

# Fundamentals:

Hong Kong stocks gained as investors anticipated more supportive government policy in the wake of weak economic data from China. Alibaba rose before its earnings release.

The Hang Seng Index gained 0.9 per cent to 19,727.25 at the close of trade on Thursday. The Tech Index added 1.2 per cent, and the Shanghai Composite Index slipped 0.1 per cent.

Alibaba rose 3.1 per cent to HK\$88.10, with its earnings report due later on Thursday. Baidu advanced 1.4 per cent to HK\$125.50, and NetEase gained 3.4 per cent to HK\$140.80. Semiconductor Manufacturing International Corp surged 3.2 per cent to HK\$21.05, China Life rose 3.9 per cent to HK\$15.04 and peer Ping An gained 2.6 per cent to HK\$56.55.

Recovery will strengthen gradually, driven by consumption and in turn by gains in labour income, according to Morgan Stanley in a research note released on Thursday. The report added that narrower growth would trigger a more supportive policy response from the government.

Meanwhile, Tencent fell 0.5 per cent to HK\$336.60 after profits came in below expectations, rising 10 percent to 25.8 billion yuan (US\$3.7 billion). Yet, revenue rose at the fastest pace in more than a year in the first quarter to 150 billion yuan, exceeding a consensus estimate of analysts polled by Bloomberg.

Two companies began trading in China. Defense technology manufacturer Aerospace Nanhu Electronic surged 27 per cent to 27 yuan in Shanghai. Household appliance manufacturer Guangdong Deerma Technology fell 3 per cent to 14 yuan in Shenzhen.

Most Asian markets gained. Japan's Nikkei 225 climbed 1.6 per cent, Australia's S&P/ASX 200 fell 0.5 per cent, while South Korea's Kospi rose 0.8 per cent.

(Source: South China Morning Post)

## HONG KONG INDEX FUTURES DAILY PREVIEW

Date Prepared : 19/May/2023

### Mini Hang Seng Futures Daily Chart



### Mini Hang Seng China Enterprise Futures Daily Chart



### Technical Analysis

#### Mini Hang Seng

1st Resistance:	19973	2nd Resistance:	20268
1st Support:	19383	2nd Support:	19088
MACD:	-111.438		
MACD DIFF:	-12.6856		
RSI:	45.4948		

#### Mini Hang Seng China Enterprise

1st Resistance:	6821	2nd Resistance:	6922
1st Support:	6619	2nd Support:	6518
MACD:	-24.730		
MACD DIFF:	1.060		
RSI:	48.3323		

### Strategy:

<b>Mini Hang Seng:</b>	Long: Profit target: 19383	Stop-loss: 19577	19286	Long: Profit target: 19088	Stop-loss: 19279	18992
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	Short: Profit target: 19973	Stop-loss: 19773	20073	Short: Profit target: 20268	Stop-loss: 20066	20370
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<b>Mini Hang Seng China Enterprise:</b>	Long: Profit target: 6619	Stop-loss: 6685	6586	Long: Profit target: 6518	Stop-loss: 6584	6486
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	Short: Profit target: 6821	Stop-loss: 6753	6855	Short: Profit target: 6922	Stop-loss: 6852	6956
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Contracts	Chg	Sett	High	Low
H. SENG FUT MAY 23	189	19678	19849	19448
H. SENG FUT JUN 23	194	19621	19790	19394
H. SENG FUT SEP 23	200	19523	19556	19338
H. SENG FUT DEC 23	189	19678	19849	19448
MINI H. SENG FUT MAY 23	189	19678	19848	19448
MINI H. SENG FUT JUN 23	194	19621	19789	19395
MINI H. SENG FUT SEP 23	200	19523	19690	19290
MINI H. SENG FUT DEC 23	189	19678	19848	19448
HSCEI FUT MAY 23	89	6720	6774	6619
HSCEI FUT JUN 23	89	6688	6740	6607
HSCEI FUT SEP 23	93	6630	6672	6604
HSCEI FUT DEC 23	89	6720	6774	6619
MINI HSCEI FUT MAY 23	89	6720	6774	6618
MINI HSCEI FUT JUN 23	89	6688	6739	6583
MINI HSCEI FUT SEP 23	93	6630	6679	6525
MINI HSCEI FUT DEC 23	89	6720	6774	6618

