

Fundamentals:

Hong Kong stocks retreated for a second straight week as investors sold amid mixed signs of recovery in China, while rising geopolitical tensions stoked concerns about new tech sanctions on Chinese companies.

The Hang Seng Index fell 2 per cent to 21,190.41 at the close of Friday trading, bringing the drop this week to 2.2 per cent. The Tech Index sank 4.6 per cent, while the Shanghai Composite Index weakened 0.2 per cent.

Alibaba Group slipped 3.3 per cent to HK\$104.10, Baidu slumped 7.4 per cent to HK\$140.40 while JD.com tumbled 6.3 per cent to HK\$210.40. BYD lost 3.5 per cent to HK\$240.60 as Warren Buffett's Berkshire Hathaway further cut its stake. China's biggest chip maker SMIC slipped 4.3 per cent to HK\$17.24 on an earnings setback.

Mainland Chinese investors were net sellers of HK\$3.2 billion (US\$407.6 million) worth of Hong Kong-listed stocks this year, according to Stock Connect data.

Equities in Hong Kong struggled as a rally from late October lost momentum after the Lunar New Year holiday. The Hang Seng Index has now completed a second losing week, taking the pullback to 7 per cent since the benchmark peaked on January 27.

The Biden administration is said to be mulling new rules that would curb US investment in Chinese technology companies, The New York Times reported, days after the US government shot down a Chinese-owned "spy balloon" over its airspace.

Meanwhile, consumer prices in China rose last month by 2.1 per cent from a year earlier, versus 1.8 per cent in December, the government data said on Friday, limiting the room for monetary easing. Producer prices index fell 0.8 per cent, suggesting manufacturers struggled to pass on costs to consumers.

Elsewhere, chip maker Motorcomm Electronic Technology surged 152 per cent to 232 yuan on the first day of trading in Shanghai.

Asian stocks ended mixed on Friday. The Kospi in South Korea lost 0.5 per cent and the S&P ASX 200 index in Australia dropped 0.8 per cent, while the Nikkei 225 index in Japan advanced 0.3 per cent.

(Source: South China Morning Post)

HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 13/Feb/2023

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance: 21550 2nd Resistance: 21869
 1st Support: 20914 2nd Support: 20595
 MACD: 188.065
 MACD DIFF: -188.597
 RSI: 47.3327

Mini Hang Seng China Enterprise

1st Resistance: 7254 2nd Resistance: 7361
 1st Support: 7040 2nd Support: 6933
 MACD: 53.889
 MACD DIFF: -72.667
 RSI: 45.2733

Strategy:

Mini Hang Seng: Long: Profit target: 20914 Stop-loss: 21123 20809 Long: Profit target: 20595 Stop-loss: 20801 20492

Short: Profit target: 21550 Stop-loss: 21335 21658 Short: Profit target: 21869 Stop-loss: 21650 21978

Mini Hang Seng China Enterprise: Long: Profit target: 7040 Stop-loss: 7110 7005 Long: Profit target: 6933 Stop-loss: 7002 6898

Short: Profit target: 7254 Stop-loss: 7182 7290 Short: Profit target: 7361 Stop-loss: 7288 7398

Contracts	Chg	Sett	High	Low
H. SENG FUT FEB 23	-449	21232	21747	21172
H. SENG FUT MAR 23	-466	21221	21732	21185
H. SENG FUT JUN 23	-464	21159	21650	21123
H. SENG FUT SEP 23	-449	21232	21747	21172
MINI H. SENG FUT FEB 23	-449	21232	21747	21172
MINI H. SENG FUT MAR 23	-466	21221	21735	21178
MINI H. SENG FUT JUN 23	-464	21159	21675	21120
MINI H. SENG FUT SEP 23	-449	21232	21747	21172
HSCEI FUT FEB 23	-177	7147	7350	7129
HSCEI FUT MAR 23	-183	7173	7375	7155
HSCEI FUT JUN 23	-181	7152	7240	7148
HSCEI FUT SEP 23	-177	7147	7350	7129
MINI HSCEI FUT FEB 23	-177	7147	7350	7129
MINI HSCEI FUT MAR 23	-183	7173	7376	7158
MINI HSCEI FUT JUN 23	-181	7152	7337	7140
MINI HSCEI FUT SEP 23	-177	7147	7350	7129

