

Fundamentals:

Stocks in Hong Kong declined on concerns corporate earnings are failing to catch up with the broader economic recovery in the region, pressuring policymakers to deliver a stronger dose of stimulus. HSBC erased a 1 per cent loss amid calls to reorganise its Asian operations.

The Hang Seng Index dropped 0.6 per cent to 19,959.94 at trading day close, slipping below the 20,000 level for the first time since March 28. The Tech Index retreated 0.2 per cent, while the Shanghai Composite weakened 0.8 per cent.

Alibaba Group lost 1.2 per cent to HK\$86.90 while Tencent slid 1.2 per cent to HK\$345. Macau casino operator Sands China slumped 1.2 per cent to HK\$29.10. Sportswear maker Li Ning tumbled 3.6 per cent to HK\$56.90 and developer Country Garden slipped 2.4 per cent to HK\$2.06.

Gains of 3.4 per cent to 4.9 per cent in Alibaba Health, CSPC Pharmaceuticals and BYD helped shore up the city's benchmark index.

Analysts have trimmed their earnings on Asian companies outside Japan by 1.7 per cent since the start of the quarter, mostly in tech-driven Taiwan and South Korea, according to Goldman Sachs, with Chinese companies suffering a 1 per cent cut. The negative trend has re-accelerated since mid-March, Morgan Stanley said.

Analysts trimmed 12-month forward earnings of companies in the Hang Seng China Enterprises Index by 9.5 per cent last week, according to Bank of America, on top of a 10 per cent cut in the preceding week. Onshore companies that missed 2022 earnings targets were three times higher than those that beat, the bank said.

Stocks also declined as investors worried about intensifying tech rivalry between China and the West, after several measures to curb exports of advanced chip-making equipment to Chinese companies. Media reports including from Politico suggested more curbs are being mooted.

HSBC closed unchanged at HK\$55.95, after slipping as much as 1.1 per cent amid a war of words with Ping An Insurance (Group). The Chinese insurer, its biggest corporate shareholder, has become more vocal in pushing the UK lender to revamp and list its Asian business to create more value for investors.

Elsewhere, property stocks weakened, with 11 of the 13 members in the Hang Seng Property Index losing ground. Longfor Group fell 2.4 per cent while China Resources Land declined 1.6 per cent to HK\$36.85.

One company began trading today. Chongqing Millison Technologies closed 8.6 per cent lower at 29.55 yuan in Shenzhen.

Asian markets were mixed. The Kospi Index in South Korea dropped 0.8 per cent while the Nikkei 225 in Japan and the S&P/ASX 200 in Australia

(Source: South China Morning Post)

Contracts	Chg	Sett	High	Low
H. SENG FUT APR 23	-105	19924	20154	19744
H. SENG FUT MAY 23	-105	19896	20121	19710
H. SENG FUT JUN 23	-118	19842	20080	19666
H. SENG FUT SEP 23	-105	19924	20154	19744
MINI H. SENG FUT APR 23	-105	19924	20154	19744
MINI H. SENG FUT MAY 23	-105	19896	20123	19710
MINI H. SENG FUT JUN 23	-118	19842	20072	19669
MINI H. SENG FUT SEP 23	-105	19924	20154	19744
HSCEI FUT APR 23	-27	6722	6804	6657
HSCEI FUT MAY 23	-27	6741	6820	6672
HSCEI FUT JUN 23	-31	6712	6777	6649
HSCEI FUT SEP 23	-27	6722	6804	6657
MINI HSCEI FUT APR 23	-27	6722	6803	6658
MINI HSCEI FUT MAY 23	-27	6741	6817	6672
MINI HSCEI FUT JUN 23	-31	6712	6771	6649
MINI HSCEI FUT SEP 23	-27	6722	6803	6658

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	82.45	-0.35	83.65	81.3
**Tencent Holdings Ltd	345	-4.2	350.8	338
*HSBC Holdings PLC	55.95	0	56	55.35
**China Construction Bank Corp	5.23	-0.06	5.31	5.19
**Ping An Insurance Group	52.65	-0.25	53.7	51.85
**Meituan	137.6	-0.1	141	134.9
*Hong Kong Exchanges & Clearing Ltd	330	-1.6	334.6	326.4
*Alibaba Group Holdings Ltd	86.9	-1.05	88.5	86
**Xiaomi Corp	11.38	-0.16	11.54	11.16
**ICBC	4.22	-0.04	4.27	4.16

