

Fundamentals:

Stocks in Hong Kong and mainland China tumbled as a flare-up in coronavirus cases undermined recent bets Beijing will roll back its stringent zero-Covid policy to spur the economy. Two of the three new benchmark index members gained.

The Hang Seng Index dropped 1.9 per cent to 17,655.91 at the close of Monday trading, the biggest setback in two weeks. The Tech Index lost 3 per cent, while the Shanghai Composite Index retreated 0.4 per cent.

Alibaba Group slipped 4.8 per cent to HK\$76.15 while Tencent fell 1.6 per cent to HK\$283.20 and Meituan plunged 4.9 per cent to HK\$152.50. Casino operator Sands China sank 8 per cent to HK\$18.06 while peer Galaxy Entertainment dropped 5.4 per cent to HK\$43.40.

The Hang Seng Index rose 3.9 per cent last week on the zero-Covid policy pivot and China reopening bets, taking the advance to 22 per cent from the lowest point in October and contributing to a US\$701 billion gain in market capitalisation.

China reported its first Covid-19 death in six months as the country battles its worst wave since Shanghai's spring outbreak. Cases rose to 26,824 nationwide on Monday from 24,215 a day earlier, according to government data. Residents of multiple major Chinese cities have been urged to stay home to curb transmissions.

China's State Council last week urged local authorities to avoid "irresponsible loosening" of Covid-19 measures as the nation faces the biggest outbreaks in six months.

Elsewhere, real estate developers tumbled. Shanghai's housing market continues to slump, with the wealthy middle class cashing out and leaving the country. Longior slid 2.8 per cent to HK\$19.54, while Country Garden lost 5 per cent to HK\$2.48.

Two of the three new Hang Seng Index members advanced. Noodle maker Tingyi gained 2.9 per cent to HK\$12.04 and China Resources Mixc Lifestyle Services added 1 per cent to HK\$34.35, while Haier Smart Home lost 0.4 per cent to HK\$24.35. The trio will join from December 5.

Software developer Ruijie Network jumped 15.8 per cent to 37.50 yuan per share on its first day of trading in Shenzhen.

Asian stocks retreated on Monday. The S&P/ASX 200 in Australia lost 0.2 per cent, the Kospi in South Korea dropped 1 per cent, while the Nikkei 225 in Japan added 0.2 per cent.

(Source: South China Morning Post)

HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 22/Nov/2022

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	17929	2nd Resistance:	18194
1st Support:	17399	2nd Support:	17134
MACD:	341.594		
MACD DIFF:	265.972		
RSI:	57.2061		

Mini Hang Seng China Enterprise

1st Resistance:	6098	2nd Resistance:	6188
1st Support:	5918	2nd Support:	5828
MACD:	115.265		
MACD DIFF:	95.896		
RSI:	56.5719		

Strategy:

Mini Hang Seng:	Long: Profit target: 17399	Stop-loss: 17573	17312	Long: Profit target: 17134	Stop-loss: 17305	17048
	Short: Profit target: 17929	Stop-loss: 17750	18019	Short: Profit target: 18194	Stop-loss: 18012	18285

Mini Hang Seng China Enterprise:

Long: Profit target: 5918	Stop-loss: 5977	5888	Long: Profit target: 5828	Stop-loss: 5886	5799
Short: Profit target: 6098	Stop-loss: 6037	6129	Short: Profit target: 6188	Stop-loss: 6126	6219

Contracts	Chg	Sett	High	Low
H. SENG FUT NOV 22	-329	17664	18100	17395
H. SENG FUT DEC 22	-330	17733	18160	17477
H. SENG FUT MAR 23	-332	17877	18290	17637
H. SENG FUT JUN 23	-331	17823	18222	17645
MINI H. SENG FUT NOV 22	-329	17664	18099	17395
MINI H. SENG FUT DEC 22	-330	17733	18169	17470
MINI H. SENG FUT MAR 23	-332	17877	18295	17620
MINI H. SENG FUT JUN 23	-331	17823	18245	17599
HSCEI FUT NOV 22	-116	6008	6164	5903
HSCEI FUT DEC 22	-115	6034	6182	5937
HSCEI FUT MAR 23	-116	6115	6263	6041
HSCEI FUT JUN 23	-114	6103	6230	6230
MINI HSCEI FUT NOV 22	-116	6008	6165	5902
MINI HSCEI FUT DEC 22	-115	6034	6189	5930
MINI HSCEI FUT MAR 23	-116	6115	6255	6012
MINI HSCEI FUT JUN 23	-114	6103	6242	6027

