

**Fundamentals:**

Hong Kong stocks capped a weekly gain after the market reopened following a two-day break, as an official report showing a fourth straight month of decline in Chinese industrial companies' profit bolstered the argument for more stimulus support.

The Hang Seng Index slipped less than 0.1 per cent to 20,090.46 at the close, paring the gain for the trading-shortened week to 1.9 per cent. The Hang Seng Tech Index advanced 0.7 per cent. On the mainland, the CSI 300 Index dropped 0.2 per cent and the Shanghai Composite Index added 0.1 per cent.

Consumer companies, such as Haidilao International Holdings and China Mengniu Dairy, retreated on concerns that weakening consumer spending will dent earnings. Alibaba Group Holding dropped after agreeing to an e-commerce joint venture in South Korea.

Chinese industrial companies' profit fell 7.3 per cent year on year for the fourth consecutive month in November, the National Bureau of Statistics said on Friday. In the first 11 months, net income fell 4.7 per cent, it said.

The data adds to the evidence that China needs to ramp up policy implementation to aid an uneven recovery, after top officials signalled more aggressive easing at a tone-setting economic work conference earlier this month.

Other key economic data for November showed retail sales growth stagnated and the downturn in the property market persisted.

"We are entering a policy vacuum period after the central economic work conference," said Zheng Xiaoxia, an analyst at Hua An Securities. "The market is expected to trade sideways until there is more clarity on the supportive measures and new US tariffs."

With two trading days left in the year, the Hang Seng Index has advanced 18 per cent, set to end a record run of four straight annual losses. Most of the year's gain was made in September, when the benchmark jumped 17 per cent after China unveiled new funding tools to facilitate stock purchases and scrapped home-buying restrictions in most mainland cities.

Hotpot chain operator Haidilao dropped 3.5 per cent to HK\$16.40 and China Mengniu shed 3 per cent to HK\$17.38. Alibaba lost 1 per cent to HK\$82.35 after agreeing to form a joint venture with E-Mart of South Korea to reorganise its e-commerce operations in the nation.

On the positive side, electric car maker Li Auto rallied 6.1 per cent to HK\$100.40 and chipmaker SMIC climbed 5.2 per cent to HK\$30.65. Smartphone maker Xiaomi gained 4.3 per cent to HK\$34.15 on reports that it would double down on efforts to build large artificial intelligence models.

On the mainland, Contemporary Amperex Technology, the world's biggest maker of batteries that power electric vehicles, rose 0.3 per cent to 262 yuan after saying that it was considering a secondary listing in Hong Kong. The plan is pending approval by the Chinese securities regulator and its shareholders, the company said in a statement to the Shenzhen exchange.

Minieye Technology, which produces advanced driver-assistance systems, surged 14 per cent from the offer price to HK\$19.40 on the first day of trading in Hong Kong. Three companies will debut on Monday, marking the busiest day for the exchange since July amid a pickup in the initial public offering market.

Other major Asian markets were mixed. Japan's Nikkei 225 climbed 1.8 per cent and Australia's S&P/ASX 200 added 0.5 per cent, while South Korea's Kospi retreated 1 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 DEC 24      | -57 | 20073 | 20198 | 19991 |
| H. SENG FUT JAN 25      | -55 | 20103 | 20239 | 20021 |
| H. SENG FUT MAR 25      | -51 | 20160 | 20266 | 20099 |
| H. SENG FUT JUN 25      | -47 | 20094 | 20166 | 20015 |
| MINI H. SENG FUT DEC 24 | -57 | 20073 | 20199 | 19992 |
| MINI H. SENG FUT JAN 25 | -55 | 20103 | 20238 | 20022 |
| MINI H. SENG FUT MAR 25 | -51 | 20160 | 20300 | 20080 |
| MINI H. SENG FUT JUN 25 | -47 | 20094 | 20166 | 20023 |
| HSCEI FUT DEC 24        | -20 | 7307  | 7343  | 7258  |
| HSCEI FUT JAN 25        | -22 | 7302  | 7338  | 7254  |
| HSCEI FUT MAR 25        | -20 | 7349  | 7377  | 7320  |
| HSCEI FUT JUN 25        | -19 | 7336  | 7355  | 7311  |
| MINI HSCEI FUT DEC 24   | -20 | 7307  | 7343  | 7258  |
| MINI HSCEI FUT JAN 25   | -22 | 7302  | 7337  | 7254  |
| MINI HSCEI FUT MAR 25   | -20 | 7349  | 7517  | 7309  |
| MINI HSCEI FUT JUN 25   | -19 | 7336  | 7351  | 7305  |