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	79.25	0.05	80.9	78.7
**Tencent Holdings Ltd	339.8	-3	343	329.4
*HSBC Holdings PLC	59.45	0.8	59.65	58.85
**China Construction Bank Corp	5.39	0.1	5.43	5.29
**Ping An Insurance Group	56.3	1.2	57.45	55.2
**Meituan	133.5	0.5	135.3	131.7
*Hong Kong Exchanges & Clearing Ltd	306	0.2	309.4	303
**Alibaba Group Holdings Ltd	87.75	2.3	89.2	87.25
**Xiaomi Corp	10.98	0.14	11.26	10.9
**ICBC	4.45	0.08	4.5	4.36

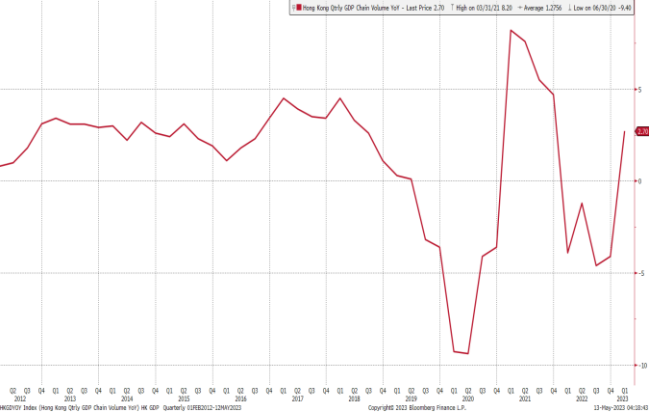
Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	43.6	-1.25	45.05	43.15
**China Mobile Ltd	65.6	1.25	66.6	64.5
**Bank of China Ltd	3.29	0.07	3.3	3.22
*Techtronic Industries Co Ltd	79.2	0.45	80.3	78.65
*CK Hutchison Holdings Ltd	51.05	0	51.75	50.95
*Link REIT	49.75	-0.3	50.8	49.55
*CLP Holding Ltd	59.1	-0.5	60.15	58.7
**Geely Automobile Holdings Ltd	9.46	-0.01	9.67	9.46
**CNOOC Ltd	12.82	0.12	12.98	12.74
**ANTA Sports Products Ltd	87.45	0.55	88.95	86.7

Global Equity Indices	Close	Change	High	Low
Hang Seng	19727.25	166.68	19894.2	19630.76
HSCEI	6715.56	78.9	6769.58	6668.78
Shanghai Comp Index	3297.32	13.088	3313.86	3284.168
Nikkei 225	30573.9	480.34	30667.1	30381.9
KOSPI	2515.4	20.74	2515.4	2500.01
S&P/ASX200	7236.78	37.542	7258.6	7199.2
DJIA	33535.9	115.14	33579.9	33212.09
S&P 500	4198.05	39.28	4202.2	4153.5
NASDAQ	12688.8	188.27	12698.5	12512.26
DAX	16163.4	212.06	16230.4	16069.42
CAC	7446.89	0.64	7481.78	7426.39
FTSE100	7742.3	19.07	7776.58	7723.23

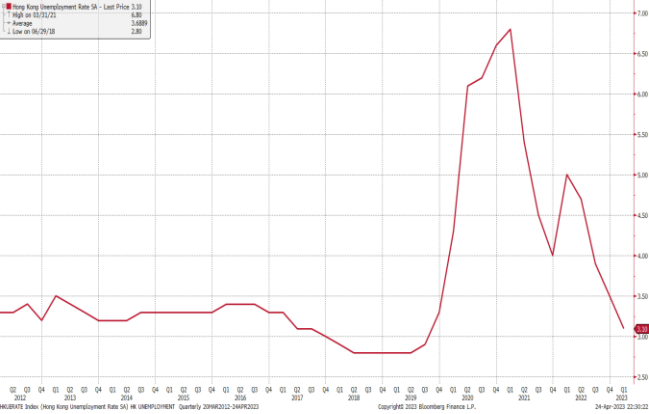
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
05/18/2023 16:30	Unemployment Rate SA	Apr	3.00%	--	3.10%	--
05/22/2023 16:30	CPI Composite YoY	Apr	--	--	1.70%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
05/17/2023 09:30	New Home Prices MoM	Apr	--	0.32%	0.44%	--
05/17/2023 15:52	FDI YTD YoY CNY	Apr	--	2.20%	4.90%	--
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%	--

