

Fundamentals:

Hong Kong stocks fell on concerns about currency weakness amid capital flight as the Hong Kong Monetary Authority (HKMA) intervened to shore up a weakening local currency, putting pressure on banks to raise interest rates.

The Hang Seng Index slipped 1.4 per cent to 20,367.76 at the close of Wednesday trading, deepening yesterday's 0.6 per cent slide. The Tech Index dropped 2.4 per cent, while the Shanghai Composite Index fell 0.9 per cent.

Alibaba dropped 2.4 per cent to HK\$92.55, Tencent Holdings retreated 2 per cent to HK\$358 and Baidu fell 2.2 per cent to HK\$126.80. Developer Hang Lung Properties declined 1.9 per cent to HK\$14.32, while its peers Country Garden plunged 4.7 per cent to HK\$2.22 and Longfor Group dropped 1.4 per cent to HK\$23.85.

The HKMA overnight bought HK\$6.9 billion and sold US\$881 million to defend the Hong Kong dollar as it reached the weak end of its trading band. The seventh intervention this year will bring the aggregated balance - the sum of balances in clearing accounts maintained by banks with the HKMA - to its lowest level in 15 years, according to the authority.

Pressure on Hong Kong stocks may persist for a few more months because of capital flight and currency depreciation against the US dollar, according to a note from Daiwa Capital Markets. Investors could expect a better outlook in the second half of the year.

The city suffered US\$29 billion of outflows in February, versus US\$64 billion of net inflows in the preceding three months, according to the note, which cited flow data published by EPFR Global.

China's economy beat expectations in the first quarter, showing a 4.5 per cent expansion, according to data released on Tuesday. While retail sales rose, market worries remain after industrial production and fixed-asset investment came out below expectations. Investment in the property sector also fell last quarter, while the jobless rate remained elevated.

Meanwhile, Hong Kong's biggest lender HSBC fell 0.4 per cent to HK\$56.10, after Ping An Insurance Group, the bank's biggest shareholder, called for the lender to separately list its Asian arm in Hong Kong.

One company began trading on Wednesday. Engineering service company Jiangsu Hengshang Energy Conservation surged 59 per cent to 25.32 yuan in Shanghai.

Elsewhere, investors in Asia weighed comments from Federal Reserve officials who favour continued rate hikes. The next meeting will be held on May 2, where officials are expected to raise rates by 25 basis points.

Major Asian markets were mixed. The Nikkei 225 in Japan slipped 0.2 per cent, the Kospi in South Korea gained 0.2 per cent and the S&P/ASX 200 in Australia added 0.1 per cent.

(Source: South China Morning Post)

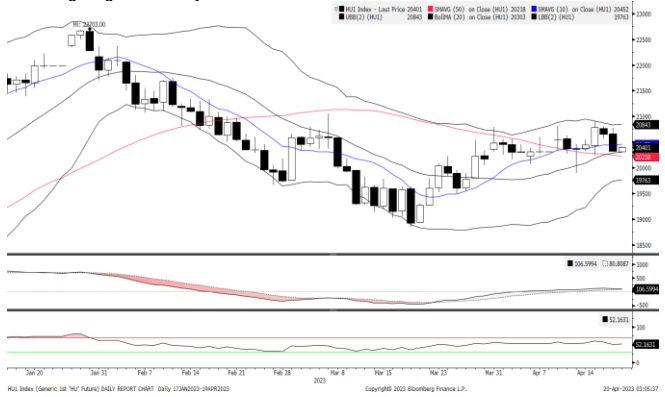
Contracts	Chg	Sett	High	Low
H. SENG FUT APR 23	-336	20320	20776	20308
H. SENG FUT MAY 23	-334	20300	20745	20292
H. SENG FUT JUN 23	-329	20265	20708	20263
H. SENG FUT SEP 23	-336	20320	20776	20308
MINI H. SENG FUT APR 23	-336	20320	20776	20309
MINI H. SENG FUT MAY 23	-334	20300	20752	20290
MINI H. SENG FUT JUN 23	-329	20265	20708	20270
MINI H. SENG FUT SEP 23	-336	20320	20776	20309
HSCEI FUT APR 23	-138	6873	7054	6867
HSCEI FUT MAY 23	-137	6895	7068	6892
HSCEI FUT JUN 23	-139	6871	7051	6871
HSCEI FUT SEP 23	-138	6873	7054	6867
MINI HSCEI FUT APR 23	-138	6873	7053	6868
MINI HSCEI FUT MAY 23	-137	6895	7073	6890
MINI HSCEI FUT JUN 23	-139	6871	7052	6873
MINI HSCEI FUT SEP 23	-138	6873	7053	6868

