

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
China: industrial profits YoY	Sep	N/A	24.0%
US: GDP annualized QoQ	3Q17	2.50%	3.10%
Japan: national CPI YoY	Sep	0.70%	0.70%
Russia: central bank key rate	27-Oct	8.25%	8.50%

Source: Bloomberg

II. Macro News

- **Trump's haste to open markets may come to grief.** Singapore's PM has raised doubts over Trump administration's trade policy, saying a hasty push to get countries to open their markets may "come to grief." Lee Hsien Loong said the U.S. withdrawal from a trans-Pacific trade agreement had hurt U.S. credibility in negotiations and many countries will be reluctant to enter one-on-one trade deals with Washington. [The Standard]
- **House-Price Worries Weigh on U.K. Consumers' Confidence.** U.K. consumers continue to gain back confidence lost after the Brexit vote, but home values are becoming a concern. Consumer confidence has continued rise to highest since March. However, home owners believe value of their properties will decrease. [Bloomberg]
- **S. Korea's fastest growth since 2010 bolsters rate hike view.** South Korea's economy grew at the fastest pace since 2010 in the third quarter, buoyed by exports and the government's supplementary budget. The positive data will bolster views expecting a rate increase by the central bank. [Bloomberg]

III. Industry News

- **Germany tightens the screws on international funds to Turkey.** The German government is wielding its influence with international development institutions to restrict financing to Turkey over an escalating political dispute between the two countries. [Bloomberg]
- **Bank rescue plan may lure foreign funds anew to Indian equities.** Indian equities, already among the top performers in Asia this year, may start drawing back foreigners after the government announced a \$32 billion rescue for state-owned banks weighed down by bad loans. [Bloomberg]
- **Greater Bay needs regulatory 'sandbox' for fintechs, urges China's former top banking regulator.** Liu Mingkang, a former chairman of China's banking regulator, is urging the setting up of a dedicated so called regulatory "sandbox" for the ever-growing Greater Bay Area, the Pearl River Delta region linking 11 cities in southern Guangdong province, including Hong Kong and Macau. [SCMP]

IV. Corporate News

- **China Life quadruples quarterly profit on investment returns.** China Life Insurance Co., the nation's largest life insurer, said third-quarter profit more than quadrupled as a stock rally boosted investment returns and premium income expanded. [Bloomberg]
- **Razer is said to draw GIC as H.K. IPO cornerstone investor.** Razer Inc. has drawn Singapore's sovereign wealth fund GIC for ~\$20m cornerstone investment in Hong Kong listing and is attracting other cornerstone investors, Hong Kong Economic Times reports. [Bloomberg]

- **Yanzhou Coal expects 9-month net to increase 370% on year.** The company cites rise in coal price and sales volume, according to a filing to Hong Kong stock exchange. Net was 1.02b yuan in Jan.-Sept. last year based on Chinese accounting standards. [Bloomberg]
- **Cnooc 3Q oil, gas revenue rises 17% YoY to RMB35.94bn.** Cnooc reported oil and gas rev. for the third quarter of 35.94 billion yuan, up 17% on year, it says in filing to Hong Kong stock exchange. 3Q total revenue 37.2b yuan vs 32.3b yuan year ago. Company cites increase of avg realized oil and gas prices. [Bloomberg]
- **China Eastern third quarter net income RMB3.57bn.** China Eastern reported net income for the third quarter of RMB3.57 billion yuan. 3Q revenue RMB29.5bn and 3Q EPS 25 RMB cents, whilst 9M net income amounted to RMB7.92bn. [Bloomberg]
- **Port and railway projects are on track, says CCCC.** China Communications Construction Company is firmly on track with its railway project in Malaysia and is stepping up construction of a Sri Lankan port city development that had been suspended for a year. [SCMP]
- **Baidu's revenue forecast disappoints.** Baidu forecast Dec quarter revenue that fell short of analysts' estimates as it ramps up investments in artificial intelligence and autonomous driving technologies. Baidu said it expects revenue between RMB22.23bn- 23.41bn for its fourth quarter, below analysts' average estimate of RMB24.78bn. [SCMP]
- **TMT deals in mainland and Hong Kong total US\$53.7b in the past nine months.** The US\$9.2bn partial privatisation of China Unicom's parent has emerged as the biggest deal among 233 M&As, worth US\$53.7bn, recorded in the technology, media and telecommunications (TMT) sectors of the mainland and HK between Jan and Sept this year. [SCMP]
- **Sunac China's chairman ordered back to school for breaching HKEX rules.** The chairman of Sunac China Holdings, Sun Hongbin, and another director have been ordered back to school for 26 hours by the Hong Kong stock exchange operator after it ruled the two had failed to meet full disclosure rules during a big takeover deal in Jan 2015. [SCMP]
- **Sands China to create a little slice of London on Macau's Cotai strip, as part of US\$1.1b investment.** Las Vegas Sands, the American casino giant, is renovating and rebranding one of its major resorts in Macau – the Sands China Cotai Central – into the “Londoner Macao”, as part of a US\$1.1 billion, three-year investment. [SCMP]
- **JD.com adds C2C business model.** JD.com added the customer to customer, or C2C, business model to its online market on Wednesday. The move allows small and micro-enterprises, and self-employed people such as farmers, craftspeople and designers, to run their own shops online, selling products with high quality. [China Daily]
- **Chinese on-demand transport giant Didi Chuxing to land in Russia.** The Chinese ride-share giant Didi Chuxing is expected to reach the Russian market soon, said Kirill Dmitriev, CEO of the Russian Direct Investment Fund at the Future Investment Plan Forum held in Riyadh, Saudi Arabia. [China Daily]
- **CNOOC revenue up in Q3 on higher oil, gas prices.** China National Offshore Oil Corporation (CNOOC), the country's biggest offshore oil and gas producer, reported strong revenue growth for the third quarter mainly due to rising prices for crude oil and natural gas. [China Daily]
- **Hainan Airlines launches direct flight from Shanghai to Brussels.** China's carrier Hainan Airlines on Wednesday launched its first non-stop flight between Shanghai and Brussels. [China Daily]
- **CITIC Telecom completes acquisition of Linx.** CITIC Telecom CPC, a carrier owned by China's major State-owned investment company, has completed the acquisition of Linx Telecommunication B.V., an Amsterdam-based telecom provider, it said Wednesday in a statement. [China Daily]
- **Fidelity set to expand wealth product offering.** Fidelity International said it is looking forward to the opening-up of China's capital markets, aiming to complete its product offering in the country in the next one to three years. Its ultimate goal is to provide full retirement and asset management solutions for its clients in China. [China Daily]
- **China Southern to launch Wuhan-London service.** China Southern Airlines Thursday announced that it will launch direct flights to link the Central Chinese city of Wuhan with London in January next year. The service is expected to help meet rising overseas travel demand around the Chinese Lunar New Year, which falls on Feb 16, 2018. [China Daily]

