

Fundamentals:

Hong Kong stocks rose, adding to the market's best start to a year since 1999, as Alibaba Group Holding surged on signs regulators have ended their clampdown on technology companies and China's reopening pace continued to surprise investors.

The Hang Seng Index jumped 1.9 per cent to a six-month high of 21,388.34 at the close, following a more than 6 per cent rally in the opening week of the year. The Tech Index added 3 per cent, while the Shanghai Composite Index gained 0.6 per cent.

Alibaba surged 8.7 per cent to HK\$110.40, while Tencent Holdings climbed 3.6 per cent to HK\$362.00 and Baidu added 3.2 per cent to HK\$131.40. Macau casino operators Sands China and Galaxy Entertainment added 3.7 per cent and 4.2 per cent, respectively, as China dismantled quarantines for arrivals and officially ended its zero-Covid policy.

Ant Group, in which Alibaba owns a one-third stake, announced on Saturday changes to its shareholding structure that effectively loosened co-founder Jack Ma's control of the consumer-financing giant. The internal reorganisation follows months of antitrust actions against internet platform operators, and may pave the way for the revival of Ant's jumbo stock offering.

Elsewhere, the rectification of the financial units of platform companies "have already basically finished," Guo Shuqing, chairman of China Banking and Insurance Regulatory Commission, said in an interview with state-run Xinhua News Agency. It will normalise regulation, encourage platform operators to "fully display their capabilities in bolstering growth, job creation and global competitiveness," he added.

The first day of China reopening on Sunday saw as many as 45,000 people crossing the Hong Kong-mainland China border on either direction at four land ports and one ferry terminal, according to provisional immigration figures.

Foreign investors bought US\$3 billion worth of onshore stocks in the first week of the year, the US bank said, compared with US\$2.6 billion in the first week of 2020 before the pandemic outbreak. Mainland Chinese funds purchased US\$1.4 billion of Hong Kong-listed stocks, versus US\$1.1 billion in the corresponding 2020 week.

Stocks were also lifted by better sentiment in the US as traders bet the Federal Reserve will temper its current phase of policy tightening. A job report on Friday showed unemployment fell back to a pre-pandemic low of 3.5 per cent while wage growth cooled, boosting confidence the economy can avert a recession.

One company started trading on Monday. Fenbi, an education services provider, rose 12.1 per cent to HK\$11.10.

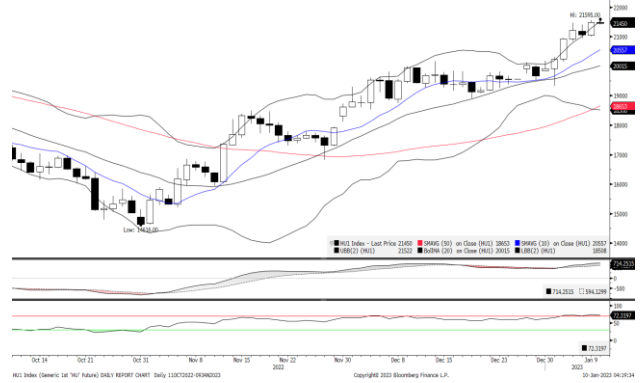
Markets in the Asia-Pacific region traded stronger with the benchmark in Australia adding 0.6 per cent while the Kospi in South Korea jumped 2.6 per cent.

(Source: South China Morning Post)

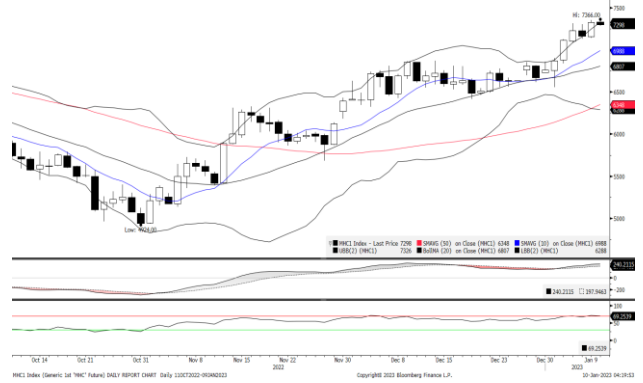
HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 10/Jan/2023

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Contracts	Chg	Sett	High	Low
H. SENG FUT JAN 23	422	21492	21561	21002
H. SENG FUT FEB 23	429	21568	21616	21084
H. SENG FUT MAR 23	423	21576	21632	21130
H. SENG FUT JUN 23	433	21527	21568	21080
MINI H. SENG FUT JAN 23	422	21492	21561	21002
MINI H. SENG FUT FEB 23	429	21568	21628	21088
MINI H. SENG FUT MAR 23	423	21576	21638	21100
MINI H. SENG FUT JUN 23	433	21527	21582	21065
HSCEI FUT JAN 23	162	7327	7352	7141
HSCEI FUT FEB 23	160	7354	7367	7233
HSCEI FUT MAR 23	162	7387	7400	7214
HSCEI FUT JUN 23	160	7374	7390	7202
MINI HSCEI FUT JAN 23	162	7327	7351	7142
MINI HSCEI FUT FEB 23	160	7354	7378	7172
MINI HSCEI FUT MAR 23	162	7387	7405	7210
MINI HSCEI FUT JUN 23	160	7374	7385	7202

