

Fundamentals:

Hong Kong stocks dropped from an almost four-week high on concern surging crude-oil prices will undermine efforts by global central banks to combat inflation, adding to the risk of a recession.

The Hang Seng Index fell 0.6 per cent to 20,278.03 at the noon break after closing at its highest since March 7 a day earlier. The Hang Seng Tech Index slid 1.6 per cent, and the Shanghai Composite Index rose 0.2 per cent.

Trading was light before a public holiday on Wednesday, when the Hong Kong and mainland China markets will be closed. Trading volume on the city's exchange was about 20 per cent below the 30-day average for this time of the day, according to Bloomberg data.

Meituan slid 4.1 per cent to HK\$134.30, and Alibaba Group Holding lost 3.2 per cent to HK\$95.40. Chinese sportswear maker Li Ning slumped 5.8 per cent to HK\$57.20, and Wuxi Biologics lost 3.3 per cent to HK\$45.75. CNOOC advanced 2.4 per cent to HK\$12.22, and Semiconductor Manufacturing International Corp rallied 7 per cent to HK\$21.40, extending gains spurred by China's probe into Micron Technology.

Crude oil rose by as much as 0.6 per cent to US\$80.90 a barrel on Tuesday in New York after jumping by 6.3 per cent for the biggest gain in almost a year for the previous day. The upsurge was spurred by an unexpected decision by the Organisation of Petroleum Exporting Countries and its allies to cut daily output by more than 1 million barrels.

Rising crude has complicated the task of the Federal Reserve and the European Central Bank to curb rising prices. The Fed has backed off from aggressive interest-rate increases this year, raising benchmark borrowing costs by 25 basis points in the February and March meetings after inflation showed signs of easing and the collapse of Silicon Valley Bank roiled the financial markets.

An exodus of capital from Hong Kong is also weighing on sentiment. The Hong Kong Monetary Authority bought HK\$7.1 billion (US\$905 million) of the local currency in New York hours on Monday to defend its peg to the US dollar, its third intervention this year.

Four companies started trading on mainland China's exchanges. On the Shanghai bourse, Jiangsu HHCK Advanced Materials, a maker of semiconductor packaging materials, jumped 80 per cent to 63.10 yuan, and Shenzhen Intellifusion Technologies soared 129 per cent to 100.37 yuan. In Shenzhen, Shandong Keyuan Pharmaceutical dropped 12 per cent to 39 yuan, and Hangzhou Guotai Environmental Protection Technology slumped 12 per cent to 40.40 yuan.

Other major Asian markets almost all rose. Japan's Nikkei 225 climbed 0.2 per cent, while South Korea's Kospi rose 0.5 per cent and Australia's S&P/ASX 200 was little changed.

(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	-157	20302	20555	20159
H. SENG FUT MAY 23	-155	20275	20529	20142
H. SENG FUT JUN 23	-151	20221	20459	20080
H. SENG FUT SEP 23	-157	20302	20555	20159
MINI H. SENG FUT APR 23	-157	20302	20555	20158
MINI H. SENG FUT MAY 23	-155	20275	20525	20140
MINI H. SENG FUT JUN 23	-151	20221	20465	20080
MINI H. SENG FUT SEP 23	-157	20302	20555	20158
HSCEI FUT APR 23	-74	6887	6995	6832
HSCEI FUT MAY 23	-74	6906	6972	6854
HSCEI FUT JUN 23	-74	6878	6982	6844
HSCEI FUT SEP 23	-74	6887	6995	6832
MINI HSCEI FUT APR 23	-74	6887	6995	6833
MINI HSCEI FUT MAY 23	-74	6906	7009	6864
MINI HSCEI FUT JUN 23	-74	6878	6982	6825
MINI HSCEI FUT SEP 23	-74	6887	6995	6833

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	83.5	-0.1	85	83.35
**Tencent Holdings Ltd	385	-3.2	388.6	382.2
*HSBC Holdings PLC	54.65	0.45	54.8	53.8
**China Construction Bank Corp	5.1	0.01	5.13	5.06
**Ping An Insurance Group	50.7	-0.5	51.2	50.25
**Meituan	133.9	-6.1	137.7	132
*Hong Kong Exchanges & Clearing Ltd	343	-4.2	349.2	341.8
**Alibaba Group Holdings Ltd	95.65	-2.9	96.45	93.7
**Xiaomi Corp	11.98	-0.18	12.18	11.74
**ICBC	4.15	0.04	4.19	4.11

