

Fundamentals:

Hong Kong stocks fell, halting a two-day advance, after the Federal Reserve stayed hawkish on policy outlook despite slowing its rate increase overnight, saying the central bank has a 'ways to go' in fighting inflation. China's November economic data trailed estimates.

The Hang Seng Index dropped 1.6 per cent to 19,368.59 at the close, keeping the market near a three-month high as the city's monetary authority raised its base rate in lockstep with the Fed. The Tech Index slumped 2.4 per cent while the Shanghai Composite Index retreated 0.3 per cent.

Interest rate-sensitive stocks led losses. Country Garden Services slid 1.5 per cent to HK\$18.68, and developer Longfor Group fell 0.6 per cent to HK\$25.30. HSBC fell 1.8 per cent to HK\$47.20, and its subsidiary Hang Seng Bank slipped 0.4 per cent to HK\$127.70. Alibaba Group retreated 4 per cent to HK\$85.90, and Meituan lost 3.3 per cent to HK\$176.80.

The Fed raised its key rate by 50 basis points to between 4.25 per cent and 4.5 per cent, ending a string of four successive jumbo hikes of 75 basis points. Chairman Jerome Powell said higher rates are still needed to 'tully tame' the worst inflation in four decades and it was 'too soon' to talk about cutting rates.

The Hong Kong Monetary Authority (HKMA) also raised its base rate by 50 basis points to 4.75 per cent, taking it closer to the all-time high of 5 per cent seen in January 2008. HSBC, the largest among Hong Kong's three currency-issuing banks, became the first lender to follow suit, raising its prime rate by a quarter point to a 15-year high.

Elsewhere, retail sales in China fell 5.9 per cent in November from a year earlier, the statistics bureau said on Thursday, versus consensus forecast for a 4 per cent drop. Industrial production rose 2.2 per cent, slower than the 3.5 per cent forecast.

Seven companies started trading in Hong Kong and the mainland. In the city, biopharmaceutical firm 3D Medicines surged 26 per cent to HK\$31.45, while snack maker Weilong Delicious Global Holdings slipped 5.1 per cent to HK\$10.02 and autopart maker BuYang International slumped 40 per cent to HK\$0.30.

Mechanical part maker Zhejiang FORE Intelligent Technology jumped 20 per cent to 26.78 yuan in Shenzhen, and Ningbo Sinyuan ZM Technology, which makes casting products, also gained 20 per cent to 41.14 yuan. Fujian Guohang Ocean Shipping sank 7.1 per cent to 4.83 yuan in Beijing, and Beijing Competitor Sports Science Technology, which makes sports nutrition foods, fell 2 per cent to 7.84 yuan.

Other major Asian markets all declined. Japan's Nikkei 225 slipped 0.4 per cent per cent, while South Korea's Kospi retreated 1.6 per cent and Australia's S&P/ASX 200 lost 0.6 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	-332	19393	19801	19271
H. SENG FUT JAN 23	-330	19478	19882	19360
H. SENG FUT MAR 23	-336	19540	19850	19462
H. SENG FUT JUN 23	-334	19483	19870	19397
MINI H. SENG FUT DEC 22	-332	19393	19802	19271
MINI H. SENG FUT JAN 23	-330	19478	19882	19360
MINI H. SENG FUT MAR 23	-336	19540	19950	19430
MINI H. SENG FUT JUN 23	-334	19483	19862	19380
HSCEI FUT DEC 22	-128	6598	6756	6559
HSCEI FUT JAN 23	-123	6634	6755	6599
HSCEI FUT MAR 23	-125	6690	6775	6658
HSCEI FUT JUN 23	-125	6679	6798	6647
MINI HSCEI FUT DEC 22	-128	6598	6757	6559
MINI HSCEI FUT JAN 23	-123	6634	6784	6595
MINI HSCEI FUT MAR 23	-125	6690	6822	6650
MINI HSCEI FUT JUN 23	-125	6679	6794	6644

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	84.65	0.55	85.3	83
**Tencent Holdings Ltd	317.6	-7.4	326.6	316
*HSBC Holdings PLC	47.2	-0.85	47.7	46.9
**China Construction Bank Corp	4.67	-0.01	4.69	4.62
**Ping An Insurance Group	49.9	-0.9	51.4	49.4
**Meituan	176.8	-6	181.9	175.3
*Hong Kong Exchanges & Clearing Ltd	335	-8.6	345	333
**Alibaba Group Holdings Ltd	85.9	-3.6	88.55	85.2
**Xiaomi Corp	10.98	-0.26	11.24	10.84
**ICBC	3.83	-0.01	3.85	3.77