| Major HSI Constituent Stocks        | Close | Change | High  | Low   |
|-------------------------------------|-------|--------|-------|-------|
| *AIA Group Ltd                      | 56.3  | -0.4   | 57.05 | 56.2  |
| **Tencent Holdings Ltd              | 417.4 | -2.6   | 421   | 415.6 |
| *HSBC Holdings PLC                  | 75.25 | 0.35   | 75.55 | 74.8  |
| **China Construction Bank Corp      | 6.47  | -0.02  | 6.52  | 6.36  |
| **Ping An Insurance Group           | 46.35 | -0.25  | 46.85 | 45.6  |
| **Meituan                           | 154.7 | -0.4   | 157   | 151.6 |
| *Hong Kong Exchanges & Clearing Ltd | 297.2 | -4     | 301.8 | 295.8 |
| **Alibaba Group Holdings Ltd        | 82.35 | -0.8   | 83.35 | 81.35 |
| **Xiaomi Corp                       | 34.15 | 1.4    | 34.95 | 33.35 |
| **ICBC                              | 5.16  | 0.01   | 5.2   | 5.09  |

| Major HSCEI Constituent Stocks  | Close | Change | High  | Low   |
|---------------------------------|-------|--------|-------|-------|
| *Wuxi Biologics Cayman Inc      | 17.34 | -0.12  | 17.48 | 16.94 |
| **China Mobile Ltd              | 76    | -0.05  | 76.45 | 75.6  |
| **Bank of China Ltd             | 3.94  | -0.02  | 3.99  | 3.9   |
| *Techtronic Industries Co Ltd   | 102.7 | 0      | 103.8 | 102.1 |
| *CK Hutchison Holdings Ltd      | 41.8  | 0.15   | 42.2  | 41.35 |
| *Link REIT                      | 32.9  | 0.05   | 33.25 | 32.75 |
| *CLP Holding Ltd                | 64.5  | -0.3   | 65    | 64.35 |
| **Geely Automobile Holdings Ltd | 14.96 | -0.38  | 15.48 | 14.84 |
| **CNOOC Ltd                     | 18.68 | 0.08   | 18.82 | 18.5  |
| **ANTA Sports Products Ltd      | 80    | -0.5   | 81.3  | 79.35 |

| Global Equity Indices | Close    | Change  | High     | Low      |
|-----------------------|----------|---------|----------|----------|
| Hang Seng             | 20090.46 | -7.83   | 20184.88 | 20009.95 |
| HSCEI                 | 7305.36  | 1.44    | 7343.17  | 7263.79  |
| Shanghai Comp Index   | 3400.14  | 2.066   | 3418.952 | 3388.322 |
| Nikkei 225            | 40281.2  | 713.1   | 40398.23 | 39669.39 |
| KOSPI                 | 2404.77  | -24.9   | 2423.86  | 2388.33  |
| S&P/ASX200            | 8261.8   | 40.938  | 8281.4   | 8220.2   |
| DJIA                  | 42885.2  | -440.59 | 43238.85 | 42761.56 |
| S&P 500               | 5960.36  | -77.23  | 6006.17  | 5932.95  |
| NASDAQ                | 19653.9  | -366.48 | 19904.77 | 19553.4  |
| DAX                   | 19984.3  | 135.55  | 19984.32 | 19801.33 |
| CAC                   | 7355.37  | 1       | 7355.37  | 7278.42  |
| FTSE100               | 8149.78  | 12.79   | 8151.28  | 8112.29  |

**Technical Analysis**

**Mini Hang Seng**

|                 |          |                 |       |
|-----------------|----------|-----------------|-------|
| 1st Resistance: | 20374    | 2nd Resistance: | 20675 |
| 1st Support:    | 19772    | 2nd Support:    | 19471 |
| MACD:           | 33.214   |                 |       |
| MACD DIFF:      | 24.71437 |                 |       |
| RSI:            | 52.35111 |                 |       |

**Mini Hang Seng China Enterprise**

|                 |          |                 |      |
|-----------------|----------|-----------------|------|
| 1st Resistance: | 7417     | 2nd Resistance: | 7526 |
| 1st Support:    | 7197     | 2nd Support:    | 7088 |
| MACD:           | 38.818   |                 |      |
| MACD DIFF:      | 16.022   |                 |      |
| RSI:            | 55.38417 |                 |      |

