

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: new home sales	Sep	550k	560k
S. Korea: consumer confidence	Oct	N/A	107.7
UK: GDP YoY	3Q17	1.50%	1.50%
Germany: IFO business climate	Oct	115.0	115.2

Source: Bloomberg

II. Macro News

- **China said to ask firms to delay bad results during congress.** China's securities watchdog has asked some loss-making companies to avoid publishing quarterly results this week as authorities seek to ensure stock-market stability during the Communist Party Congress. [Bloomberg]
- **China signals steady economic policy as Liu keeps party role.** China re-named Liu He, one of President Xi Jinping's closest financial and economic advisers, to the Communist Party's Central Committee, a signal the country's leaders aren't looking to make significant changes to economic policy as they begin a new five-year term. [Bloomberg]
- **Fed, Hong Kong rates seen boosting Singaporean banks' margins.** Singapore's big banks probably boosted interest margins in the third quarter, thanks in part to the Federal Reserve. The three-month Singapore interbank offered rate, which reached its highest level since March 2016 in July, rose by 0.13 percentage point in the third quarter. [Bloomberg]

III. Industry News

- **Russia cements top spot in crude sales to China as Saudis recede.** Russia continues to pull ahead of its oil rivals including Saudi Arabia in China, the world's biggest energy user. The Asian nation's imports of Russian crude jumped 61% to a record 6.35mn metric tons in Sept from a year earlier. [Bloomberg]
- **HKMA 'gearing up' to handle banks booking more trades in city.** A number of international banks have approached the Hong Kong Monetary Authority and said that they see advantages in booking their Asian risks in the city, a spokeswoman for the HKMA says in an email. [Bloomberg]
- **MSCI introduces China A inclusion indexes; to Separate Onshore, Offshore Indexes in Mar 2018.** MSCI announced that it has launched MSCI China A Inclusion Indexes. Initially, the constituents of the MSCI China A Inclusion Indexes will be derived from the MSCI China A International Large Cap Provisional Index. [AASocks]

IV. Corporate News

- **China Communications Construction to step up overseas investment.** China Communications Construction has studied dozens of real-estate projects in more than 20 countries and several U.S. infrastructure projects, President Chen Fenjian, also a delegate to China's 19th Party Congress, said in an email in response to a Bloomberg enquiry. [Bloomberg]
- **China names ICBC chairman alternate member of Central committee.** China Construction Bank Chairman Tian Guoli, Bank of China Chairman Chen Siqing and Sinopec's Interim Chairman Dai Houliang are also named alternate members of the Communist Party of China's 19th Central Committee, the official Xinhua News Agency says. [Bloomberg]
- **MGM Cotai is slated for opening on Jan. 29, 2018.** The \$3.4bn integrated resort will have approximately 1,400 hotel rooms and suites, meeting space, high-end spa, retail and food & beverage offerings, according to emailed statement. [Bloomberg]