V. Overnight Market Recap

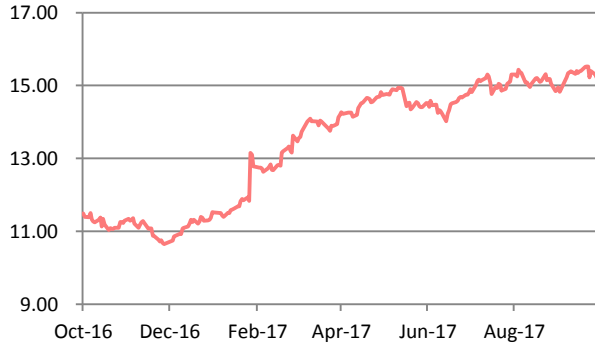
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,560	3.3	0.1	(0.1)	2.1	3.4	7.2	20.0	14.4
	Dow Jones	23,401	71.4	0.3	1.0	4.7	7.4	11.5	28.8	18.4
	Nasdaq Composite	6,557	(7.1)	(0.1)	(0.7)	1.6	2.7	8.4	25.7	21.8
	Russell 2000	1,497	4.0	0.3	(0.3)	0.9	4.5	5.7	25.8	10.3
	VIX Index	11.30	0.1	0.6	12.4	14.5	11.8	9.1	(26.4)	(19.5)
Europe Equity	Euro Stoxx 50	3,637	45.7	1.3	1.0	2.3	4.1	2.1	17.9	10.5
	DAX	13,133	179.9	1.4	1.1	3.8	7.5	5.5	22.5	14.4
	CAC	5,455	80.5	1.5	1.6	3.3	5.2	3.5	20.3	12.2
	FTSE 100	7,487	39.3	0.5	(0.5)	2.4	0.6	3.4	7.2	4.8
APAC Equity	HSI	28,202	(100.5)	(0.4)	0.2	2.0	3.9	14.2	21.9	28.2
	HSCEI	11,446	(47.1)	(0.4)	0.8	3.7	5.4	11.5	19.1	21.8
	HSI VIX	14.83	0.2	1.6	(1.5)	2.0	24.9	23.1	(15.9)	(12.2)
	CSI 300	3,994	16.6	0.4	1.6	4.5	7.6	15.9	19.4	20.6
	SH Composite	3,408	10.7	0.3	1.1	1.9	4.9	8.1	9.5	9.8
	SZ Composite	2,030	5.0	0.2	2.4	2.6	8.8	6.9	(1.8)	3.1
	Nikkei 225	21,740	32.2	0.2	1.4	7.3	8.3	12.9	25.4	13.7
KOSPI	2,481	(11.9)	(0.5)	0.3	4.6	1.5	12.3	22.6	22.4	
Commodities (USD)	Brent (Future)	59.30	0.9	1.5	3.6	1.5	16.3	14.4	18.6	4.4
	WTI (Future)	52.64	0.5	0.9	2.6	1.1	7.5	7.7	6.0	(1.9)
	Gold	1,267	(10.5)	(0.8)	(1.8)	(1.2)	0.7	0.3	(0.1)	10.5
	Copper (Future)	7,010	(25.5)	(0.4)	0.3	8.7	12.6	22.9	48.0	26.6
	Baltic Dry Index	1,573.00	(15.0)	(0.9)	(0.6)	6.6	62.5	37.1	96.1	63.7
FX	Dollar Index	94.61	0.9	1.0	1.4	1.8	1.0	(4.5)	(4.1)	(7.4)
	EUR	1.17	(0.0)	(1.4)	(1.7)	(0.8)	(0.2)	7.2	6.9	10.8
	JPY	113.98	0.2	0.2	1.3	(1.1)	(2.4)	(2.4)	(7.7)	2.6
	CNY	6.64	0.0	(0.1)	(0.4)	(0.0)	1.7	3.8	1.9	4.6
	CNH	6.65	0.0	0.2	0.7	(0.2)	1.3	3.7	2.1	4.8
CDS	ChinaGov CDS	48.30	(1.0)	(2.1)	(11.5)	(23.6)	(23.4)	(40.9)	(54.6)	(58.7)
	CDX Emerging Market	96.27	(0.1)	(0.1)	(0.3)	0.5	0.4	0.9	2.8	2.8

