

Fundamentals:

Hong Kong stocks fell, following a two-week advance, amid concerns about the strength of China's economic recovery as corporate earnings reports from some of the nation's biggest companies trailed estimates.

The Hang Seng Index dropped 1.8 per cent to 19,567.69 at the close of Monday trading. The Tech Index slipped 2.8 per cent while the Shanghai Composite Index slid 0.4 per cent.

Xiaomi sank 4 per cent to HK\$11.94 and Meituan tumbled 6.3 per cent to HK\$131.40 while NetEase retreated 2.4 per cent to HK\$137.60. Li Ning dropped 2.8 per cent to HK\$58.50 and HSBC declined 0.8 per cent to HK\$51.75.

Alibaba Group jumped as much as 3.4 per cent after the Post reported founder Jack Ma has returned to mainland China, before losing all the rally. Alibaba, the owner of this newspaper, ended 0.1 per cent lower at HK\$85.25.

Data later this week may show official manufacturing cooled in March, according to consensus estimates from economists tracked by Bloomberg. Investors putting their money on the mainland's recovery theme may find their stock bets premature, as empty shipping containers piled up at major ports while exports struggled.

The city's stock market mounted an advance as the Hang Seng Index climbed 3.1 per cent over the past two weeks, helping the broader market regain US\$164 billion of capitalisation. Still, confidence remains fragile amid worries about a global financial crisis after bank failures in the US and the state-led rescue of Credit Suisse.

Meanwhile, Baidu slumped 3.2 per cent to HK\$149.50. The company turned an event to unveil a new cloud service, along with its newly launched ChatGPT-like Ernie Bot, into a closed-door session. The launch of Ernie Bot earlier this month drew mixed reactions from users despite the hype.

Elsewhere, corporate earnings failed to lift market sentiment as fourth-quarter report cards from China Hongqiao, ENN Energy, Sinopec and Zijin Mining missed estimates tracked by Bloomberg.

US policymakers said last Friday that while some [midsize] lenders are coming under stress, the overall financial system is still sound. This followed the collapse of Silicon Valley Bank and amid brewing troubles at the First Republic Bank, unnerving global markets.

Jiangsu United Water Technology debuted in Shanghai, surging 44 per cent to 8.44 yuan.

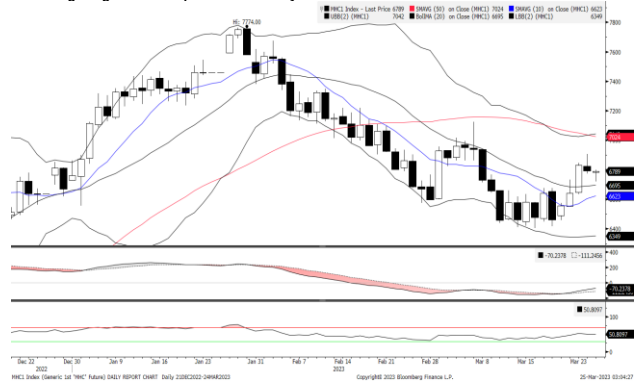
Key Asian markets were mixed. The Nikkei 225 in Japan added 0.3 per cent and the S&P ASX 200 Index in Australia rose 0.1 per cent, while the Kospi in South Korea slipped 0.2 per cent.

(Source: South China Morning Post)

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance: 19897 2nd Resistance: 20191
 1st Support: 19309 2nd Support: 19015
 MACD: -285.085
 MACD DIFF: 64.8014
 RSI: 45.3865

Mini Hang Seng China Enterprise

1st Resistance: 6754 2nd Resistance: 6854
 1st Support: 6554 2nd Support: 6454
 MACD: -81.064
 MACD DIFF: 32.419
 RSI: 46.5438

Strategy:

Mini Hang Seng: Long: Profit target: 19309 Stop-loss: 19502 19212 Long: Profit target: 19015 Stop-loss: 19205 18920

Short: Profit target: 19897 Stop-loss: 19698 19997 Short: Profit target: 20191 Stop-loss: 19989 20292

Mini Hang Seng China Enterprise: Long: Profit target: 6554 Stop-loss: 6620 6521 Long: Profit target: 6454 Stop-loss: 6519 6422

Short: Profit target: 6754 Stop-loss: 6686 6788 Short: Profit target: 6854 Stop-loss: 6785 6888