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	46.5	-0.8	47.1	45
**China Mobile Ltd	65.65	1.35	66.05	64.2
**Bank of China Ltd	3.03	0.02	3.04	3.01
*Techtronic Industries Co Ltd	85.9	-0.85	87.65	84.3
*CK Hutchison Holdings Ltd	49.65	0.65	49.8	48.8
*Link REIT	50.65	-0.15	50.95	50.2
*CLP Holding Ltd	57.05	0.35	57.2	56.55
**Geely Automobile Holdings Ltd	9.74	-0.32	10.08	9.51
**CNOOC Ltd	12.3	0.36	12.32	12.06
**ANTA Sports Products Ltd	109.5	-2.5	112.1	107.9

Global Equity Indices	Close	Change	High	Low
Hang Seng	20274.59	-134.59	20364.4	20126.9
HSCEI	6875.47	-64.98	6910.89	6817.94
Shanghai Comp Index	3312.56	16.162	3312.56	3290.992
Nikkei 225	28287.4	99.27	28287.4	28139.12
KOSPI	2480.51	8.17	2489.71	2472.79
S&P/ASX200	7236.02	13.006	7239	7211.5
DJIA	33402.4	-198.77	33634.7	33275.62
S&P 500	4100.6	-23.91	4133.13	4086.87
NASDAQ	12126.3	-63.12	12224.7	12081.81
DAX	15603.5	22.55	15736.6	15601.4
CAC	7344.96	-0.01	7399.59	7344.34
FTSE100	7634.52	-38.48	7726.85	7634.52

Technical Analysis

Mini Hang Seng

1st Resistance:	20607	2nd Resistance:	20911
1st Support:	19997	2nd Support:	19693
MACD:	-12.583		
MACD DIFF:	146.668		
RSI:	53.1387		

Mini Hang Seng China Enterprise

1st Resistance:	6990	2nd Resistance:	7094
1st Support:	6784	2nd Support:	6680
MACD:	12.915		
MACD DIFF:	52.041		
RSI:	52.9471		

Strategy:

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	19997	20197	19693	19890
		19897	19594	

	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	20607	20400	20911	20702
		20710	21016	

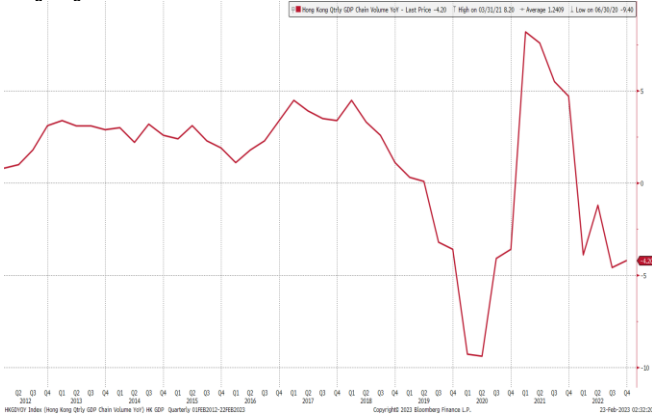
Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6784	6852	6680	6747
		6750	6647	

	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	6990	6920	7094	7023
		7025	7129	