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	48.65	-2.15	51.1	48.5
**China Mobile Ltd	51.3	-0.1	51.65	51.1
**Bank of China Ltd	2.76	0.01	2.76	2.73
*Techronic Industries Co Ltd	93.1	-3.15	96.25	92.15
*CK Hutchison Holdings Ltd	44.85	-0.15	45.4	44.6
*Link REIT	55.75	-1.15	57.3	55.55
*CLP Holding Ltd	56.15	-1.05	57.3	56.05
**Geely Automobile Holdings Ltd	12	-0.06	12.14	11.68
**CNOOC Ltd	9.99	-0.07	10.2	9.99
**ANTA Sports Products Ltd	97.2	-0.4	99.3	95.2

Global Equity Indices	Close	Change	High	Low
Hang Seng	19368.59	-304.86	19675.7	19233.86
HSCEI	6591.46	-110.9	6702.88	6543.38
Shanghai Comp Index	3168.65	-7.877	3179.1	3158.451
Nikkei 225	28051.7	-104.51	28163.2	27987.54
KOSPI	2360.97	-38.28	2392.11	2360.95
S&P/ASX200	7204.78	-46.522	7251.3	7202.6
DJIA	33202.2	-764.13	33773	33016.16
S&P 500	3895.75	-99.57	3958.37	3879.45
NASDAQ	10810.5	-360.36	11029.6	10775.61
DAX	13986.2	-473.97	14363.1	13982.59
CAC	6522.77	-3.09	6680.22	6503
FTSE100	7426.17	-69.76	7495.93	7411.07

Technical Analysis

Mini Hang Seng

1st Resistance:	19684	2nd Resistance:	19975
1st Support:	19102	2nd Support:	18811
MACD:	668.348		
MACD DIFF:	42.7316		
RSI:	60.2085		

Mini Hang Seng China Enterprise

1st Resistance:	6697	2nd Resistance:	6796
1st Support:	6499	2nd Support:	6400
MACD:	232.471		
MACD DIFF:	10.723		
RSI:	58.6193		

Strategy:

<i>Mini Hang Seng:</i>	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	19102	19293	19007	18811
	19975	19775	19775	20075

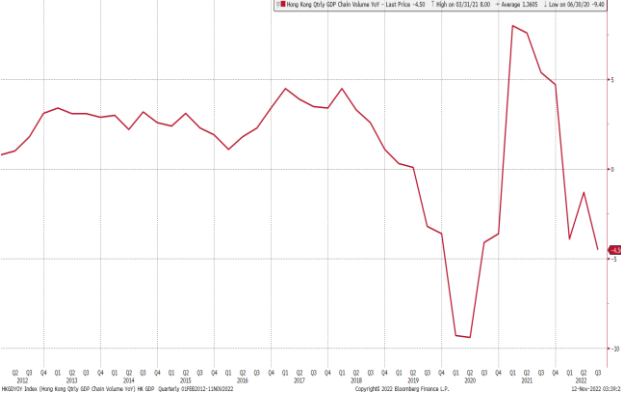
Mini Hang Seng China Enterprise:

Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
6499	6564	6400	6464
6697	6630	6796	6728

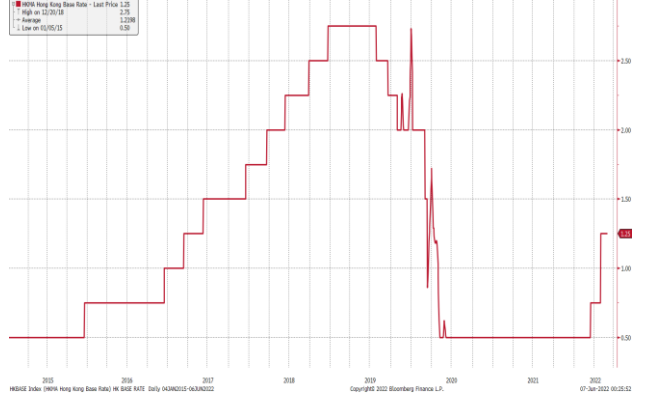
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
12/16/2022 16:30	Unemployment Rate SA	Nov	3.70%	--	3.80%	--
12/20/2022 16:30	CPI Composite YoY	Nov	--	--	1.80%	--
12/21/2022 16:30	BoP Current Account Balance	3Q	--	--	\$30.90b	\$30.04b
12/21/2022 16:30	BoP Overall	3Q	--	--	-\$159.81b	--

