

Fundamentals:

Hong Kong stocks surged by the most in over eight months after China eased some of its Covid-19 restrictions and pledged to minimise the economic fallout from its policy. Slower US inflation raised optimism the Federal Reserve could temper its future rate increases.

The Hang Seng Index advanced 1,244.62 points or 7.7 per cent to 17,325.66 on Friday, the most since mid-March and taking this week's gains to 7.2 per cent. The Tech Index soared 10.1 per cent, while the Shanghai Composite Index ended with a 1.7 per cent gain. An index tracking US-listed Chinese companies surged 7.6 per cent in New York overnight.

All but two of the 73 index members advanced. Tencent rallied 11.7 per cent to HK\$258.40, while Alibaba jumped 12.4 per cent to HK\$70.80. JD.com advanced 16.1 per cent to HK\$192.50 and Meituan gained 12.5 per cent to HK\$159.60. Macau casino operator Sands China and Galaxy Entertainment climbed 11.5 per cent and 8.3 per cent, respectively.

China slashed quarantine time for international arrivals to five days from seven beginning on Friday, plus a three-day home isolation, the State Council's Covid-19 prevention team said. It plans to add more international flights, and will cancel the "circuit break" mechanism that has deterred arrivals.

Online travel agency Trip.com surged 17.3 per cent to HK\$234.80. The company said searches for international flights to China tripled an hour after China's relaxation announcement, while bookings doubled. Search volume has jumped by 122 per cent since October 31, the platform said in a statement.

Earlier, China's seven-member Politburo Standing Committee, chaired by President Xi Jinping, said on Thursday it would strive to reduce the damages caused by the "dynamic zero" policy. Xinhua News Agency reported. The policy, which has triggered snap lockdowns and hurt factory production, has been blamed for the malaise in the economy and stock markets.

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Developer Longfor surged 29.1 per cent to HK\$18.20, after it successfully tapped a loan guarantee programme backed by China's central bank to support the beleaguered property industry. Country Garden soared by 35 per cent to HK\$2.24, in the stock's biggest single-day gain since it was listed in Hong Kong in 2007.

Separately, US consumer prices rose 7.7 per cent in October from a year earlier versus 8.2 per cent in September, the smallest increase since the start of the year. The slower-than-expected rise fuelled hopes the Fed will ease its tightening pace in the coming months.

Two stocks debuted on Friday. Glory View Technology, a smart city integrated service provider, surged 24.6 per cent to 50.01 yuan in Shenzhen, while e-commerce platform Zibuyu added 5.5 per cent to HK\$8.29 in Hong Kong.

Asia-Pacific markets rose after the US inflation report. The S&P/ASX 200 in Australia jumped 2.8 per cent, the Nikkei 225 in Japan gained 3 per cent, while South Korea's KOSPI advanced 3.4 per cent.

(Source: South China Morning Post)

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance: 17620 2nd Resistance: 17881
 1st Support: 17100 2nd Support: 16839
 MACD: -167.138
 MACD DIFF: 261.911
 RSI: 58.5851

Mini Hang Seng China Enterprise

1st Resistance: 5974 2nd Resistance: 6063
 1st Support: 5798 2nd Support: 5709
 MACD: -70.617
 MACD DIFF: 90.300
 RSI: 57.5783

Strategy:

Mini Hang Seng: Long: Profit target: 17100 Stop-loss: 17271 17014 Long: Profit target: 16839 Stop-loss: 17008 16755

Short: Profit target: 17620 Stop-loss: 17444 17709 Short: Profit target: 17881 Stop-loss: 17702 17970

Mini Hang Seng China Enterprise: Long: Profit target: 5798 Stop-loss: 5856 5769 Long: Profit target: 5709 Stop-loss: 5767 5681

Short: Profit target: 5974 Stop-loss: 5915 6004 Short: Profit target: 6063 Stop-loss: 6002 6093

Contracts	Chg	Sett	High	Low
H. SENG FUT NOV 22	1284	17360	17388	16040
H. SENG FUT DEC 22	1286	17420	17435	16100
H. SENG FUT MAR 23	1297	17552	17550	16269
H. SENG FUT JUN 23	1297	17470	17464	16156
MINI H. SENG FUT NOV 22	1284	17360	17388	16039
MINI H. SENG FUT DEC 22	1286	17420	17444	16100
MINI H. SENG FUT MAR 23	1297	17552	17578	16218
MINI H. SENG FUT JUN 23	1297	17470	17503	16201
HSCEI FUT NOV 22	467	5886	5897	5411
HSCEI FUT DEC 22	460	5902	5914	5440
HSCEI FUT MAR 23	469	5985	5990	5683
HSCEI FUT JUN 23	469	5968	5931	5679
MINI HSCEI FUT NOV 22	467	5886	5897	5410
MINI HSCEI FUT DEC 22	460	5902	5915	5435
MINI HSCEI FUT MAR 23	469	5985	5989	5555
MINI HSCEI FUT JUN 23	469	5968	5970	5635