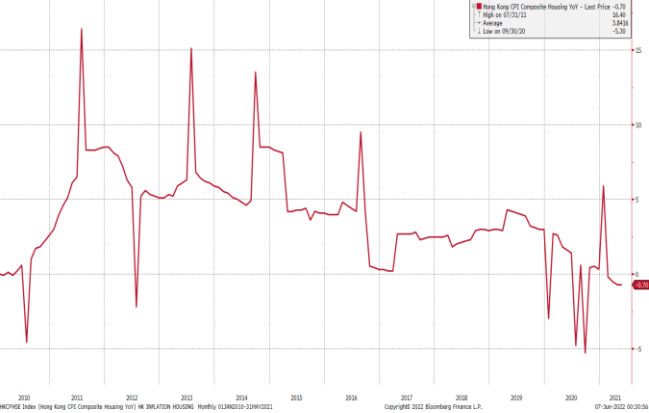
Hong Kong GDP Q on Q



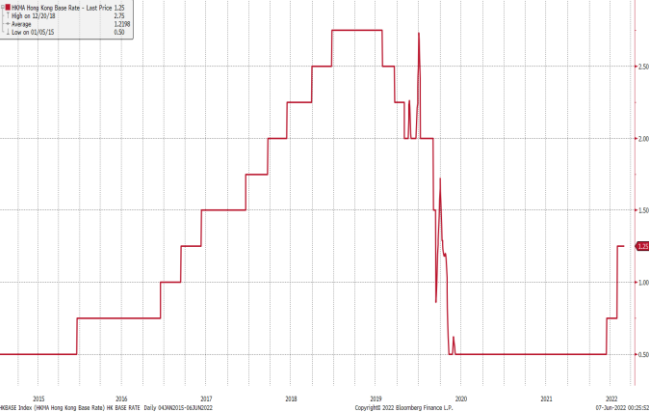
Hong Kong Unemployment Rate



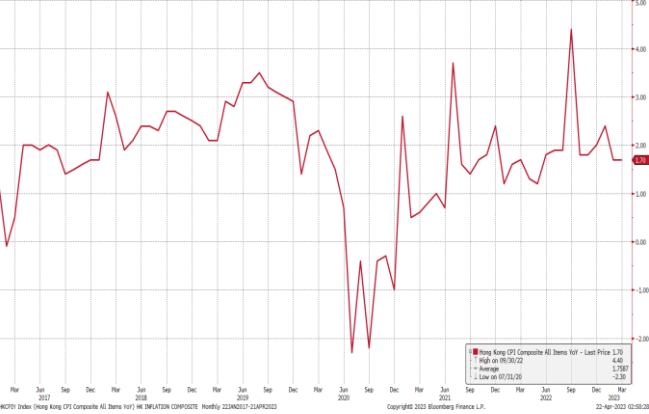
Hong Kong Housing Inflation



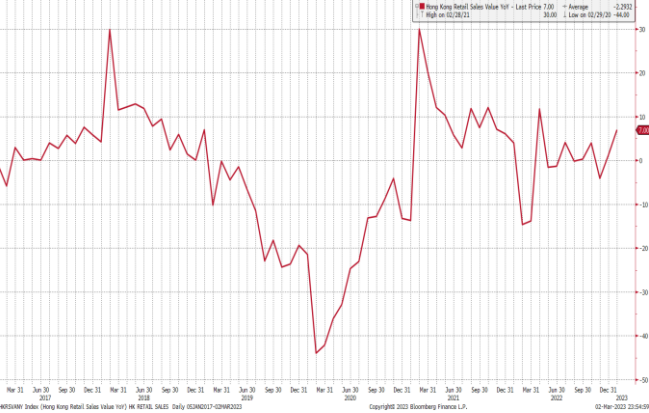
Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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