

Fundamentals:

Hong Kong stocks climbed from a two-month low on Monday as Beijing's ban on Micron Technology propelled a rally in Chinese chip makers.

The Hang Seng Index jumped 1.2 per cent to 19,678.17 at the close of trading, the biggest gain in a week. The Hang Seng Tech Index gained 2.1 per cent, and the Shanghai Composite Index, mainland China's benchmark, added 0.4 per cent.

Tencent Holdings climbed 2.1 per cent to HK\$340.20, Alibaba gained 1.4 per cent to HK\$83.60. Wuxi Biologics surged 5.7 per cent to HK\$44.55 and Alibaba Health jumped 4.7 per cent to HK\$4.90. Electric car maker BYD gained 3 per cent to HK\$251.40.

China's chip champion, Semiconductor Manufacturing International Corporation, jumped 1.2 per cent to HK\$21.05 while Hua Hong Semiconductor climbed 0.9 per cent to HK\$27.25 as traders piled in to local microchip firms.

In the latest flare-up of tensions between the two economic giants, the Chinese government said on Sunday that US memory chip company Micron Technology's products posed a national security risk and would be banned from sale to China's key information infrastructure operators.

Elsewhere, China's one-year loan prime rate (LPR) was kept unchanged at 3.65 per cent on Monday, according to the website of the Chinese central bank.

Meanwhile, Hong Kong Exchanges and Clearing (HKEX), operator of the city's bourse, said it will introduce yuan share trading from June 19. Securities traded through the new counters will be of the same class and their holdings will be transferable without a change in beneficial ownership, HKEX said.

Other major Asian markets were mixed early on Monday. South Korea's Kospi jumped 0.8 per cent and Japan's Nikkei 225 jumped 0.9 per cent, while Australia's S&P/ASX 200 rose retreated 0.2 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 MAY 23	293	19683	19782	19371
H. SENG FUT JUN 23	288	19630	19729	19330
H. SENG FUT SEP 23	303	19546	19629	19244
H. SENG FUT DEC 23	293	19683	19782	19371
MINI H. SENG FUT MAY 23	293	19683	19782	19372
MINI H. SENG FUT JUN 23	288	19630	19730	19320
MINI H. SENG FUT SEP 23	303	19546	19632	19240
MINI H. SENG FUT DEC 23	293	19683	19782	19372
HSCEI FUT MAY 23	114	6713	6749	6585
HSCEI FUT JUN 23	115	6683	6716	6558
HSCEI FUT SEP 23	116	6628	6660	6580
HSCEI FUT DEC 23	114	6713	6749	6585
MINI HSCEI FUT MAY 23	114	6713	6749	6586
MINI HSCEI FUT JUN 23	115	6683	6717	6555
MINI HSCEI FUT SEP 23	116	6628	6657	6501
MINI HSCEI FUT DEC 23	114	6713	6749	6586

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	79.95	1.05	81	78.85
**Tencent Holdings Ltd	340.2	7	344.4	328.2
*HSBC Holdings PLC	59.75	0.3	59.95	59.45
**China Construction Bank Corp	5.36	0.03	5.41	5.33
**Ping An Insurance Group	54.95	0.2	56.1	54.05
**Meituan	132.6	4	134	127.5
*Hong Kong Exchanges & Clearing Ltd	307.6	3.6	310.2	304
**Alibaba Group Holdings Ltd	83.6	1.15	85.1	81.4
**Xiaomi Corp	10.96	0.1	11.16	10.84
**ICBC	4.45	0.03	4.5	4.42

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	44.55	2.4	45.25	42.4
**China Mobile Ltd	67.15	0.75	67.85	66.35
**Bank of China Ltd	3.27	0.02	3.29	3.21
*Techtronic Industries Co Ltd	79.1	0.35	79.95	78.1
*CK Hutchison Holdings Ltd	51	-0.1	51.25	50.65
*Link REIT	49.4	-0.3	50	49.4
*CLP Holding Ltd	58.9	-0.05	59.2	58.4
**Geely Automobile Holdings Ltd	9.62	0.2	9.77	9.4
**CNOOC Ltd	12.9	0.12	13.04	12.74
**ANTA Sports Products Ltd	87.9	1.5	89.1	85.65

