

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
China: Manufacturing PMI	Oct	52.2	52.4
US: Conference Board consumer confidence	Oct	121	119.8
Japan: jobless rat	Sep	2.80%	2.80%
Japan: overall household spending YoY	Sep	0.70%	0.60%
Japan: BOJ policy balance rate	Oct	N/A	- 0.10%

Source: Bloomberg

II. Macro News

- **U.S. scolds China for distorting market as Trump Asia trip nears.** The U.S. once again refused to qualify China as a market economy, adding to tensions between the economic superpowers days before President Donald Trump's first trip to Beijing. [Bloomberg]
- **Economists press pause on China slowdown as 2017 pick-up foreseen.** China's multi-year slowdown is on hold for now, according to economists. They've ratcheted up their full-year 2017 forecasts and now expect the first acceleration in seven years. [Bloomberg]
- **Singapore unveils plan to create 4,000 finance sector jobs.** Singapore wants to bolster its status as a wealth management and foreign-exchange center as part of plans to create more financial-sector jobs and mitigate the effect of rapid changes in technology. [Bloomberg]

III. Industry News

- **Shanghai Stock Exchange to seek pacts with more foreign bourses.** Shanghai Stock Exchange outlined plans for closer links with other national markets, taking further steps to enact President Xi Jinping's policy to project Chinese soft power around the world. The bourse will seek business and strategic cooperation with other exchanges. [Bloomberg]
- **LME turned a corner after turbulent, painful years.** The LME has turned a corner in process of becoming a for-profit business, HKEX CEO Charles Li said. Process of increasing revenues has been painful, resulted in staff changes and a change in approach, Li said. [Bloomberg]
- **CICC says China 2018 Real GDP forecast raised to 6.9%.** China International Capital Corp. raised its forecast for China's 2018 real GDP growth to 6.9% YoY, up from 6.7% YoY and compared with the current consensus forecast of 6.4% YoY, on the back of the robust growth of consumption, property investment and manufacturing capex [Bloomberg]

IV. Corporate News

- **HSBC third-quarter profits up 5 times.** HSBC's reported profit for the third quarter was US\$4.6bn, five times greater than the same period last year, mainly because of a poor third quarter in 2016, when the bank booked significant one-off items including a loss on the sale of its Brazilian business, and so had profits of just US\$843mn. [SCMP]
- **Fosun Pharma to buy French drug distributor Tridem in overseas expansion push.** Shanghai Fosun Pharmaceutical Group, one of China's top drug companies, will buy all the shares in French drug distributor Tridem for 63mn euros (US\$73mn), as it continues its aggressive expansion into overseas markets. [SCMP]

- **China Telecom profit up 5.5% in first three quarters.** China Telecom reported a 5.5-percent net profit growth in the first three quarters of the year. Net profit attributable to shareholders stood at RMB18.5bn (\$2.8bn) during the period, according to a statement on the company's website. [China Daily]
- **Yixin Group starts gauging investor demand for H.K. IPO.** Yixin Group Ltd., Bitauto's car-financing unit, has started gauging investor demand for a Hong Kong initial public offering, according to terms for the deal obtained by Bloomberg. Yixin plans to use 30% of proceeds for sales and marketing, 20% for improving data analysis capabilities. [Bloomberg]
- **Toy retailer Kidsland seeks up to \$56mn in Hong Kong IPO.** Kidsland International Holdings, a Chinese toy retailer, offers 200m shares at HK\$1.50 to HK\$2.20 apiece in Hong Kong IPO, according to terms for the deal obtained by Bloomberg. The company is expected to take orders from Oct. 30 to Nov. [Bloomberg]
- **Gaming gear firm Razer seeks up to \$545mn in Hong Kong IPO.** Razer Inc., the gaming device maker backed by Intel Capital Corp., is seeking investor orders for a Hong Kong initial public offering that could raise as much as \$545mn. The company is offering 1.1bn shares at HK\$2.93 to HK\$4.00 apiece. [Bloomberg]
- **Hong Kong's Richest Man increases stake in O Luxe.** Billionaire Li Ka-shing agreed to buy shares in O Luxe Holdings Ltd. for the second time in a month, a deal that would make Hong Kong's richest man the second-largest investor in the owner of an electric-car maker. [Bloomberg]
- **Sinopec profit rises as refining and chemicals lift earnings.** China Petroleum & Chemical Corp. said third-quarter profit advanced 13% as earnings from its refining and chemicals businesses offset lower oil output. Net income increased to RMB11.5bn in the three months to Sept. 30 [Bloomberg]
- **China Jinmao unit proposes issue of USD subordinated perpetuals.** Aggregate principal amount, offer price, distribution rate of the proposed subordinated guaranteed perpetual capital securities by Franshion Brilliant will be determined through book building, according to statement to Hong Kong stock exchange. [Bloomberg]
- **Sinopharm 9-month net 3.66bn yuan vs restated 3.6bn yuan year ago.** Sinopharm reported that its 9-month operating revenue was 208.6bn yuan vs restated 193.1bn yuan year earlier, according to statement to Hong Kong stock exchange. [Bloomberg]
- **Ronshine China to raise HK\$1.21bn from top-up placement.** Ronshine China to issue up to 142.5m shares to Dingxin Co. Ltd at HK\$8.52 each, according to statement to Hong Kong stock exchange. Placement shares represent approximately 9.53% of enlarged issued share capital. [Bloomberg]
- **China Molybdenum 3Q net 769.4mn yuan vs 71.6m yuan year ago.** China Molybdenum reported 3Q sales 6.05b yuan vs 1.24b yuan year ago, according to statement to Shanghai stock exchange. 3Q basic EPS 0.04 yuan vs 0.0043 yuan year ago. [Bloomberg]
- **Boeing to gain as China agrees to recognise U.S. safety approval.** The U.S. and China agreed to recognize the other's aircraft safety approvals, which may boost the Asian nation's burgeoning aviation industry and make it easier for companies like Boeing Co. to sell products there. [Bloomberg]
- **BOC Hong Kong 3Q net Operating income before impairment amounted to HK\$12bn.** BOC Hong Kong reported net operating income before impairment for the third quarter of HK\$12bn. 3Q operating profit before impairment allowances HK\$8.8bn. [Bloomberg]
- **Xinyi Glass hopes new float glass production lines in Malaysia to begin production in Mid-2018.** Xinyi Glass CEO Tung Ching-sai said the group is building two float glass production lines (phase 2) in Malaysia, involving 2,000 tonnes of capacity. The group aimed to start operation of these two production lines in mid-2018. [AASocks]
- **China Huarong plans to issue USD-denominated guaranteed notes.** China Huarong announced that it proposed issue of USD-denominated guaranteed notes and SGD-denominated guaranteed notes under the US\$10 billion medium term note programme. [AASocks]