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%	2.75%	--
12/15/2022 09:20	1-Yr Medium-Term Lending Facilities V	Dec-15	500.0b	650.0b	850.0b	--
12/15/2022 09:30	New Home Prices MoM	Nov	--	-0.25%	-0.37%	--
12/15/2022 10:00	Industrial Production YoY	Nov	3.50%	2.20%	5.00%	--
12/15/2022 10:00	Industrial Production YTD YoY	Nov	4.00%	3.80%	4.00%	--
12/15/2022 10:00	Retail Sales YoY	Nov	-4.00%	-5.90%	-0.50%	--
12/15/2022 10:00	Retail Sales YTD YoY	Nov	0.40%	-0.10%	0.60%	--
12/15/2022 10:00	Fixed Assets Ex Rural YTD YoY	Nov	5.60%	5.30%	5.80%	--
12/15/2022 10:00	Property Investment YTD YoY	Nov	-9.20%	-9.80%	-8.80%	--
12/15/2022 10:00	Residential Property Sales YTD YoY	Nov	--	-28.40%	-28.20%	--
12/15/2022 10:00	Surveyed Jobless Rate	Nov	5.60%	5.70%	5.50%	--
12/15/2022 16:34	FX Net Settlement - Clients CNY	Nov	--	-65.7b	-83.3b	--
12/15/2022 12:20	FDI YTD YoY CNY	Nov	--	--	14.40%	--

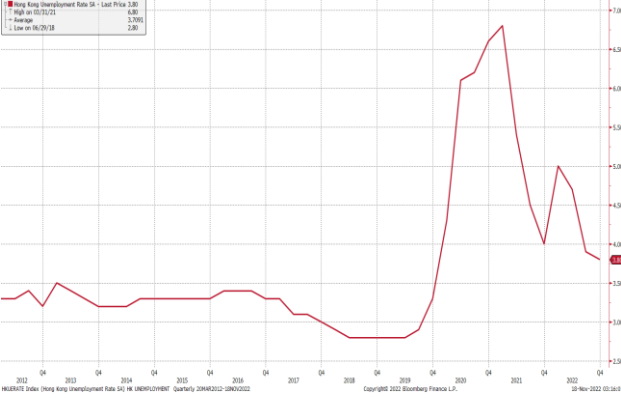
Hong Kong GDP Q on Q



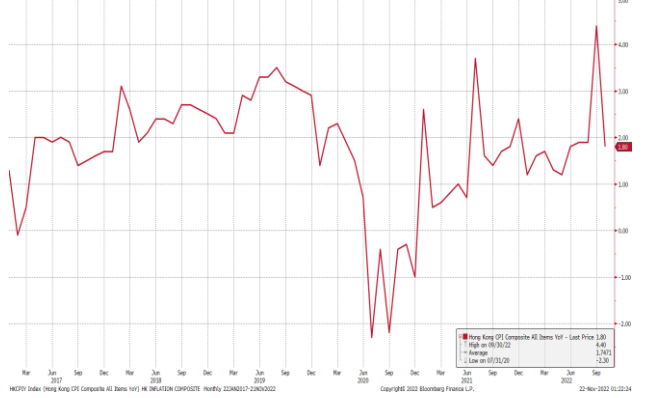
Hong Kong Base Interest Rate



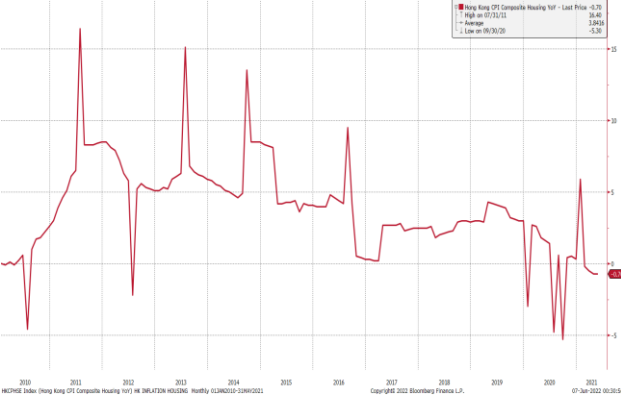
Hong Kong Unemployment Rate



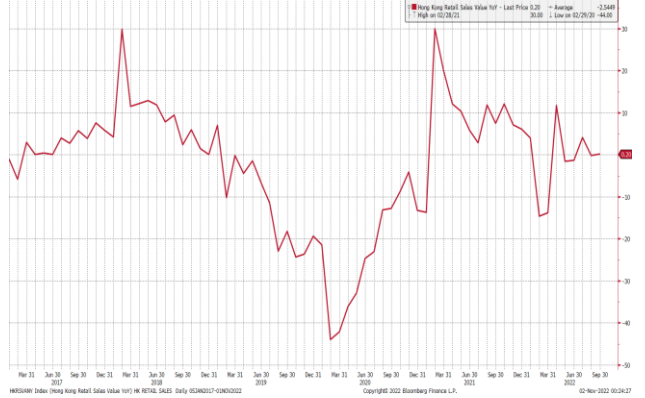
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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