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	85	-0.75	86.15	84.85
**Tencent Holdings Ltd	357.2	-8.2	363	355
*HSBC Holdings PLC	55.85	-0.5	56.3	55.65
**China Construction Bank Corp	5.31	-0.06	5.36	5.28
**Ping An Insurance Group	54.25	-0.65	55.45	54.1
**Meituan	135.6	0.3	138.6	133.9
*Hong Kong Exchanges & Clearing Ltd	339.4	-7.8	346.2	337
**Alibaba Group Holdings Ltd	92.25	-2.55	94.5	91.95
**Xiaomi Corp	11.9	-0.54	12.5	11.84
**ICBC	4.29	0	4.34	4.27

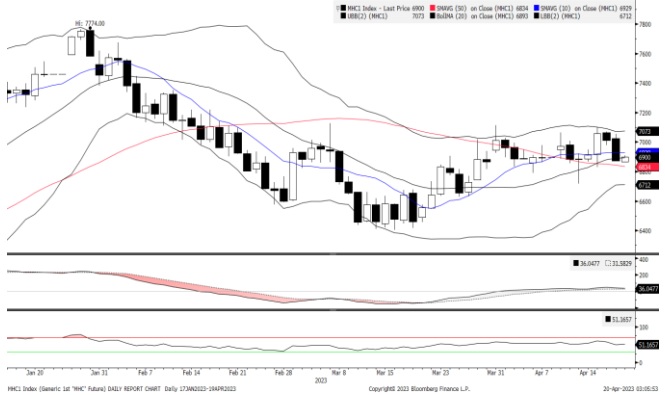
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	53.55	-0.8	54.7	53.4
**China Mobile Ltd	67.7	-1.2	68.85	67.65
**Bank of China Ltd	3.14	-0.02	3.16	3.12
*Techtronic Industries Co Ltd	82.8	-0.55	83.8	82
*CK Hutchison Holdings Ltd	50.65	-0.1	51	50.6
*Link REIT	51.35	-0.35	52	50.95
*CLP Holding Ltd	57.6	-0.5	58.1	57.55
**Geely Automobile Holdings Ltd	9.99	-0.39	10.44	9.91
**CNOOC Ltd	12.62	-0.2	12.9	12.56
**ANTA Sports Products Ltd	99.45	-1.25	101.6	98.55

Global Equity Indices	Close	Change	High	Low
Hang Seng	20367.76	-282.75	20633	20336.71
HSCEI	6889.01	-113.9	7000.38	6874.82
Shanghai Comp Index	3370.13	-23.203	3394.96	3364.642
Nikkei 225	28606.8	-52.07	28677.2	28531.54
KOSPI	2575.08	3.99	2582.11	2568.46
S&P/ASX200	7365.54	5.365	7374.4	7356
DJIA	33897	-79.62	33958	33814.65
S&P 500	4154.52	-0.35	4162.57	4134.49
NASDAQ	12157.2	3.82	12191.1	12060.17
DAX	15895.2	12.53	15908.5	15829.55
CAC	7549.44	0.21	7558.95	7513.77
FTSE100	7898.77	-10.67	7909.44	7871.43

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance:	20625	2nd Resistance:	20930
1st Support:	20015	2nd Support:	19710
MACD:	115.419		
MACD DIFF:	40.9959		
RSI:	50.6506		

