

Fundamentals:

Hong Kong stocks fell to the lowest level in four weeks, led by tech leaders including Alibaba Group Holding, as some investors cautioned valuations may have risen well ahead of earnings and economic recovery in mainland China.

The Hang Seng Index slumped 1.7 per cent to 19,617.88 at the close of trading on Tuesday, a level not seen since March 28. The Tech Index sank 3.5 per cent, while the Shanghai Composite Index retreated 0.3 per cent.

Alibaba tumbled 3.2 per cent to HK\$84.10 while Tencent Holdings slipped 1.9 per cent to HK\$338.40. HSBC dropped 0.8 per cent to HK\$55.50 ahead of its first-quarter earnings report next week. Developer Longfor Group lost 2.5 per cent to HK\$21.55 while peer Country Garden fell 1.9 per cent to HK\$2.02.

Gains of 0.5 per cent to 2.1 per cent in China Life Insurance, PetroChina and CNOOC tempered losses.

The Hang Seng Index has weakened 3.8 per cent in a poor start to the quarter, while the broader MSCI China Index slipped about 4.7 per cent, despite a stronger-than-expected economic data. Concerns about weak earnings and US tech curbs have fanned risk aversion, before the local markets pause for a holiday next week.

Analysts trimmed the 12-month forward earnings of companies in the Hang Seng China Enterprises Index by 9.5 per cent last week, according to Bank of America, on top of a 10 per cent cut in the preceding week. So far, onshore companies that missed 2022 earnings targets have outnumbered those that exceeded by almost three to one, it added.

Elsewhere, smartphone maker Xiaomi fell 3.9 per cent to HK\$10.94, after a high court in India rejected its bid to recover US\$676 million of assets seized by the government. NetEase weakened 3.7 per cent to HK\$138.50 after the 21st Century Business Herald said the game developer was suing Blizzard Entertainment for 300 million yuan (US\$44 million) following a break-up in their collaboration earlier this year.

One company began trading today. Rongcheer Industrial Technology slumped 21 per cent to 56.87 yuan in Shenzhen.

Asian markets were mixed. The Nikkei 225 in Japan added 0.1 per cent while the Kospi in South Korea dropped 1.4 per cent and the S&P/ASX 200 in Australia fell 0.1 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 APR 23	179	19755	19927	19372
H. SENG FUT MAY 23	167	19708	19874	19334
H. SENG FUT JUN 23	162	19638	19807	19299
H. SENG FUT SEP 23	179	19755	19927	19372
MINI H. SENG FUT APR 23	179	19755	19926	19373
MINI H. SENG FUT MAY 23	167	19708	19874	19335
MINI H. SENG FUT JUN 23	162	19638	19804	19277
MINI H. SENG FUT SEP 23	179	19755	19926	19373
HSCEI FUT APR 23	52	6651	6720	6515
HSCEI FUT MAY 23	47	6658	6725	6526
HSCEI FUT JUN 23	48	6627	6683	6500
HSCEI FUT SEP 23	52	6651	6720	6515
MINI HSCEI FUT APR 23	52	6651	6720	6515
MINI HSCEI FUT MAY 23	47	6658	6726	6526
MINI HSCEI FUT JUN 23	48	6627	6690	6500
MINI HSCEI FUT SEP 23	52	6651	6720	6515

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	83.85	1.1	84.25	82.45
**Tencent Holdings Ltd	348.2	9.8	352.2	335.4
*HSBC Holdings PLC	55.25	-0.25	55.8	55
**China Construction Bank Corp	5.23	-0.01	5.26	5.17
**Ping An Insurance Group	51.55	0.1	52.15	50.85
**Meituan	133.1	1.5	135.7	130.4
*Hong Kong Exchanges & Clearing Ltd	329	4	331.8	323.2
**Alibaba Group Holdings Ltd	83.3	-0.8	84.7	81.25
**Xiaomi Corp	11.04	0.1	11.24	10.86
**ICBC	4.2	-0.01	4.23	4.15

