

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
Germany: factory orders YoY	Sep	6.80%	7.80%
Australia: Melbourne Institute Inflation YoY	Oct	N/A	2.50%
Indonesia: GDP YoY	3Q17	5.15%	5.01%
Indonesia: consumer confidence	Oct	N/A	123.8

Source: Bloomberg

II. Macro News

- **Central bank head urges more reform.** Deepened reform and opening-up are the key measures to proactively control systematic risks in China's financial sector, promoted by overall coordination between regulatory institutions, central bank governor Zhou Xiaochuan said at the weekend. [China Daily]
- **Donald Trump announces Jerome Powell as next chairman of the US Federal Reserve.** President Donald Trump on Thursday announced his nomination of Federal Reserve governor Jerome Powell as the next chairman of the US central bank, replacing Janet Yellen, whose four-year term will expire in February. [Bloomberg]
- **Greece, China sign deals to promote economic cooperation.** Greek and Chinese state officials and representatives of major enterprises signed a series of memoranda of understanding to promote bilateral economic cooperation in key sectors under the 2017-2019 Greece-China Action Plan. [China Daily]

III. Industry News

- **China 'will lower barriers' amid innovation drive.** Multinational companies, foreign private investors and international private equity investment funds will see more investment opportunities in China in the next five years, as the country plans to maintain a focus on economic development and unleash the potential for innovative growth. [SCMP]
- **Cuba, China companies deepen ties to increase commercial exchanges.** A new space to deepen trade relations between Cuba and China was celebrated on Thursday of the XIII Bilateral Business Committee where companies from both nations explored new trade and business opportunities. [China Daily]
- **Tariff cuts on way to help boost imports.** China will cut tariffs on consumer goods and enhance bank financing to boost imports and ensure more stable economic growth, senior commerce officials said. China will amend the Catalog of Encouraged Technologies and Product Imports, encourage banks to provide more financial assistance, and expand imports of advanced equipment and key manufacturing components. [China Daily]

IV. Corporate News

- **HNA offers record bond to control debt costs.** HNA Group is offering to sell the mainland's most expensive short-term dollar bond ever as it tries to control its costs because of maturing debt. The company is marketing a 363-day bond at 9 percent. [SCMP]
- **China Vanke sales down 25% in October.** China's top property developer saw sales fall 25 percent year-on-year in October, according to a company statement. China Vanke said its sales stood at 36.8 billion yuan last month, down from 49bn last year. [China Daily]

- **Bad Moms' studio is said to hire banks for Hong Kong IPO.** STX Entertainment, a filmmaker and distributor backed by China's Tencent Holdings Ltd., has hired banks to work on a potential Hong Kong initial public offering that could raise about \$500mn. [Bloomberg]
- **China Yuhua Education to raise HK\$936.7mn from top-up placement.** The company to issue up to 253.2m new shares at HK\$3.70 apiece to controlling shareholder GuangYu Investment, according to statement to Hong Kong stock exchange. Placement shares represent ~7.78% of enlarged issued share capital. [Bloomberg]
- **HNA submits interest in MTR Wong Chuk Hung project.** MTR Corp.'s phase 2 residential development at Wong Chuk Hung station received 37 expressions of interest, including from HNA Group, The Standard reports. [Bloomberg]
- **Jiangxi Copper parent Plans 3bn yuan exchangeable bond sale.** Controlling holder Jiangxi Copper Corp. plans to sell 3-year bonds that exchangeable to Jiangxi Copper's A-shares in private placement, according to statement to Shanghai stock exchange. [Bloomberg]
- **Melco Resorts third quarter net revenue 3.8% above estimates.** Melco Resorts reported net revenue for the third quarter that was 3.8% above the average analyst estimate. 3Q net revenue \$1.38 billion, estimate \$1.33 billion. [Bloomberg]
- **China Hongqiao chairman Zhang bought 17.6mn shares Nov. 2.** Controlling shareholder Hongqiao Holdings, held by Chairman Zhang Shiping, bought 17.6m China Hongqiao shares in open market at avg HK\$11.76 apiece, according to statement to Hong Kong stock exchange dated Nov. 2. [Bloomberg]
- **Kaisa to sell additional \$619mn notes due 2020, 2021, 2022, 2024.** Kaisa proposes to issue \$30m 7.25% senior notes due 2020, \$100m 7.875% senior notes due 2021, \$215m 8.50% senior notes due 2022 and \$274m 9.375% senior notes due 2024, according to statement to Hong Kong stock exchange. [Bloomberg]
- **Agile Group seeks consent of \$500mn 9.0% senior notes due 2020.** Consent solicitation is to amend certain provisions in indenture to bring them into conformity with terms of indenture of company's \$200m 5.125% senior notes due 2022 issued, according to statement to Hong Kong stock exchange. [Bloomberg]
- **China Poly to start Ethiopia gas exports by 2019, Minister says.** China Poly Group plans to start exporting natural gas from Ethiopia's eastern Ogaden basin by mid-2019 as it continues to explore near the border with Somalia, Petroleum Minister Motuma Mekassa said. [Bloomberg]
- **Teva in talks to set up China venture with Guangzhou Pharma.** Teva Pharma Industries Ltd. is making its boldest move in China with plans to set up a joint venture with Guangzhou Pharmaceutical Holdings Ltd. to make and sell the Israeli company's generic drugs in the world's second-biggest market for medicines, according to its partner. [Bloomberg]
- **Genworth, China Oceanwide discussing pushing back deal deadline.** Genworth Financial Inc., which agreed last year to be bought by China Oceanwide Holdings Group Co. for \$2.7 billion, said it was discussing with the buyer the possibility of waiving the right they both have to terminate the deal after its Nov. 30 deadline. [Bloomberg]
- **Alibaba Caps \$250bn rally with accelerating growth.** Even after adding \$250 billion in market value, Alibaba Group Holding Ltd. still manages to surprise. China's biggest company raised its outlook for full-year revenue growth after reporting its fastest pace of sales since its record 2014 IPO. [Bloomberg]
- **HNA may check out of this Spanish hotel after getting kicked out.** HNA Group Co.'s precarious grip on a \$2.2 billion Spanish hotel company is in doubt as a mountain of debt comes due and China puts the squeeze on its most prolific acquirers. [Bloomberg]
- **Dongfeng unveils Auto Fan studio.** Dongfeng Motor has unveiled its first research and development studio named after an individual, reflecting the Chinese auto giant's commitment to its innovation-driven strategy. Auto Fan studio, situated in Dongfeng's Shiyan, Hubei province production base, is led by Fan Yue. [China Daily]
- **China Life to expand overseas presence.** China Life Insurance Co. Ltd. will invest actively in international markets, seeking greater exposure to assets including overseas stock markets, real estate and infrastructure projects, a senior executive said. [China Daily]