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	86.2	-1.65	88.65	86
**Tencent Holdings Ltd	383.4	-12.2	397.2	382.6
*HSBC Holdings PLC	58	0	58.45	57.85
**China Construction Bank Corp	4.98	-0.01	5.02	4.97
**Ping An Insurance Group	58.3	-0.85	59.15	57.8
**Meituan	148.1	-5.4	153.4	145
*Hong Kong Exchanges & Clearing Ltd	335	-8.4	342.6	334
**Alibaba Group Holdings Ltd	104.1	-3.5	107.6	103.4
**Xiaomi Corp	13.08	-0.44	13.58	12.96
**ICBC	4.04	-0.01	4.09	4.03

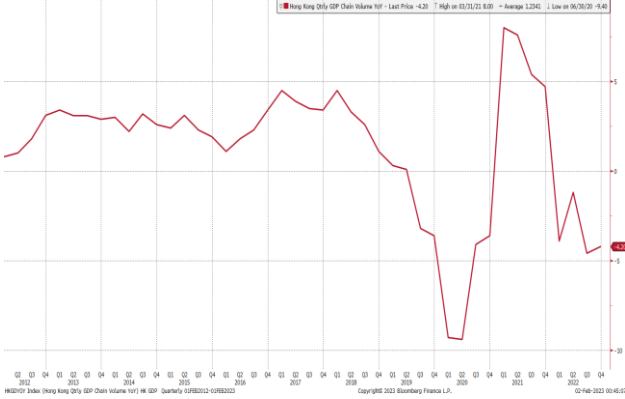
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	64.55	-1.15	66.75	62.1
**China Mobile Ltd	56.95	0.35	57.15	56.35
**Bank of China Ltd	2.95	-0.03	2.99	2.95
*Techtronic Industries Co Ltd	103.7	-0.9	106.4	103.1
*CK Hutchison Holdings Ltd	49.45	0.1	50.1	49.3
*Link REIT	62.8	0	62.8	62.8
*CLP Holding Ltd	57.55	-0.2	58.25	57.5
**Geely Automobile Holdings Ltd	11.62	-0.4	11.98	11.6
**CNOOC Ltd	11.3	-0.16	11.52	11.24
**ANTA Sports Products Ltd	109.6	-5.8	115.8	108.6

Global Equity Indices	Close	Change	High	Low
Hang Seng	21190.42	-433.94	21580	21157.52
HSCEI	7126.19	-187.54	7284.41	7115.67
Shanghai Comp Index	3260.67	-9.71	3269.99	3247.229
Nikkei 225	27671	86.63	27814	27609.33
KOSPI	2469.73	-11.79	2473.8	2454.74
S&P/ASX200	7433.66	-56.671	7490.3	7428.8
DJIA	33869.3	169.39	33897.3	33591.99
S&P 500	4090.46	8.96	4094.36	4060.79
NASDAQ	11718.1	-71.46	11775.8	11630.54
DAX	15308	-215.44	15488	15246.39
CAC	7129.73	-0.82	7182.92	7074.63
FTSE100	7882.45	-28.7	7913.31	7850.94

