

**Fundamentals:**

Hong Kong stocks jumped by the most in two weeks, fanned by a rally in property developers, after China's securities regulator lifted a six-year ban on equity financing to help reverse a slump in the industry.

The Hang Seng Index climbed 5.2 per cent to 18,204.68 at the close, posting the biggest gain since November 15. The Hang Seng Tech Index soared 7.7 per cent and the Shanghai Composite Index added 2.3 per cent.

China Vanke surged 14 per cent to HK\$16.56, leading industry peers. Longfor rallied 11.3 per cent to HK\$23.10 and Country Garden advanced 4.5 per cent to HK\$3.05. China Overseas Land and Investment advanced 7.6 per cent to HK\$21.35. An index tracking mainland developers rose by 8.1 per cent with all its 10 members posting gains.

Among the mainland-traded developers, Poly Developments advanced 9.6 per cent to 17.90 yuan in Shanghai. Alitaba Group Holding led tech winners in Hong Kong, adding 9.1 per cent to HK\$78.75, while Meituan climbed 11.5 per cent to HK\$155.40 and Tencent added 5.9 per cent to HK\$285.80.

Property developers will be allowed to raise funds from private stock sales and sell shares to fund purchases of real-estate assets, the China Securities Regulatory Commission (CSRC) said on its website on late Monday. Proceeds can be used to buy existing property projects, replenish working capital and repay debt, it said. The CSRC last froze such financing by developers in July 2016, according to Shanghai-based brokerage Shenwan Hongyuan.

The MSCI China Real Estate Index, which tracks 29 developers, has crashed 55 per cent since August 2020 when Beijing introduced its "three red lines" policy to curb excessive debt among the weakest builders. The slump erased US\$218 billion of market value over the period, according to Bloomberg data.

The CSRC move overshadowed unease among investors amid protests in mainland cities against Beijing's zero-Covid measures. China earlier unveiled a 16-point support plan to ease a liquidity squeeze among private developers. A rate cut from December 5 is expected to inject US\$70 billion of liquidity in the system.

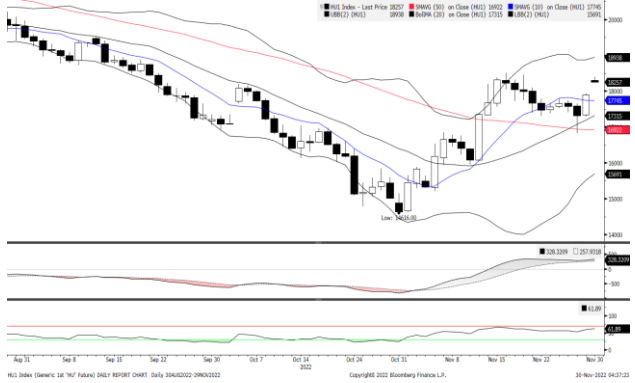
Elsewhere, China's most valuable company Kweichow Moutai gained 5.9 per cent to 1,599 yuan in Shanghai after declaring a special dividend of 27.5 billion yuan (US\$3.82 billion). The top liquor distiller also said its controlling shareholder will spend as much as 20 per cent of the dividends to boost its stake in the company.

Two stocks started trading on Tuesday. 360 DigiTech, a digital finance platform operator, rose 3.4 per cent to HK\$51.75 in Hong Kong, and Shenzhen Minew Technologies, a maker of smart hardware products, fell 1.5 per cent to 9.85 yuan in Beijing.

Other major Asian markets were mixed. Japan's Nikkei 225 slipped 0.5 per cent, while South Korea's Kospi rose 1 per cent and Australia's S&P/ASX 200 added 0.3 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: 18177                      2nd Resistance: 18445  
1st Support: 17639                      2nd Support: 17371  
MACD: 289.815  
MACD DIFF: 49.3811  
RSI: 58.6154

*Mini Hang Seng China Enterprise*

1st Resistance: 6215                      2nd Resistance: 6307  
1st Support: 6031                      2nd Support: 5939  
MACD: 99.541  
MACD DIFF: 20.637  
RSI: 58.7972

**Strategy:**

*Mini Hang Seng:* Long: Profit target: 17551                      Stop-loss: 17371                      Profit target: 17544                      Stop-loss: 17284  
Short: Profit target: 18177                      Stop-loss: 18268                      Profit target: 18261                      Stop-loss: 18537

*Mini Hang Seng China Enterprise:* Long: Profit target: 6001                      Stop-loss: 6031                      Profit target: 5999                      Stop-loss: 5910  
Short: Profit target: 6215                      Stop-loss: 6246                      Profit target: 6244                      Stop-loss: 6338