Global Equity Indices	Close	Change	High	Low
Hang Seng	19678.17	227.6	19806.4	19410.07
HSCEI	6693.64	99.72	6739.71	6581.56
Shanghai Comp Index	3296.47	12.927	3308.53	3276.54
Nikkei 225	31086.8	278.47	31086.8	30689.27
KOSPI	2557.08	19.29	2564.09	2533.5
S&P/ASX200	7263.25	-16.27	7285	7249.6
DJIA	33286.6	-140.05	33512.3	33207.85
S&P 500	4192.63	0.65	4209.22	4179.68
NASDAQ	12720.8	62.88	12756.2	12655.26
DAX	16224	-51.39	16267.9	16196.36
CAC	7478.16	-0.18	7493.38	7452.69
FTSE100	7770.99	14.12	7783.4	7750.53

Technical Analysis

Mini Hang Seng

1st Resistance:	19978	2nd Resistance:	20273
1st Support:	19388	2nd Support:	19093
MACD:	-127.963		
MACD DIFF:	-17.6212		
RSI:	46.8174		

Mini Hang Seng China Enterprise

1st Resistance:	6814	2nd Resistance:	6914
1st Support:	6612	2nd Support:	6512
MACD:	-30.194		
MACD DIFF:	-2.353		
RSI:	48.7302		

Strategy:

Mini Hang Seng:

Long: Profit target:	19388	19582	19291	Long: Profit target:	19093	19283	18997
Short: Profit target:	19978	19778	20078	Short: Profit target:	20273	20071	20375

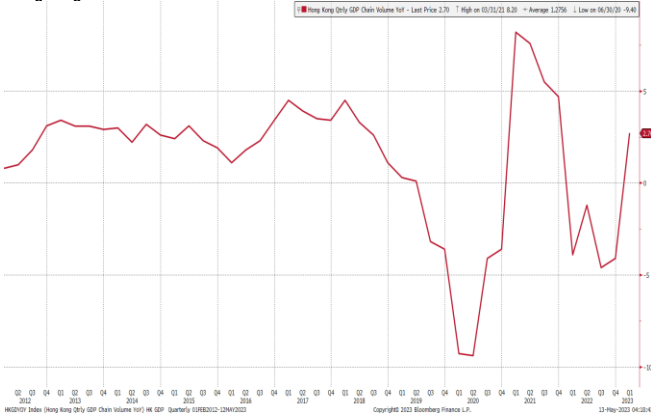
Mini Hang Seng China Enterprise:

Long: Profit target:	6612	6678	6579	Long: Profit target:	6512	6577	6479
Short: Profit target:	6814	6746	6848	Short: Profit target:	6914	6845	6949

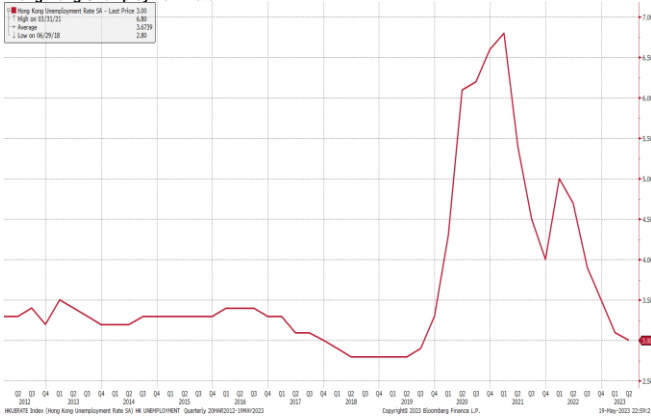
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
05/22/2023 16:30	CPI Composite YoY	Apr	2.00%	2.10%	1.70%	--
05/29/2023 16:30	Exports YoY	Apr	--	--	-1.50%	--
05/29/2023 16:30	Imports YoY	Apr	--	--	-0.60%	--
05/29/2023 16:30	Trade Balance HKD	Apr	--	--	-40.6b	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
05/22/2023 09:15	5-Year Loan Prime Rate	May-22	4.30%	4.30%	4.30%	--
05/22/2023 09:15	1-Year Loan Prime Rate	May-22	3.65%	3.65%	3.65%	--
05/25/2023 10:00	Bloomberg May China Economic Survey					
05/27/2023 09:30	Industrial Profits YTD YoY	Apr	--	--	-21.40%	--

