

Fundamentals:

Hong Kong stocks rose from a one-week low as traders cheered the prospect of an imminent pause to interest-rate hikes. Strong May Day holiday spending also aided sentiment as markets in mainland China reopened. ICBC led a rally in banks.

The Hang Seng Index increased 1.3 per cent to 19,948.73 at the close of Thursday trading. The Tech Index added 0.6 per cent while the Shanghai Composite Index added 0.8 per cent from the level on April 28.

Alibaba Group added 0.4 per cent to HK\$80.70 while Meituan gained 0.5 per cent to HK\$132 and JD.com climbed 2.4 per cent to HK\$137.50. Henderson Land appreciated 1.3 per cent to HK\$28.20, while Sun Hung Kai Properties jumped 2 per cent to HK\$108.90 and New World Development rose 1.2 per cent to HK\$20.70.

China's biggest lender ICBC soared 5 per cent to HK\$4.37 while Bank of China (Hong Kong) surged 4.2 per cent to HK\$3.24 and Construction Bank rallied 4.1 per cent to HK\$5.36.

The Federal Reserve lifted its target rate by a quarter point, as expected and hinted it may be done for now. It did not mention the need for further tightening as appropriate, which was previously noted in its March statement, following growing concerns about regional bank failures in the US this year.

The Hong Kong Monetary Authority raised its base rate in lockstep to 5.5 per cent, and also intervened to defend the local currency peg by buying HK\$4.67 billion and selling the equivalent of US\$595 million on Wednesday amid worries about capital outflows.

Limiting gains, Budweiser slumped 4.3 per cent to HK\$22.30 after reporting a flattish first-quarter earnings as margins shrank despite higher volume sales. Macau casino operators tumbled, with Galaxy Entertainment retreating 1.7 per cent to HK\$54.70.

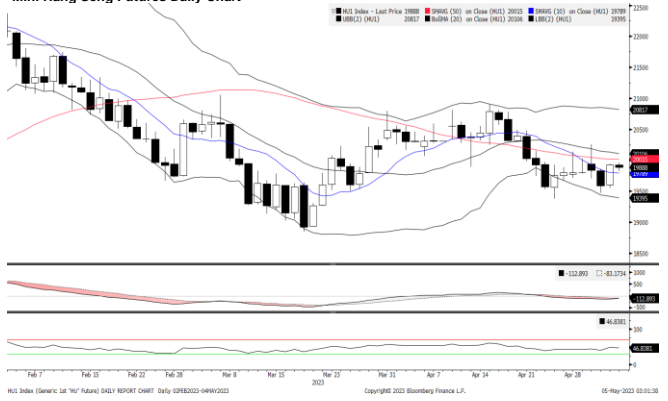
Onshore Chinese equities strengthened as trading resumed after the "golden week" holiday, with data showing a strong rebound in post-reopening consumption. The disconnect underlined the frustration among money managers, with many questioning the strength of China's recovery.

Domestic visitors increased to 119 per cent over the same holiday in 2019, and was much stronger than the jump during the Lunar New Year in January, Goldman Sachs said citing government data. Retail sales value of major retail and catering companies rose about 19 per cent, while intracity subway ridership in large cities was more than a fifth higher than year-ago levels, the US investment bank said.

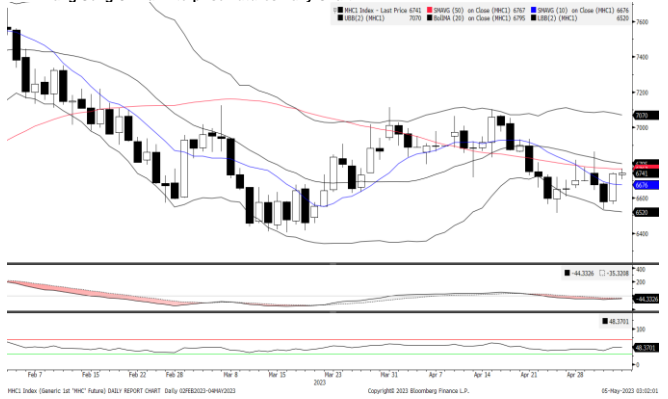
Major Asian markets traded lower. The Kospi in South Korea fell less than 0.1 per cent while the S&P/ASX 200 in Australia weakened 0.1 per cent. Markets in Japan were closed for a public holiday.