Contracts	Chg	Sett	High	Low
H. SENG FUT NOV 22	588	17908	17938	17291
H. SENG FUT DEC 22	943	18334	18338	17358
H. SENG FUT MAR 23	938	18470	18469	17541
H. SENG FUT JUN 23	942	18414	18389	17480
MINI H. SENG FUT NOV 22	588	17908	17941	17289
MINI H. SENG FUT DEC 22	943	18334	18335	17361
MINI H. SENG FUT MAR 23	938	18470	18474	17514
MINI H. SENG FUT JUN 23	942	18414	18388	17462
HSCEI FUT NOV 22	243	6123	6140	5868
HSCEI FUT DEC 22	375	6283	6293	5896
HSCEI FUT MAR 23	382	6368	6364	5995
HSCEI FUT JUN 23	381	6354	6255	6103
MINI HSCEI FUT NOV 22	243	6123	6140	5869
MINI HSCEI FUT DEC 22	375	6283	6293	5897
MINI HSCEI FUT MAR 23	382	6368	6367	5996
MINI HSCEI FUT JUN 23	381	6354	6342	5985

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	76.2	3.9	76.35	72.5
**Tencent Holdings Ltd	285.8	15.8	286	273.8
*HSBC Holdings PLC	46.25	0.65	46.25	45.6
**China Construction Bank Corp	4.72	0.13	4.75	4.62
**Ping An Insurance Group	47.25	5.4	47.4	43
**Meituan	155.4	16	156	141.3
*Hong Kong Exchanges & Clearing Ltd	300	21	300.8	279.8
**Alibaba Group Holdings Ltd	78.75	6.55	78.8	73.2
**Xiaomi Corp	9.97	0.63	9.97	9.46
**ICBC	3.88	0.1	3.92	3.79

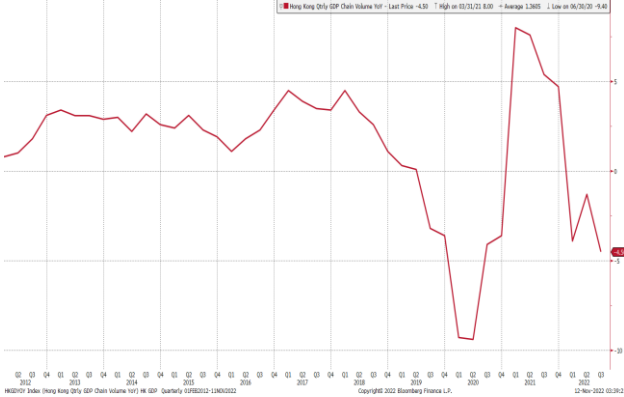
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	48.95	1.6	49.4	46.55
**China Mobile Ltd	51.5	-0.1	51.8	51.2
**Bank of China Ltd	2.76	0.07	2.76	2.69
*Techtronic Industries Co Ltd	88.9	0.8	89.75	87.85
*CK Hutchison Holdings Ltd	44.25	0.85	44.35	43.65
*Link REIT	52.6	1.65	52.9	51.7
*CLP Holding Ltd	56.5	0.15	56.65	56
**Geely Automobile Holdings Ltd	10.26	0.59	10.26	9.75
**CNOOC Ltd	10.18	0.12	10.18	9.99
**ANTA Sports Products Ltd	87.65	6.5	87.65	82

Global Equity Indices	Close	Change	High	Low
Hang Seng	18204.68	906.74	18204.7	17536.45
HSCEI	6236.72	364.34	6236.72	5974.16
Shanghai Comp Index	3149.75	71.199	3152	3096.113
Nikkei 225	28027.8	-134.99	28055.9	27899.98
KOSPI	2433.39	25.12	2433.87	2401.1
S&P/ASX200	7253.31	24.166	7253.6	7200.9
DJIA	33852.5	3.07	33933.9	33662.45
S&P 500	3957.57	-6.37	3976.77	3937.65
NASDAQ	10983.8	-65.72	11086	10944.37
DAX	14355.5	-27.91	14429.9	14327.04
CAC	6668.97	0.06	6695.86	6649.88
FTSE100	7512	37.98	7543.09	7473.99