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	74.5	-1.6	74.6	72.6
**Tencent Holdings Ltd	283.2	-4.6	286.6	274.6
*HSBC Holdings PLC	44.35	0.2	44.55	43.75
**China Construction Bank Corp	4.53	0.02	4.57	4.44
**Ping An Insurance Group	41.15	-1.3	41.5	40.05
**Meituan	152.5	-7.9	154.4	150.1
*Hong Kong Exchanges & Clearing Ltd	292.2	-8.8	295	287
**Alibaba Group Holdings Ltd	76.15	-3.8	77.3	75
**Xiaomi Corp	10.02	-0.28	10.2	9.85
**ICBC	3.67	0	3.68	3.61

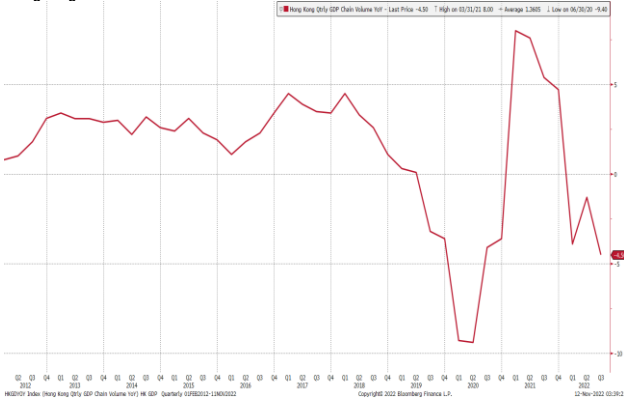
Major HSCEI Constituent Stocks	Close	Change	High	Low
**Wuxi Biologics Cayman Inc	50.8	-0.85	51.4	49.25
**China Mobile Ltd	50	0.25	50.3	49.2
**Bank of China Ltd	2.63	0.01	2.66	2.61
*Techtronic Industries Co Ltd	90.45	-2.15	91.6	88.8
*CK Hutchison Holdings Ltd	43.65	0.1	43.8	42.75
*Link REIT	53.3	-0.2449	53.6	52.9
*CLP Holding Ltd	57.35	0.15	57.35	56.2
**Geely Automobile Holdings Ltd	10.3	-0.14	10.38	10
**CNOOC Ltd	10.04	-0.16	10.1	9.9
**ANTA Sports Products Ltd	86.5	-2.25	87.75	84.4

Global Equity Indices	Close	Change	High	Low
Hang Seng	17655.91	-336.63	17746.3	17389.45
HSCEI	6001.9	-123.5	6044.06	5899.62
Shanghai Comp Index	3085.04	-12.199	3085.24	3056.17
Nikkei 225	27944.8	45.02	28007.1	27846.3
KOSPI	2419.5	-24.98	2448.14	2409.36
S&P/ASX200	7139.25	-12.579	7174.4	7131.7
DJIA	33700.3	-45.41	33864.6	33559.18
S&P 500	3949.94	-15.4	3962	3933.34
NASDAQ	11024.5	-121.55	11128.8	10999.75
DAX	14379.9	-51.93	14426	14321.84
CAC	6634.45	-0.15	6649.76	6613.92
FTSE100	7376.85	-8.67	7402.79	7343.37