Mini Hang Seng China Enterprise

1st Resistance:	6976	2nd Resistance:	7079
1st Support:	6770	2nd Support:	6667
MACD:	40.415		
MACD DIFF:	9.930		
RSI:	49.8635		

Strategy:

Mini Hang Seng:

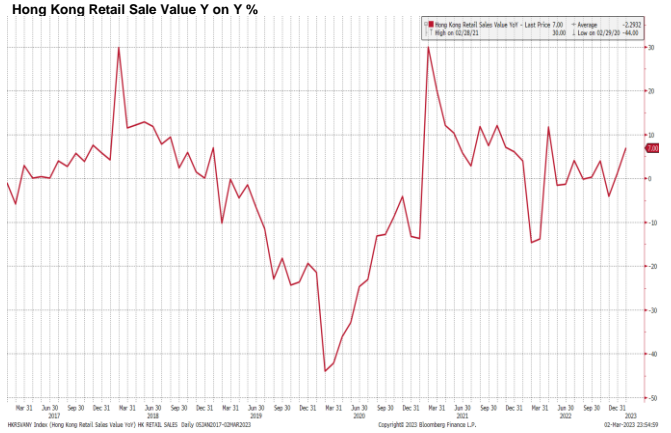
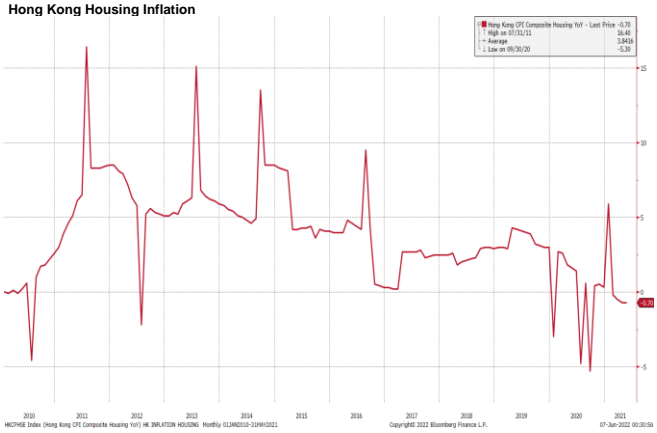
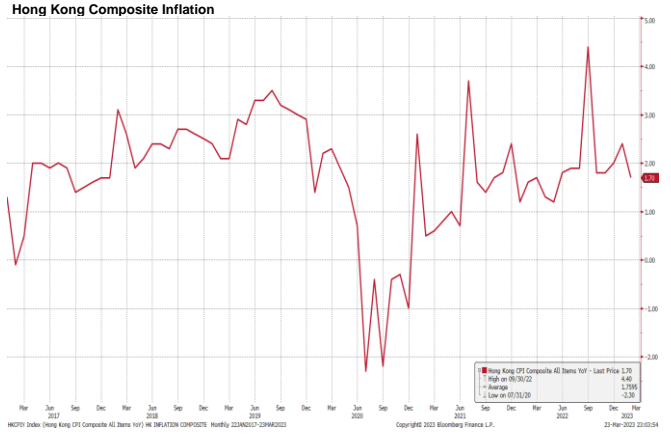
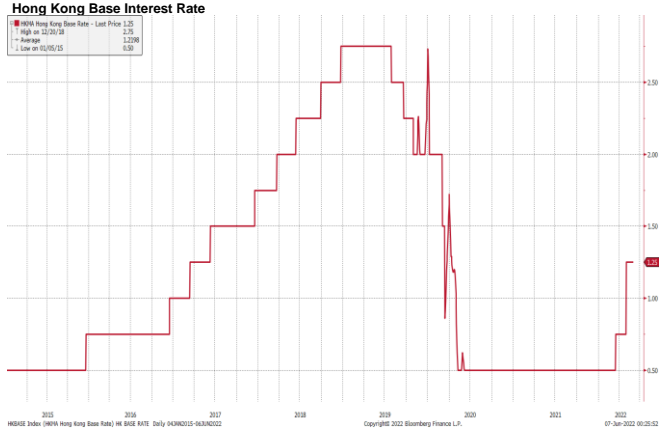
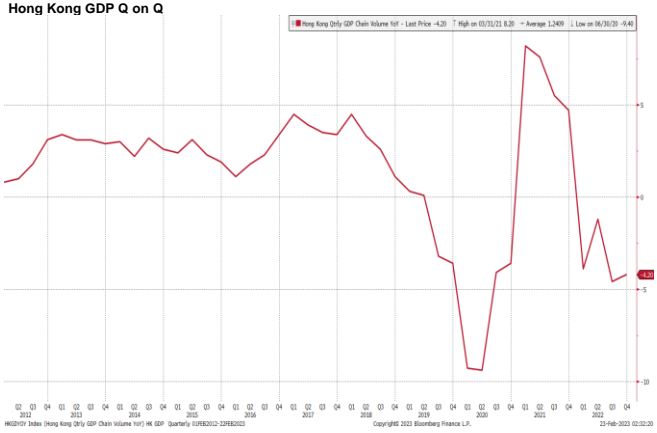
Long: Profit target:	20015	20215	19915	Long: Profit target:	19710	19908	19612
Stop-loss:				Stop-loss:			
Short: Profit target:	20625	20419	20728	Short: Profit target:	20930	20720	21034
Stop-loss:				Stop-loss:			