V. Overnight Market Recap

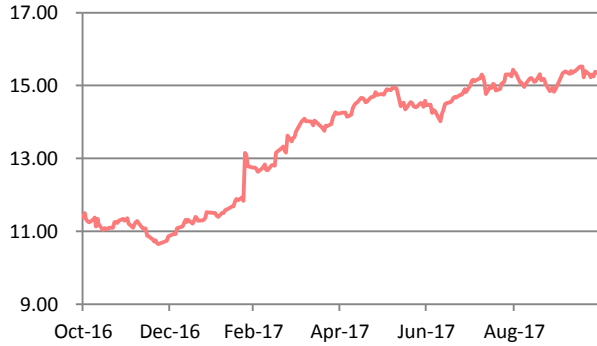
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,573	(8.2)	(0.3)	0.3	2.1	4.2	7.9	21.0	14.9
	Dow Jones	23,349	(85.5)	(0.4)	0.3	4.2	6.7	11.5	28.7	18.1
	Nasdaq Composite	6,699	(2.3)	(0.0)	1.7	3.1	5.5	10.8	29.1	24.4
	Russell 2000	1,491	(17.4)	(1.2)	(0.4)	0.0	4.6	6.5	25.1	9.9
	VIX Index	10.50	0.7	7.1	(5.1)	10.4	2.3	(3.0)	(38.5)	(25.2)
Europe Equity	Euro Stoxx 50	3,662	10.0	0.3	1.5	1.9	6.2	2.9	19.9	11.3
	DAX	13,230	12.0	0.1	1.7	3.1	9.2	6.4	24.0	15.2
	CAC	5,494	(0.5)	(0.0)	2.0	3.1	7.8	4.3	21.8	13.0
	FTSE 100	7,488	(17.2)	(0.2)	(0.5)	1.6	1.6	3.9	7.7	4.8
	HSI	28,336	(102.7)	(0.4)	0.1	2.8	3.7	15.1	23.6	28.8
APAC Equity	HSCEI	11,563	(80.2)	(0.7)	0.6	6.0	6.8	13.1	21.0	23.1
	HSI VIX	16.50	1.4	9.5	14.7	17.8	22.9	41.3	(12.4)	(2.3)
	CSI 300	4,010	(12.2)	(0.3)	2.0	4.5	7.3	16.6	20.2	21.1
	SH Composite	3,390	(26.5)	(0.8)	0.3	1.2	3.6	7.5	9.3	9.2
	SZ Composite	1,988	(35.0)	(1.7)	(1.2)	(0.0)	5.8	4.3	(3.0)	1.0
	Nikkei 225	22,012	3.2	0.0	1.5	8.1	10.5	14.7	26.3	15.2
	KOSPI	2,502	5.3	0.2	0.5	4.4	4.1	13.4	24.5	23.4
Commodities (USD)	Brent (Future)	60.90	0.5	0.8	6.2	5.8	15.7	17.7	26.1	7.2
	WTI (Future)	54.15	0.3	0.5	4.3	4.7	7.8	9.6	15.4	0.7
	Gold	1,276	2.9	0.2	(0.5)	0.4	0.6	1.6	(0.0)	11.3
	Copper (Future)	6,867	37.0	0.5	(2.0)	6.0	8.6	19.7	41.8	24.1
	Baltic Dry Index	1,546.00	(9.0)	(0.6)	(2.6)	14.0	63.4	39.4	80.4	60.9
FX	Dollar Index	94.56	(0.4)	(0.4)	0.7	1.5	1.7	(4.6)	(4.0)	(7.6)
	EUR	1.17	0.0	0.4	(0.8)	(0.7)	(1.7)	6.9	6.1	10.7
	JPY	113.18	(0.5)	(0.4)	(0.2)	(0.3)	(2.5)	(1.1)	(7.3)	3.4
	CNY	6.65	(0.0)	0.1	(0.1)	0.1	1.2	3.7	1.9	4.5
	CNH	6.64	(0.0)	(0.2)	-	0.5	1.4	3.9	2.1	5.1
CDS	ChinaGov CDS	sting Data...	1.6	3.3	(2.4)	(17.4)	(20.5)	(37.1)	(53.5)	(56.3)
	CDX Emerging Market	sting Data...	0.0	0.0	0.0	0.4	0.5	1.0	3.4	3.1

