

Fundamentals:

Hong Kong stocks rose for a third straight week after a government report showed manufacturing in China grew more than expected this month, underpinning bets on recovery momentum. Alibaba Group logged its best week in three months.

The Hang Seng rose 0.5 per cent to 20,400.11 at closing of Friday trading, taking the advance this week to 2.4 per cent and 3.1 per cent for March. The Tech Index gained 0.8 per cent while the Shanghai Composite added 0.3 per cent.

JD.com surged 5.4 per cent to HK\$172 after unveiling plans to spin off and list two operating units on the stock exchange. Alibaba strengthened 3.6 per cent to HK\$100.40 and while Meituan rose 1.1 per cent to HK\$143.50. EV maker BYD climbed 2 per cent to HK\$229.80, while Tencent gained 0.2 per cent to HK\$385.80.

China's official PMI manufacturing index dropped to 51.9 in March from 52.6 in February, the statistics bureau said on Friday. Still, the reading exceeded the median forecast of 51.5 among economists tracked by Bloomberg. The services index rose to 58.2 from 56.3, versus consensus of 55. Readings above 50 indicate expansion.

The Hang Seng rose almost 6 per cent in a three-week rally, helping enrich investors by HK\$1.3 trillion (US\$166 billion) in terms of market capitalisation, according to Bloomberg data. Indices tracking Chinese stocks were seven of the top 10 performers in Asia-Pacific during the period.

The benchmark advanced 3.1 per cent for the quarter, following a zero-Covid pivot and China reopening rally of 14.9 per cent in the preceding three months.

Alibaba, the owner of this newspaper, soared 18 per cent this week, the most since the week ending January 6. Investors chased the stock after its March 28 plan to split the e-commerce empire into six key units, while co-founder Jack Ma returned to mainland China. The news boosted its market value by a combined US\$45 billion in Hong Kong and New York.

Apart from recovery signals, "there have also been more intensified signals of pro-business policymaking, exemplified by Alibaba's restructuring plan," Morgan Stanley analysts said in a report.

Three companies started trading today. Wuxi Unicomp Technology surged 27 per cent to 194 yuan in Shanghai. China Treasures New Materials fell 35 per cent to HK\$0.68 in Hong Kong and Powerwin Tech Group added 20 per cent to HK\$0.84.

Elsewhere, key Asian markets advanced. Japan's Nikkei 225 Index added 0.9 per cent, Australia's S&P ASX 200 gained 0.8 per cent while South Korea's Kospi index rose 1 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:	20788	2nd Resistance:	21095
1st Support:	20174	2nd Support:	19867
MACD:	-86.163		
MACD DIFF:	149.203		
RSI:	55.7569		

Mini Hang Seng China Enterprise

1st Resistance:	7117	2nd Resistance:	7222
1st Support:	6907	2nd Support:	6802
MACD:	-8.377		
MACD DIFF:	58.521		
RSI:	57.7496		

Strategy:

Mini Hang Seng:	Long: Profit target: 20174	Stop-loss: 20376	20073	Long: Profit target: 19867	Stop-loss: 20065	19767
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	Short: Profit target: 20788	Stop-loss: 20580	20892	Short: Profit target: 21095	Stop-loss: 20884	21201
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Mini Hang Seng China Enterprise:	Long: Profit target: 6907	Stop-loss: 6976	6872	Long: Profit target: 6802	Stop-loss: 6870	6768
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	Short: Profit target: 7117	Stop-loss: 7046	7153	Short: Profit target: 7222	Stop-loss: 7150	7258
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Contracts	Chg	Sett	High	Low
H. SENG FUT APR 23	131	20481	20793	20318
H. SENG FUT MAY 23	143	20459	20753	20218
H. SENG FUT JUN 23	157	20400	20700	20221
H. SENG FUT SEP 23	131	20481	20793	20318
MINI H. SENG FUT APR 23	131	20481	20792	20317
MINI H. SENG FUT MAY 23 #N/A	N/A	20459	20827	20398
MINI H. SENG FUT JUN 23	157	20400	20692	20236
MINI H. SENG FUT SEP 23	131	20481	20792	20317
HSCEI FUT APR 23	68	7012	7117	6927
HSCEI FUT MAY 23	76	7030	7132	7003
HSCEI FUT JUN 23	88	7004	7100	6918
HSCEI FUT SEP 23	68	7012	7117	6927
MINI HSCEI FUT APR 23	68	7012	7115	6926
MINI HSCEI FUT MAY 23 #N/A	N/A	7030	7122	6995
MINI HSCEI FUT JUN 23	88	7004	7103	6912
MINI HSCEI FUT SEP 23	68	7012	7115	6926