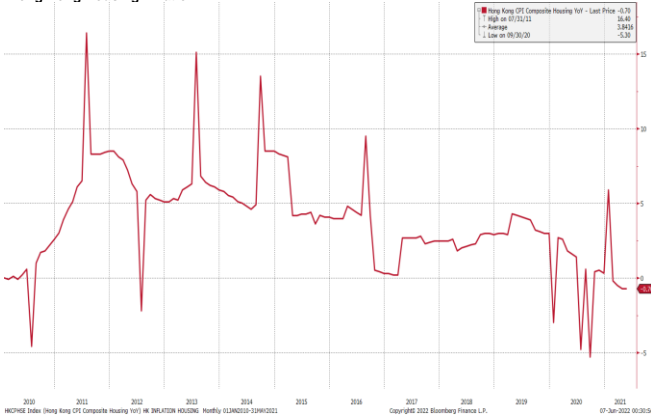
Hong Kong GDP Q on Q



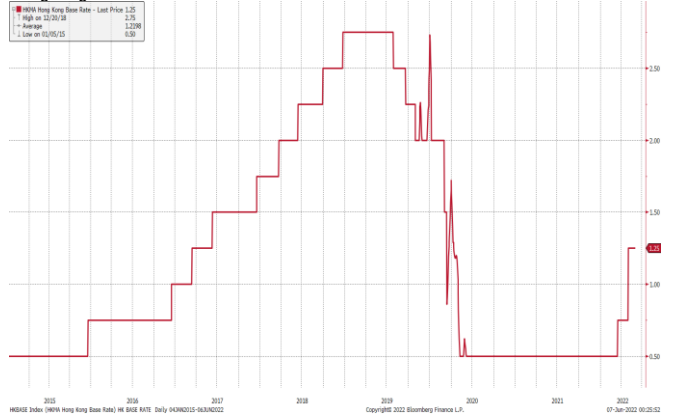
Hong Kong Unemployment Rate



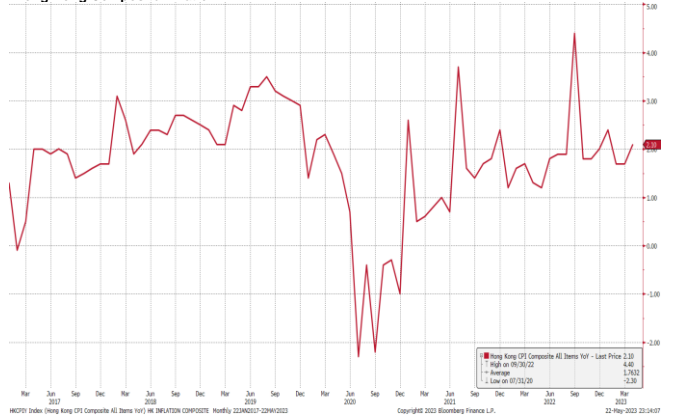
Hong Kong Housing Inflation



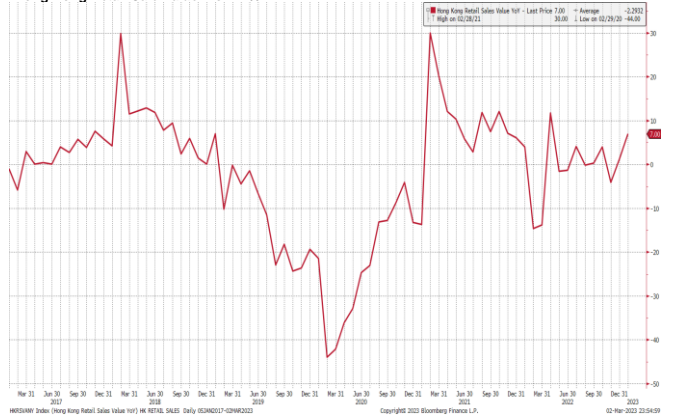
Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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