

Fundamentals:

Hong Kong stocks rose for a third day, lifting the benchmark index to near a seven-week high and technically entering a bull market amid signs of thawing in China-US relations and growing optimism Beijing will roll out more measures to revive the economy.

The Hang Seng Index climbed 4.1 per cent to 18,343.12 at the close, its highest level since September 21. The Tech Index surged 7.3 per cent, and the Shanghai Composite Index added 1.6 per cent.

Tencent Holdings jumped 11 per cent to HK\$288 and Alibaba Group surged by the same percentage to HK\$78.90 before both companies announce their third-quarter results later this week. Macau casino operator Sands China advanced 6.1 per cent to HK\$19.68 and Ping An Insurance climbed 5.4 per cent to HK\$44.15 while HSBC added 2.4 per cent to HK\$44.70.

The US said it will resume cooperation with China on areas ranging from climate change to food security following the first in-person meeting between President Joe Biden and his counterpart Xi Jinping in Bali on Monday. The US will also send Secretary of State Anthony Blinken to visit China to further warm bilateral ties.

Separately, China's banking regulator said on Monday the nation's developers will be allowed to use some of their presale funds in escrow accounts to keep their operations afloat, adding to measures to tackle a liquidity crunch that has been plaguing the industry over the past two years.

The Hang Seng Index has risen 25 per cent from an October low, pushing blue-chip stocks into bull-market territory as it became the top performer among global benchmark stock indices, according to Bloomberg data. The rally contributed to a US\$665 billion recovery in the city's market capitalisation.

China on Friday announced a reduction of the mandatory quarantine period for travellers, while the central bank encouraged more lending to property developers in a 16-point plan to rescue the beleaguered sector.

Property management firm Country Garden Services surged 18 per cent to HK\$19.74, and China Vanke added 2.5 per cent to HK\$14.18. Longfor Group gained 1.7 per cent to HK\$21.55 while China Overseas Land and Investment rose 1.3 per cent to HK\$20.30.

Elsewhere, traders shrugged off reports today showing China's key October economic data trailing analysts' estimates. Industrial production increased 5 per cent from a year earlier, falling short of the 5.3 per cent consensus estimate. Retail sales fell 0.5 per cent, missing the forecast of a 0.7 per cent gain.

Developer Country Garden missed the bounce. The stock eased 1.8 per cent to HK\$3.20, trimming a decline of as much as 15 per cent after proposing a stock placement at a deep discount to raise HK\$3.87 billion (US\$493 million) to help repay offshore debts.

New Huo Technology Holdings rebounded 0.3 per cent to HK\$3.53, halting a 14 per cent from the previous day. The digital assets firm has US\$18.1 million of cryptocurrencies deposited with FTX, and warned it may not get its money back from the cryptocurrency exchange which has collapsed in the world's largest crypto-related bankruptcy in history, it said in an exchange filing on Monday.

Other major Asian markets were mixed. Japan's Nikkei 225 added 0.1 per cent per cent and South Korea's Kospi closed 0.2 per cent higher, while Australia's S&P/ASX 200 lost 0.1 per cent.

(Source: South China Morning Post)

Mini Hang Seng Futures Daily Chart



Mini Hang Seng China Enterprise Futures Daily Chart



Technical Analysis

Mini Hang Seng

1st Resistance: 18599 2nd Resistance: 18874
 1st Support: 18049 2nd Support: 17774
 MACD: 111.000
 MACD DIFF: 369.787
 RSI: 65.1773

Mini Hang Seng China Enterprise

1st Resistance: 6359 2nd Resistance: 6453
 1st Support: 6171 2nd Support: 6077
 MACD: 30.907
 MACD DIFF: 131.819
 RSI: 64.655

Strategy:

Mini Hang Seng: Long: Profit target: 18049 Stop-loss: 18230 17959 Long: Profit target: 17774 Stop-loss: 17952 17685

Short: Profit target: 18599 Stop-loss: 18413 18692 Short: Profit target: 18874 Stop-loss: 18685 18968

