

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: housing starts	Oct	1188k	1127k
Japan: nationwide department store sales YoY	Oct	N/A	4.40%
Malaysia: GDP YoY	3Q17	N/A	5.80%
Eurozone: construction output YoY	Sep	N/A	1.60%

Source: Bloomberg

II. Macro News

- **UAE, China oil giants agree to expand partnership.** The United Arab Emirates government-controlled Abu Dhabi National Oil Company has signed on Wednesday a framework agreement with China National Petroleum Corporation (CNPC) to expand collaboration, said UAE state news agency WAM. [China Daily]
- **China and India chase stakes in Abu Dhabi offshore oil fields.** China and India are each targeting a share of Abu Dhabi's largest offshore oil fields as the Persian Gulf producer seeks partners to boost output and ensure exports of its oil to two of the world's most promising markets. [Bloomberg]
- **China's ODI drops 40.9% in Jan-Oct.** China's non-financial outbound direct investment fell 40.9% YoY in Jan-Oct period as authorities curbed irrational investment overseas, data showed Thursday. Chinese investors spent a total of \$86.3bn on 5,410 enterprises from 160 countries and regions during the period, the MOC said in a statement. [China Daily]

III. Industry News

- **MSCI China addition prompts Hong Kong traders to seek link fixes.** Traders are lobbying Hong Kong Exchanges & Clearing Ltd. for changes to the cross-border stock links with mainland China ahead of the country's shares joining key MSCI Inc. benchmarks. [Bloomberg]
- **China tightens bank shareholding rules after lifting cap on foreign stakes.** All investors, individuals, or those acting in concert to skirt the rules, seeking a more than 5% stake in a Chinese commercial bank will need the approval of China's banking regulator before a deal could be struck, according to a series of draft rules issued by the CBRC on Thursday. [SCMP]
- **HKMA, MAS sign MoU for cross-border trade, finance platform.** Hong Kong Monetary Authority and the Monetary Authority of Singapore signed MoU to jointly develop the Global Trade Connectivity Network, a cross-border infrastructure based on distributed ledger technology, HKMA says in statement on website. [Bloomberg]

IV. Corporate News

- **Volkswagen heats up battle in China's green vehicles market with US\$12b investment.** Volkswagen AG will invest more than €10bn with its JV partners in building and developing new-energy vehicles in China over the next eight years, the latest sign that competition for green cars in the world's largest auto market will escalate. [SCMP]
- **ICBC to offer 500bn yuan worth of credit to spur home rental market in Guangzhou.** Industrial and Commercial Bank of China said Thurs it would offer RMB500bn worth of credit to support the home rental market in Guangzhou. The bank would offer credit to support the establishment of a state-owned residential leasing platform in Guangzhou. [SCMP]

- **Sunac extends fresh loans to LeEco companies.** Billionaire property magnate Sun Hongbin has come to the rescue of LeEco for the second time this year, providing US\$270 million in loans to the internet giant's video streaming and TV unit on Thursday through his Tianjin-based residential developer China Sunac Holdings. [SCMP]
- **LeEco founder Jia Yueting 'cannot keep' promise of financial support to embattled subsidiary.** The embattled founder of LeEco, Jia Yueting, has told one of the company's subsidiaries that he is no longer able to offer it financial support as he had previously promised, in a further blow to the image of the once high-flying internet tycoon. [SCMP]
- **Sinopec increases natural gas supply to meet winter demand.** Sinopec vows to increase its natural gas supply to 15.1bn cubic meters (+13.1% YoY) to ensure the heating season supply. It will ensure the upstream gas fields into full production; it's also coordinating with peer cos negotiating the sharing of gas pipelines to ensure efficient transmission. [China Daily]
- **Shanghai Pharma eyes further deals after Cardinal China purchase.** Shanghai Pharmaceuticals Holding Co. is exploring further acquisitions after it beat out global buyout firms to buy Cardinal Health Inc.'s Chinese distribution business in a \$1.2 billion deal. [Bloomberg]
- **Sunac China to provide 1.79bn yuan loan to Leshi companies.** Sunac unit entered agreement to conditionally provide 1.29b yuan loan to Leshi Internet for use as general working capital, company says in a filing to stock exchange. [Bloomberg]
- **Baidu jumps into Chinese smart speaker fray with the Raven H.** Baidu Inc. has unveiled a smart speaker designed to stake out a spot in a Chinese market bereft of competing Google or Amazon devices. Its palm-sized "Raven H" goes on sale December and relies on Baidu's own DuerOS software to power services on the multi-hued device. [Bloomberg]
- **Volkswagen, partners plan \$12bn China EVs investment.** Volkswagen AG will invest more than 10 billion euros (\$12 billion) with its partners to make and develop a range of new-energy vehicles in China as carmakers step up investments in low-emission models in the world's biggest auto market. [Bloomberg]
- **China's top aluminum maker mulls moving plants to Indonesia.** The nation's top producer of the metal, China Hongqiao Group Ltd., is considering whether to physically relocate shuttered plants to other countries, with Indonesia top of the list of possibilities, according to Chief Executive Officer Zhang Bo. [Bloomberg]
- **Beijing Capital Intl Airport heads for biggest loss in a year.** Beijing Capital International Airport Co. slides 4.1% in Hong Kong, heading for third straight session of declines and biggest loss since November 2016. [Bloomberg]
- **Angang to pursue greater steel share in Chinese cars.** Angang Steel is upgrading its product offerings to include more higher value-added products in response to a global steel glut. China's largest Hong Kong-listed steelmaker seeks to strengthen its position in the auto market, partly through a JV with Kobe Steel that began in 2016. [Bloomberg]
- **Shenzhen Intl proposes issue of USD perpetual capital securities.** Aggregate principal amount, offer price and interest rate will be determined through book building, according to statement to HKEX. Proceeds to be used for investment in integrated logistic hubs, repayment of existing debts and general working capital purposes. [Bloomberg]
- **Noble Group said to seek to extend debt maturities by 3-5 years.** Noble Group Plc. will seek to extend the maturity of loans and bonds by three to five years. As it starts talks with lenders and bondholders in Hong Kong and London next week, it won't ask for any haircut on loans or bonds. [Bloomberg]
- **Record \$2bn Hong Kong land sale shows market running hot.** Sino Land Co. was part of a consortium that swooped in to buy residential land in Hong Kong from the government for HK\$17.3bn (\$2.2bn), described by local media as a record for that type of property. [Bloomberg]
- **Noble Group focuses rare earth, special ore efforts in two units.** Noble Group says it's seeking to develop exposure in rare earths, special ores and metals through two units. Kalon Resources "dedicated vehicle" for special ores and metals, principally chrome, manganese, tin and tungsten ores, co. says in statement to Singapore exchange. [Bloomberg]