Contracts	Chg	Sett	High	Low
H. SENG FUT MAR 23	-297	19603	19952	19501
H. SENG FUT APR 23	-302	19658	20003	19556
H. SENG FUT JUN 23	-288	19511	19781	19408
H. SENG FUT SEP 23	-297	19603	19952	19501
MINI H. SENG FUT MAR 23	-297	19603	19951	19501
MINI H. SENG FUT APR 23	-302	19658	20006	19557
MINI H. SENG FUT JUN 23	-288	19511	19850	19410
MINI H. SENG FUT SEP 23	-297	19603	19951	19501
HSCEI FUT MAR 23	-138	6654	6820	6627
HSCEI FUT APR 23	-138	6677	6830	6648
HSCEI FUT JUN 23	-132	6635	6763	6605
HSCEI FUT SEP 23	-138	6654	6820	6627
MINI HSCEI FUT MAR 23	-138	6654	6815	6627
MINI HSCEI FUT APR 23	-138	6677	6830	6650
MINI HSCEI FUT JUN 23	-132	6635	6765	6607
MINI HSCEI FUT SEP 23	-138	6654	6815	6627

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	80.55	-1	81.9	79.5
**Tencent Holdings Ltd	362.8	-14	378	362.6
*HSBC Holdings PLC	51.65	-0.5	52.3	51.2
**China Construction Bank Corp	4.99	-0.07	5.07	4.97
**Ping An Insurance Group	50.7	-1.3	52	50.45
**Meituan	131.4	-8.8	139.7	130.5
*Hong Kong Exchanges & Clearing Ltd	333.2	-8.8	342	332.6
**Alibaba Group Holdings Ltd	85.25	-0.05	89.95	83.8
**Xiaomi Corp	12	-0.44	12.2	11.74
**ICBC	4.18	-0.04	4.23	4.16

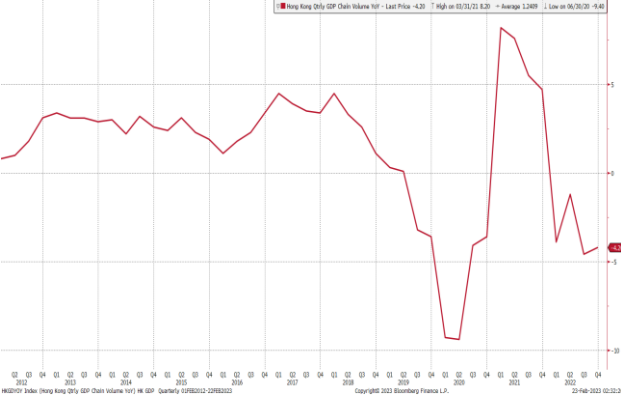
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	49.05	0.15	50.5	47.4
**China Mobile Ltd	62.4	-0.15	62.7	61.05
**Bank of China Ltd	2.98	-0.03	3.01	2.98
*Techtronic Industries Co Ltd	84.2	-1.1	85.5	84.05
*CK Hutchison Holdings Ltd	48.55	0.05	48.9	48.1
*Link REIT	50.35	0.25	51	50
*CLP Holding Ltd	56	-0.4	56.8	56
**Geely Automobile Holdings Ltd	9.78	-0.24	10.02	9.7
**CNOOC Ltd	11.26	-0.08	11.36	11.12
**ANTA Sports Products Ltd	111.8	-1.2	114	111.1

Global Equity Indices	Close	Change	High	Low
Hang Seng	19567.69	-347.99	19938.8	19509.49
HSCEI	6648.68	-146.12	6777.26	6626.04
Shanghai Comp Index	3251.4	-14.257	3261.82	3229.704
Nikkei 225	27476.9	91.62	27543.5	27359.72
KOSPI	2409.22	-5.74	2423.94	2395.97
S&P/ASX200	6961.98	6.746	6989.3	6955.2
DJIA	32432.1	194.55	32564	32276.72
S&P 500	3977.53	6.54	4003.83	3970.49
NASDAQ	11768.8	-55.12	11903.2	11739.05
DAX	15127.7	170.45	15185.4	15020.07
CAC	7078.27	0.9	7119.59	7039.09
FTSE100	7471.77	66.32	7491.74	7405.45