Mini Hang Seng China Enterprise: Long: Profit target: 6171 Stop-loss: 6233 6140 Long: Profit target: 6077 Stop-loss: 6138 6047

Short: Profit target: 6359 Stop-loss: 6295 6391 Short: Profit target: 6453 Stop-loss: 6388 6485

| Contracts | Chg | Sett | High | Low |
|-------------------------|-----|-------|-------|-------|
| H. SENG FUT NOV 22 | 638 | 18324 | 18382 | 17559 |
| H. SENG FUT DEC 22 | 647 | 18383 | 18445 | 17645 |
| H. SENG FUT MAR 23 | 659 | 18536 | 18585 | 17800 |
| H. SENG FUT JUN 23 | 669 | 18474 | 18505 | 17795 |
| MINI H. SENG FUT NOV 22 | 638 | 18324 | 18382 | 17558 |
| MINI H. SENG FUT DEC 22 | 647 | 18383 | 18449 | 17633 |
| MINI H. SENG FUT MAR 23 | 659 | 18536 | 18592 | 17788 |
| MINI H. SENG FUT JUN 23 | 669 | 18474 | 18529 | 17707 |
| HSCEI FUT NOV 22 | 264 | 6265 | 6292 | 5956 |
| HSCEI FUT DEC 22 | 264 | 6287 | 6307 | 5980 |
| HSCEI FUT MAR 23 | 267 | 6372 | 6379 | 6078 |
| HSCEI FUT JUN 23 | 268 | 6358 | 6345 | 6124 |
| MINI HSCEI FUT NOV 22 | 264 | 6265 | 6291 | 5956 |
| MINI HSCEI FUT DEC 22 | 264 | 6287 | 6310 | 5980 |
| MINI HSCEI FUT MAR 23 | 267 | 6372 | 6391 | 6061 |
| MINI HSCEI FUT JUN 23 | 268 | 6358 | 6365 | 6051 |

| Major HSI Constituent Stocks | Close | Change | High | Low |
|-------------------------------------|-------|--------|-------|-------|
| *AIA Group Ltd | 75.8 | 0.1 | 76.85 | 75.4 |
| **Tencent Holdings Ltd | 288 | 27.4 | 288.2 | 258.2 |
| *HSBC Holdings PLC | 44.7 | 1.05 | 44.7 | 43.8 |
| **China Construction Bank Corp | 4.65 | 0.09 | 4.66 | 4.57 |
| **Ping An Insurance Group | 44.15 | 2.25 | 44.2 | 42 |
| **Meituan | 166.4 | 9.9 | 170.3 | 153.6 |
| *Hong Kong Exchanges & Clearing Ltd | 309.2 | 17.4 | 309.4 | 289.4 |
| **Alibaba Group Holdings Ltd | 78.9 | 7.85 | 80.85 | 69.75 |
| **Xiaomi Corp | 10.9 | 0.52 | 10.9 | 10.18 |
| **ICBC | 3.77 | 0.08 | 3.78 | 3.69 |

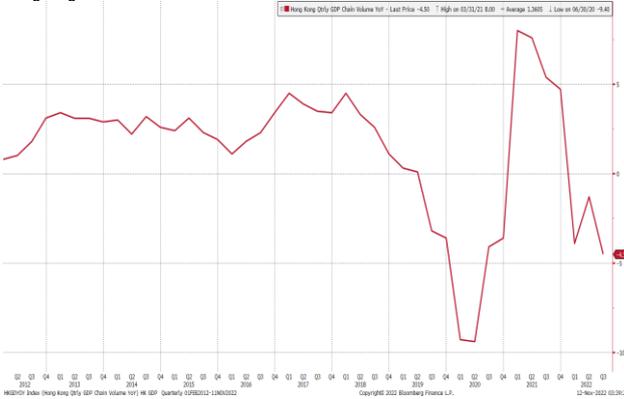
| Major HSCEI Constituent Stocks | Close | Change | High | Low |
|---------------------------------|-------|--------|-------|-------|
| *Wuxi Biologics Cayman Inc | 54 | 2.45 | 54.75 | 50.05 |
| **China Mobile Ltd | 49.3 | 0.35 | 49.85 | 48.9 |
| **Bank of China Ltd | 2.69 | 0.04 | 2.71 | 2.65 |
| *Techtronic Industries Co Ltd | 96.5 | 1.8 | 96.5 | 92.45 |
| *CK Hutchison Holdings Ltd | 44.15 | 1.75 | 44.2 | 42.5 |
| *Link REIT | 56.5 | 1.5 | 56.85 | 55.7 |
| *CLP Holding Ltd | 57.65 | 0.5 | 57.7 | 56.9 |
| **Geely Automobile Holdings Ltd | 11.42 | 0.88 | 11.56 | 10.34 |
| **CNOOC Ltd | 10.48 | 0.16 | 10.5 | 10.22 |
| **ANTA Sports Products Ltd | 87.4 | 2.25 | 88.1 | 84 |

