

### Fundamentals:

Hong Kong stocks rose for the second day this week on Wednesday, after US consumer prices increased at a slower-than-expected pace, bolstering the case for the Federal Reserve to end its aggressive interest-rate increases.

The city's benchmark Hang Seng Index advanced by 0.4 per cent to 19,673.45 at the close, while the Hang Seng Tech Index climbed by 0.3 per cent. The Shanghai Composite Index rose less than 0.1 per cent and the Shenzhen Composite Index slipped 0.1 per cent.

US consumer prices increased by 7.1 per cent in November, a weaker pace than the 7.3 per cent consensus estimate, and a cool-down from October's 7.7 per cent. The data shows that the Fed's volley of high interest rates has delivered its intended effect, paving the way for the central bank to loosen its monetary policy, which would be positive for the equity markets.

Chinese technology stocks led gainers in Hong Kong. Baidu, the Chinese search engine operator, jumped 3.6 per cent to HK\$118.20, while Techtronic Industries rallied 4.6 per cent to HK\$96.25. Alibaba Group Holding, this newspaper's owner, gained 1.3 per cent to HK\$89.50. Tencent Holdings, the world's largest publisher of mobile games, advanced 2.1 per cent to HK\$325.

The Hang Seng Index trimmed a gain of as much as 1.3 per cent as traders are braced for a set of weak China November economic data due on Thursday and are monitoring the surge in Covid-19 cases in big cities such as Beijing and Guangzhou, where the healthcare systems are being put to the test.

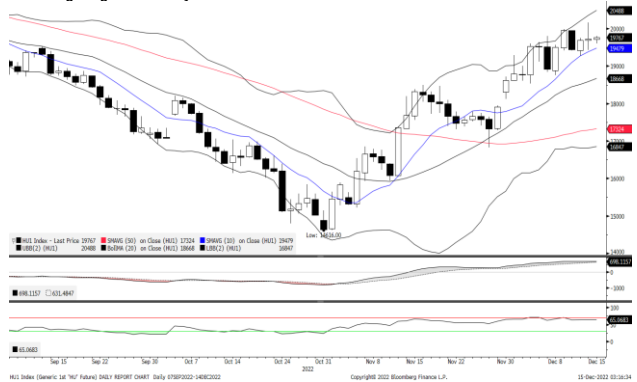
Retail sales probably slumped 4 per cent from a year ago, deepening from a 0.5 per cent decline for the previous month, and industrial production growth may have moderated to 3.5 per cent from 5 per cent, according to the consensus estimate of economists tracked by Bloomberg.

Three companies started trading in Hong Kong and Beijing on Wednesday. Meihao Medical Group, an operator of dental hospitals, slid 14 per cent to HK\$0.72 on the first day of trading in the city. CHNV Technology, a maker of chemical products, lost 7.5 per cent to 6.01 yuan on the Beijing exchange and Shenzhen Baixinglong Creative Packaging dropped 6.8 per cent to 11 yuan.

Other major Asian markets all rose. Japan's Nikkei 225 and Australia's S&P/ASX 200 climbed both 0.7 per cent per cent, while South Korea's Kospi rose 1.1 per cent.

(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	36	19725	20168	19432
H. SENG FUT JAN 23	29	19808	20240	19525
H. SENG FUT MAR 23	31	19876	20245	19606
H. SENG FUT JUN 23	27	19817	20228	19541
MINI H. SENG FUT DEC 22	36	19725	20168	19431
MINI H. SENG FUT JAN 23	29	19808	20250	19530
MINI H. SENG FUT MAR 23	31	19876	20321	19600
MINI H. SENG FUT JUN 23	27	19817	20250	19600
HSCEI FUT DEC 22	37	6726	6870	6587
HSCEI FUT JAN 23	37	6757	6884	6627
HSCEI FUT MAR 23	37	6815	6911	6800
HSCEI FUT JUN 23	35	6804	6899	6748
MINI HSCEI FUT DEC 22	37	6726	6869	6586
MINI HSCEI FUT JAN 23	37	6757	6898	6625
MINI HSCEI FUT MAR 23	37	6815	6935	6680
MINI HSCEI FUT JUN 23	35	6804	6933	6680

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	84.1	-2.7	86.5	83.4
**Tencent Holdings Ltd	325	6.6	327.8	318.4
*HSBC Holdings PLC	48.05	0.35	48.3	47.7
**China Construction Bank Corp	4.68	-0.03	4.75	4.66
**Ping An Insurance Group	50.8	-0.15	51.9	50.35
**Meituan	182.8	3.8	185.4	179.4
*Hong Kong Exchanges & Clearing Ltd	343.6	0.4	353.4	342.4
**Alibaba Group Holdings Ltd	89.5	1.15	90.5	88.55
**Xiaomi Corp	11.24	0.04	11.48	11.16
**ICBC	3.84	0	3.9	3.82

