

Fundamentals:

Hong Kong stocks fluctuated amid disappointing China economic data as investors worry the nation's post-Covid recovery is failing to gather steam.

The Hang Seng Index fell as much as 1.4 per cent before recovering to close little changed at 19,978.25 on Tuesday. The Tech Index added 0.8 per cent and the Shanghai Composite Index slipped 0.5 per cent.

Consumer brands led losses. Sportswear company Li Ning fell 2.3 per cent to HK\$50.30, while its peer Anta Sports retreated 1.2 per cent to HK\$91. Jeweller Chow Tai Fook lost 2.2 per cent to HK\$15.28, while instant noodle producer Tingyi fell 2.7 per cent to HK\$12.80.

Industrial production in April rose 5.6 per cent year on year, up from 3.5 per cent in the previous month, according to the National Bureau of Statistics. April retail sales jumped 18.4 per cent year on year, following the previous month's 10.6 per cent increase. Both data points came lower than the expectations of economists surveyed by Bloomberg.

With the economic data below expectations, there will be no positive pressure on short-term sentiment said Kenny Wen, KGI's head of strategy based in Hong Kong. Investors are waiting on more supportive government monetary policies, he added.

Meanwhile, Michael Burry, the money manager famous for predicting the 2008 housing crisis, has doubled his holdings in Alibaba Group Holding to US\$10 million and tripled his stake in JD.com to US\$11 million. Both holdings now account to 20 per cent of his stock portfolio.

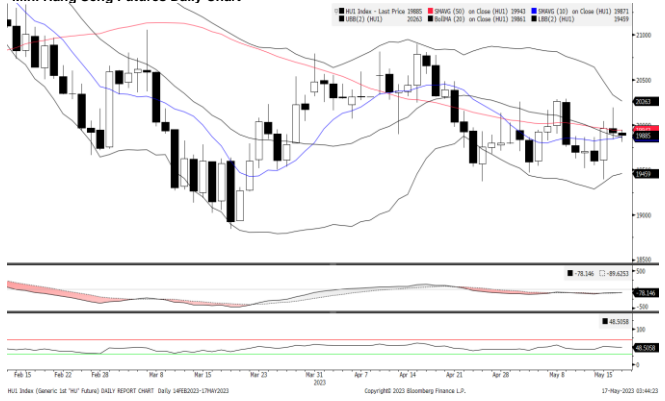
His bets led JD.com to jump 4 per cent to HK\$146.80, while Alibaba gained 0.4 per cent to HK\$85.75. Tencent rose 1.1 per cent to HK\$344.80, while Baidu jumped 2.8 per cent to HK\$124.30.

Two companies began trading in China. Chip maker Smarter Microelectronics Guang fell 9 per cent to 19 yuan in Shanghai. Metal hardware manufacturer Hwaway Technology jumped 7 per cent to 30 yuan in Shenzhen.

Asian markets were mixed. Japan's Nikkei 225 climbed 0.7 per cent and Australia's S&P/ASX 200 slipped 0.5 per cent, while South Korea's Kospi 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 MAY 23	-47	19912	20191	19840
H. SENG FUT JUN 23	-50	19851	20128	19790
H. SENG FUT SEP 23	-43	19751	20000	19718
H. SENG FUT DEC 23	-47	19912	20191	19840
MINI H. SENG FUT MAY 23	-47	19912	20191	19840
MINI H. SENG FUT JUN 23	-50	19851	20128	19784
MINI H. SENG FUT SEP 23	-43	19751	20020	19688
MINI H. SENG FUT DEC 23	-47	19912	20191	19840
HSCEI FUT MAY 23	-9	6783	6885	6754
HSCEI FUT JUN 23	-9	6749	6850	6722
HSCEI FUT SEP 23	-8	6687	6783	6682
HSCEI FUT DEC 23	-9	6783	6885	6754
MINI HSCEI FUT MAY 23	-9	6783	6885	6755
MINI HSCEI FUT JUN 23	-9	6749	6850	6725
MINI HSCEI FUT SEP 23	-8	6687	6782	6671
MINI HSCEI FUT DEC 23	-9	6783	6885	6755

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	81.2	-0.9	83.4	80.85
**Tencent Holdings Ltd	344.8	3.8	348	342.8
*HSBC Holdings PLC	59.7	0.45	60	59.5
**China Construction Bank Corp	5.36	-0.03	5.45	5.32
**Ping An Insurance Group	57.65	-0.4	58.5	57.2
**Meituan	137.4	1.1	139.8	137
*Hong Kong Exchanges & Clearing Ltd	311.8	-1.6	317.8	310.6
**Alibaba Group Holdings Ltd	85.75	0.3	86.8	84.95
**Xiaomi Corp	11.22	0.1	11.32	11.1
**ICBC	4.42	0	4.48	4.39