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	87.3	-0.9	89.5	86.35
**Tencent Holdings Ltd	362	12.6	362.4	351.6
*HSBC Holdings PLC	53.3	1.1	53.4	52.8
**China Construction Bank Corp	5	0.01	5.06	5
**Ping An Insurance Group	58.55	2.2	59.15	56.8
**Meituan	180.6	-2.1	186.5	177.2
*Hong Kong Exchanges & Clearing Ltd	377.4	15	382.4	367
**Alibaba Group Holdings Ltd	110.4	8.8	110.9	105
**Xiaomi Corp	12.1	0.86	12.18	11.36
**ICBC	4.13	0	4.2	4.12

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	67.65	1.6	69	66.7
**China Mobile Ltd	53.2	-0.05	54	53.2
**Bank of China Ltd	2.91	0.01	2.93	2.89
*Techtronic Industries Co Ltd	93.65	5.15	94.3	87.3
*CK Hutchison Holdings Ltd	48.7	0.15	49.4	48.65
*Link REIT	59.2	0.15	60	58.45
*CLP Holding Ltd	57.2	-0.05	57.9	57.05
**Geely Automobile Holdings Ltd	11.66	-0.28	12.1	11.52
**CNOOC Ltd	9.95	-0.05	10.08	9.93
**ANTA Sports Products Ltd	108	3.1	108.1	105.5

Global Equity Indices	Close	Change	High	Low
Hang Seng	21388.34	396.7	21470.7	21216.92
HSCEI	7286.07	142.43	7318.73	7199.49
Shanghai Comp Index	3176.08	18.448	3183.58	3165.428
Nikkei 225	0	0	0	0
KOSPI	2350.19	60.22	2351.06	2312.56
S&P/ASX200	7151.33	41.732	7186.2	7109.6
DJIA	33517.7	-112.96	33935.1	33487.66
S&P 500	3892.09	-2.99	3950.57	3890.42
NASDAQ	10635.7	66.36	10807.3	10619.12
DAX	14792.8	182.81	14832.9	14628.61
CAC	6907.36	0.68	6928.43	6851.66
FTSE100	7724.94	25.45	7725.74	7688.69

Technical Analysis

Mini Hang Seng

1st Resistance:	21814	2nd Resistance:	22137
1st Support:	21170	2nd Support:	20847
MACD:	683.133		
MACD DIFF:	119.317		
RSI:	73.0986		

Mini Hang Seng China Enterprise

1st Resistance:	7437	2nd Resistance:	7547
1st Support:	7217	2nd Support:	7107
MACD:	229.283		
MACD DIFF:	42.018		
RSI:	70.5798		

Strategy:

Mini Hang Seng:

Long: Profit target:	21170	21381	21064	Long: Profit target:	20847	21056	20743
Short: Profit target:	21814	21596	21923	Short: Profit target:	22137	21915	22247

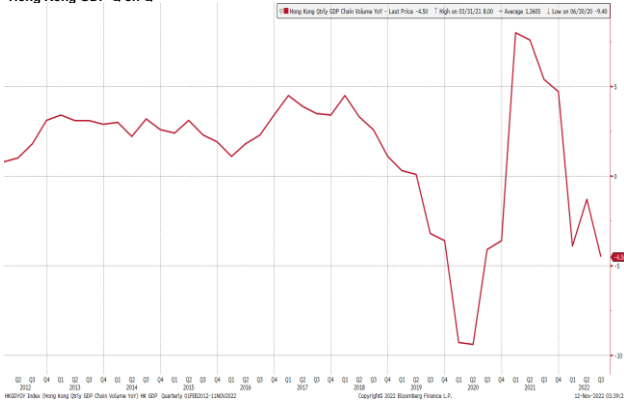
Mini Hang Seng China Enterprise:

Long: Profit target:	7217	7289	7181	Long: Profit target:	7107	7178	7072
Short: Profit target:	7437	7363	7474	Short: Profit target:	7547	7471	7585