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	73.05	5.9	73.5	70.7
**Tencent Holdings Ltd	258.4	27	260.8	245.4
*HSBC Holdings PLC	43.4	0.9	43.7	42.75
**China Construction Bank Corp	4.59	0.2	4.62	4.48
**Ping An Insurance Group	39.45	4.7	39.45	36.6
**Meituan	159.6	17.7	160.7	152.6
*Hong Kong Exchanges & Clearing Ltd	284.6	28.8	287.8	274.4
**Alibaba Group Holdings Ltd	70.8	7.8	71.45	67.05
**Xiaomi Corp	10.3	0.44	10.66	10.12
**ICBC	3.73	0.17	3.74	3.62

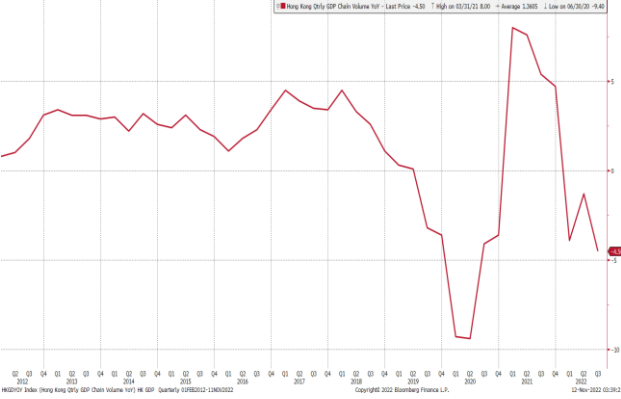
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	50.95	7.2	51.6	47.65
**China Mobile Ltd	49.2	0.9	49.5	48.6
**Bank of China Ltd	2.67	0.06	2.68	2.63
*Techtronic Industries Co Ltd	90.9	11.4	91.65	86.7
*CK Hutchison Holdings Ltd	42.35	1.5	42.75	41.75
*Link REIT	54.45	3.5	55.35	54.05
*CLP Holding Ltd	55.85	1.6	56.25	54.9
**Geely Automobile Holdings Ltd	10.3	0.56	10.66	10.04
**CNOOC Ltd	10.32	0.22	10.34	10.18
**ANTA Sports Products Ltd	83	5.9	83.8	79.85

Global Equity Indices	Close	Change	High	Low
Hang Seng	17325.66	1244.62	17368	16829
HSCEI	5867.31	450.18	5882.16	5672.98
Shanghai Comp Index	3087.29	51.16	3117.74	3070.301
Nikkei 225	28263.6	817.47	28329.5	27837.09
KOSPI	2483.16	80.93	2486.46	2463.51
S&P/ASX200	7157.95	193.935	7170.6	6964
DJIA	33747.9	32.49	33818	33394.43
S&P 500	3992.93	36.56	4001.48	3944.82
NASDAQ	11323.3	209.18	11352.4	11069.83
DAX	14224.9	78.77	14263.5	14172.47
CAC	6594.62	0.58	6636.81	6573.87
FTSE100	7318.04	-57.3	7408.61	7316.84

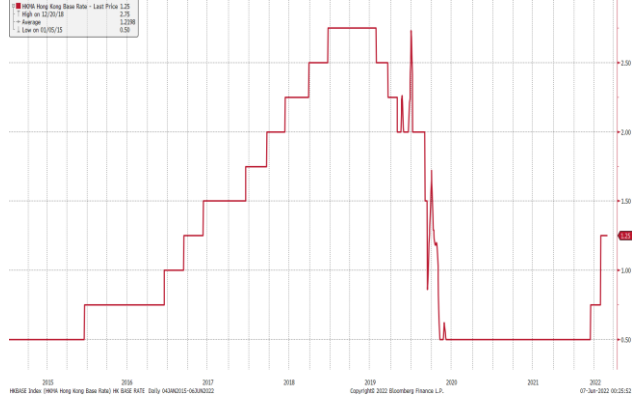
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
11/11/2022 16:30	GDP YoY	3Q F	-4.50%	-4.50%	-4.50%	--
11/11/2022 16:30	GDP SA QoQ	3Q F	-2.60%	-2.60%	-2.60%	--
11/17/2022 16:30	Unemployment Rate SA	Oct	--	--	3.90%	--
11/18/2022 14:00	Bloomberg Nov. Hong Kong Economic Survey					

