

Fundamentals:

Hong Kong stocks advanced, chalking up a second week of gains, after China vowed to achieve steady economic growth next year following measures to ease its zero-Covid regimen. A report on slower inflation was also seen aiding policy easing momentum.

The Hang Seng Index rose 2.3 per cent to 19,900.87 at the close of Friday trading, adding to a 3.4 per cent rally on Thursday and rising by 6.6 per cent for the week. The Tech Index climbed 2.3 per cent on Friday, while the Shanghai Composite Index added 0.3 per cent.

Tencent Holdings gained 2.6 per cent to HK\$325.60, Alibaba Group gained 2.7 per cent to HK\$91.85, and Meituan jumped 5.7 per cent to HK\$188.50. Developer Country Garden surged 8.5 per cent to HK\$3.06, Sun Hung Kai rose 4.3 per cent to HK\$102.50 and New World Development gained 6.7 per cent to HK\$22.25. China's Tesla challengers Nio and Xpeng added 3.7 to 4 per cent.

Premier Li Keqiang pledged to achieve steady growth in 2023, after meeting the heads of the World Bank, World Trade Organization and International Monetary Fund on Thursday. "China has stabilised employment, price levels and also kept growth in a reasonable range," state broadcaster CCTV cited Li as saying.

The Hang Seng Index's 6.6 per cent rally over the past five days adds to a 6.3 per cent gain in the preceding week, helping the broader Hong Kong stock market recoup more than US\$1 trillion of value since the benchmark recovered from its October low on China reopening bets.

China reported 16,592 of daily Covid-19 infections nationwide on Friday from 21,165 a day earlier, according to data released by the National Health Commission. Cases surged past 40,000 levels late last month, a record since the Wuhan outbreak in early 2020.

Meanwhile, inflation slowed further in China, a government report on Friday showed. Consumer prices rose 1.6 per cent in November from a year earlier, versus 2.1 per cent increase in October. Producer price index fell 1.3 per cent, matching the drop in October, as Covid-19 curbs weighed on factory activity.

Five stocks debuted on Friday. Sunshine Insurance was flat with share price standing at HK\$5.83 in Hong Kong after selling new shares at the bottom of the IPO price range. Changzhou Fusion New Material jumped 35.8 per cent and Tianjin Meiteng Technology added 1.9 per cent in Shanghai, while Chengdu Okay Pharmaceutical and Lucheng Technology Group dropped by 5.3 to 10.6 per cent in Beijing.

Elsewhere, Asian stocks jumped after US shares posted their first winning day in December. Benchmark indexes in Japan, South Korea and Australia rose by 0.5 to 1.2 per cent on Friday.

(Source: South China Morning Post)

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Contracts	Chg	Sett	High	Low
H. SENG FUT DEC 22	447	19946	19994	19420
H. SENG FUT JAN 23	437	20022	20060	19517
H. SENG FUT MAR 23	447	20093	20120	19585
H. SENG FUT JUN 23	448	20037	20047	19550
MINI H. SENG FUT DEC 22	447	19946	19993	19418
MINI H. SENG FUT JAN 23	437	20022	20075	19510
MINI H. SENG FUT MAR 23	447	20093	20140	19584
MINI H. SENG FUT JUN 23	448	20037	20080	19541
HSCEI FUT DEC 22	166	6856	6867	6653
HSCEI FUT JAN 23	167	6888	6894	6695
HSCEI FUT MAR 23	167	6946	6940	6782
HSCEI FUT JUN 23	167	6934	6926	6778
MINI HSCEI FUT DEC 22	166	6856	6866	6653
MINI HSCEI FUT JAN 23	167	6888	6896	6699
MINI HSCEI FUT MAR 23	167	6946	6948	6760
MINI HSCEI FUT JUN 23	167	6934	6940	6735