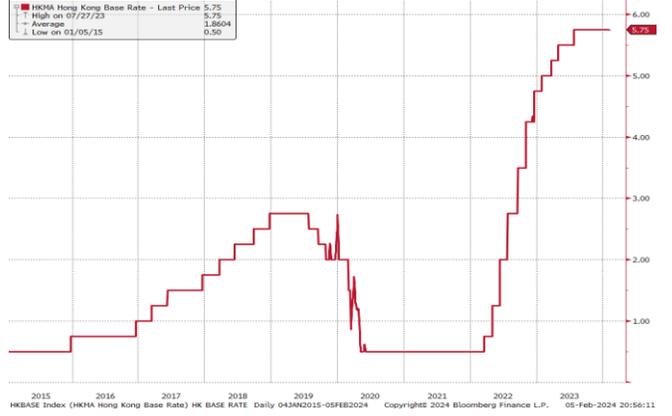
| Hong Kong Economic Releases |                             | Period | Survey | Actual   | Prior     | Revised   |
|-----------------------------|-----------------------------|--------|--------|----------|-----------|-----------|
| 12/12/2024 16:30            | PPI YoY                     | 3Q     | --     | 3.20%    | 3.00%     | 3.10%     |
| 12/17/2024 16:30            | Unemployment Rate SA        | Nov    | --     | 3.10%    | 3.10%     | --        |
| 12/20/2024 16:30            | BoP Current Account Balance | 3Q     | --     | \$120.82 | \$101.04b | \$100.32b |
| 12/20/2024 16:30            | BoP Overall                 | 3Q     | --     | -\$22.95 | -\$62.67b | --        |
| 12/20/2024 16:30            | CPI Composite YoY           | Nov    | 1.60%  | 1.40%    | 1.40%     | --        |
| 12/31/2024 16:30            | Money Supply M1 HKD YoY     | Nov    | --     | --       | 3.40%     | --        |
| 12/31/2024 16:30            | Money Supply M2 HKD YoY     | Nov    | --     | --       | 3.70%     | --        |
| 12/31/2024 16:30            | Money Supply M3 HKD YoY     | Nov    | --     | --       | 3.70%     | --        |

| China Economic Releases |                             | Period | Survey | Actual   | Prior    | Revised |
|-------------------------|-----------------------------|--------|--------|----------|----------|---------|
| 12/09/2024 09:30        | PPI YoY                     | Nov    | -2.80% | -2.50%   | -2.90%   | --      |
| 12/09/2024 09:30        | CPI YoY                     | Nov    | 0.40%  | 0.20%    | 0.30%    | --      |
| 12/11/2024 12/18        | FDI YTD YoY CNY             | Nov    | --     | -27.90%  | -29.80%  | --      |
| 12/10/2024 12/15        | Money Supply M2 YoY         | Nov    | 7.50%  | 7.10%    | 7.50%    | --      |
| 12/10/2024 12/15        | Money Supply M1 YoY         | Nov    | -5.00% | -3.70%   | -6.10%   | --      |
| 12/10/2024 12/15        | Money Supply M0 YoY         | Nov    | --     | 12.70%   | 12.80%   | --      |
| 12/16/2024 10:00        | Retail Sales YoY            | Nov    | 5.00%  | 3.00%    | 4.80%    | --      |
| 12/16/2024 10:00        | Retail Sales YTD YoY        | Nov    | 3.60%  | 3.50%    | 3.50%    | --      |
| 12/27/2024              | BoP Current Account Balance | 3Q F   | --     | \$147.6b | \$146.9b | --      |
| 12/31/2024 09:30        | Composite PMI               | Dec    | --     | --       | 50.8     | --      |
| 12/31/2024 09:30        | Manufacturing PMI           | Dec    | --     | --       | 50.3     | --      |
| 12/31/2024 09:30        | Non-manufacturing PMI       | Dec    | --     | --       | 50       | --      |

### Hong Kong GDP Y on Y



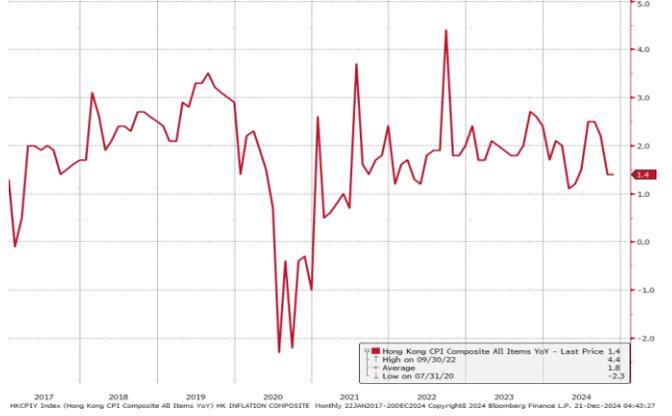
### Hong Kong Base Interest Rate



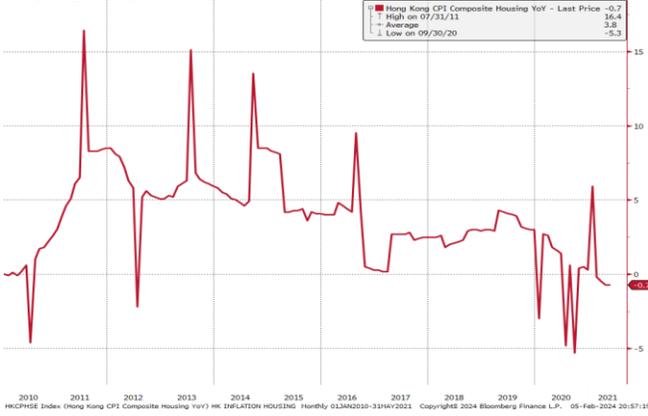
### Hong Kong Unemployment Rate



### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



### Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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