| Global Equity Indices | Close | Change | High | Low |
|-----------------------|----------|--------|---------|----------|
| Hang Seng | 18343.12 | 723.41 | 18356.8 | 17552.3 |
| HSCEI | 6269.29 | 289.49 | 6276.58 | 5945.6 |
| Shanghai Comp Index | 3134.08 | 50.677 | 3135.59 | 3074.498 |
| Nikkei 225 | 27990.2 | 26.7 | 28038.6 | 27903.27 |
| KOSPI | 2480.33 | 5.68 | 2485.2 | 2463.65 |
| S&P/ASX200 | 7141.63 | -4.711 | 7146.3 | 7114.2 |
| DJIA | 33592.9 | 56.22 | 33987.1 | 33320.2 |
| S&P 500 | 3991.73 | 34.48 | 4028.84 | 3953.17 |
| NASDAQ | 11358.4 | 162.19 | 11492.6 | 11241.15 |
| DAX | 14378.5 | 65.21 | 14440.8 | 14266.42 |
| CAC | 6641.66 | 0.49 | 6684.09 | 6621.82 |
| FTSE100 | 7369.44 | -15.73 | 7413.01 | 7344.85 |

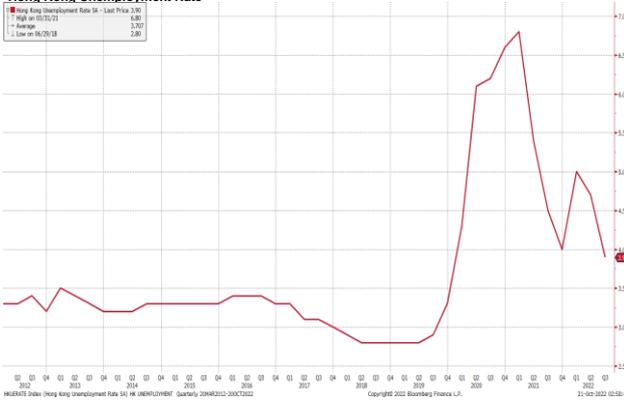
| Hong Kong Economic Releases | | Period | Survey | Actual | Prior | Revised |
|-----------------------------|--|--------|--------|--------|-------|---------|
| 11/17/2022 16:30 | Unemployment Rate SA | Oct | 3.80% | -- | 3.90% | -- |
| 11/18/2022 14:00 | Bloomberg Nov. Hong Kong Economic Survey | | | | | |
| 11/21/2022 16:30 | CPI Composite YoY | Oct | -- | -- | 4.40% | -- |

