

Fundamentals:

Hong Kong stocks slumped amid signs China's reopening will intensify competition for consumer dollars and erode margins among big tech businesses. A better-than-expected report card from HSBC failed shore up the market.

Fourth-quarter profit warnings and preliminary results by Chinese companies have so far been soft due to the Covid-19 disruptions.

Hong Kong's broader stock market has lost US\$364 billion in market value in the past three weeks as the Hang Seng Index slumped more than 8 per cent. Global hedge funds have cut their bet over the past two weeks.

Limiting losses, Chinese developers surged as more cities cut mortgage rates for first time homebuyer to revive the housing market.

The average mortgage rate for a first-time buyer in 103 mainland Chinese cities fell to 4.04 per cent this month and the lowest level since 2019, according to Beike Research Institute, as local banks are following the government measures to stimulate ailing demand.

Asian stocks were mixed, with benchmark indexes in Japan and Australia both retreating 0.2 per cent while Kospi in South Korea gained 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 FEB 23	-333	20546	20970	20512
H. SENG FUT MAR 23	-335	20543	20955	20508
H. SENG FUT JUN 23	-339	20453	20872	20433
H. SENG FUT SEP 23	-333	20546	20970	20512
MINI H. SENG FUT FEB 23	-333	20546	20970	20512
MINI H. SENG FUT MAR 23	-335	20543	20961	20508
MINI H. SENG FUT JUN 23	-339	20453	20850	20439
MINI H. SENG FUT SEP 23	-333	20546	20970	20512
HSCEI FUT FEB 23	-136	6926	7095	6919
HSCEI FUT MAR 23	-137	6952	7119	6949
HSCEI FUT JUN 23	-138	6926	7083	6982
HSCEI FUT SEP 23	-136	6926	7095	6919
MINI HSCEI FUT FEB 23	-136	6926	7096	6919
MINI HSCEI FUT MAR 23	-137	6952	7121	6948
MINI HSCEI FUT JUN 23	-138	6926	7093	6925
MINI HSCEI FUT SEP 23	-136	6926	7096	6919

Major HSI Constituent Stocks	Close	Change	High	Low
*AIA Group Ltd	82.5	-0.75	83.85	82.15
**Tencent Holdings Ltd	361.8	-15.2	375.4	358.2
*HSBC Holdings PLC	57.6	-1.15	59.45	57.1
**China Construction Bank Corp	4.99	0.01	5.02	4.96
**Ping An Insurance Group	57.35	-0.7	58.4	57
**Meituan	139.8	-6	146.8	139.3
*Hong Kong Exchanges & Clearing Ltd	329.4	-3.4	335.4	327
**Alibaba Group Holdings Ltd	95.2	-4.2	99.5	95
**Xiaomi Corp	12.56	-0.28	13.02	12.5
**ICBC	4.03	0	4.07	4.02

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	56.05	-2.45	58.5	55.7
**China Mobile Ltd	58.9	-0.2	59.45	58.85
**Bank of China Ltd	2.95	0	2.96	2.94
*Techtronic Industries Co Ltd	99.4	-2.3	101.7	97.9
*CK Hutchison Holdings Ltd	48.15	-0.1	48.6	47.85
*Link REIT	52.75	0.4	52.8	52.1
*CLP Holding Ltd	57	0.65	57.15	56.3
**Geely Automobile Holdings Ltd	11.54	0.02	11.86	11.4
**CNOOC Ltd	11.62	0.24	11.74	11.38
**ANTA Sports Products Ltd	104.3	-1.7	107.8	103.6

Global Equity Indices	Close	Change	High	Low
Hang Seng	20529.49	-357.47	20941.3	20503.05
HSCEI	6925.07	-138.87	7085.73	6919.84
Shanghai Comp Index	3306.52	16.186	3308.79	3282.436
Nikkei 225	27473.1	-58.84	27538.3	27359.12
KOSPI	2458.96	3.84	2466.07	2446
S&P/ASX200	7336.3	-15.222	7351.5	7297
DJIA	33130.4	-696.31	33699.7	33115.74
S&P 500	4005.04	-74.05	4052.35	3995.19
NASDAQ	11492.3	-294.97	11684.1	11491.18
DAX	15397.6	-79.93	15470.5	15286.71
CAC	7308.65	-0.37	7342.68	7241.21
FTSE100	7977.75	-36.56	8014.4	7952.48

Technical Analysis

Mini Hang Seng

1st Resistance: 20854 2nd Resistance: 21162
 1st Support: 20238 2nd Support: 19930
 MACD: -119.331
 MACD DIFF: -171.935
 RSI: 39.7752

Mini Hang Seng China Enterprise

1st Resistance: 7030 2nd Resistance: 7134
 1st Support: 6822 2nd Support: 6718
 MACD: -55.989
 MACD DIFF: -61.579
 RSI: 39.9908

Strategy:

Mini Hang Seng: Long: Profit target: 20238 Stop-loss: 20440 20137 Long: Profit target: 19930 Stop-loss: 20129 19830

Short: Profit target: 20854 Stop-loss: 20646 20958 Short: Profit target: 21162 Stop-loss: 20951 21268