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	46.7	0.45	47	46.2
**China Mobile Ltd	65.7	-0.45	66.6	65.05
**Bank of China Ltd	3.27	-0.01	3.31	3.23
*Techtronic Industries Co Ltd	83.8	1.05	84.8	82.55
*CK Hutchison Holdings Ltd	51.5	-0.85	52.75	51.3
*Link REIT	50.7	0.2	51	50.4
*CLP Holding Ltd	60.8	-0.15	61.2	60.5
**Geely Automobile Holdings Ltd	9.73	-0.1	9.92	9.67
**CNOOC Ltd	12.94	0.06	13.06	12.84
**ANTA Sports Products Ltd	91	-1.15	93.6	90.6

Global Equity Indices	Close	Change	High	Low
Hang Seng	19978.25	7.12	20183.3	19891.49
HSCEI	6789.37	9.29	6854.66	6755.13
Shanghai Comp Index	3290.99	-19.75	3317.9	3282.492
Nikkei 225	29843	216.65	29916.6	29779.07
KOSPI	2480.24	0.89	2498.54	2474.9
S&P/ASX200	7234.69	-32.44	7278.7	7234.7
DJIA	33012.1	-336.46	33290.9	33006.19
S&P 500	4109.9	-26.38	4135.54	4109.86
NASDAQ	12343.1	-22.16	12403.8	12324.52
DAX	15897.9	-19.31	15968.4	15862.37
CAC	7406.01	-0.16	7427.57	7377.81
FTSE100	7751.08	-26.62	7804.93	7741.29

Technical Analysis

Mini Hang Seng

1st Resistance:	20211	2nd Resistance:	20509
1st Support:	19613	2nd Support:	19315
MACD:	-86.166		
MACD DIFF:	5.93807		
RSI:	49.0928		

Mini Hang Seng China Enterprise

1st Resistance:	6885	2nd Resistance:	6986
1st Support:	6681	2nd Support:	6580
MACD:	-18.185		
MACD DIFF:	7.883		
RSI:	50.9573		

Strategy:

Mini Hang Seng:			Mini Hang Seng China Enterprise:		
Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
19613	19809	19515	19315	19508	19218

Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
20211	20009	20312	20509	20304	20612

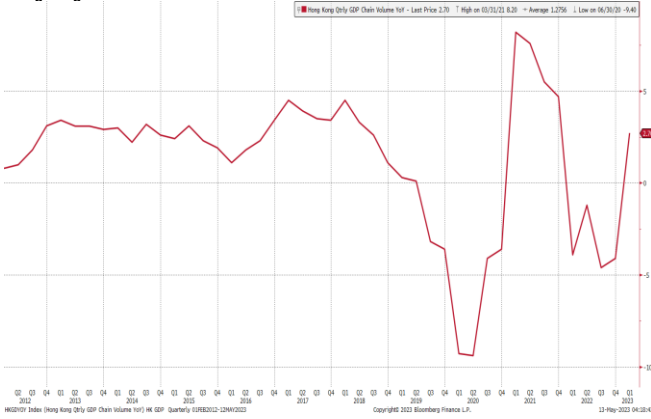
Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:
6681	6748	6648	6580	6645	6547

Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
6885	6816	6919	6986	6917	7021

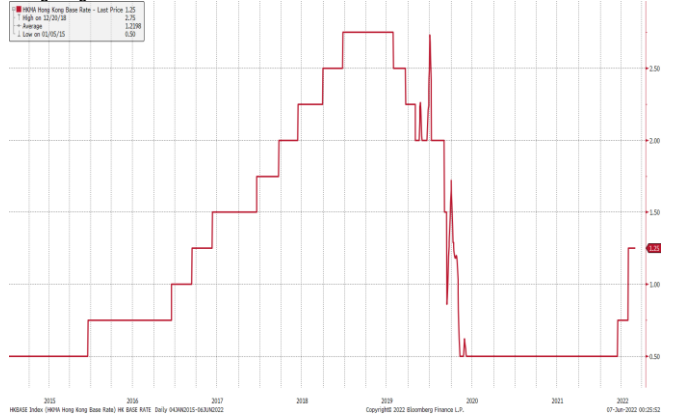
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
05/18/2023 16:30	Unemployment Rate SA	Apr	3.00%	--	3.10%	--
05/22/2023 16:30	CPI Composite YoY	Apr	--	--	1.70%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
05/16/2023 10:00	Industrial Production YoY	Apr	10.90%	5.60%	3.90%	--
05/16/2023 10:00	Industrial Production YTD YoY	Apr	4.90%	3.60%	3.00%	--
05/16/2023 10:00	Retail Sales YoY	Apr	21.90%	18.40%	10.60%	--
05/16/2023 10:00	Retail Sales YTD YoY	Apr	8.20%	8.50%	5.80%	--
05/16/2023 10:00	Fixed Assets Ex Rural YTD YoY	Apr	5.70%	4.70%	5.10%	--
05/16/2023 10:00	Property Investment YTD YoY	Apr	-5.70%	-6.20%	-5.80%	--
05/16/2023 10:00	Residential Property Sales YTD YoY	Apr	--	11.80%	7.10%	--
05/16/2023 10:00	Surveyed Jobless Rate	Apr	5.30%	5.20%	5.30%	--
05/16/2023 05/18	FDI YTD YoY CNY	Apr	--	--	4.90%	--
05/17/2023 09:30	New Home Prices MoM	Apr	--	--	0.44%	--
05/18/2023 09:00	Swift Global Payments CNY	Apr	--	--	2.26%	--
05/22/2023 09:15	5-Year Loan Prime Rate	May-22	4.30%	--	4.30%	--
05/22/2023 09:15	1-Year Loan Prime Rate	May-22	3.65%	--	3.65%	--

