

**Fundamentals:**

Hong Kong stocks advanced after gains in tech companies propelled the city's benchmark index to its best weekly performance in four months, even as some investors reduced their positions before a US jobs report for clues on interest-rate path.

The Hang Seng Index rose 1.2 per cent to 21,133.54 at the close of trading on Friday, while the Tech Index climbed 1.8 per cent. The gauges advanced 4.5 per cent and 9 per cent, respectively, from a week ago. On the mainland, the CSI 300 Index rose 1.3 per cent while the Shanghai Composite Index added 1 per cent.

Lenovo Group surged 6.3 per cent to HK\$12.22, while Xiaomi rose 4.7 per cent to HK\$42.45 after announcing a new electric vehicle (EV) and phone line-up. HSBC raised Xiaomi's price target to HK\$49.90 from HK\$37.90, saying that it has become the biggest beneficiary of China's subsidy programme.

Huatai Securities raised PC maker Lenovo's price target to HK\$13.85 from HK\$13.30, as demand for PC power is seen increasing thanks to DeepSeek making artificial intelligence (AI) more widely accessible. "Technology stocks have risen more in recent weeks and are likely to continue to rise further due to the inflow of funds," said Kenny Wen, head of investment strategy at KGI Asia. Gains in Chinese stocks are yet to benefit from better long-term fundamental factors, he added.

EV maker Geely Automobile rallied 8.1 per cent to HK\$17.72, pacing gains among industry peers. Li Auto advanced 7.6 per cent to HK\$103.20 and BYD strengthened 4.5 per cent to HK\$330. Solar-panel maker Xinyi Solar rose 7.8 per cent to HK\$3.59.

Trimming gains, Sinopharm Group declined 3.3 per cent to HK\$19.92, while China's biggest chipmaker SMIC fell 2.6 per cent to HK\$46.65. Coal producer China Shenhua Energy dropped 2.2 per cent to HK\$31.10.

Chinese tech stocks have reaped the AI theme stemming from the emergence of DeepSeek for a week, intensifying narrow the valuation gap against their US tech peers, according to some money managers. The Hang Seng Tech Index gained 22 per cent from a January low, putting the members in a technical bull market.

"China's stock market has yet to reflect China's improving innovation capability," HSBC analysts led Steven Sun said in a note on Thursday. "We believe this can change and as investors increasingly recognise this innovation, then the valuation gap between China and [emerging markets] can narrow and foreign-fund inflows [will] pick up."

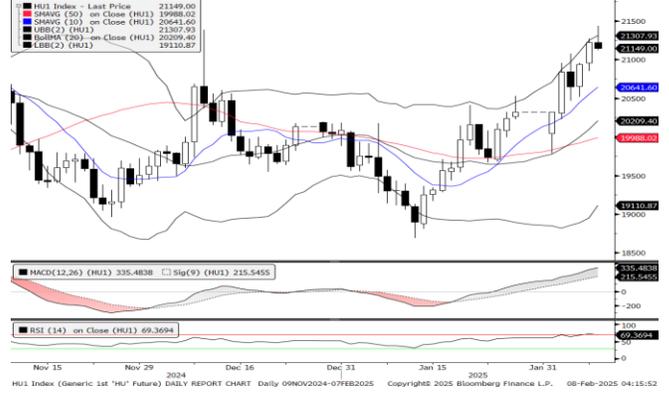
The US will release a key jobs report on Friday, which is expected to guide the data-driven Federal Reserve's interest-rate decisions. The Fed kept rates unchanged last month, confirming a slower-than-expected easing cycle.

Adding to complications, US-China trade tensions are now in a tit-for-tat mode. Aside from the limited retaliation seen from China in response to US President Donald Trump's 10 per cent additional tariffs on Chinese goods, investors are looking for more policy measures from Beijing to prop up China's property market and consumer demand ahead of key political meetings in March.