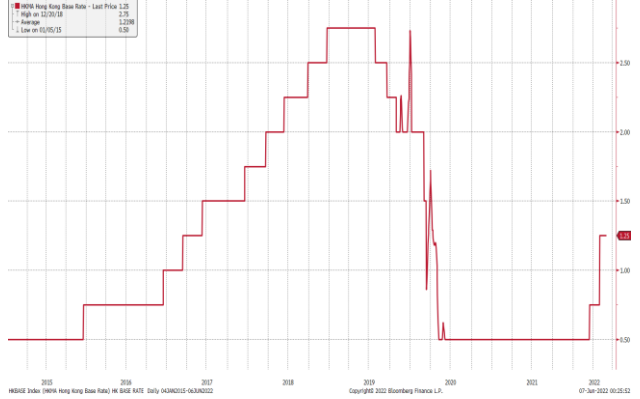
Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised
02/16/2023 16:30	Unemployment Rate SA	Jan	--	--	3.50%

China Economic Releases	Period	Survey	Actual	Prior	Revised
02/10/2023 09:30	CPI YoY	Jan	2.10%	1.80%	--
02/10/2023 09:30	PPI YoY	Jan	-0.50%	-0.70%	--
02/10/2023 17:01	BoP Current Account Balance	4Q P	--	\$106.8b	\$144.3b
02/10/2023 02/15	Aggregate Financing CNY	Jan	5400.0b	5980.0b	1310.0b
02/11/2023 02/18	FDI YTD YoY CNY	Jan	--	--	6.30%
02/10/2023 02/15	Money Supply M2 YoY	Jan	11.70%	12.60%	11.80%
02/10/2023 02/15	Money Supply M0 YoY	Jan	--	7.90%	15.30%
02/10/2023 02/15	New Yuan Loans CNY	Jan	4200.0b	4900.0b	1400.0b
02/10/2023 02/15	Money Supply M1 YoY	Jan	4.70%	6.70%	3.70%
02/15/2023 09:20	1-Yr Medium-Term Lending Facility Ra	Feb-15	2.75%	--	2.75%
02/15/2023 09:20	1-Yr Medium-Term Lending Facilities v	Feb-15	450.0b	--	779.0b
02/15/2023	FX Net Settlement - Clients CNY	Jan	--	--	33.8b
02/16/2023 09:00	Swift Global Payments CNY	Jan	--	--	2.15%
02/16/2023 09:30	New Home Prices MoM	Jan	--	--	-0.25%

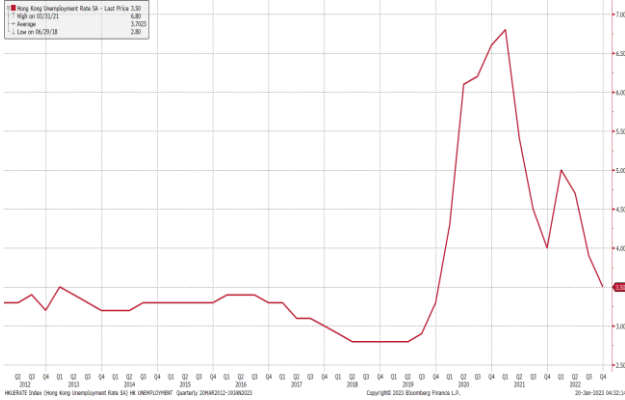
Hong Kong GDP Q on Q



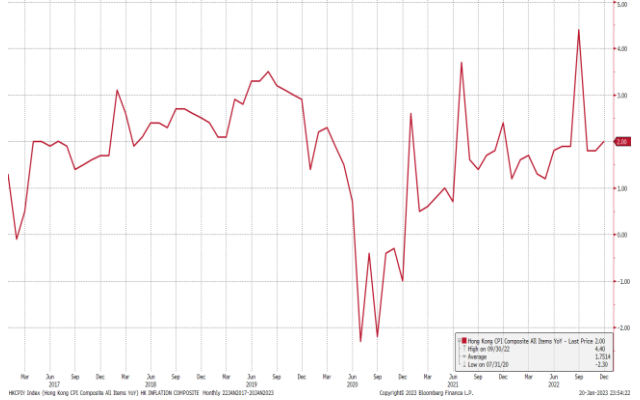
Hong Kong Base Interest Rate



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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