

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
Japan: national CPI YoY	Oct	0.2%	0.7%
S. Korea: exports / imports YoY	Nov	10.3% / 13.3%	7.1% / 7.4%
S. Korea: Nikkei manufacturing PMI	Nov	N/A	50.2
Indonesia: Nikkei manufacturing PMI	Nov	N/A	50.1
Russia: Nikkei manufacturing PMI	Nov	51.8	51.1

Source: Bloomberg

II. Macro News

- **US and China trade barbs over global glut in steel.** China and the US remained at odds on Thursday over how to combat excess capacity in the global steel sector, trading barbs at the conclusion of a ministerial level G20 industry summit in Berlin. [SCMP]
- **US economy grows at its fastest pace in three years.** The US economy grew faster than initially thought in the third quarter, notching its quickest pace in three years, buoyed by robust business spending on equipment and an accumulation of inventories. GDP expanded at a 3.3% annual rate, which was also boosted by a rebound in government investment. [SCMP]
- **Chinese factory activity picks up in November.** A monthly survey of Chinese manufacturing shows activity improved in Nov, adding to signs of a pickup in global and domestic demand. The China Federation of Logistics and Purchasing said its PMI rose to 52.4 from Oct's 51.6 on a 100-pt scale on which numbers above 50 show activity accelerating. [The Standard]

III. Industry News

- **China QFII quota rises to \$96.79bmnn.** China's dollar-denominated Qualified Foreign Institutional Investors (QFII) program saw its total quota rise to \$96.79 billion as of Nov 29, the forex regulator said Thursday. The amount was up from \$94.49bn at the end of Oct, according to data from the State Administration of Foreign Exchange. [China Daily]
- **Hong Kong Unveils Investor Identification Plan for Stock Connect.** Hong Kong's Securities and Futures Commission reached an agreement with the China Securities Regulatory Commission on a plan to introduce an identification system for investors buying mainland shares in the former British colony via the stock connect.
- **Singapore Exchange Aims for Faster Trade Settlement Next Year.** Singapore Exchange Limited plans to speed up clearing and settlement of securities to reduce systemic risks and bring the island nation's market in line with global standards. It Plans to cut city's trade cycle to two days from three. The move will bring it line with U.S., Europe and HK. [Bloomberg]

IV. Corporate News

- **Technology rout takes Tencent out of coveted club.** Tencent Holdings was pushed out of the USD500bn club after just 10 days as declines in technology stocks spread from the US to Asia yesterday. About HKD128.8bn was wiped off from the market capitalisation of the mainland internet giant after its shares fell 3.3% to close at HKD398. [SCMP]
- **China Minsheng Bank handed fine in fake wealth management products case.** China Minsheng Banking Corp has been fined RMB27.5mn (US\$4.2mn) in the fake wealth management products case that exposed lax internal control and risk management at the lender, according to the China Banking Regulatory Commission. [SCMP]