- **China Datang Corp.'s overseas assets at 13bn yuan.** China Datang Corp., parent of Hong Kong-listed Datang International Power Generation Co., has 8 units developing its international business, General Manager Chen Feihu, says in emailed reply to Bloomberg News questions. [Bloomberg]
- **Sinochem plan to list assets 'progressing'.** Sinochem Group is "progressing" with plans to list assets that may include all or part of the co. Sinochem will sell stakes in its five business segments, petrochemicals, energy, agriculture, real estate and finance, within the next 3-5 yrs to strategic investors as part of the gov's mixed-ownership push. [Bloomberg]
- **Germany's BASF plans to invest €3.1bn to help meet rising demand among Asian customers.** BASF, one of the world's largest chemicals producers, plans to invest €3.1 billion into Asia-Pacific in the run up to 2021, as it seeks to better meet customer demand for shorter product development cycles and aggressive cost reduction targets. [SCMP]
- **Poly wins nod for securities backed by rental properties.** The Shanghai Stock Exchange has given Poly Real Estate a five billion yuan quota for the sale of securities backed by its portfolio of rental flats. Teaming up with Zhonglian Qianyuan Real Estate Fund Management, Poly planned to sell RMB3.5bn worth of securities with a coupon of 4.88%. [SCMP]
- **Sinochem denies bidding for US\$4bn stake in Chilean lithium giant SQM.** Sinochem Group, China's state-owned chemical major, denied on Tuesday it has any plans to bid for a US\$4 billion stake being potentially offered in Chile's SQM, one of the world's largest lithium producers, a critical ingredient in electric-car batteries. [SCMP]
- **Soho China offloads iconic Shanghai complex for US\$750m, including debt.** Soho China, one of the country's largest office landlords owned billionaire Pan Shiyi and his wife, has agreed to sell a flagship Shanghai complex for 5 billion yuan (US\$750 million) to Hong Kong's Gaw Capital Partners – its second major disposal in the city in four months. [SCMP]
- **BYD bags mass transit order in Egypt.** Electric vehicle maker BYD Co Ltd is planning to start trial runs of its SkyRail monorail mass transit solution in Egypt soon, making it the second overseas destination for the Chinese company after the Philippines. [China Daily]
- **China Power 1Q-3Q electricity sold up 0.89% YoY.** China Power announced that the combined total electricity sold of the company for the nine months ended 30 September 2017 amounted to 49,164,400 MWh, representing a slight increase of 0.89% over the same period last year. [AASocks]
- **Shanghai Electric plans to take over Brazil power transmission project.** Reuters cited that a unit of Shanghai Electric plans to take over a power transmission project in Southern Brazil owned by Eletrobras. Whether it can complete depends on whether Shanghai Electric accepts the conditions offered by Aneel (Brazilian Electricity Regulatory Agency). [AASocks]
- **Goodbaby Int'l completes acquisition of Oasis Dragon.** Goodbaby Int'l announced that the group completed the acquisition of the entire issued share capital of Oasis Dragon in a total consideration of USD360 million (equivalent to approximately HKD2.812 billion) on 23 October 2017. [AASocks]
- **China Vanke shareholder Jushenghua's 91mn A shares pledge released.** China Vanke announced that the pledge release procedures of shareholder Jushenghua's 91 million A shares pledged have been completed. As at 20 October, Jushenghua owns 926mn A shares of the company, representing 8.39% of total issued share capital. [AASocks]
- **HSBC Holdings buys back approx. 1.96mn shares.** HSBC Holdings repurchased 1.9628mn shares in London on 23 October at a price range of GBP7.431 to GBP7.465, involving GBP14.6154 million (equivalent to approximately HKD151mn or USD19.3mn). Volume weighted average price paid per share was GBP7.4462. [AASocks]

V. Overnight Market Recap

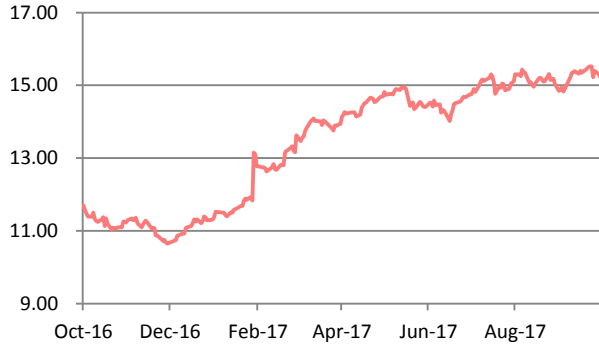
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,569	4.2	0.2	0.4	2.9	3.7	7.6	19.9	14.8
	Dow Jones	23,442	167.8	0.7	1.9	5.1	8.5	11.6	29.0	18.6
	Nasdaq Composite	6,598	11.6	0.2	(0.4)	3.6	2.9	9.5	24.9	22.6
	Russell 2000	1,500	2.9	0.2	0.2	3.3	3.4	6.3	23.4	10.6
	VIX Index	11.16	0.1	0.8	8.2	9.3	18.3	3.7	(17.1)	(20.5)
Europe Equity	Euro Stoxx 50	3,611	1.8	0.1	0.1	2.1	3.9	0.8	16.9	9.7
	DAX	13,013	10.1	0.1	0.1	3.3	6.1	4.4	21.0	13.3
	CAC	5,395	8.0	0.1	0.6	2.4	4.5	2.2	18.8	11.0
	FTSE 100	7,527	2.1	0.0	0.1	3.1	1.2	3.4	7.3	5.4
APAC Equity	HSI	28,155	(150.9)	(0.5)	(1.9)	2.4	4.9	15.1	19.5	28.0
	HSCEI	11,406	(85.5)	(0.7)	(1.4)	4.5	5.8	11.0	15.9	21.4
	HSI VIX	15.02	0.6	4.5	11.3	0.2	30.5	22.7	(8.4)	(11.1)
	CSI 300	3,959	28.6	0.7	1.2	3.7	6.4	15.1	17.6	19.6
	SH Composite	3,388	7.5	0.2	0.5	1.4	4.5	8.1	8.2	9.2
	SZ Composite	2,010	(2.4)	(0.1)	0.1	2.3	8.7	6.7	(3.3)	2.1
	Nikkei 225	21,805	108.5	0.5	2.2	6.9	9.3	14.3	25.6	14.1
KOSPI	2,490	0.4	0.0	0.3	4.6	2.1	13.4	22.3	22.9	
Commodities (USD)	Brent (Future)	58.33	1.0	1.7	0.8	2.6	20.0	13.0	13.4	2.7
	WTI (Future)	52.47	0.6	1.1	1.1	0.6	9.7	6.0	5.1	(2.2)
	Gold	1,277	(5.7)	(0.4)	(0.7)	(2.6)	2.1	1.0	0.2	11.3
	Copper (Future)	7,036	31.5	0.4	0.1	9.0	16.7	24.4	51.7	27.1
	Baltic Dry Index	1,586.00	8.0	0.5	2.2	5.6	62.3	35.6	90.9	65.0
FX	Dollar Index	93.77	(0.2)	(0.2)	0.3	1.7	(0.2)	(5.4)	(5.0)	(8.3)
	EUR	1.18	0.0	0.1	(0.0)	(0.7)	1.0	7.7	8.0	11.9
	JPY	113.90	0.5	0.4	1.5	(1.9)	(1.8)	(2.5)	(8.5)	2.7
	CNY	6.64	(0.0)	0.1	(0.2)	(0.2)	1.7	3.8	2.1	4.7
	CNH	6.64	0.0	0.1	0.6	(0.5)	1.7	3.7	2.0	5.0
CDS	ChinaGov CDS	51.54	(0.7)	(1.3)	(8.7)	(14.7)	(21.6)	(36.8)	(50.9)	(56.0)
	CDX Emerging Market	96.49	(0.0)	(0.0)	0.1	0.8	0.8	1.2	2.8	3.0