V. Overnight Market Recap

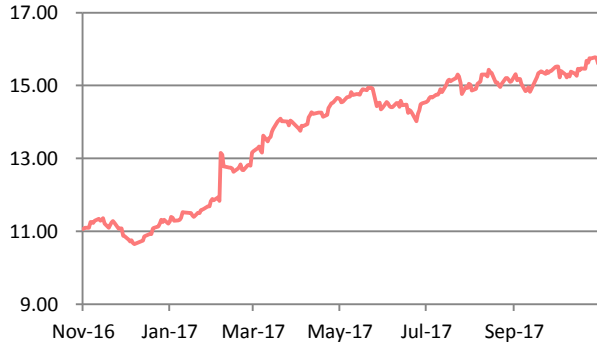
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,586	21.0	0.8	0.0	1.0	6.4	9.7	18.2	15.5
	Dow Jones	23,458	187.1	0.8	(0.0)	2.0	7.9	13.8	24.1	18.7
	Nasdaq Composite	6,793	87.1	1.3	0.6	2.6	9.2	13.0	27.4	26.2
	Russell 2000	1,487	22.8	1.6	0.8	(0.7)	9.4	9.7	13.5	9.6
	VIX Index	11.76	(1.4)	(10.4)	12.0	14.1	(24.4)	(24.6)	(11.9)	(16.2)
Europe Equity	Euro Stoxx 50	3,565	19.1	0.5	(1.3)	(1.2)	3.0	(0.6)	17.2	8.3
	DAX	13,047	70.9	0.5	(1.0)	0.4	6.9	3.3	22.1	13.6
	CAC	5,336	35.1	0.7	(1.3)	(0.5)	3.7	0.3	17.9	9.8
	FTSE 100	7,387	14.3	0.2	(1.3)	(1.7)	(0.0)	(1.6)	8.7	3.4
APAC Equity	HSI	29,019	167.1	0.6	(0.4)	1.1	6.1	14.7	30.3	31.9
	HSCEI	11,534	121.2	1.1	(1.8)	(0.3)	6.8	11.1	23.7	22.8
	HSI VIX	14.64	(0.6)	(3.8)	2.3	8.4	(9.6)	14.0	(19.9)	(13.3)
	CSI 300	4,105	31.3	0.8	0.7	4.9	10.3	20.4	19.5	24.0
	SH Composite	3,399	(3.3)	(0.1)	(0.8)	0.8	4.0	9.5	5.9	9.5
	SZ Composite	2,010	4.5	0.2	(0.9)	0.1	5.3	7.6	(5.0)	2.1
	Nikkei 225	22,351	322.8	1.5	(2.3)	4.8	13.4	12.8	25.1	16.9
KOSPI	2,535	16.5	0.7	(0.6)	2.0	7.3	10.5	28.0	25.1	
Commodities (USD)	Brent (Future)	61.36	(0.5)	(0.8)	(4.0)	6.1	22.1	18.8	31.6	8.0
	WTI (Future)	55.14	(0.2)	(0.3)	(3.6)	6.5	17.3	12.6	21.6	2.8
	Gold	1,279	0.4	0.0	(0.5)	(0.5)	(0.7)	1.4	5.1	11.4
	Copper (Future)	6,773	14.0	0.2	(1.2)	(1.6)	6.2	20.7	22.6	22.4
	Baltic Dry Index	1,374.00	(31.0)	(2.2)	(7.2)	(9.8)	13.8	40.2	20.0	43.0
FX	Dollar Index	93.93	0.1	0.1	(0.5)	0.7	0.4	(4.3)	(6.5)	(8.1)
	EUR	1.18	(0.0)	(0.2)	1.1	0.0	0.4	5.5	10.7	11.9
	JPY	113.06	0.2	0.2	(0.4)	(0.8)	(3.1)	(2.0)	(2.6)	3.4
	CNY	6.63	0.0	(0.1)	0.1	(0.6)	0.9	3.9	3.8	4.7
	CNH	6.63	0.0	0.0	(0.2)	(0.4)	0.7	3.6	4.1	5.1
CDS	ChinaGov CDS	61.06	(1.6)	(2.5)	3.3	8.2	(5.7)	(22.0)	(48.9)	(47.8)
	CDX Emerging Market	96.01	0.3	0.3	0.2	(0.4)	0.1	0.5	4.4	2.5

