

Fundamentals:

Stocks in mainland China and Hong Kong jumped, extending the biggest multi-year rallies from last week, as analysts suggest Beijing is preparing to ease its daunting zero-Covid policy. China remains steadfast on its curbs, a government official said.

The Hang Seng Index rose 2.7 per cent to 16,595.91 at the close of Monday trading as 70 of its 73 blue-chip constituents advanced. The Tech Index rallied 4.1 per cent while the Shanghai Composite Index gained 0.2 per cent.

Tencent jumped 2.9 per cent to HK\$245.40. JD.com surged 3.1 per cent HK\$177 and Meituan climbed 2.3 per cent to HK\$153. HSBC leapt 3.7 per cent to HK\$43 and bourse operator Hong Kong Exchanges and Clearing rose 5.4 per cent to HK\$259.60. Country Garden led property developers higher with an 11 per cent rise to HK\$1.41.

Mainland funds bought HK\$4.9 billion (US\$675 million) of stocks in Hong Kong on Monday, according to Stock Connect data. They were net buyers of US\$4.3 billion worth of shares last week, the largest inflow into the city over the past 12 months.

The benchmark in Hong Kong surged 8.7 per cent last week, the most since October 2011, contributing to a US\$266 billion rebound in equity value in the broader market.

A flurry of incremental changes to zero-Covid is fuelling optimism, Hong Hao, a strategist at Grow Investment Group said in a report on Monday. China will cancel the circuit breaker for international flights, after increasing the number of international flights, while authorities have approved BioNTech's vaccine for foreigners in the country, he wrote.

Stocks gained even as officials insisted China must stick with its zero-Covid policy. The pandemic situation is still complicated, a National Health Commission spokesman said on Sunday, adding that local governments should ensure businesses and people's lives are not impacted by the ongoing curbs.

Confirmed new cases nationwide climbed to 5,643 from 4,610 on Sunday, according to government data, and local officials in China's south city Guangzhou have warned its citizens of more infection risks.

Traders shrugged off more data today signalling a deeper slowdown in China's economy. Exports unexpectedly declined 0.3 per cent last month from a year earlier, the first drop since May 2020, while imports weakened 0.7 per cent, the customs bureau said.

Two stocks debuted on Monday. Huaxia Eye Hospital Group jumped 37.8 per cent to 70.10 yuan in Shenzhen, while plastic equipment maker Nextool Technology appreciated 19 per cent to 45.09 yuan in Shanghai.

Stocks in Asia-Pacific were also bullish. The Nikkei 225 in Japan advanced 1.2 per cent while benchmarks in Australia and South Korea rose by 0.6 to 1 per cent.

(Source: South China Morning Post)

Contracts	Chg	Sett	High	Low
H. SENG FUT NOV 22	466	16657	16848	15933
H. SENG FUT DEC 22	464	16704	16880	15992
H. SENG FUT MAR 23	469	16836	17007	16153
H. SENG FUT JUN 23	472	16754	16816	16072
MINI H. SENG FUT NOV 22	466	16657	16847	15933
MINI H. SENG FUT DEC 22	464	16704	16899	15990
MINI H. SENG FUT MAR 23	469	16836	17008	16127
MINI H. SENG FUT JUN 23	472	16754	16924	16081
HSCEI FUT NOV 22	149	5648	5725	5350
HSCEI FUT DEC 22	152	5671	5739	5402
HSCEI FUT MAR 23	154	5747	5809	5475
HSCEI FUT JUN 23	156	5730	5774	5460
MINI HSCEI FUT NOV 22	149	5648	5725	5356
MINI HSCEI FUT DEC 22	152	5671	5746	5385
MINI HSCEI FUT MAR 23	154	5747	5806	5454
MINI HSCEI FUT JUN 23	156	5730	5789	5444

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	67.7	2.15	68.5	65.45
**Tencent Holdings Ltd	245.4	6.8	249.6	231.6
*HSBC Holdings PLC	43	1.55	44	42.4
**China Construction Bank Corp	4.37	0.1	4.42	4.24
**Ping An Insurance Group	36.8	2.15	37.05	34.45
**Meituan	153	3.5	157.1	142.2
*Hong Kong Exchanges & Clearing Ltd	259.6	13.4	265.6	246.6
**Alibaba Group Holdings Ltd	69.7	-0.2	71.8	66.3
**Xiaomi Corp	10.2	0.5	10.4	9.52
**ICBC	3.58	0.09	3.6	3.49