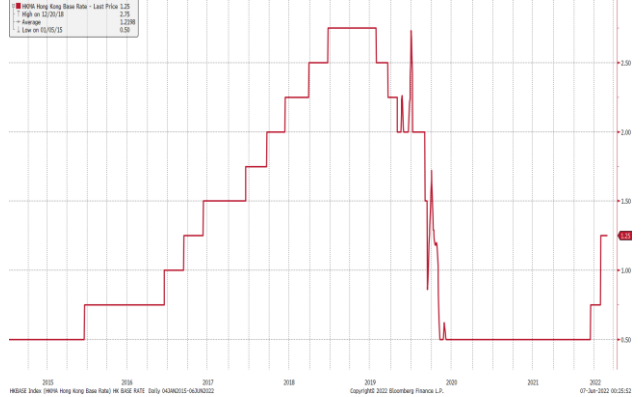
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
11/30/2022 16:30	Budget Balance HKD	Oct	--	--	-70.0b	--
11/30/2022	Money Supply M1 HKD YoY	Oct	--	--	-11.40%	--
11/30/2022	Money Supply M2 HKD YoY	Oct	--	--	-0.80%	--
11/30/2022	Money Supply M3 HKD YoY	Oct	--	--	-0.80%	--
12/01/2022 16:30	Retail Sales Value YoY	Oct	-2.10%	--	0.20%	--
12/01/2022 16:30	Retail Sales Volume YoY	Oct	-3.60%	--	-1.50%	--
12/05/2022 08:30	S&P Global Hong Kong PMI	Nov	--	--	49.3	--
12/07/2022	Foreign Reserves	Nov	--	--	\$417.2b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
11/30/2022 09:30	Composite PMI	Nov	--	--	49	--
11/30/2022 09:30	Manufacturing PMI	Nov	49	--	49.2	--
11/30/2022 09:30	Non-manufacturing PMI	Nov	48	--	48.7	--
12/01/2022 09:45	Caixin China PMI Mfg	Nov	48.9	--	49.2	--
12/05/2022 09:45	Caixin China PMI Composite	Nov	--	--	48.3	--
12/05/2022 09:45	Caixin China PMI Services	Nov	48.2	--	48.4	--
12/07/2022	Foreign Reserves	Nov	--	--	\$3052.43b	--
12/07/2022	Exports YoY	Nov	--	--	-0.30%	--
12/07/2022	Imports YoY	Nov	--	--	-0.70%	--
12/07/2022	Trade Balance	Nov	--	--	\$85.15b	--
12/07/2022	Exports YoY CNY	Nov	--	--	7.00%	--
12/07/2022	Imports YoY CNY	Nov	--	--	6.80%	--
12/07/2022	Trade Balance CNY	Nov	--	--	586.81b	--

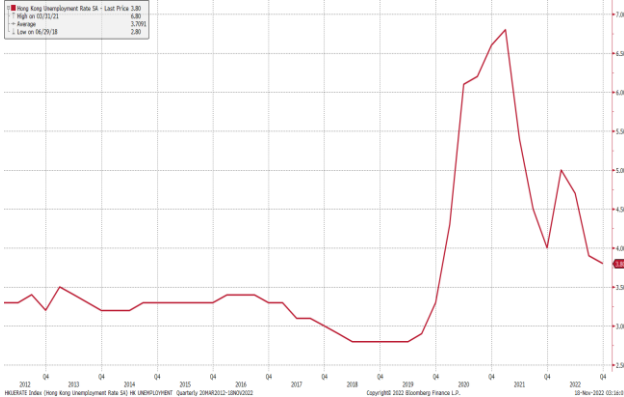
### Hong Kong GDP Q on Q



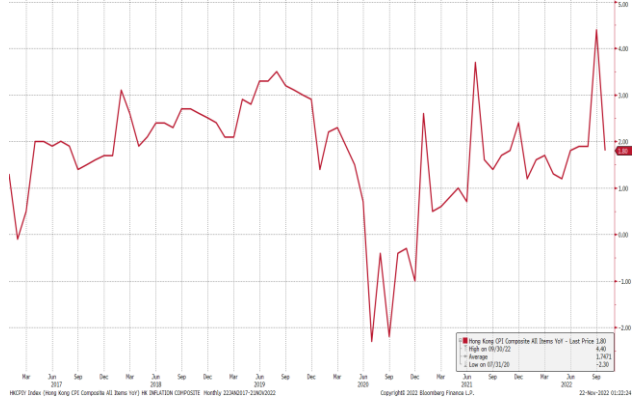
### Hong Kong Base Interest Rate



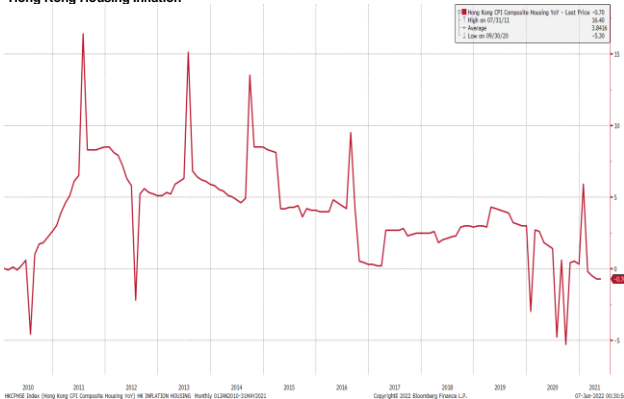
### Hong Kong Unemployment Rate



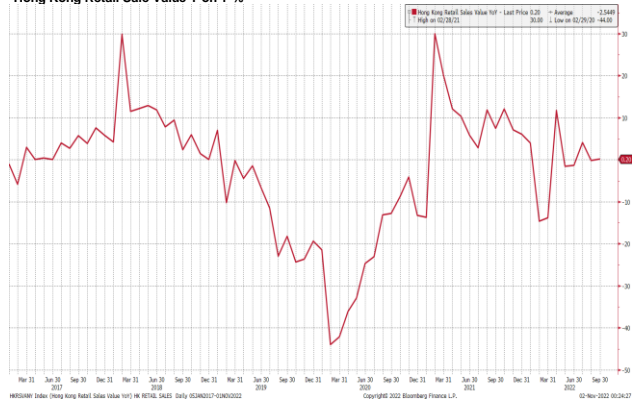
### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



### Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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