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	50.8	-0.55	52.65	50.25
**China Mobile Ltd	51.4	-0.05	51.9	51.2
**Bank of China Ltd	2.75	0.02	2.77	2.73
*Techtronic Industries Co Ltd	96.25	4.2	96.75	93.05
*CK Hutchison Holdings Ltd	45	-0.2	45.7	44.9
*Link REIT	56.9	-0.65	58.7	56.9
*CLP Holding Ltd	57.2	0.3	57.85	57
**Geely Automobile Holdings Ltd	12.06	-0.12	12.48	11.88
**CNOOC Ltd	10.06	0.06	10.14	10.02
**ANTA Sports Products Ltd	97.6	1.4	98.7	95.75

Global Equity Indices	Close	Change	High	Low
Hang Seng	19673.45	77.25	19859.8	19528.71
HSCEI	6702.36	47.51	6764.1	6633.27
Shanghai Comp Index	3176.53	0.2	3189.84	3168.593
Nikkei 225	28156.2	201.36	28195.7	27993.78
KOSPI	2399.25	26.85	2400.18	2379.44
S&P/ASX200	7251.3	48.031	7253.5	7203.3
DJIA	33966.4	-142.29	34395.7	33704.17
S&P 500	3995.32	-24.33	4053.76	3965.65
NASDAQ	11170.9	-85.92	11352.1	11065.24
DAX	14460.2	-37.69	14470.7	14375.95
CAC	6730.79	-0.21	6733.85	6694.33
FTSE100	7495.93	-6.96	7504.49	7461.68

### Technical Analysis

#### Mini Hang Seng

1st Resistance:	20021	2nd Resistance:	20317
1st Support:	19429	2nd Support:	19133
MACD:	701.762		
MACD DIFF:	86.8281		
RSI:	64.7383		

#### Mini Hang Seng China Enterprise

1st Resistance:	6827	2nd Resistance:	6928
1st Support:	6625	2nd Support:	6524
MACD:	246.360		
MACD DIFF:	27.293		
RSI:	63.065		

### Strategy:

Mini Hang Seng:	Long: Profit target: 19429	Stop-loss: 19623	19332	Long: Profit target: 19133	Stop-loss: 19325	19038
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	Short: Profit target: 20021	Stop-loss: 19821	20121	Short: Profit target: 20317	Stop-loss: 20114	20418
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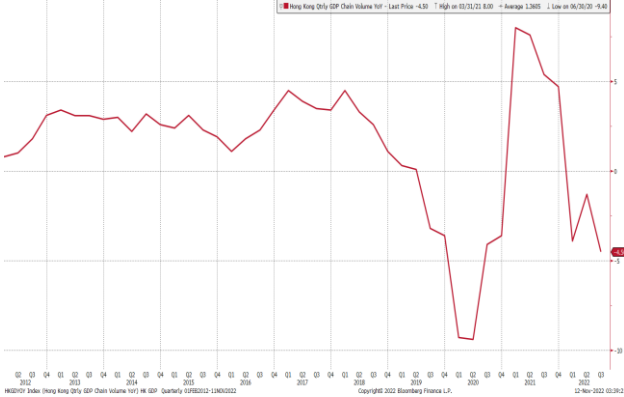
Mini Hang Seng China Enterprise:	Long: Profit target: 6625	Stop-loss: 6691	6592	Long: Profit target: 6524	Stop-loss: 6589	6492
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	Short: Profit target: 6827	Stop-loss: 6759	6861	Short: Profit target: 6928	Stop-loss: 6859	6962
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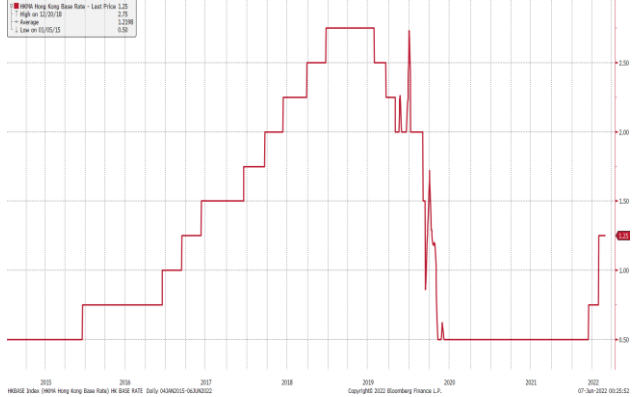
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
12/16/2022 16:30	Unemployment Rate SA	Nov	3.70%	--	3.80%	--
12/20/2022 16:30	CPI Composite YoY	Nov	--	--	1.80%	--
12/21/2022 16:30	BoP Current Account Balance	3Q	--	--	\$30.90b	\$30.04b
12/21/2022 16:30	BoP Overall	3Q	--	--	-\$159.81b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
12/15/2022 09:20	1-Yr Medium-Term Lending Facility Ra	Dec-15	2.75%	--	2.75%	--
12/15/2022 09:20	1-Yr Medium-Term Lending Facilities V	Dec-15	500.0b	--	850.0b	--
12/15/2022 09:30	New Home Prices MoM	Nov	--	--	-0.37%	--
12/15/2022 10:00	Industrial Production YoY	Nov	3.50%	--	5.00%	--
12/15/2022 10:00	Industrial Production YTD YoY	Nov	4.00%	--	4.00%	--
12/15/2022 10:00	Retail Sales YoY	Nov	-4.00%	--	-0.50%	--
12/15/2022 10:00	Retail Sales YTD YoY	Nov	0.40%	--	0.60%	--
12/15/2022 10:00	Fixed Assets Ex Rural YTD YoY	Nov	5.60%	--	5.80%	--
12/15/2022 10:00	Property Investment YTD YoY	Nov	-9.20%	--	-8.80%	--
12/15/2022 10:00	Residential Property Sales YTD YoY	Nov	--	--	-28.20%	--
12/15/2022 10:00	Surveyed Jobless Rate	Nov	5.60%	--	5.50%	--
12/15/2022	FX Net Settlement - Clients CNY	Nov	--	--	-83.3b	--