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	85.5	1.75	86.4	83
**Tencent Holdings Ltd	325.6	8.2	326.6	314.4
*HSBC Holdings PLC	47.2	0.15	47.45	46.7
**China Construction Bank Corp	4.73	0.02	4.77	4.69
**Ping An Insurance Group	52.75	1.3	52.95	51.2
**Meituan	188.5	10.2	188.9	175.3
*Hong Kong Exchanges & Clearing Ltd	345.8	10.2	349	335.8
**Alibaba Group Holdings Ltd	91.85	2.45	93.2	88.85
**Xiaomi Corp	11.48	0.44	11.5	10.9
**ICBC	3.89	0.05	3.89	3.82

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	53.9	-1.65	56.4	53.3
**China Mobile Ltd	51.65	0.25	51.65	50.75
**Bank of China Ltd	2.75	0.04	2.75	2.71
*Techronic Industries Co Ltd	94.55	1.3	95.2	91.8
*CK Hutchison Holdings Ltd	45.45	1.05	45.7	44.15
*Link REIT	55.5	1.1	56.45	54.5
*CLP Holding Ltd	56.35	1.25	56.55	55
**Geely Automobile Holdings Ltd	12.54	-0.08	13	12.36
**CNOOC Ltd	9.82	0.01	9.85	9.74
**ANTA Sports Products Ltd	100.4	3.1	100.5	95.75

Global Equity Indices	Close	Change	High	Low
Hang Seng	19900.87	450.64	19926.5	19404.5
HSCEI	6834.21	167.44	6840.78	6641.59
Shanghai Comp Index	3206.95	9.6	3212.11	3182.907
Nikkei 225	27901	326.58	27952.8	27633.96
KOSPI	2389.04	17.96	2390.08	2367.25
S&P/ASX200	7213.18	37.633	7217.8	7175.5
DJIA	33476.5	-305.02	33844.6	33462.65
S&P 500	3934.38	-29.13	3977.02	3933.04
NASDAQ	11004.6	-77.38	11138.7	10999.26
DAX	14370.7	106.16	14385.6	14217.96
CAC	6677.64	0.46	6680.09	6618.27
FTSE100	7476.63	4.46	7498.04	7431.44

Technical Analysis

Mini Hang Seng

1st Resistance:	20245	2nd Resistance:	20544
1st Support:	19647	2nd Support:	19348
MACD:	696.673		
MACD DIFF:	161.665		
RSI:	69.3719		

Mini Hang Seng China Enterprise

1st Resistance:	6959	2nd Resistance:	7062
1st Support:	6753	2nd Support:	6650
MACD:	253.568		
MACD DIFF:	61.537		
RSI:	68.8979		

Strategy:

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	19647	19843	19549	19348

	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	20245	20043	20346	20544

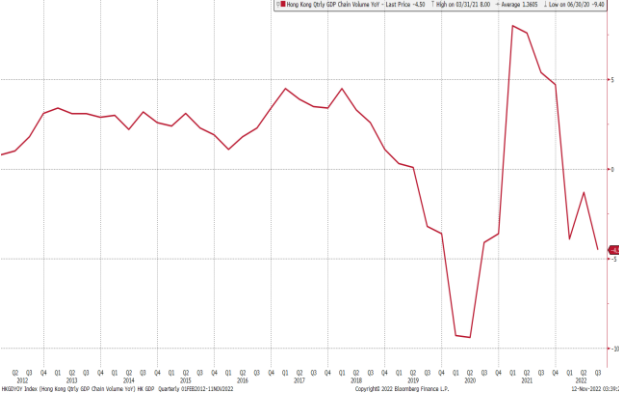
Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6753	6821	6719	6650