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.25	0.0	1.2	1.2	1.1	1.0	0.9	0.4	0.5
	2-Year Treasury Yield	1.71	0.0	1.5	1.7	1.6	1.3	1.3	1.0	1.2
	5-Year Treasury Yield	2.07	0.0	1.9	2.1	2.0	1.8	1.8	1.7	1.9
	10-Year Treasury Yield	2.38	0.1	2.3	2.4	2.3	2.2	2.2	2.3	2.4
	2-10 Spread	66.31	2.8	4.5	74.0	77.9	88.4	96.0	125.2	125.0
China rates	O/N China Repo Rate	2.80	(0.0)	(0.7)	2.6	2.3	2.8	2.5	2.4	2.2
	1-Week China Repo Rate	2.92	(0.2)	(5.8)	3.1	2.7	3.0	3.0	2.7	2.6
	O/N SHIBOR	2.80	(0.0)	(0.2)	2.7	2.6	2.8	2.7	2.3	2.2
	1-Week SHIBOR	2.89	-	-	2.8	2.8	2.9	2.9	2.4	2.5

Source: Bloomberg

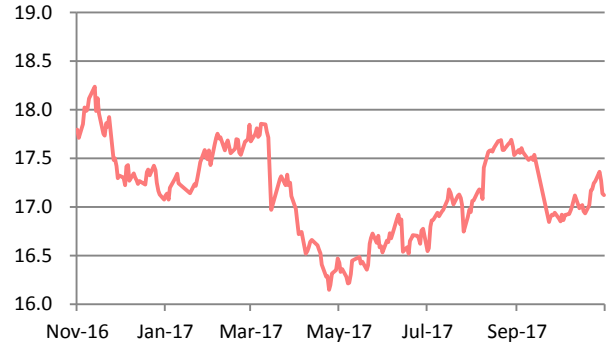
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



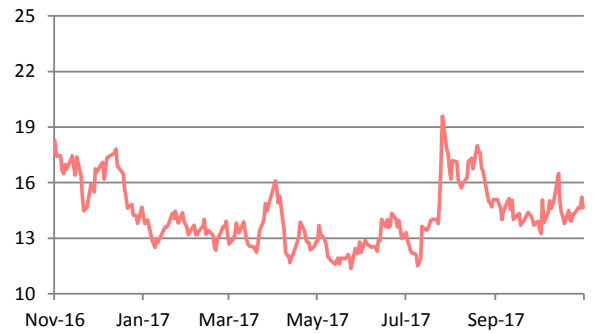
Source: Bloomberg

China 5Y CDS Index_USD



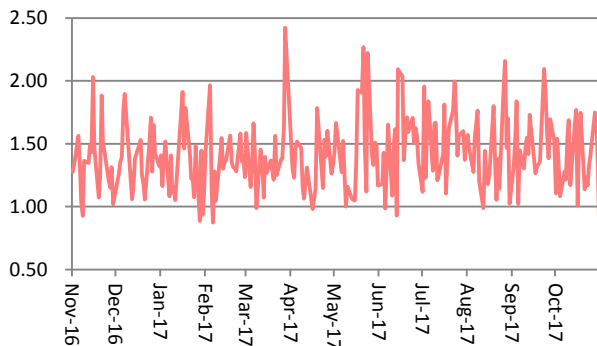
Source: Bloomberg

Hang Seng Index VIX



Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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