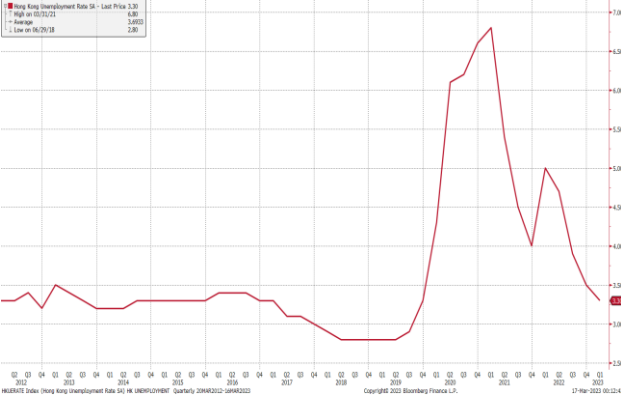
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
03/27/2023 16:30	Exports YoY	Feb	-28.00%	-8.80%	-36.70%	--
03/27/2023 16:30	Imports YoY	Feb	-23.00%	-4.10%	-30.20%	--
03/27/2023 16:30	Trade Balance HKD	Feb	-30.0b	-45.4b	-25.4b	--
03/31/2023 16:30	Retail Sales Value YoY	Feb	16.40%	--	7.00%	--
03/31/2023 16:30	Retail Sales Volume YoY	Feb	--	--	5.10%	--
03/31/2023 16:30	Budget Balance HKD	Feb	--	--	61.0b	--
03/31/2023	Money Supply M3 HKD YoY	Feb	--	--	1.60%	--
03/31/2023	Money Supply M1 HKD YoY	Feb	--	--	-16.20%	--
03/31/2023	Money Supply M2 HKD YoY	Feb	--	--	1.60%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
03/27/2023 09:30	Industrial Profits YTD YoY	Feb	--	-22.90%	--	--
03/27/2023 12:06	Bloomberg March China Economic Survey (Table)					
03/31/2023 09:30	Composite PMI	Mar	--	--	56.4	--
03/31/2023 09:30	Manufacturing PMI	Mar	51.6	--	52.6	--
03/31/2023 09:30	Non-manufacturing PMI	Mar	54.9	--	56.3	--
03/31/2023	BoP Current Account Balance	4Q F	--	--	\$106.8b	--
04/03/2023 09:45	Cixin China PMI Mfg	Mar	51.2	--	51.6	--

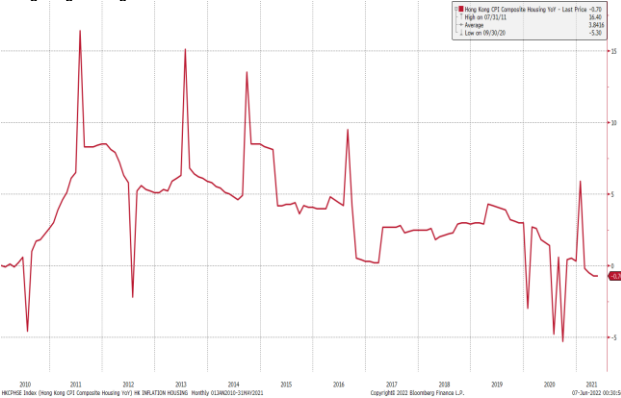
Hong Kong GDP Q on Q



Hong Kong Unemployment Rate

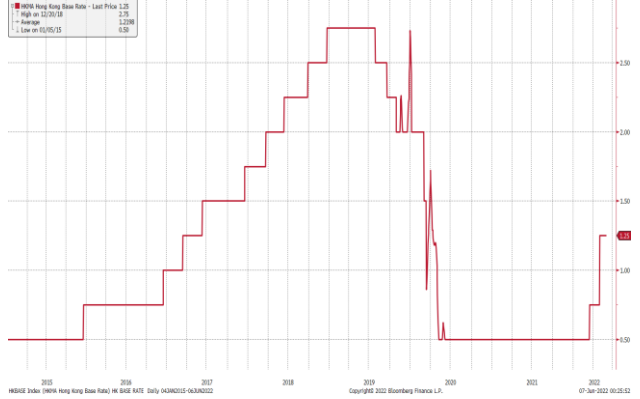


Hong Kong Housing Inflation

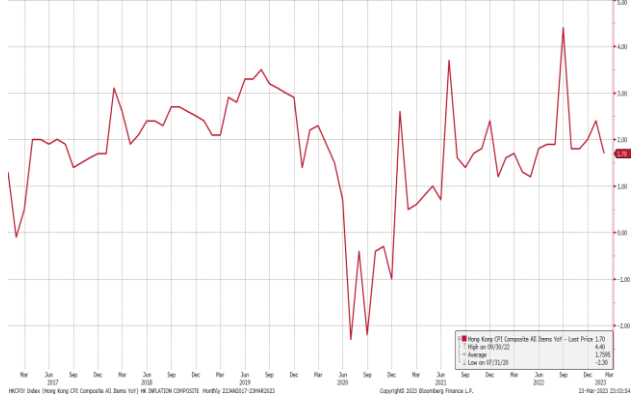


(Source: Bloomberg)

Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sales Value Y on Y %



Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

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