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	46.8	0.5	47.35	45.2
**China Mobile Ltd	67.2	-0.7	68.15	66.85
**Bank of China Ltd	3.13	-0.01	3.14	3.09
*Techtronic Industries Co Ltd	80.8	1.1	81.65	80.1
*CK Hutchison Holdings Ltd	51.45	0.55	51.55	50.5
*Link REIT	50.55	0.55	51.1	49.95
*CLP Holding Ltd	57.95	0.4	58.2	57.55
**Geely Automobile Holdings Ltd	9.75	0.18	9.9	9.49
**CNOOC Ltd	12.5	0.08	12.54	12.28
**ANTA Sports Products Ltd	96.2	0.2	96.8	95.1

Global Equity Indices	Close	Change	High	Low
Hang Seng	19757.27	139.39	19903.7	19520.97
HSCEI	6654.4	53.04	6710.26	6567.32
Shanghai Comp Index	3264.1	-0.771	3277.98	3239.989
Nikkei 225	28416.5	-203.6	28551.6	28319.77
KOSPI	2484.83	-4.19	2498.56	2481.38
S&P/ASX200	7316.3	-5.691	7324.4	7285.3
DJIA	33301.9	-228.96	33645.8	33235.85
S&P 500	4055.99	-15.64	4089.67	4049.35
NASDAQ	11854.4	55.19	11968	11833.07
DAX	15795.7	-76.4	15826	15694.36
CAC	7466.66	-0.86	7508.13	7427.53
FTSE100	7852.64	-38.49	7893.95	7825.93

Technical Analysis

Mini Hang Seng

1st Resistance: 20051 2nd Resistance: 20348
 1st Support: 19459 2nd Support: 19162
 MACD: -59.725
 MACD DIFF: -87.1034
 RSI: 42.1576

Mini Hang Seng China Enterprise

1st Resistance: 6751 2nd Resistance: 6851
 1st Support: 6551 2nd Support: 6451
 MACD: -28.608
 MACD DIFF: -36.007
 RSI: 41.323

Strategy:

Mini Hang Seng: Long: Profit target: 20051 Stop-loss: 19459 19653 19361 Long: Profit target: 19162 Stop-loss: 19354 19067

Short: Profit target: 2051 Stop-loss: 19851 20152 Short: Profit target: 20348 Stop-loss: 20144 20449

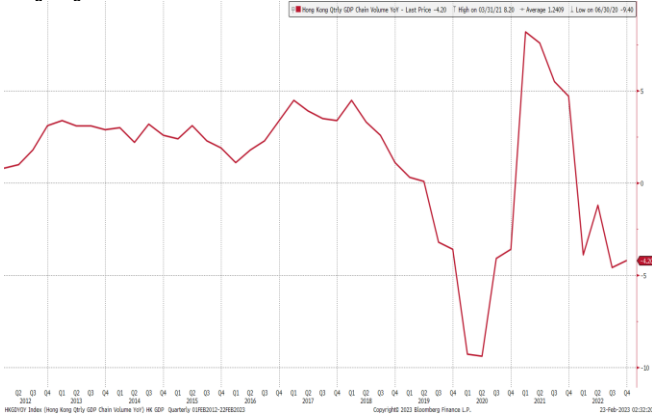
Mini Hang Seng China Enterprise: Long: Profit target: 6551 Stop-loss: 6617 6518 Long: Profit target: 6451 Stop-loss: 6516 6419

Short: Profit target: 6751 Stop-loss: 6683 6785 Short: Profit target: 6851 Stop-loss: 6782 6885

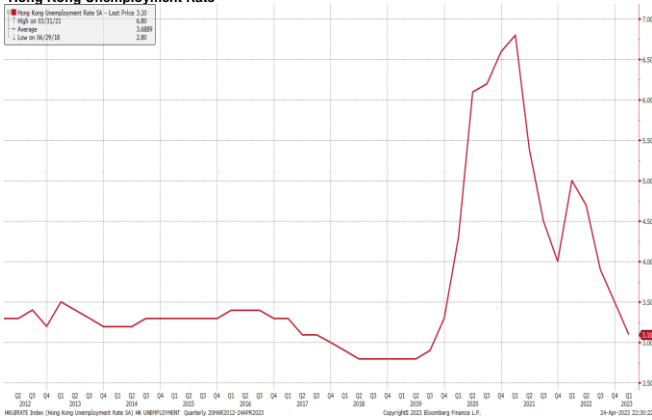
Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised
04/28/2023 16:30	Budget Balance HKD	Mar	--	--	15.6b
04/28/2023	Money Supply M3 HKD YoY	Mar	--	--	0.10%
04/28/2023	Money Supply M1 HKD YoY	Mar	--	--	-20.20%
04/28/2023	Money Supply M2 HKD YoY	Mar	--	--	0.10%
05/02/2023 16:30	GDP YoY	1Q A	0.40%	--	-4.20%
05/02/2023 16:30	GDP SA QoQ	1Q A	--	--	0.00%
05/04/2023 08:30	S&P Global Hong Kong PMI	Apr	--	--	53.5
05/04/2023 16:30	Retail Sales Value YoY	Mar	--	--	31.30%
05/04/2023 16:30	Retail Sales Volume YoY	Mar	--	--	29.60%