China Economic Releases		Period	Survey	Actual	Prior	Revised
11/11/2022 11:20	FDI YTD YoY CNY	Oct	--	--	15.60%	--
11/13/2022 11:16	1-Yr Medium-Term Lending Facility Ra	Nov-15	2.75%	--	2.75%	--
11/13/2022 11:16	1-Yr Medium-Term Lending Facilities V	Nov-15	1000.0b	--	500.0b	--
11/15/2022 10:00	Industrial Production YoY	Oct	5.20%	--	6.30%	--
11/15/2022 10:00	Industrial Production YTD YoY	Oct	4.00%	--	3.90%	--
11/15/2022 10:00	Retail Sales YoY	Oct	0.70%	--	2.50%	--
11/15/2022 10:00	Retail Sales YTD YoY	Oct	0.80%	--	0.70%	--
11/15/2022 10:00	Fixed Assets Ex Rural YTD YoY	Oct	5.90%	--	5.90%	--
11/15/2022 10:00	Property Investment YTD YoY	Oct	-8.30%	--	-8.00%	--
11/15/2022 10:00	Residential Property Sales YTD YoY	Oct	--	--	-28.60%	--
11/15/2022 10:00	Surveyed Jobless Rate	Oct	5.50%	--	5.50%	--
11/15/2022 10:00	FX Net Settlement - Clients CNY	Oct	--	--	48.3b	--

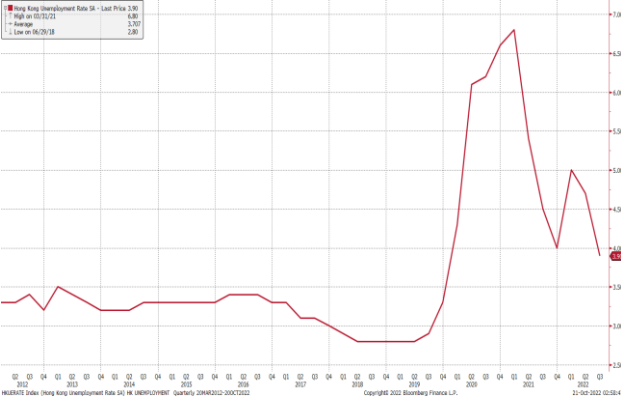
Hong Kong GDP Q on Q



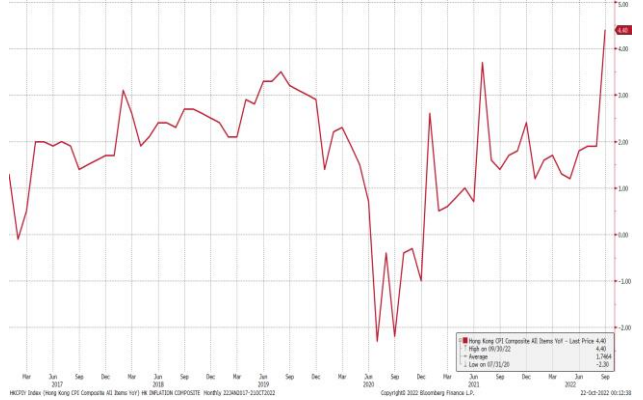
Hong Kong Base Interest Rate



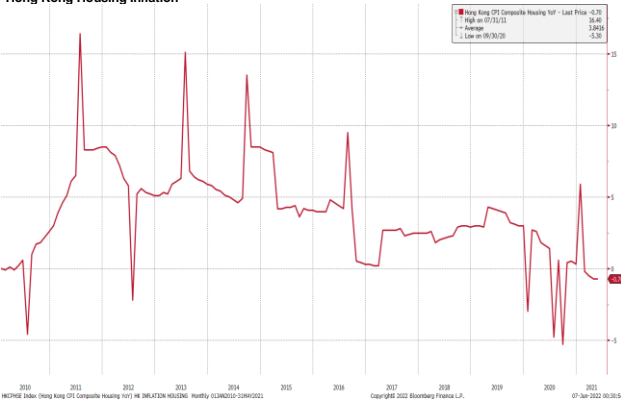
Hong Kong Unemployment Rate



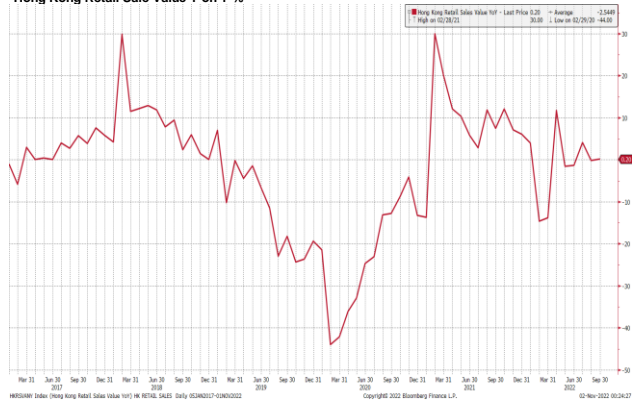
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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