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	47	3.65	48	42.05
**China Mobile Ltd	48.15	0.1	48.65	47.7
*Bank of China Ltd	2.62	0.04	2.64	2.57
*Techtronic Industries Co Ltd	82.05	3.55	82.05	76
*CK Hutchison Holdings Ltd	41.85	0.85	42.25	40.65
*Link REIT	51.75	1.95	52.4	49.25
*CLP Holding Ltd	54.75	0.45	55.35	53.7
**Geely Automobile Holdings Ltd	10.82	0.56	10.96	10.06
**CNOOC Ltd	10.14	0.26	10.32	9.96
**ANTA Sports Products Ltd	80.1	2.3	81.3	75.75

Global Equity Indices	Close	Change	High	Low
Hang Seng	16595.91	434.77	16821.9	15980.85
HSCEI	5636.21	153.69	5711.65	5395.69
Shanghai Comp Index	3077.82	7.021	3088.19	3054.457
Nikkei 225	27527.6	327.9	27578	27357.53
KOSPI	2371.79	23.36	2373.28	2354.22
S&P/ASX200	6933.71	41.248	6943.4	6892.5
DJIA	32827	423.78	32895.6	32424.99
S&P 500	3806.8	36.25	3813.95	3764.7
NASDAQ	10564.5	89.27	10588	10428.91
DAX	13533.5	73.67	13611.3	13391
CAC	6416.61	0	6442.41	6363.7
FTSE100	7299.99	-34.85	7346.66	7288

HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 08/Nov/2022

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	16907	2nd Resistance:	17157
1st Support:	16407	2nd Support:	16157
MACD:	-476.670		
MACD DIFF:	178.275		
RSI:	52.8277		

Mini Hang Seng China Enterprise

1st Resistance:	5733	2nd Resistance:	5817
1st Support:	5563	2nd Support:	5479
MACD:	-177.105		
MACD DIFF:	61.552		
RSI:	52.135		

Strategy:

Mini Hang Seng:	Long: Profit target: 16407	Stop-loss: 16571	16325	Long: Profit target: 16157	Stop-loss: 16319	16077
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	Short: Profit target: 16907	Stop-loss: 16738	16991	Short: Profit target: 17157	Stop-loss: 16985	17242
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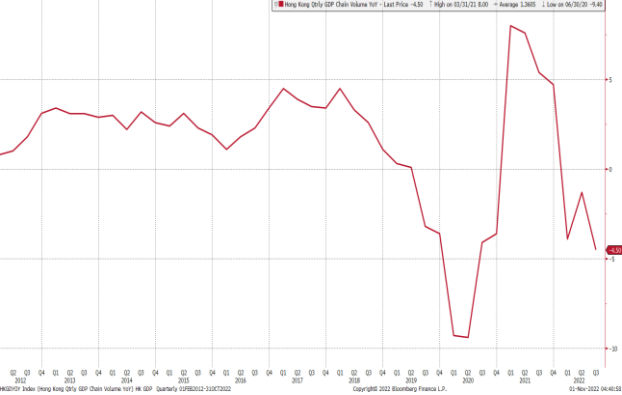
Mini Hang Seng China Enterprise:	Long: Profit target: 5563	Stop-loss: 5619	5535	Long: Profit target: 5479	Stop-loss: 5533	5451
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	Short: Profit target: 5733	Stop-loss: 5675	5761	Short: Profit target: 5817	Stop-loss: 5759	5847
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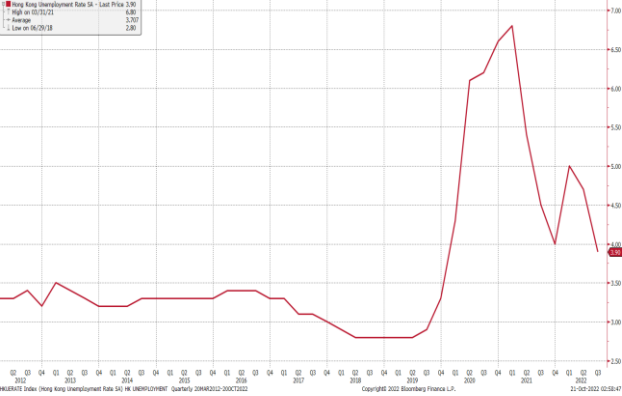
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
11/07/2022	Foreign Reserves	Oct	--	\$417.2b	\$419.2b	--
11/11/2022 16:30	GDP YoY	3Q F	--	--	-4.50%	--
11/11/2022 16:30	GDP SA QoQ	3Q F	--	--	-2.60%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
11/07/2022 11:02	Trade Balance	Oct	\$95.97b	\$85.15b	\$84.74b	--
11/07/2022 11:02	Exports YoY	Oct	4.50%	-0.30%	5.70%	--
11/07/2022 11:02	Imports YoY	Oct	0.00%	-0.70%	0.30%	--
11/07/2022 11:02	Exports YoY CNY	Oct	12.70%	7.00%	10.70%	--
11/07/2022 11:02	Imports YoY CNY	Oct	10.00%	6.80%	5.20%	--
11/07/2022 11:02	Trade Balance CNY	Oct	702.90b	586.81b	573.57b	--
11/07/2022 16:00	Foreign Reserves	Oct	\$3039.00b	\$3052.43b	\$3028.96b	--