Mini Hang Seng China Enterprise:

Long: Profit target:	6770	6838	6736	Long: Profit target:	6667	6733	6633
Stop-loss:				Stop-loss:			
Short: Profit target:	6976	6906	7011	Short: Profit target:	7079	7008	7115
Stop-loss:				Stop-loss:			

Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
04/21/2023 16:30	CPI Composite YoY	Mar	1.90%	--	1.70%	--
04/24/2023 16:30	Unemployment Rate SA	Mar	--	--	3.30%	--
04/25/2023 16:30	Exports YoY	Mar	--	--	-8.80%	--
04/25/2023 16:30	Imports YoY	Mar	--	--	-4.10%	--
04/25/2023 16:30	Trade Balance HKD	Mar	--	--	-45.4b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
04/18/2023 10:00	GDP YoY	1Q	4.00%	4.50%	2.90%	--
04/18/2023 10:00	GDP SA QoQ	1Q	2.00%	2.20%	0.00%	0.60%
04/18/2023 10:00	GDP YTD YoY	1Q	4.00%	4.50%	3.00%	--
04/18/2023 10:00	Industrial Production YTD YoY	Mar	3.50%	3.00%	2.40%	--
04/18/2023 10:00	Industrial Production YoY	Mar	4.40%	3.90%	--	--
04/18/2023 10:00	Retail Sales YTD YoY	Mar	3.70%	5.80%	3.50%	--
04/18/2023 10:00	Retail Sales YoY	Mar	7.50%	10.60%	--	--
04/18/2023 10:00	Fixed Assets Ex Rural YTD YoY	Mar	5.70%	5.10%	-5.70%	--
04/18/2023 10:00	Property Investment YTD YoY	Mar	-4.70%	-5.80%	-5.70%	--
04/18/2023 10:00	Residential Property Sales YTD YoY	Mar	--	7.10%	3.50%	--
04/18/2023 10:00	Surveyed Jobless Rate	Mar	5.50%	5.30%	5.60%	--
04/20/2023 09:15	5-Year Loan Prime Rate	Apr-20	4.30%	--	4.30%	--
04/20/2023 09:15	1-Year Loan Prime Rate	Apr-20	3.65%	--	3.65%	--
04/20/2023	Swift Global Payments CNY	Mar	--	--	2.19%	--
04/19/2023 04/21	FDI YTD YoY CNY	Mar	--	--	6.10%	--
04/21/2023	FX Net Settlement - Clients CNY	Mar	--	--	11.4b	--
04/26/2023 10:00	Bloomberg April China Economic Survey					



(Source: Bloomberg)

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