| China Economic Releases | | Period | Survey | Actual | Prior | Revised |
|-------------------------|---------------------------------------|--------|---------|---------|---------|---------|
| 11/15/2022 09:20 | 1-Yr Medium-Term Lending Facility Ra | Nov-15 | 2.75% | 2.75% | 2.75% | -- |
| 11/15/2022 09:20 | 1-Yr Medium-Term Lending Facilities V | Nov-15 | 1000.0b | 850.0b | 500.0b | -- |
| 11/15/2022 10:00 | Industrial Production YoY | Oct | 5.30% | 5.00% | 6.30% | -- |
| 11/15/2022 10:00 | Industrial Production YTD YoY | Oct | 4.00% | 4.00% | 3.90% | -- |
| 11/15/2022 10:00 | Retail Sales YoY | Oct | 0.70% | -0.50% | 2.50% | -- |
| 11/15/2022 10:00 | Retail Sales YTD YoY | Oct | 0.80% | 0.60% | 0.70% | -- |
| 11/15/2022 10:00 | Fixed Assets Ex Rural YTD YoY | Oct | 5.90% | 5.80% | 5.90% | -- |
| 11/15/2022 10:00 | Property Investment YTD YoY | Oct | -8.30% | -8.80% | -8.00% | -- |
| 11/15/2022 10:00 | Residential Property Sales YTD YoY | Oct | -- | -28.20% | -28.60% | -- |
| 11/15/2022 10:00 | Surveyed Jobless Rate | Oct | 5.50% | 5.50% | 5.50% | -- |
| 11/15/2022 16:38 | FX Net Settlement - Clients CNY | Oct | -- | -83.3b | 48.3b | -- |

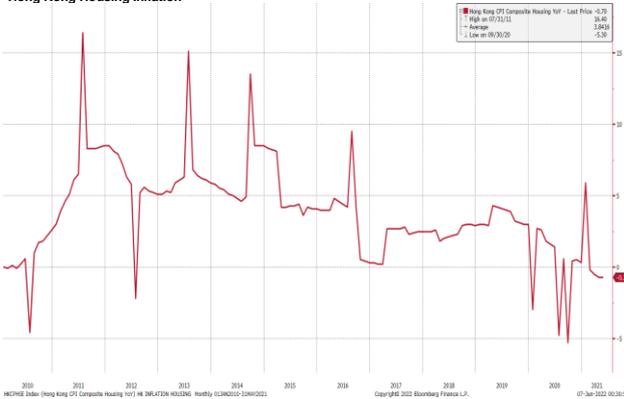
Hong Kong GDP Q on Q



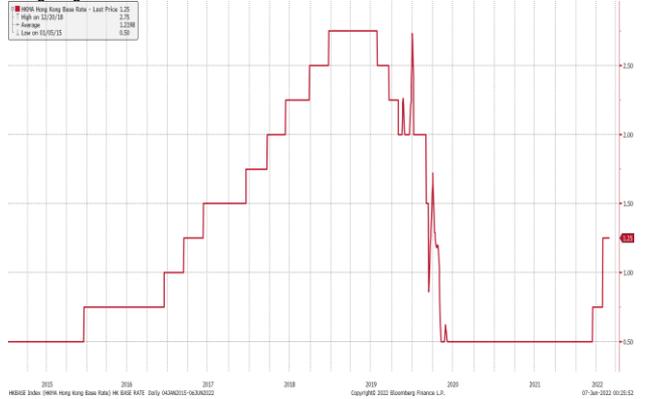
Hong Kong Unemployment Rate



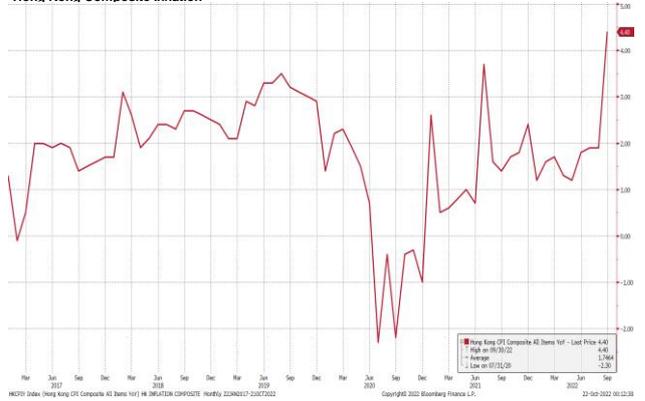
Hong Kong Housing Inflation



Hong Kong Base Interest Rate



Hong Kong Composite Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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