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.10	(0.0)	(0.2)	1.1	1.0	1.1	0.8	0.3	0.5
	2-Year Treasury Yield	1.61	0.0	1.3	1.6	1.5	1.3	1.3	0.9	1.2
	5-Year Treasury Yield	2.08	0.0	1.6	2.0	1.9	1.8	1.8	1.3	1.9
	10-Year Treasury Yield	2.46	0.0	1.2	2.4	2.3	2.3	2.3	1.9	2.4
	2-10 Spread	84.20	0.9	1.1	80.4	83.6	93.8	101.4	96.5	125.0
China rates	O/N China Repo Rate	2.71	0.0	1.5	2.6	2.9	2.9	3.2	2.4	2.2
	1-Week China Repo Rate	3.44	0.2	4.6	2.8	3.4	2.8	3.4	3.0	2.6
	O/N SHIBOR	2.69	0.0	1.1	2.6	2.9	2.8	2.8	2.3	2.2
	1-Week SHIBOR	2.87	0.0	0.4	2.8	2.9	2.9	2.9	2.4	2.5

Source: Bloomberg

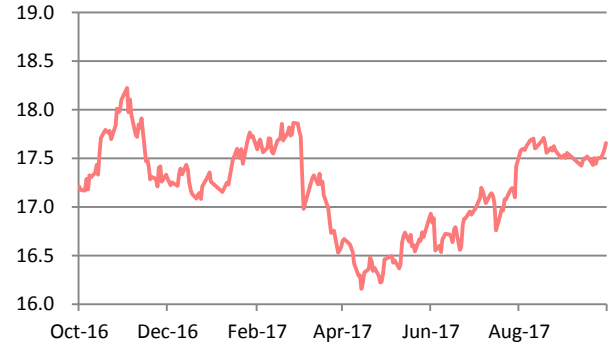
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



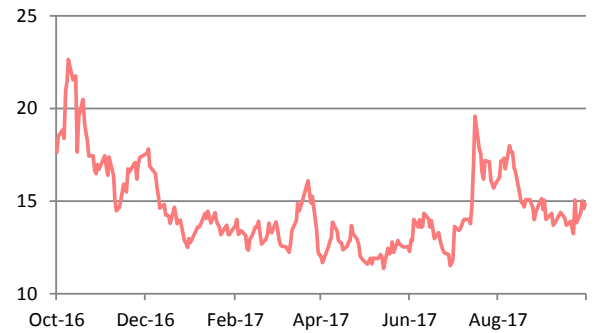
Source: Bloomberg

China 5Y CDS Index_USD



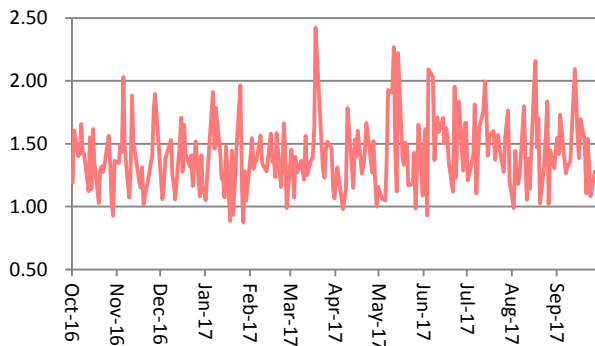
Source: Bloomberg

Hang Seng Index VIX



Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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