Elsewhere, Japan's Nikkei 225 dropped 0.7 per cent, South Korea's Kospi slipped 0.6 per cent and Australia's S&P/ASX 200 dipped 0.1 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 FEB 25	283	21220	21274	20849
H. SENG FUT MAR 25	285	21209	21280	20840
H. SENG FUT JUN 25	284	21125	21119	20842
H. SENG FUT SEP 25	291	21079	20995	20850
MINI H. SENG FUT FEB 25	283	21220	21275	20848
MINI H. SENG FUT MAR 25	285	21209	21266	20843
MINI H. SENG FUT JUN 25	284	21125	21168	20759
MINI H. SENG FUT SEP 25	291	21079	21080	20745
HSCEI FUT FEB 25	116	7818	7827	7666
HSCEI FUT MAR 25	115	7843	7850	7691
HSCEI FUT JUN 25	117	7824	7818	7681
HSCEI FUT SEP 25	118	7799	#N/A	#N/A
MINI HSCEI FUT FEB 25	116	7818	7826	7665
MINI HSCEI FUT MAR 25	115	7843	7845	7690
MINI HSCEI FUT JUN 25	117	7824	7825	7685
MINI HSCEI FUT SEP 25	118	7799	7760	7701

Major HSI Constituent Stocks	Close	Change	High	Low
*Alia Group Ltd	53.1	-0.15	53.55	52.6
**Tencent Holdings Ltd	428.2	7.8	432.4	417.8
**HSBC Holdings PLC	81.8	1.15	81.95	81
**China Construction Bank Corp	6.3	-0.04	6.33	6.24
**Ping An Insurance Group	44.45	0.45	44.75	43.4
**Meituan	154.1	4	155.8	146
*Hong Kong Exchanges & Clearing Ltd	316.6	7.6	319.4	307
**Alibaba Group Holdings Ltd	100	1.45	100.9	97.7
**Xiaomi Corp	42.45	1.9	43.05	40.55
**ICBC	5.38	-0.01	5.39	5.27

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	21.3	0.15	22	21
**China Mobile Ltd	75.5	-0.05	75.95	74.9
**Bank of China Ltd	4.07	-0.03	4.09	4.02
*Techtronic Industries Co Ltd	102.2	-0.3	103.5	101.4
*CK Hutchison Holdings Ltd	39.05	0.1	39.3	38.85
*Link REIT	34.1	0.6	34.3	33.15
*CLP Holding Ltd	63.75	-0.5	64.4	63.6
**Geely Automobile Holdings Ltd	17.72	1.32	18.08	16.5
**CNOOC Ltd	18.66	-0.14	18.76	18.48
**ANTA Sports Products Ltd	86	2.15	87.5	83.7

Global Equity Indices	Close	Change	High	Low
Hang Seng	21133.54	241.92	21213.7	20806.1
HSCEI	7784.07	93.72	7805.14	7650.46
Shanghai Comp Index	3303.67	33.008	3324.428	3262.509
Nikkei 225	38787	-279.51	39007.94	38753.2
KOSPI	2521.92	-14.83	2537.63	2519.01
S&P/ASX200	8511.43	-9.278	8532.6	8498.7
DJIA	44292.1	-455.56	44857.11	44288.18
S&P 500	6026.16	-57.41	6101.28	6023.45
NASDAQ	19496.1	-295.92	19862.54	19493.68
DAX	21787	-115.42	21945.31	21759.97
CAC	7973.03	-0.43	8027.05	7954.9
FTSE100	8700.53	-26.75	8728.94	8685.78

**Technical Analysis**

*Mini Hang Seng*

1st Resistance:	21538	2nd Resistance:	21857
1st Support:	20902	2nd Support:	20583
MACD:	307.656		
MACD DIFF:	122.0628		
RSI:	71.42807		

*Mini Hang Seng China Enterprise*

1st Resistance:	7935	2nd Resistance:	8053
1st Support:	7701	2nd Support:	7583
MACD:	141.636		
MACD DIFF:	51.654		
RSI:	72.24433		

Hong Kong Economic Releases		Period	Survey	Actual	Prior	Revised
02/05/2025 08:30	S&P Global Hong Kong PMI	Jan	--	51	51.1	--
02/18/2025 16:30	Unemployment Rate SA	Jan	--	--	3.10%	--
02/20/2025 16:30	CPI Composite YoY	Jan	--	--	1.40%	--
02/26/2025	GDP Annual YoY	2024 F	--	--	2.50%	--
02/28/2025 16:30	Money Supply M1 HKD YoY	Jan	--	--	1.30%	--
02/28/2025 16:30	Money Supply M2 HKD YoY	Jan	--	--	2.70%	--
02/28/2025 16:30	Money Supply M3 HKD YoY	Jan	--	--	2.80%	--

China Economic Releases		Period	Survey	Actual	Prior	Revised
02/05/2025 09:45	Caixin China PMI Composite	Jan	--	51.1	51.4	--
02/05/2025 09:45	Caixin China PMI Services	Jan	52.4	51	52.2	--
02/09/2025 09:30	PPI YoY	Jan	-2.20%	--	-2.30%	--
02/09/2025 09:30	CPI YoY	Jan	0.40%	--	0.10%	--
02/09/2025 02:15	Money Supply M1 YoY	Jan	--	--	-1.40%	--
02/09/2025 02:15	Money Supply M2 YoY	Jan	7.30%	--	7.30%	--
02/09/2025 02:15	Money Supply M0 YoY	Jan	--	--	13.00%	--
02/11/2025 02:18	FDI YTD YoY CNY	Jan	--	--	-27.10%	--
02/11/2025 02:20	BoP Current Account Balance	4Q P	--	--	\$147.6b	--

### Hong Kong GDP Y on Y



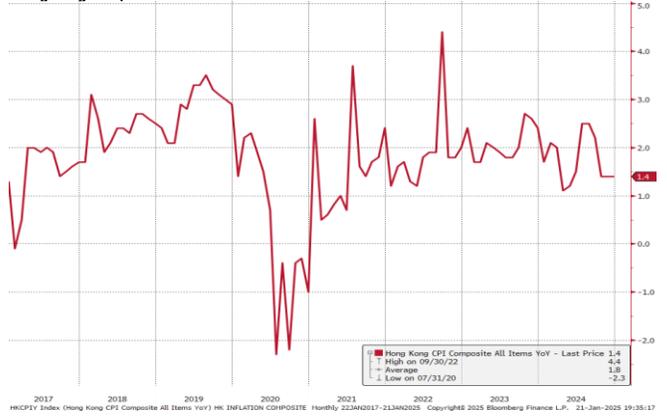
### Hong Kong Base Interest Rate



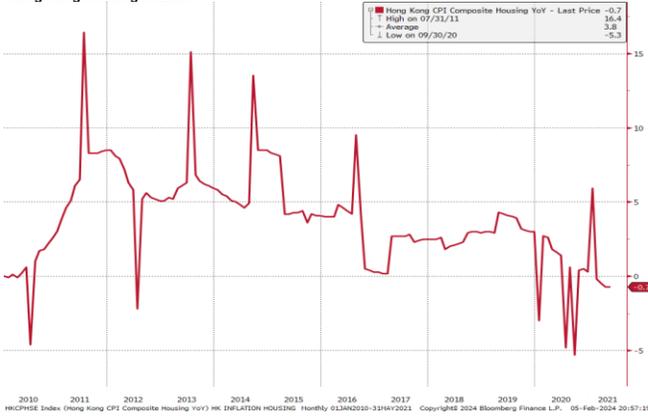
### Hong Kong Unemployment Rate



### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



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



(Source: Bloomberg)

Kenanga Futures Sdn Bhd (353603-X)

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

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