V. Overnight Market Recap

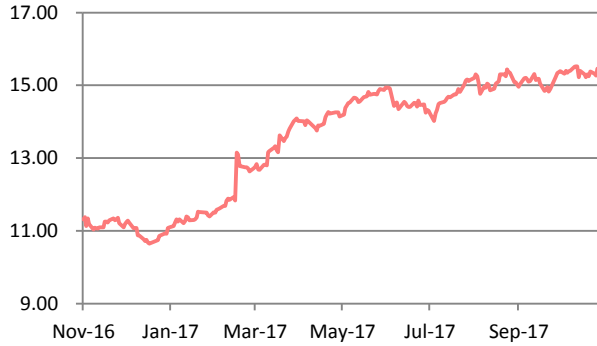
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,588	8.0	0.3	0.3	1.5	4.5	7.9	24.1	15.6
	Dow Jones	23,539	22.9	0.1	0.4	3.4	6.5	12.1	31.6	19.1
	Nasdaq Composite	6,764	49.5	0.7	0.9	2.6	6.5	10.9	34.0	25.7
	Russell 2000	1,495	(1.6)	(0.1)	(0.9)	(1.0)	5.8	7.0	28.5	10.2
	VIX Index	9.14	(0.8)	(8.0)	(6.7)	(5.3)	(8.9)	(13.5)	(59.4)	(34.9)
Europe Equity	Euro Stoxx 50	3,690	1.2	0.0	1.0	2.4	5.2	0.9	24.9	12.1
	DAX	13,479	37.9	0.3	2.6	4.0	9.6	6.0	31.4	17.4
	CAC	5,518	7.5	0.1	0.4	2.9	6.0	1.6	26.1	13.5
	FTSE 100	7,560	5.0	0.1	0.7	0.5	0.6	3.6	13.0	5.8
APAC Equity	HSI	28,604	85.0	0.3	0.6	0.5	3.8	16.9	26.3	30.0
	HSCEI	11,602	4.0	0.0	(0.4)	1.3	5.4	16.9	22.2	23.5
	HSI VIX	13.78	(0.4)	(2.8)	(8.6)	(1.1)	(1.7)	(0.6)	(39.2)	(18.4)
	CSI 300	3,993	(4.4)	(0.1)	(0.7)	4.1	7.7	18.0	19.0	20.6
	SH Composite	3,372	(11.6)	(0.3)	(1.3)	0.7	3.4	8.7	7.9	8.6
	SZ Composite	1,976	(14.1)	(0.7)	(2.4)	(0.6)	6.3	5.5	(4.4)	0.3
	Nikkei 225	22,539	119.0	0.5	3.7	9.3	12.5	15.9	31.5	17.9
KOSPI	2,558	11.6	0.5	2.5	6.8	6.8	14.1	29.1	26.2	
Commodities (USD)	Brent (Future)	62.07	1.5	2.4	2.7	12.1	19.0	27.0	36.8	9.8
	WTI (Future)	55.64	1.1	2.0	3.2	13.3	12.6	20.8	26.7	3.9
	Gold	1,270	(6.2)	(0.5)	(0.3)	(0.5)	1.0	3.6	(0.9)	10.7
	Copper (Future)	6,895	(34.0)	(0.5)	1.0	5.8	8.5	23.1	39.0	24.6
	Baltic Dry Index	1,482.00	(14.0)	(0.9)	(4.1)	5.5	43.6	49.1	73.3	54.2
FX	Dollar Index	94.94	0.3	0.3	0.0	1.2	1.5	(3.8)	(2.2)	(7.1)
	EUR	1.16	(0.0)	(0.4)	-	(1.0)	(1.6)	6.3	5.2	10.4
	JPY	114.07	(0.0)	(0.0)	0.4	(1.3)	(3.0)	(0.8)	(8.5)	2.4
	CNY	6.64	0.0	(0.4)	0.2	0.2	1.2	3.9	1.9	4.6
	CNH	6.64	0.0	0.4	(0.2)	0.2	1.4	4.1	2.4	5.1
CDS	ChinaGov CDS	52.52	(0.2)	(0.4)	6.5	(11.0)	(16.9)	(34.2)	(50.7)	(55.1)
	CDX Emerging Market	96.27	(0.3)	(0.3)	(0.3)	(0.0)	(0.1)	0.8	2.7	2.8