	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	6959	6889	6994	7062

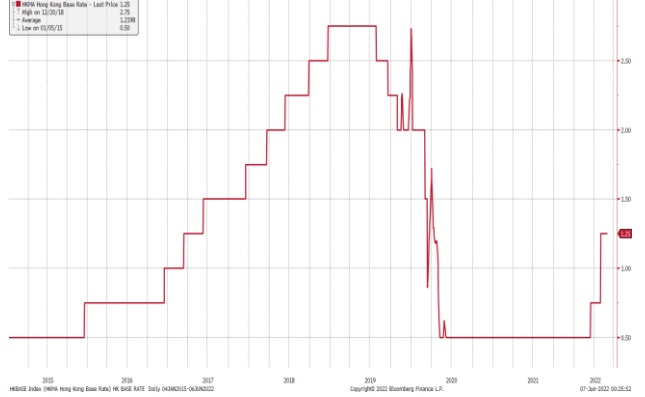
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
12/13/2022 16:30	Industrial Production YoY	3Q	--	--	2.70%	--
12/13/2022 16:30	PPI YoY	3Q	--	--	0.80%	--
12/16/2022 16:30	Unemployment Rate SA	Nov	--	--	3.80%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
12/09/2022 09:30	PPI YoY	Nov	-1.50%	-1.30%	-1.30%	--
12/09/2022 09:30	CPI YoY	Nov	1.60%	1.60%	2.10%	--
12/09/2022 12/15	Aggregate Financing CNY	Nov	2100.0b	--	907.9b	--
12/09/2022 12/15	New Yuan Loans CNY	Nov	1400.0b	--	615.2b	--
12/09/2022 12/15	Money Supply M2 YoY	Nov	11.70%	--	11.80%	--
12/09/2022 12/15	Money Supply M1 YoY	Nov	5.60%	--	5.80%	--
12/09/2022 12/15	Money Supply M0 YoY	Nov	13.90%	--	14.30%	--
12/11/2022 12/20	FDI YTD YoY CNY	Nov	--	--	14.40%	--

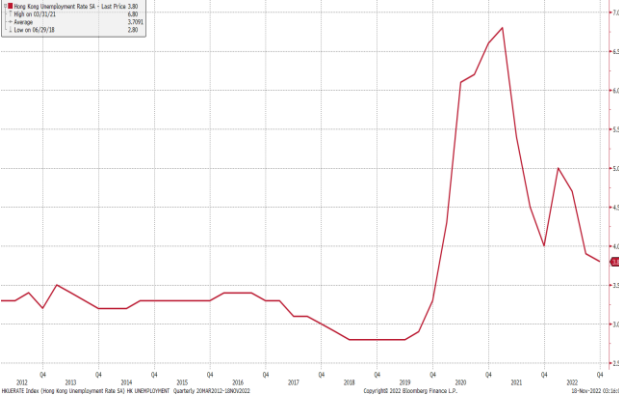
Hong Kong GDP Q on Q



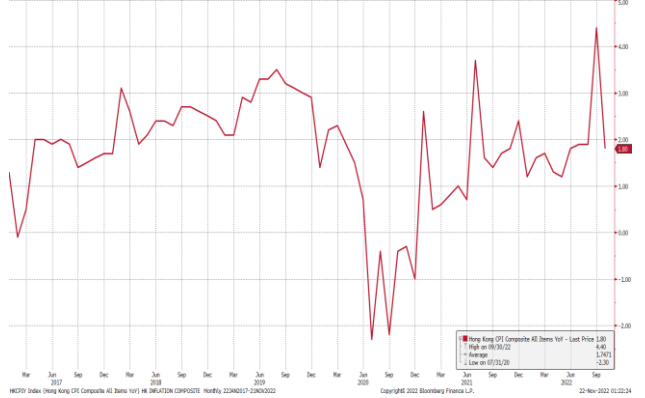
Hong Kong Base Interest Rate



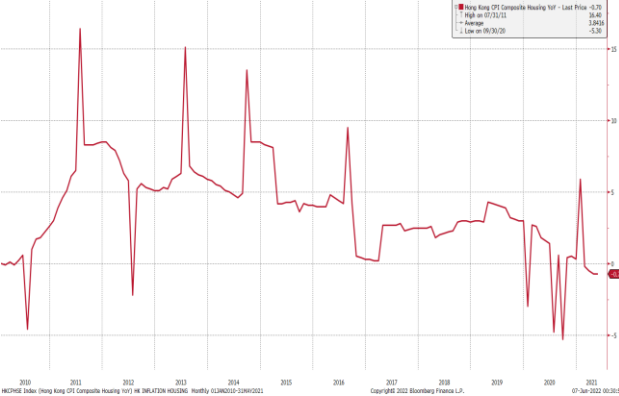
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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