- **HNA to extend Glencore and CWT's expertise in commodities and logistics along New Silk Road.** HNA Group plans to expand its commodities trade and logistics businesses along the New Silk Road as part of a strategic shift, amid Beijing's scrutiny of mainland companies' massive overseas investments made in the past few years. [SCMP]
- **HNA Credit Assessment Cut by S&P as Borrowing Costs Increase.** HNA Group Co. had its credit assessment cut by S&P Global Ratings, which cited concerns about the Chinese conglomerate's looming debt payments and rising borrowing costs. S&P said it lowered HNA's credit profile by one notch to b, or five levels below investment grade, from b+. [Bloomberg]
- **Decision-Day Guide: Bank of Korea Set to Lead Asian Rates Higher.** The Bank of Korea's policy meeting on Thursday promises to be one of the most closely watched in years, with a majority of economists expecting the central bank to raise its benchmark interest rate for the first time since 2011. [Bloomberg]
- **Rolls-Royce, China's largest train manufacturer agree strategic partnership.** A corresponding agreement has now been signed by Rolls-Royce Power Systems and China Railway Rolling Stock Corporation, both deciding to grow and deepen their successful partnership, the Rolls-Royce Power Systems announced. [China Daily]
- **RYB Education shares were being shorted, even before Beijing child abuse scandal surfaced.** Short sellers were already setting RYB Education up for a plunge in its share price, even before its kindergarten in Beijing was put under investigation over allegations of child abuse. [SCMP]
- **Tencent, Samsung Electronics lead Asia technology shares lower as Nasdaq sell-off weighs.** Tencent, Samsung Electronics and Taiwan's TSMC led steep falls in Asian technology shares on Thursday, with the three losing a combined US\$35 billion in market value as investors took their lead from a sell-off of their US peers the day before. [SCMP]
- **Shareholders of Singapore logistics firm GLP approve US\$11.6bn buyout by Chinese-led consortium.** Global Logistics Properties, the Singapore-listed logistics giant and largest operator of warehouses in China, said a proposed S\$16bn (US\$11.6bn) buyout of the firm by a consortium led by developer China Vanke Co and Chinese fund Hillhouse Capital had been approved by shareholders on Thursday. [SCMP]
- **HNA considers IPO for its Swiss airline catering subsidiary Gategroup.** Chinese conglomerate HNA Group is considering an initial public share offering for Gategroup Holding, the airline caterer it bought for US\$1.5 billion in cash last year in a deal that is facing regulatory scrutiny from the Swiss authorities. [SCMP]
- **HKEX Sets up Singapore Office to Expand Presence in Asia.** HKEX announced that it expands its presence in Asia with the opening of the Singapore office of The Stock Exchange of Hong Kong Limited and the Hong Kong Futures Exchange Limited. The office will help the exchanges serve their clients in Singapore and the rest of South-East Asia and reach out to more potential clients in the region. [AASocks]
- **Minmetals Land, Beijing Vanke Sign Service Agreement on Hebei Project.** Minmetals Land announced that Kuangshi Jiye, a non-wholly owned subsidiary of the company, entered into the Service Agreement with Beijing Vanke in relation to the provision of the development management services by Beijing Vanke for the residential development project known as "Minmetals Vanke City" situated in Langfang City, Hebei Province. [AASocks]
- **Volkswagen, JAC Motors teaming up.** German automaker Volkswagen AG is joining hands with Anhui Jianghuai Automobile Co Ltd (JAC Motors) to develop and sell commercial vehicles in China in an effort to grab a slice of the segment that is growing rapidly in the world's largest car market. [China Daily]
- **China National Nuclear Corp introduces sustainable heating reactor.** China National Nuclear Corp introduced the low-temperature heating reactor DHR-400 for residential heat generation, replacing coal-fired boilers as China aims to reduce coal consumption to curb pollution, the company said. [China Daily]
- **TCL rights issue aims to raise up to \$2.06bn.** TCL Multimedia Technology Holdings (1070) is launching a rights issue to existing shareholders, giving them the opportunity to subscribe to one new share at the price of HK\$3.46 for every three shares held. [The Standard]