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.09	-	(0.0)	1.1	1.0	1.1	0.8	0.3	0.5
	2-Year Treasury Yield	1.57	(0.0)	(0.9)	1.6	1.5	1.3	1.3	0.8	1.2
	5-Year Treasury Yield	2.00	(0.0)	(1.6)	2.0	1.9	1.8	1.8	1.3	1.9
	10-Year Treasury Yield	2.37	(0.0)	(1.6)	2.4	2.3	2.3	2.3	1.8	2.4
	2-10 Spread	79.08	(2.4)	(3.0)	83.4	84.5	90.6	101.8	98.1	125.0
China rates	O/N China Repo Rate	sting Data...	(0.1)	(4.1)	2.5	3.0	3.3	2.9	2.3	2.2
	1-Week China Repo Rate	sting Data...	-	-	3.4	3.4	2.8	3.2	2.8	2.6
	O/N SHIBOR	sting Data...	0.0	0.1	2.6	2.9	2.8	2.8	2.3	2.2
	1-Week SHIBOR	sting Data...	0.0	0.3	2.8	3.0	2.9	2.9	2.4	2.5

Source: Bloomberg

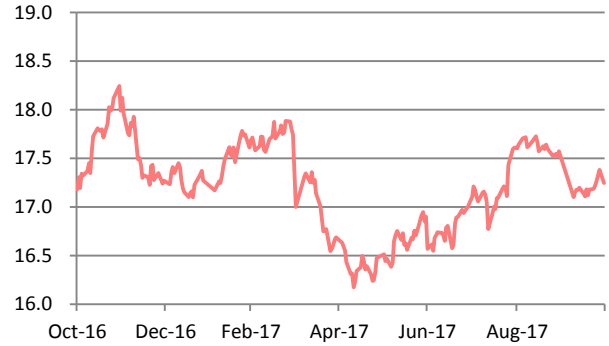
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



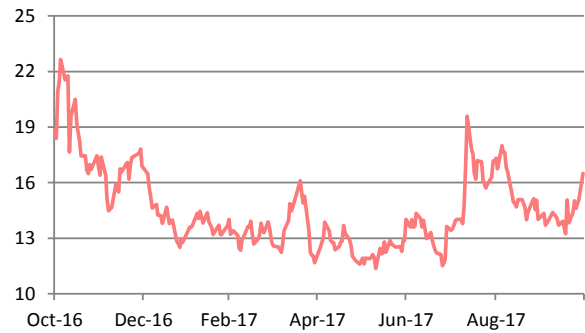
Source: Bloomberg

China 5Y CDS Index_USD



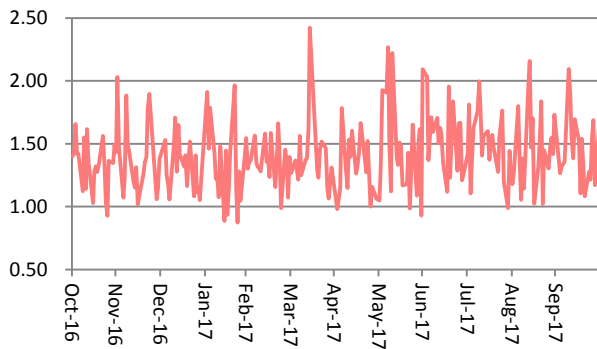
Source: Bloomberg

Hang Seng Index VIX



Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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