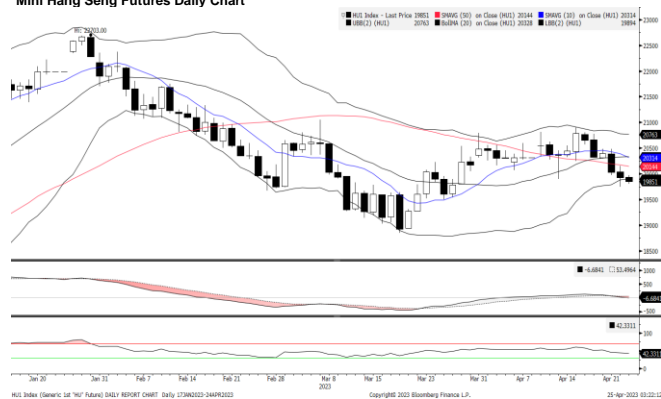
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	49.85	-0.5	51.15	48.75
**China Mobile Ltd	67.3	0.35	67.7	66.55
**Bank of China Ltd	3.12	-0.01	3.15	3.1
*Techtronic Industries Co Ltd	82.05	-0.8	83.05	80.55
*CK Hutchison Holdings Ltd	51	-0.85	52.05	50.8
*Link REIT	50.4	-0.15	50.95	50.25
*CLP Holding Ltd	58	0.35	58	57.45
**Geely Automobile Holdings Ltd	9.64	-0.04	9.78	9.49
**CNOOC Ltd	12.36	-0.04	12.5	12.32
**ANTA Sports Products Ltd	98.55	-1.05	100.3	97.55

Global Equity Indices	Close	Change	High	Low
Hang Seng	19959.94	-115.79	20146.4	19734.68
HSCEI	6733.14	-31.05	6800.4	6651.48
Shanghai Comp Index	3275.41	-25.845	3303.09	3264.935
Nikkei 225	28593.5	29.15	28680.7	28567.24
KOSPI	2523.5	-20.9	2541.89	2518.73
S&P/ASX200	7321.99	-8.391	7332.6	7307.7
DJIA	33875.4	66.44	33891.2	33726.09
S&P 500	4137.04	3.52	4142.41	4117.77
NASDAQ	12037.2	-35.26	12103.6	11960.3
DAX	15864	-17.71	15919.1	15831.1
CAC	7573.86	-0.04	7581.26	7545.6
FTSE100	7912.2	-1.93	7927.11	7877.58

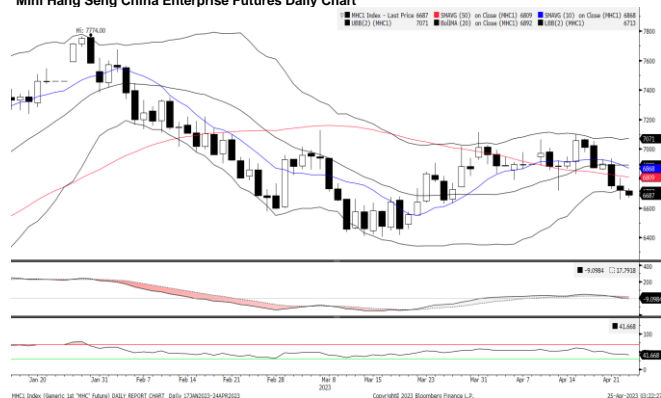
HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 25/Apr/2023

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	20223	2nd Resistance:	20522
1st Support:	19625	2nd Support:	19326
MACD:	29.790		
MACD DIFF:	-38.8013		
RSI:	43.5499		

Mini Hang Seng China Enterprise

1st Resistance:	6823	2nd Resistance:	6924
1st Support:	6621	2nd Support:	6520
MACD:	5.373		
MACD DIFF:	-19.156		
RSI:	43.1379		

Strategy:

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	19625	19821	19527	19326
			19520	19230

	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	20223	20021	20324	20522
			20317	20624

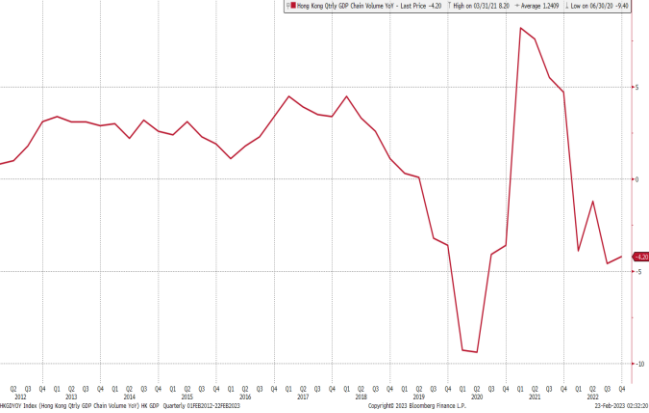
Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6621	6687	6588	6520
			6586	6488

	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	6823	6755	6857	6924
			6854	6958