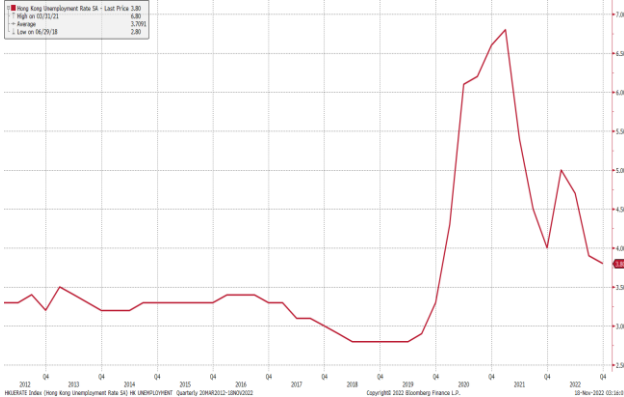
### Hong Kong GDP Q on Q



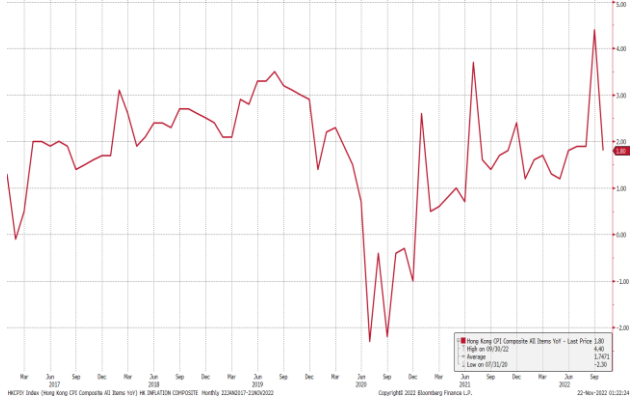
### Hong Kong Base Interest Rate



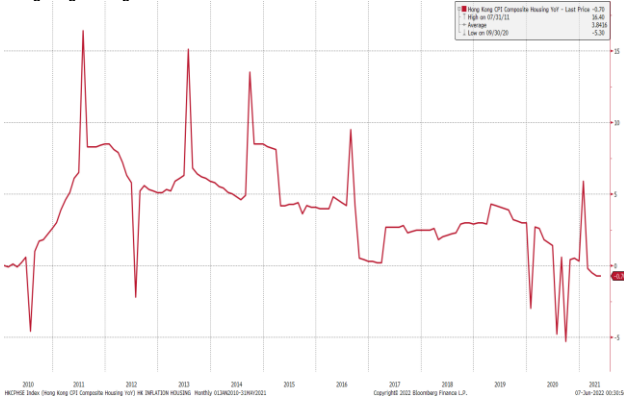
### Hong Kong Unemployment Rate



### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

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