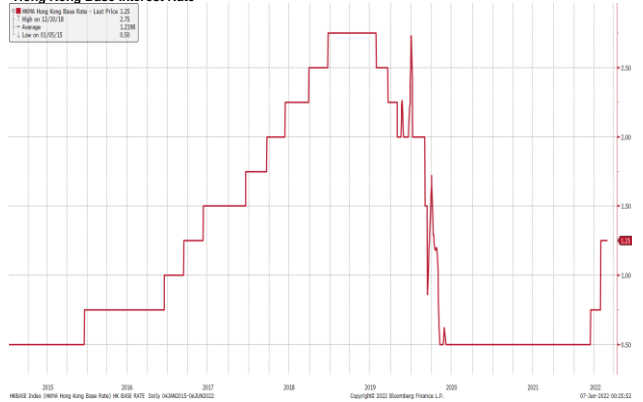
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
01/05/2023 08:30	S&P Global Hong Kong PMI	Dec	--	49.6	48.7	--
01/06/2023	Foreign Reserves	Dec	--	\$424.0b	\$423.2b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
01/05/2023 09:45	Caixin China PMI Composite	Dec	--	48.3	47	--
01/05/2023 09:45	Caixin China PMI Services	Dec	46.8	48	46.7	--
01/07/2023	Foreign Reserves	Dec	\$3150.00b	--	\$3117.49b	--
01/09/2023 01/15	Aggregate Financing CNY	Dec	1600.0b	--	1990.0b	1987.4b
01/09/2023 01/15	New Yuan Loans CNY	Dec	1150.0b	--	1210.0b	1213.6b
01/09/2023 01/15	Money Supply M2 YoY	Dec	12.40%	--	12.40%	--
01/09/2023 01/15	Money Supply M1 YoY	Dec	4.80%	--	4.60%	--
01/09/2023 01/15	Money Supply M0 YoY	Dec	--	--	14.10%	--
01/11/2023 01/18	FDI YTD YoY CNY	Dec	--	--	9.90%	--
01/12/2023 09:30	PPI YoY	Dec	-0.10%	--	-1.30%	--
01/12/2023 09:30	CPI YoY	Dec	1.80%	--	1.60%	--

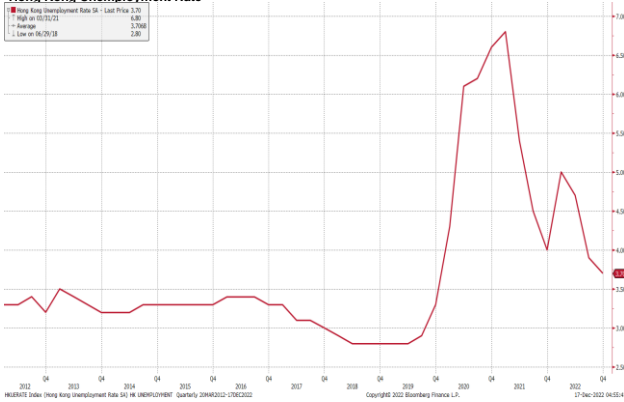
Hong Kong GDP Q on Q



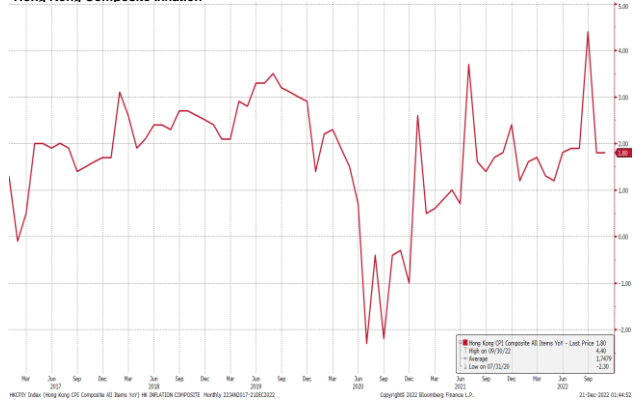
Hong Kong Base Interest Rate



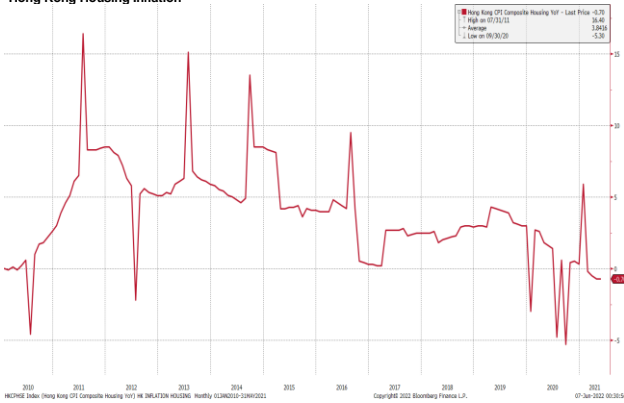
Hong Kong Unemployment Rate



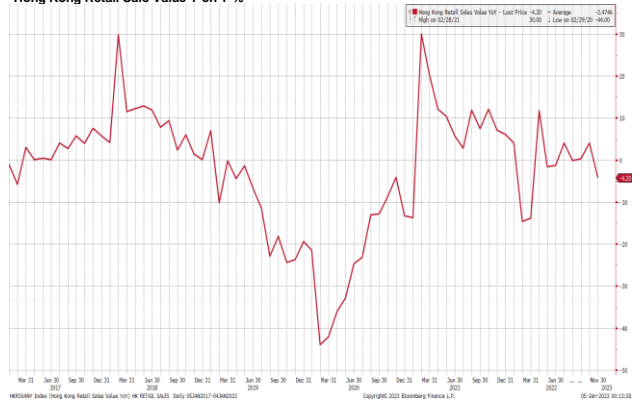
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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