(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	331	19922	19942	19545
H. SENG FUT JUN 23	327	19856	19874	19517
H. SENG FUT SEP 23	336	19743	19748	19370
H. SENG FUT DEC 23	331	19922	19942	19545
MINI H. SENG FUT MAY 23	331	19922	19943	19546
MINI H. SENG FUT JUN 23	327	19856	19877	19495
MINI H. SENG FUT SEP 23	336	19743	19750	19390
MINI H. SENG FUT DEC 23	331	19922	19943	19546
HSCEI FUT MAY 23	159	6738	6743	6564
HSCEI FUT JUN 23	157	6708	6710	6566
HSCEI FUT SEP 23	159	6637	6635	6555
HSCEI FUT DEC 23	159	6738	6743	6564
MINI HSCEI FUT MAY 23	159	6738	6744	6565
MINI HSCEI FUT JUN 23	157	6708	6712	6540
MINI HSCEI FUT SEP 23	159	6637	6611	6469
MINI HSCEI FUT DEC 23	159	6738	6744	6565

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	84.45	-0.05	84.75	82.9
**Tencent Holdings Ltd	337.8	-1.6	343.6	333
*HSBC Holdings PLC	58.65	-0.2	59.05	58.2
**China Construction Bank Corp	5.36	0.21	5.36	5.15
**Ping An Insurance Group	59.25	4.25	59.25	54.75
**Meituan	132	0.7	133.5	130.4
*Hong Kong Exchanges & Clearing Ltd	321.8	1.8	324.2	318.8
**Alibaba Group Holdings Ltd	80.7	0.35	81.45	80.35
**Xiaomi Corp	10.94	0.1	11.14	10.82
**ICBC	4.37	0.21	4.39	4.16

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	46.85	1.2	47.85	46
**China Mobile Ltd	68.45	1.6	69	66.8
**Bank of China Ltd	3.24	0.13	3.24	3.1
*Techtronic Industries Co Ltd	83.95	0.95	84.5	82.9
*CK Hutchison Holdings Ltd	54.45	1.8	54.55	52.6
*Link REIT	51.25	0.5	51.4	50.6
*CLP Holding Ltd	58.8	0.4	58.9	58.3
**Geely Automobile Holdings Ltd	9.59	0.19	9.72	9.42
**CNOOC Ltd	12.38	0.16	12.44	11.92
**ANTA Sports Products Ltd	93.7	0.6	94.35	92.45

Global Equity Indices	Close	Change	High	Low
Hang Seng	19948.73	249.57	19979.8	19695.73
HSCEI	6718.8	129.45	6729.85	6598.83
Shanghai Comp Index	3350.46	27.184	3352.75	3302.028
Nikkei 225	0	0	0	0
KOSPI	2500.94	-0.46	2502.14	2486.09
S&P/ASX200	7193.11	-4.295	7201.7	7141.8
DJIA	33127.7	-286.5	33354.9	32937.5
S&P 500	4061.22	-29.53	4082.61	4048.28
NASDAQ	11966.4	-58.93	12033.2	11925.37
DAX	15734.2	-80.82	15796.7	15662.32
CAC	7340.77	-0.85	7393.02	7316.14
FTSE100	7702.64	-85.73	7788.37	7691.25

Technical Analysis

Mini Hang Seng

1st Resistance:	20221	2nd Resistance:	20520
1st Support:	19623	2nd Support:	19324
MACD:	-120.102		
MACD DIFF:	-44.4625		
RSI:	47.5312		

Mini Hang Seng China Enterprise

1st Resistance:	6839	2nd Resistance:	6940
1st Support:	6637	2nd Support:	6536
MACD:	-49.706		
MACD DIFF:	-16.672		
RSI:	48.1965		

Strategy:

Mini Hang Seng:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	19623	19819	19525	19324

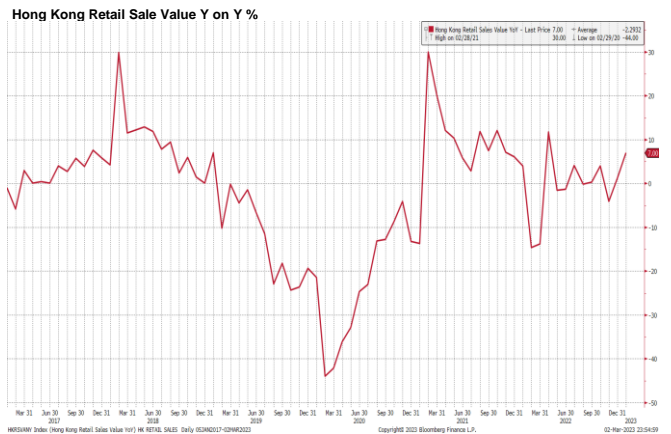
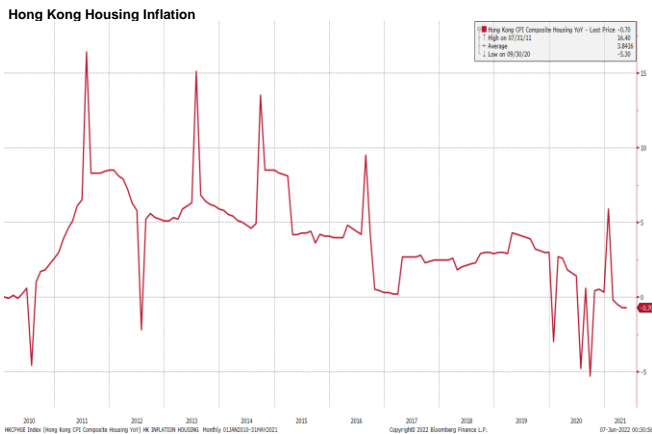
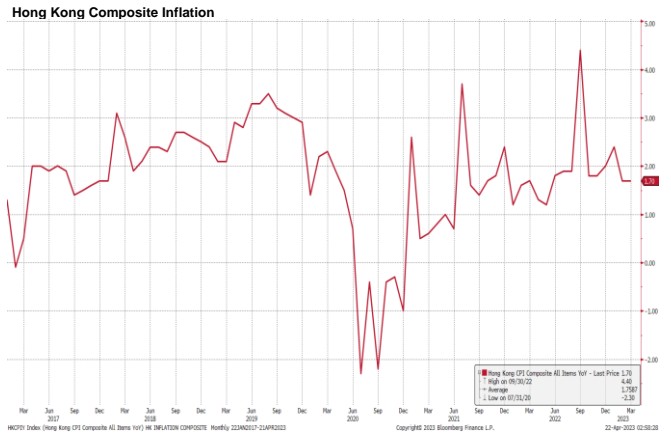
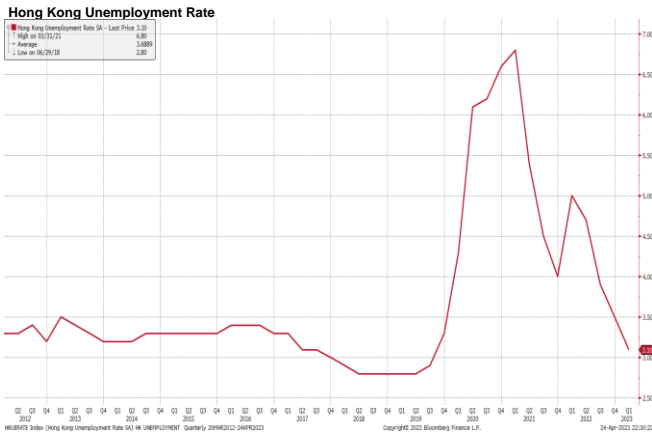
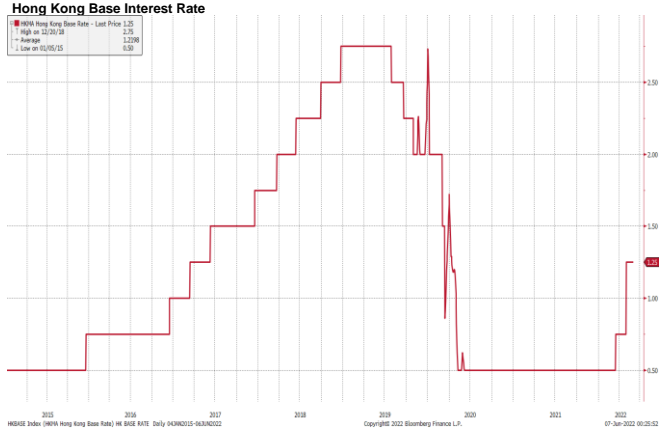
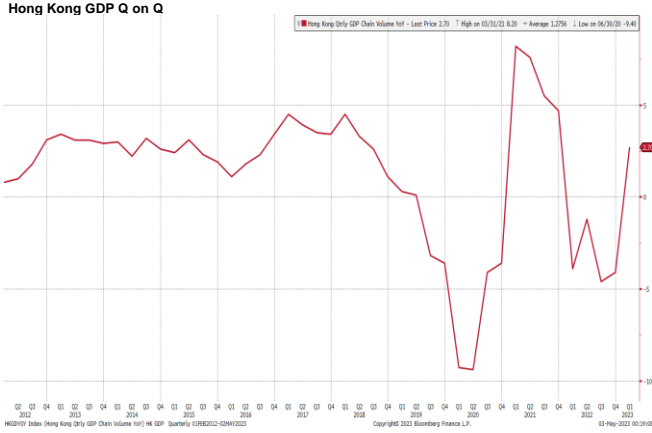
	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	20221	20019	20322	20520