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.17	0.0	0.9	1.1	1.1	1.1	0.9	0.4	0.5
	2-Year Treasury Yield	1.61	0.0	0.4	1.6	1.5	1.4	1.3	0.8	1.2
	5-Year Treasury Yield	1.99	(0.0)	(0.5)	2.0	2.0	1.8	1.9	1.2	1.9
	10-Year Treasury Yield	2.33	(0.0)	(0.5)	2.4	2.4	2.3	2.4	1.8	2.4
	2-10 Spread	71.60	(1.7)	(2.3)	79.1	85.1	89.8	105.2	99.0	125.0
China rates	O/N China Repo Rate	2.52	(0.0)	(1.6)	2.8	3.0	2.8	2.8	2.0	2.2
	1-Week China Repo Rate	2.90	(0.1)	(3.3)	3.4	3.4	2.9	3.3	2.3	2.6
	O/N SHIBOR	2.58	(0.0)	(1.9)	2.7	2.9	2.7	2.8	2.2	2.2
	1-Week SHIBOR	2.82	(0.0)	(1.2)	2.9	3.0	2.9	2.9	2.4	2.5

Source: Bloomberg

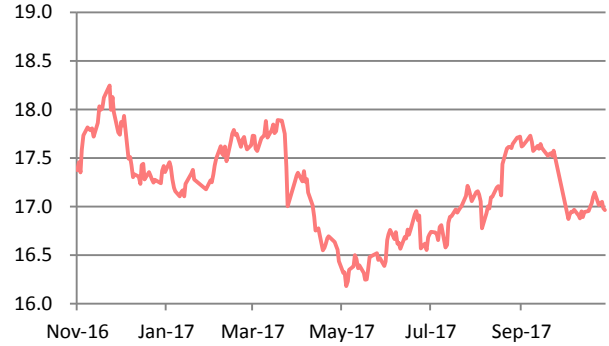
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



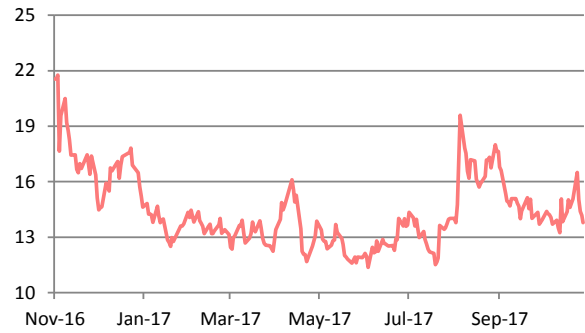
Source: Bloomberg

China 5Y CDS Index_USD



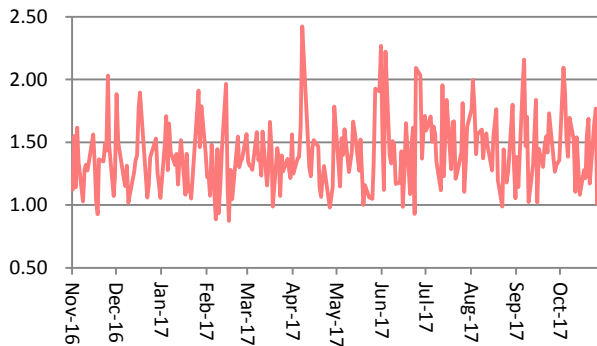
Source: Bloomberg

Hang Seng Index VIX



Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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