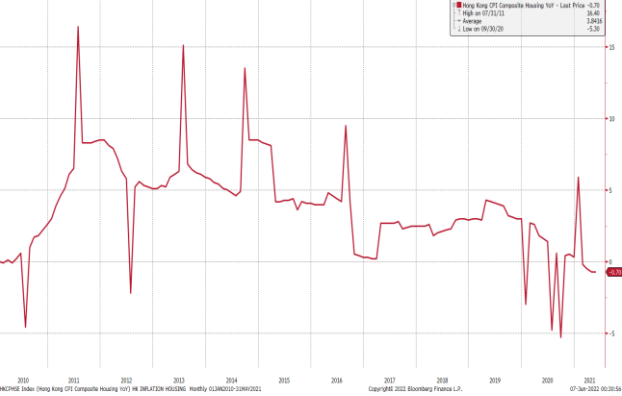
Hong Kong GDP Q on Q



Hong Kong Unemployment Rate



Hong Kong Housing Inflation



(Source: Bloomberg)

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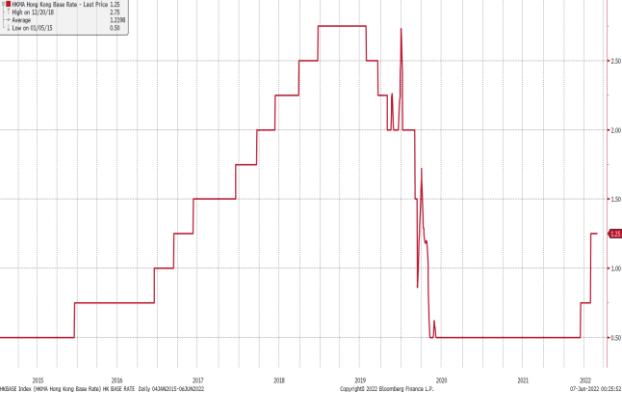
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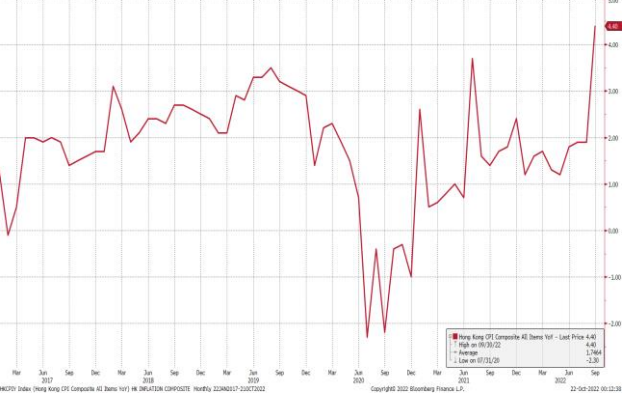
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Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %