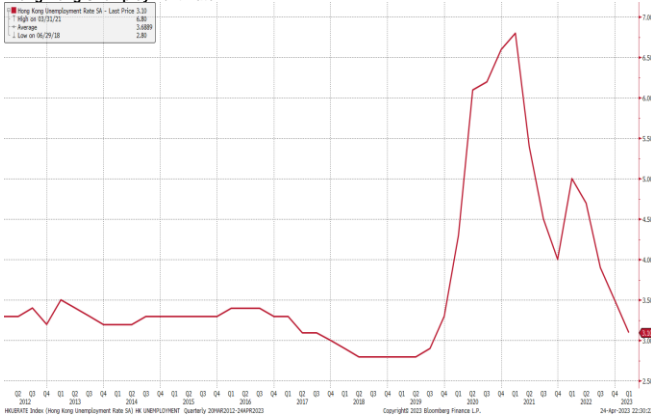
Hong Kong GDP Q on Q



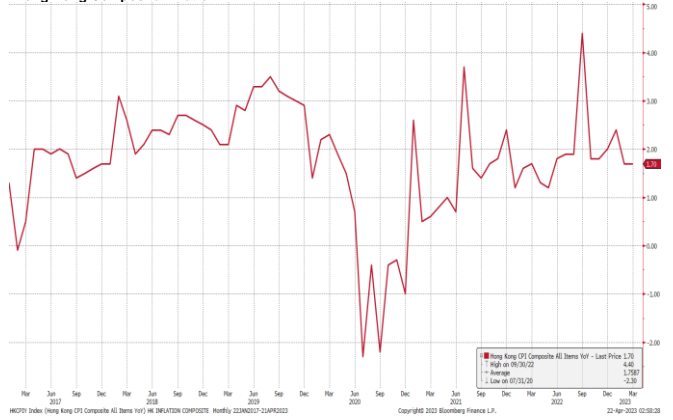
Hong Kong Base Interest Rate



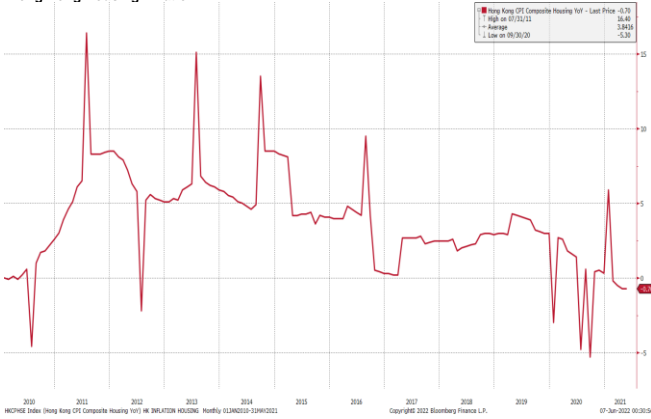
Hong Kong Unemployment Rate



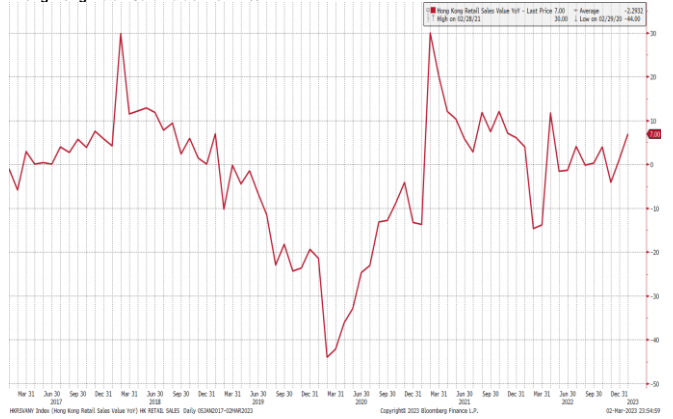
Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sales Value Y on Y %



(Source: Bloomberg)

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