Mini Hang Seng China Enterprise:	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:
	6637	6703	6604	6536

	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
	6839	6771	6873	6940

Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
05/04/2023 08:30	S&P Global Hong Kong PMI	Apr	--	52.4	53.5	--
05/04/2023 16:30	Retail Sales Value YoY	Mar	41.20%	40.90%	31.30%	--
05/04/2023 16:30	Retail Sales Volume YoY	Mar	35.50%	39.40%	29.60%	--
05/05/2023	Foreign Reserves	Apr	--	--	\$430.7b	--
05/12/2023 16:30	GDP YoY	1Q F	--	--	2.70%	--
05/12/2023 16:30	GDP SA QoQ	1Q F	--	--	5.30%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
05/04/2023 09:45	Caixin China PMI Mfg	Apr	50	49.5	50	--
05/05/2023 09:45	Caixin China PMI Composite	Apr	--	--	54.5	--
05/05/2023 09:45	Caixin China PMI Services	Apr	57	--	57.8	--
05/07/2023	Foreign Reserves	Apr	\$3192.00b	--	\$3183.87b	--
05/09/2023	Exports YoY	Apr	10.10%	--	14.80%	--
05/09/2023	Imports YoY	Apr	-0.30%	--	-1.40%	--
05/09/2023	Trade Balance	Apr	\$74.30b	--	\$88.19b	--
05/09/2023	Exports YoY CNY	Apr	--	--	23.40%	--
05/09/2023	Imports YoY CNY	Apr	--	--	6.10%	--
05/09/2023	Trade Balance CNY	Apr	--	--	601.01b	--
05/09/2023 05/15	Aggregate Financing CNY	Apr	2000.0b	--	5380.0b	--
05/09/2023 05/15	Money Supply M2 YoY	Apr	12.50%	--	12.70%	--
05/09/2023 05/15	Money Supply M0 YoY	Apr	--	--	11.00%	--
05/09/2023 05/15	New Yuan Loans CNY	Apr	1375.0b	--	3890.0b	--
05/09/2023 05/15	Money Supply M1 YoY	Apr	5.10%	--	5.10%	--



(Source: Bloomberg)

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.