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	82.65	-0.35	84.2	82.05
**Tencent Holdings Ltd	385.8	0.8	394	384
*HSBC Holdings PLC	53.2	-0.6	54.1	53.2
**China Construction Bank Corp	5.09	0.02	5.13	5.06
**Ping An Insurance Group	51.1	0.3	52.75	51.05
**Meituan	143.5	1.5	148	143.3
*Hong Kong Exchanges & Clearing Ltd	348.2	5.6	351.4	345.2
**Alibaba Group Holdings Ltd	100.4	3.5	102	99.6
**Xiaomi Corp	12.1	-0.04	12.42	12.02
**ICBC	4.18	-0.09	4.27	4.17

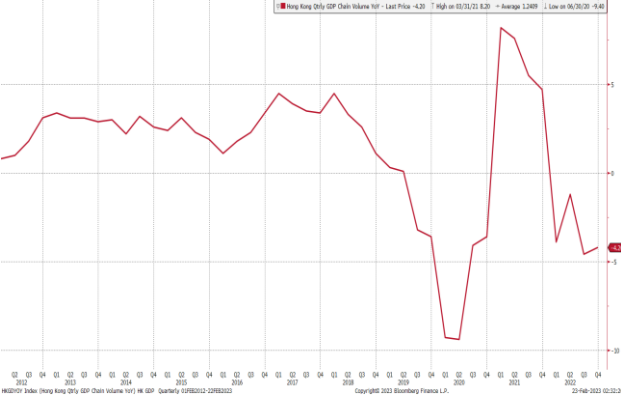
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	48.6	-0.7	50.35	48
**China Mobile Ltd	63.6	1.25	64.2	62.2
**Bank of China Ltd	3.01	-0.01	3.06	3.01
*Techtronic Industries Co Ltd	84.85	-1.25	87.4	84.8
*CK Hutchison Holdings Ltd	48.7	0.1	49.2	48.65
*Link REIT	50.5	0.1	51.1	50.25
*CLP Holding Ltd	56.7	-0.1	57.1	56.6
**Geely Automobile Holdings Ltd	10.1	0.13	10.26	10.04
**CNOOC Ltd	11.66	-0.08	11.9	11.66
**ANTA Sports Products Ltd	114	-2.8	118.4	113.7

Global Equity Indices	Close	Change	High	Low
Hang Seng	20400.11	90.98	20722	20357.41
HSCEI	6968.86	46.2	7088.16	6952.57
Shanghai Comp Index	3272.86	11.611	3278.42	3260.04
Nikkei 225	28041.5	258.55	28124.6	27986.62
KOSPI	2476.86	23.7	2481.24	2456.54
S&P/ASX200	7177.76	55.419	7183.1	7122.3
DJIA	33274.2	415.12	33291	32901.96
S&P 500	4109.31	58.48	4110.75	4056.18
NASDAQ	12221.9	208.44	12227.9	12030.44
DAX	15628.8	106.44	15659.1	15499.84
CAC	7322.39	0.81	7341.79	7264.82
FTSE100	7631.74	11.31	7654.41	7616.09