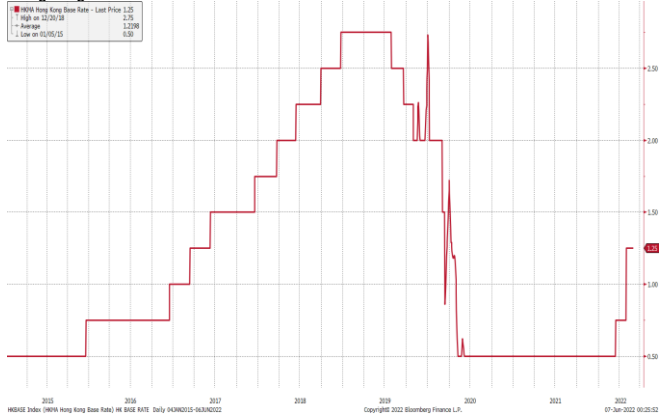
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
03/31/2023 16:30	Budget Balance HKD	Feb	--	15.6b	61.0b	--
04/06/2023 08:30	S&P Global Hong Kong PMI	Mar	--	--	53.9	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
04/06/2023 09:45	Caixin China PMI Composite	Mar	--	--	54.2	--
04/06/2023 09:45	Caixin China PMI Services	Mar	55	--	55	--
04/07/2023	Foreign Reserves	Mar	\$3158.00b	--	\$3133.15b	--
04/09/2023 04/15	Money Supply M2 YoY	Mar	12.70%	--	12.90%	--
04/09/2023 04/15	Money Supply M0 YoY	Mar	--	--	10.60%	--
04/09/2023 04/15	New Yuan Loans CNY	Mar	3285.0b	--	1810.0b	--
04/09/2023 04/15	Money Supply M1 YoY	Mar	--	--	5.80%	--
04/10/2023 04/15	Aggregate Financing CNY	Mar	4750.0b	--	3160.0b	3156.0b
04/11/2023 09:30	CPI YoY	Mar	1.20%	--	1.00%	--
04/11/2023 09:30	PPI YoY	Mar	-2.40%	--	-1.40%	--
04/11/2023 04/18	FDI YTD YoY CNY	Mar	--	--	6.10%	--

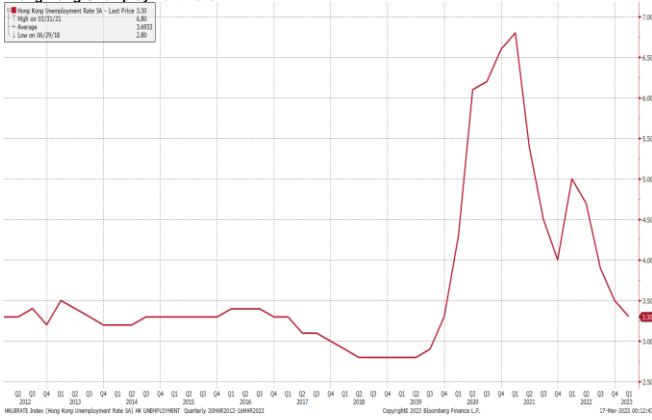
Hong Kong GDP Q on Q



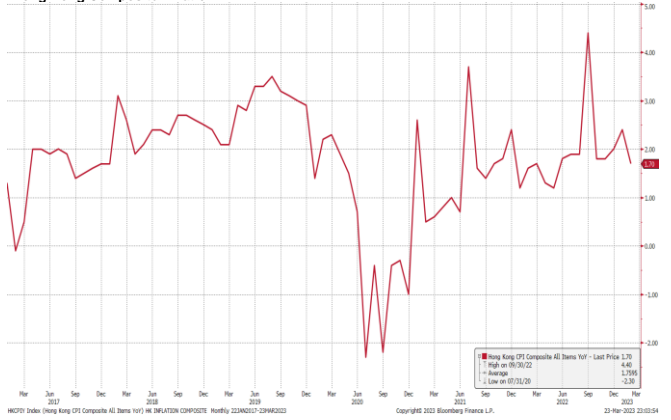
Hong Kong Base Interest Rate



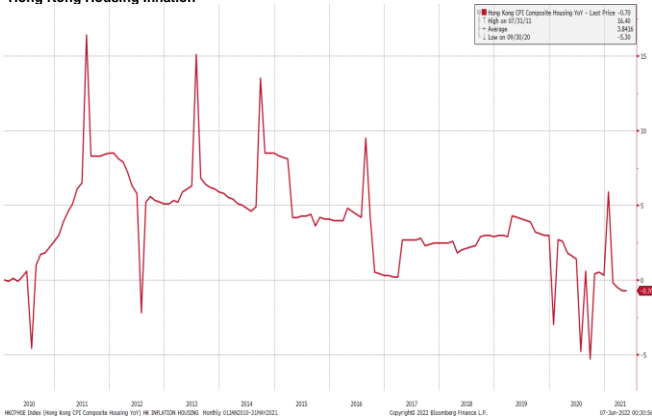
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail 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

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