China Economic Releases	Period	Survey	Actual	Prior	Revised
04/26/2023 10:00	Bloomberg April China Economic Survey				
04/27/2023 09:30	Industrial Profits YTD YoY	Mar	--	--	-22.90%
04/30/2023 09:30	Composite PMI	Apr	--	--	57
04/30/2023 09:30	Manufacturing PMI	Apr	51.5	--	51.9
04/30/2023 09:30	Non-manufacturing PMI	Apr	56	--	58.2

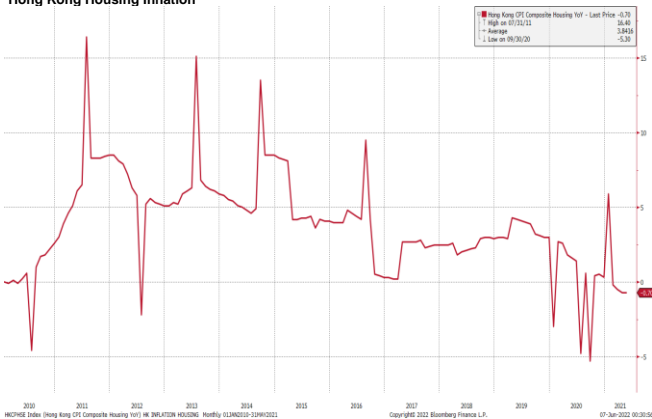
Hong Kong GDP Q on Q



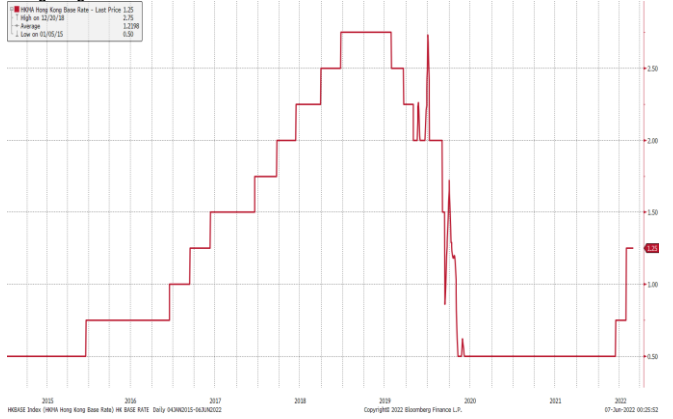
Hong Kong Unemployment Rate



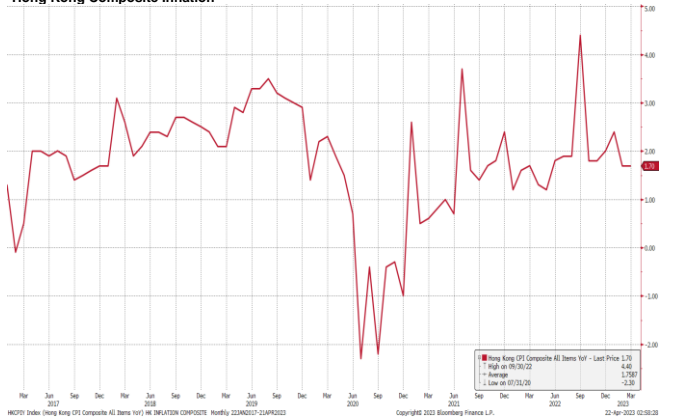
Hong Kong Housing Inflation



Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sales Value Y on Y %



(Source: Bloomberg)

Kenanga Futures Sdn Bhd (353603-X)

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

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.