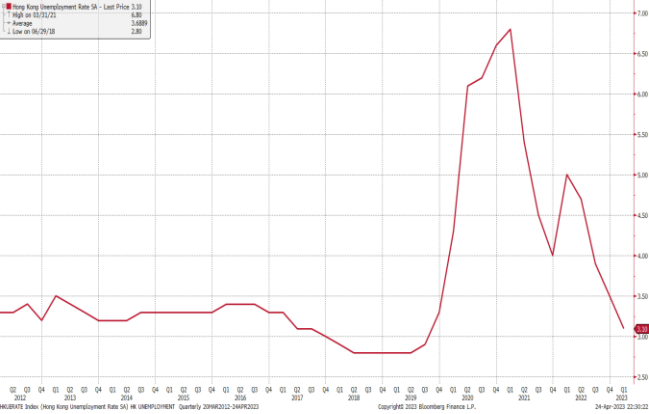
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
04/24/2023 16:30	Unemployment Rate SA	Mar	3.20%	3.10%	3.30%	--
04/25/2023 16:30	Exports YoY	Mar	0.10%	--	-8.80%	--
04/25/2023 16:30	Imports YoY	Mar	2.50%	--	-4.10%	--
04/25/2023 16:30	Trade Balance HKD	Mar	-46.2b	--	-45.4b	--
04/28/2023 16:30	Budget Balance HKD	Mar	--	--	15.6b	--
04/28/2023	Money Supply M3 HKD YoY	Mar	--	--	0.10%	--
04/28/2023	Money Supply M1 HKD YoY	Mar	--	--	-20.20%	--
04/28/2023	Money Supply M2 HKD YoY	Mar	--	--	0.10%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
04/26/2023 10:00	Bloomberg April China Economic Survey	Mar	--	--	-22.90%	--
04/27/2023 09:30	Industrial Profits YTD YoY	Apr	--	--	57	--
04/30/2023 09:30	Composite PMI	Apr	51.5	--	51.9	--
04/30/2023 09:30	Manufacturing PMI	Apr	56	--	58.2	--
04/30/2023 09:30	Non-manufacturing PMI					

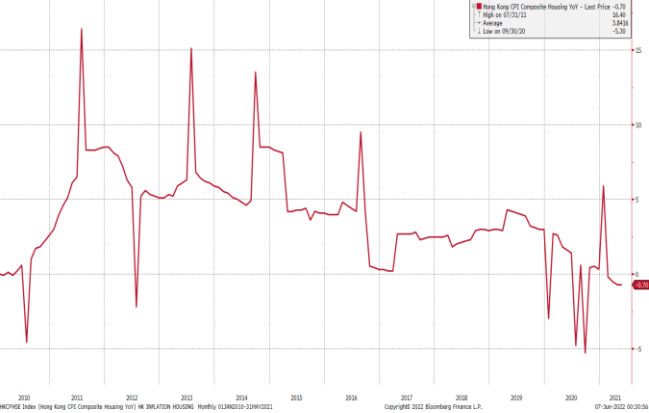
Hong Kong GDP Q on Q



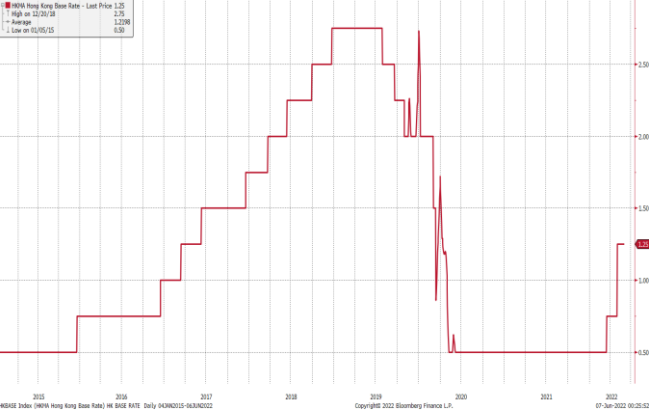
Hong Kong Unemployment Rate



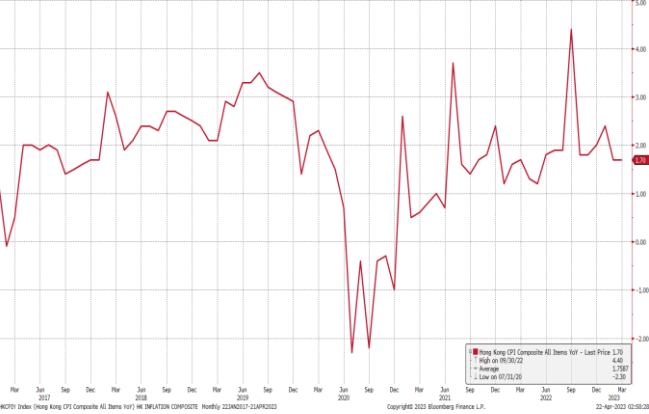
Hong Kong Housing Inflation



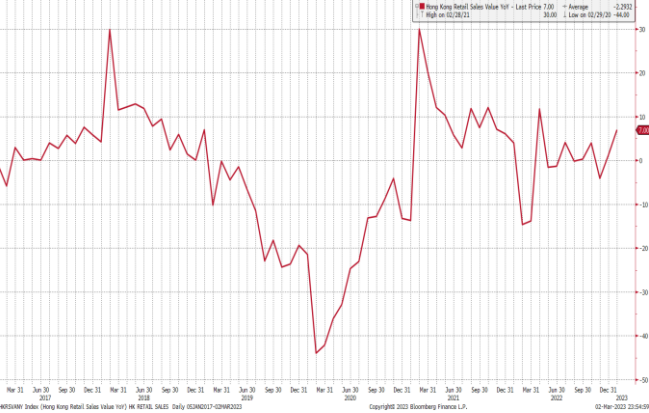
Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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