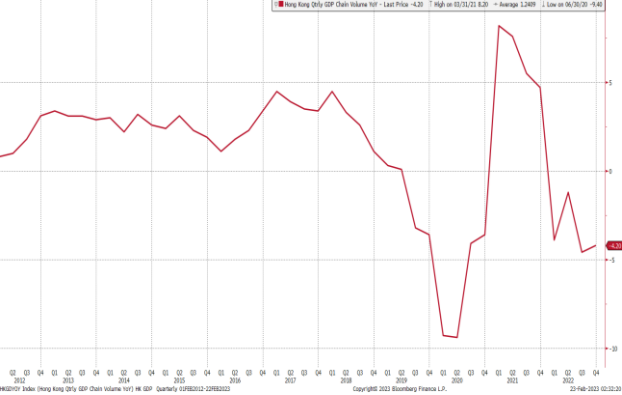
Strategy:

Mini Hang Seng:	Long: Profit target: 18860	Stop-loss: 19048	18765	Long: Profit target: 18573	Stop-loss: 18758	18480
	Short: Profit target: 19434	Stop-loss: 19240	19531	Short: Profit target: 19721	Stop-loss: 19524	19820
Mini Hang Seng China Enterprise:	Long: Profit target: 6380	Stop-loss: 6444	6348	Long: Profit target: 6283	Stop-loss: 6346	6251
	Short: Profit target: 6574	Stop-loss: 6508	6607	Short: Profit target: 6671	Stop-loss: 6605	6705

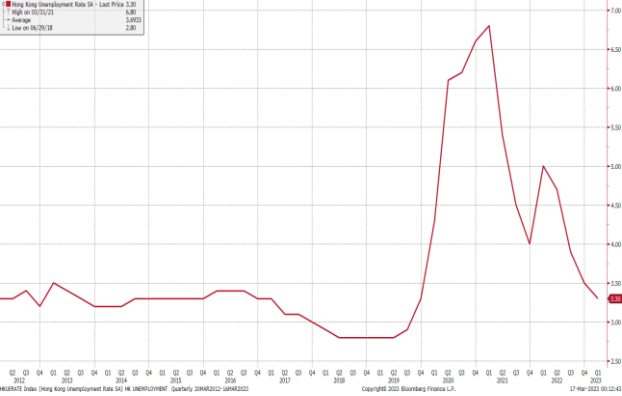
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
03/16/2023 16:30	Unemployment Rate SA	Feb	3.30%	3.30%	3.40%	--
03/21/2023 16:30	BoP Overall	4Q	--	--	-\$138.39b	--
03/21/2023 16:30	BoP Current Account Balance	4Q	--	--	\$115.84b	--
03/23/2023 16:30	CPI Composite YoY	Feb	--	--	2.40%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
03/16/2023 09:30	New Home Prices MoM	Feb	--	0.30%	0.00%	--
03/16/2023 03:18	FDI YTD YoY CNY	Feb	--	--	14.50%	--
03/20/2023 09:15	5-Year Loan Prime Rate	Mar-20	4.30%	--	4.30%	--
03/20/2023 09:15	1-Year Loan Prime Rate	Mar-20	3.65%	--	3.65%	--
03/23/2023 09:00	Swift Global Payments CNY	Feb	--	--	1.91%	--
03/24/2023 10:00	Bloomberg March China Economic Survey					

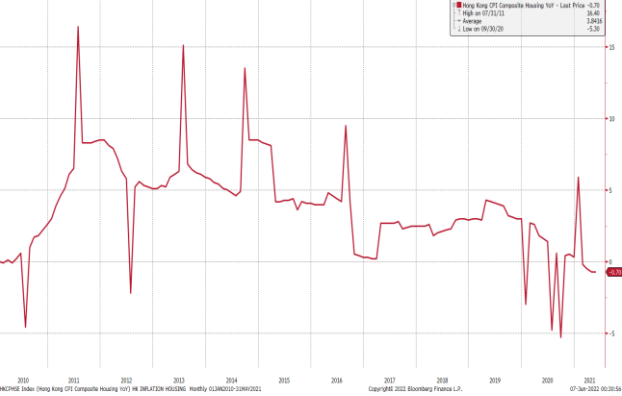
Hong Kong GDP Q on Q



Hong Kong Unemployment Rate



Hong Kong Housing Inflation



(Source: Bloomberg)

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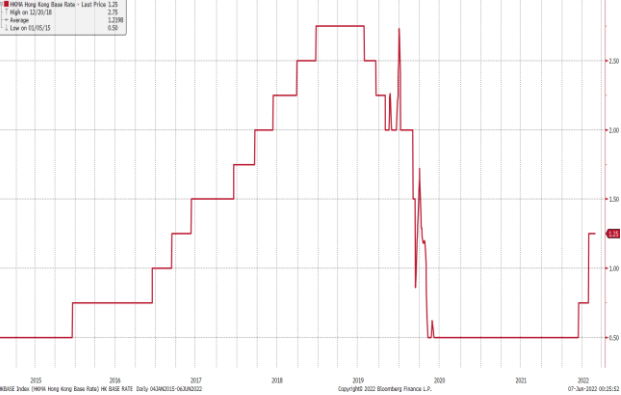
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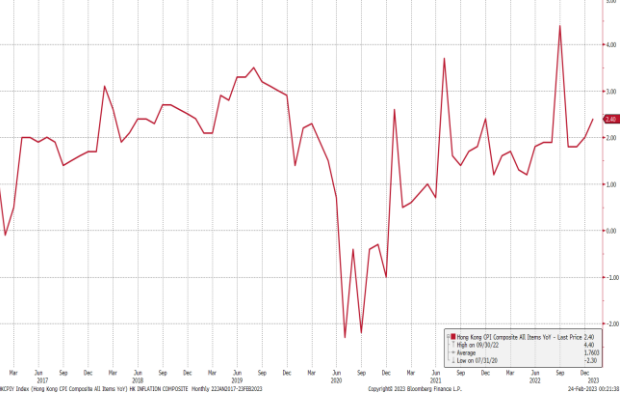
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Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %