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.11	0.0	2.1	1.1	1.0	1.1	0.8	0.3	0.5
	2-Year Treasury Yield	1.58	0.0	1.1	1.6	1.4	1.4	1.3	0.9	1.2
	5-Year Treasury Yield	2.04	0.0	2.3	2.0	1.8	1.8	1.8	1.3	1.9
	10-Year Treasury Yield	2.42	0.1	2.2	2.3	2.2	2.3	2.3	1.8	2.4
	2-10 Spread	83.38	3.6	4.5	77.9	79.3	92.8	102.8	90.0	125.0
China rates	O/N China Repo Rate	2.50	(0.1)	(4.6)	2.3	3.0	2.8	3.1	2.5	2.2
	1-Week China Repo Rate	3.44	0.2	7.5	2.7	3.4	3.4	3.3	2.6	2.6
	O/N SHIBOR	2.63	0.0	0.7	2.6	2.8	2.7	2.8	2.2	2.2
	1-Week SHIBOR	2.83	0.0	0.0	2.8	2.9	2.8	2.8	2.4	2.5

Source: Bloomberg

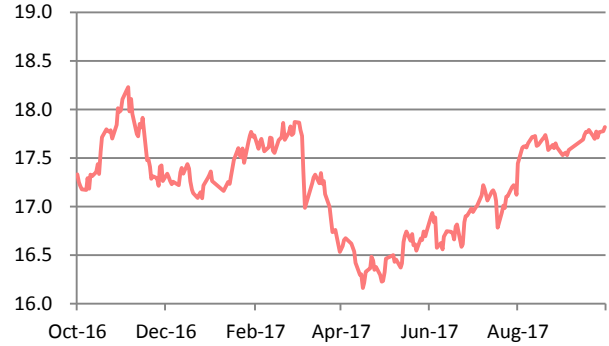
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



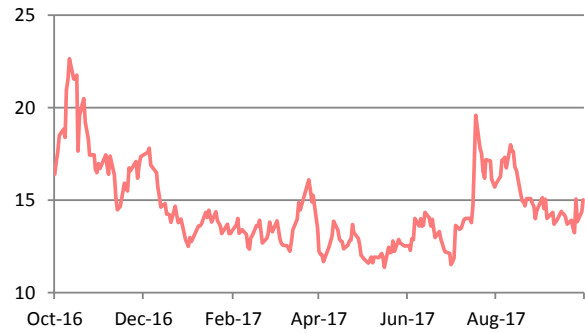
Source: Bloomberg

China 5Y CDS Index_USD



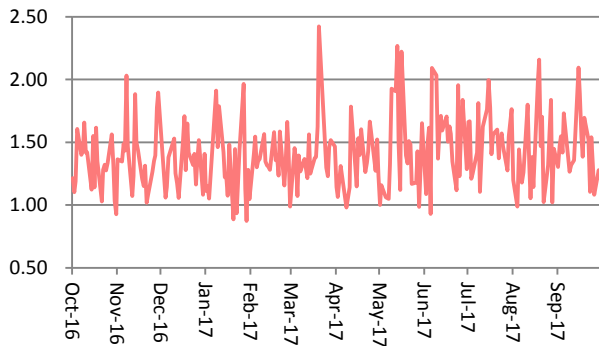
Source: Bloomberg

Hang Seng Index VIX



Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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