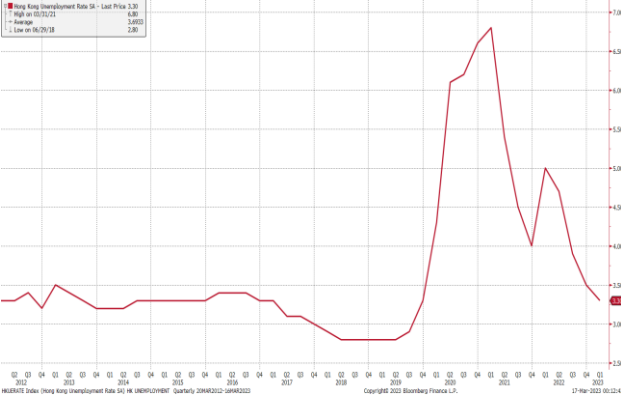
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
03/31/2023 16:30	Retail Sales Value YoY	Feb	15.00%	31.30%	7.00%	6.90%
03/31/2023 16:30	Money Supply M3 HKD YoY	Feb	--	0.10%	1.60%	--
03/31/2023 16:30	Money Supply M2 HKD YoY	Feb	--	0.10%	1.60%	--
03/31/2023 16:30	Money Supply M1 HKD YoY	Feb	--	-20.20%	-16.20%	--
03/31/2023 16:30	Retail Sales Volume YoY	Feb	16.00%	29.60%	5.10%	--
03/31/2023 16:30	Budget Balance HKD	Feb	--	15.6b	61.0b	--
04/06/2023 08:30	S&P Global Hong Kong PMI	Mar	--	--	53.9	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
03/31/2023 09:30	Composite PMI	Mar	--	57	56.4	--
03/31/2023 09:30	Manufacturing PMI	Mar	51.6	51.9	52.6	--
03/31/2023 09:30	Non-manufacturing PMI	Mar	55	58.2	56.3	--
03/31/2023 16:36	BoP Current Account Balance	4Q F	--	\$103.1b	\$106.8b	--
04/03/2023 09:45	Cixin China PMI Mfg	Mar	51.4	--	51.6	--
04/06/2023 09:45	Cixin China PMI Composite	Mar	--	--	54.2	--
04/06/2023 09:45	Cixin China PMI Services	Mar	55	--	55	--
04/07/2023	Foreign Reserves	Mar	--	--	\$3133.15b	--

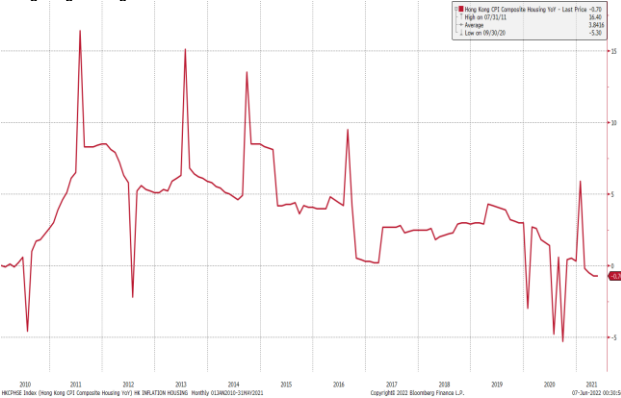
Hong Kong GDP Q on Q



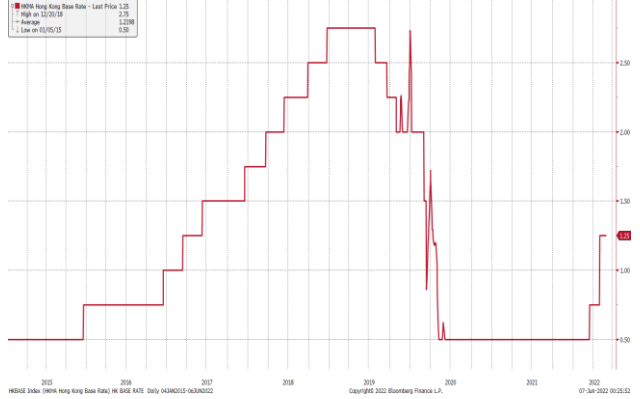
Hong Kong Unemployment Rate



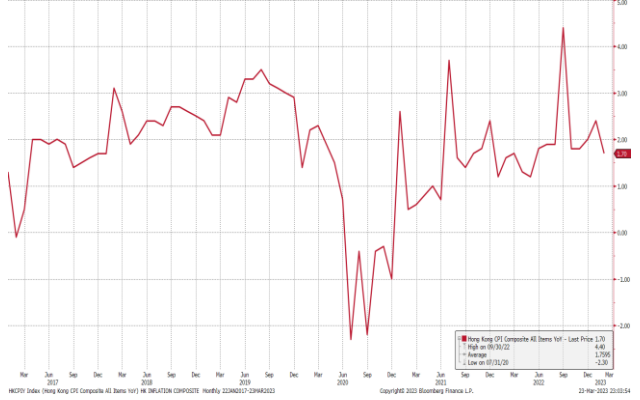
Hong Kong Housing Inflation



Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sales Value Y on Y %



(Source: Bloomberg)

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