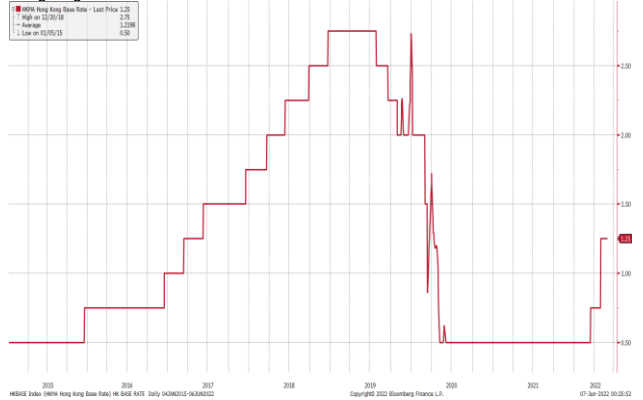
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
11/21/2022 16:30	CPI Composite YoY	Oct	2.10%	1.80%	4.40%	--
11/28/2022 16:30	Exports YoY	Oct	--	--	-9.10%	--
11/28/2022 16:30	Imports YoY	Oct	--	--	-7.80%	--
11/28/2022 16:30	Trade Balance HKD	Oct	--	--	-44.9b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
11/21/2022 09:15	1-Year Loan Prime Rate	Nov-21	3.65%	3.65%	3.65%	--
11/21/2022 09:15	5-Year Loan Prime Rate	Nov-21	4.30%	4.30%	4.30%	--
11/22/2022 11:00	Bloomberg Nov. China Economic Survey					
11/27/2022 09:30	Industrial Profits YTD YoY	Oct	--	--	-2.30%	--
11/27/2022 09:30	Industrial Profits YoY	Oct	--	--	--	--

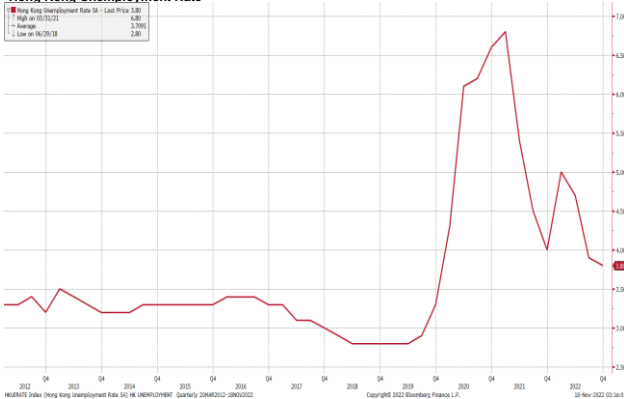
Hong Kong GDP Q on Q



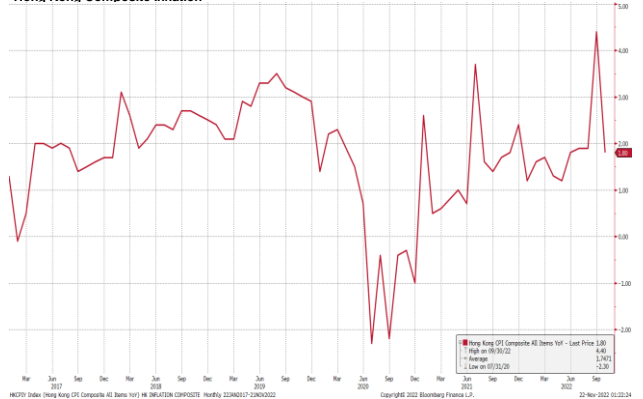
Hong Kong Base Interest Rate



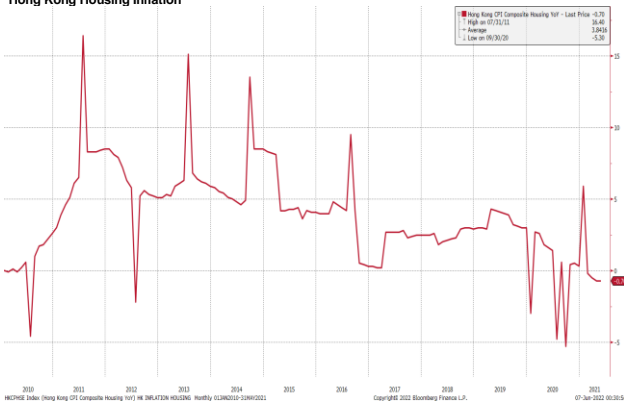
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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