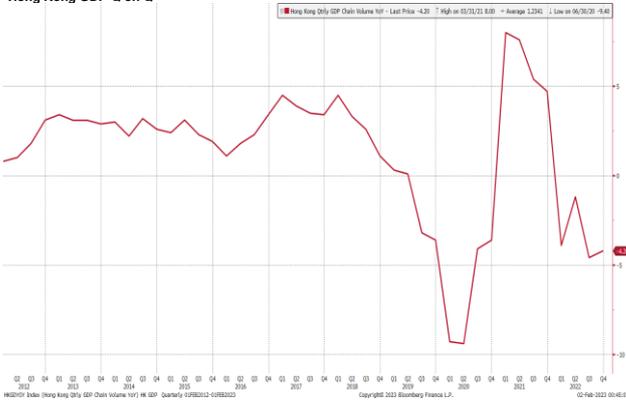
Mini Hang Seng China Enterprise: Long: Profit target: 6822 Stop-loss: 6890 6788 Long: Profit target: 6718 Stop-loss: 6785 6685

Short: Profit target: 7030 Stop-loss: 6960 7065 Short: Profit target: 7134 Stop-loss: 7062 7169

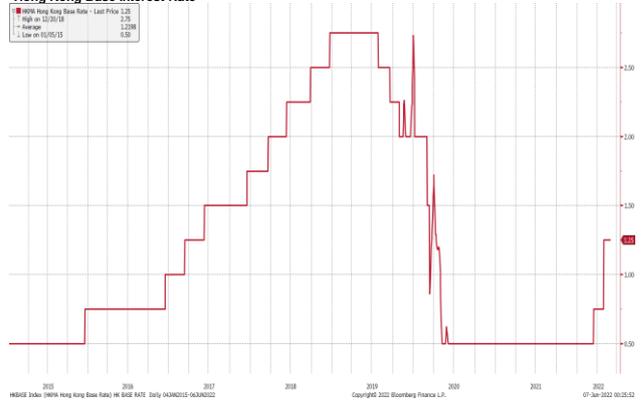
Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
02/22/2023	GDP SA QoQ	4Q F	--	--	0.00%	--
02/22/2023	GDP YoY	4Q F	--	--	-4.20%	--
02/22/2023	GDP Annual YoY	2022	--	--	-3.50%	--
02/23/2023	CPI Composite YoY	Jan	2.10%	--	2.00%	--
02/27/2023	Exports YoY	Jan --	--	--	-0.289	-0.235
02/27/2023	Imports YoY	Jan --	--	--	-0.235	--
02/27/2023	Trade Balance HKD	Jan --	--	--	-51.6b	--
02/28/2023	Budget Balance HKD	Jan	--	--	87.1b	--
02/28/2023	Money Supply M3 HKD YoY	Jan	--	--	0.60%	--
02/28/2023	Money Supply M2 HKD YoY	Jan	--	--	0.60%	--
02/28/2023	Money Supply M1 HKD YoY	Jan	--	--	-17.80%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised	
02/20/2023 09:15	5-Year Loan Prime Rate	43862	0.043	0.043	4.30%	--	
02/20/2023 09:15	1-Year Loan Prime Rate	Feb-20	3.65%	0.0365	3.65%	--	
02/20/2023 02:25	FDI YTD YoY CNY	Jan	--	0.145	6.30%	--	
02/24/2023 10:00	Bloomberg Feb. China Economic Survey						

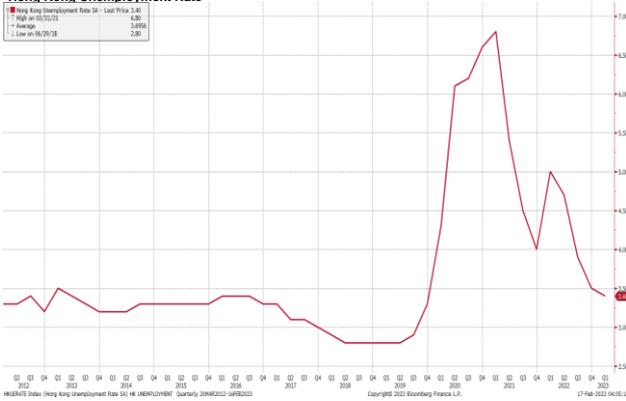
Hong Kong GDP Q on Q



Hong Kong Base Interest Rate



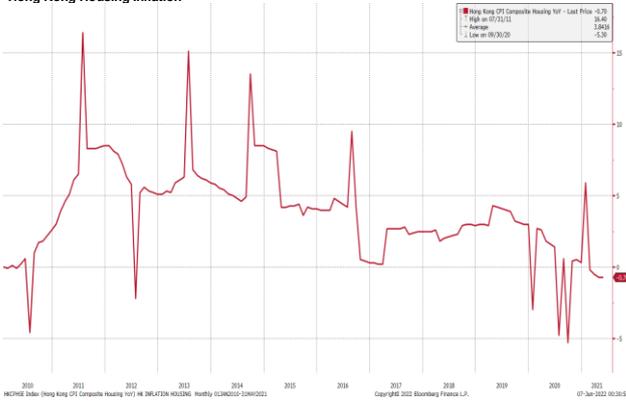
Hong Kong Unemployment Rate



Hong Kong Composite Inflation



Hong Kong Housing Inflation



Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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