V. Overnight Market Recap

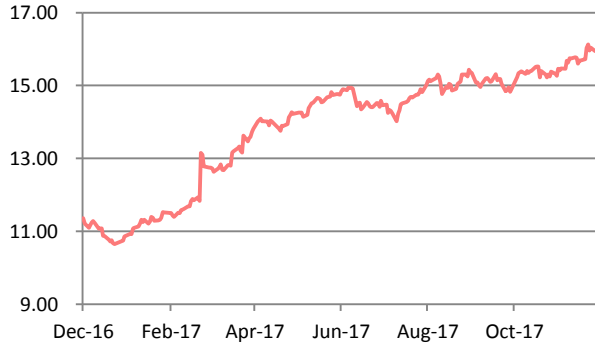
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,648	21.5	0.8	1.9	2.6	6.9	9.0	20.8	18.3
	Dow Jones	24,272	331.7	1.4	3.2	3.6	10.4	14.8	26.5	22.8
	Nasdaq Composite	6,874	49.6	0.7	0.1	2.3	6.8	10.0	30.9	27.7
	Russell 2000	1,544	1.8	0.1	1.8	3.4	9.2	10.6	17.5	13.8
	VIX Index	11.28	0.6	5.4	14.2	10.6	11.4	14.1	(19.8)	(19.7)
Europe Equity	Euro Stoxx 50	3,570	(20.0)	(0.6)	(0.1)	(3.4)	3.7	0.1	17.8	8.5
	DAX	13,024	(37.9)	(0.3)	0.1	(3.3)	7.3	2.8	23.6	13.4
	CAC	5,373	(25.3)	(0.5)	(0.1)	(2.6)	4.9	1.0	17.8	10.5
	FTSE 100	7,327	(66.9)	(0.9)	(1.2)	(2.2)	(1.5)	(2.9)	8.5	2.6
APAC Equity	HSI	29,177	(446.5)	(1.5)	(1.8)	2.0	4.4	13.1	27.5	32.6
	HSCEI	11,476	(172.3)	(1.5)	(2.2)	(1.4)	1.7	8.1	16.0	22.1
	HSI VIX	17.69	0.4	2.4	16.5	22.9	5.6	52.2	7.9	4.7
	CSI 300	4,006	(47.7)	(1.2)	(2.3)	0.2	4.6	14.5	12.4	21.0
	SH Composite	3,317	(20.7)	(0.6)	(1.0)	(2.3)	(1.5)	6.9	1.3	6.9
	SZ Composite	1,902	(17.2)	(0.9)	(1.2)	(5.1)	(2.8)	7.2	(10.3)	(3.4)
	Nikkei 225	22,725	127.8	0.6	0.9	1.4	15.4	14.4	22.8	18.9
Commodities (USD)	KOSPI	2,476	(36.5)	(1.5)	(2.4)	(2.9)	5.3	5.9	25.2	22.5
	Brent (Future)	62.63	0.5	0.7	0.0	2.1	19.6	24.5	24.1	10.2
	WTI (Future)	57.40	0.1	0.2	(1.1)	5.7	21.3	18.7	12.4	6.8
	Gold	1,275	(8.6)	(0.7)	(1.3)	0.0	(3.8)	0.7	8.8	11.1
	Copper (Future)	6,762	2.0	0.0	(2.9)	(1.1)	(0.4)	19.0	16.1	22.2
FX	Baltic Dry Index	1,536.00	30.0	2.0	6.3	2.7	29.8	80.7	28.4	59.8
	Dollar Index	93.05	(0.1)	(0.1)	(0.2)	(1.6)	0.4	(4.0)	(8.3)	(9.0)
	EUR	1.19	0.0	0.5	0.5	2.4	0.3	6.1	11.6	13.2
	JPY	112.54	0.6	0.5	1.2	1.4	(2.1)	(1.1)	1.3	3.9
	CNY	6.61	(0.0)	0.1	(0.4)	0.4	(0.3)	3.2	4.2	5.1
CDS	CNH	6.61	(0.0)	(0.0)	0.5	(0.1)	(0.8)	2.0	4.0	5.5
	ChinaGov CDS	sting Data...	0.2	0.4	(2.4)	12.5	4.1	(24.0)	(50.3)	(50.7)
	CDX Emerging Market	sting Data...	0.0	0.0	0.1	(0.2)	(0.3)	0.6	4.4	2.8

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.26	(0.0)	(2.2)	1.3	1.2	1.0	1.0	0.5	0.5
	2-Year Treasury Yield	1.78	0.0	1.1	1.7	1.6	1.3	1.3	1.1	1.2
	5-Year Treasury Yield	2.14	0.0	1.5	2.1	2.0	1.7	1.7	1.9	1.9
	10-Year Treasury Yield	2.41	0.0	0.9	2.3	2.4	2.2	2.2	2.4	2.4
	2-10 Spread	62.37	0.1	0.2	59.1	75.4	82.0	86.7	129.7	125.0
China rates	O/N China Repo Rate	sting Data...	0.2	6.9	2.8	2.5	2.5	2.9	2.4	2.2
	1-Week China Repo Rate	sting Data...	-	-	3.0	2.9	3.4	3.0	2.7	2.6
	O/N SHIBOR	sting Data...	0.1	3.9	2.8	2.7	2.8	2.8	2.3	2.2
	1-Week SHIBOR	sting Data...	0.0	0.7	2.9	2.9	2.9	2.9	2.5	2.5

Source: Bloomberg

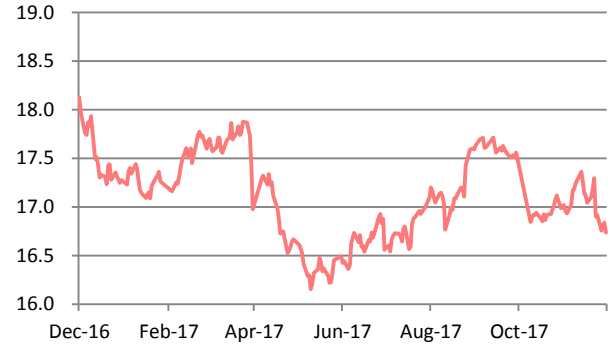
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



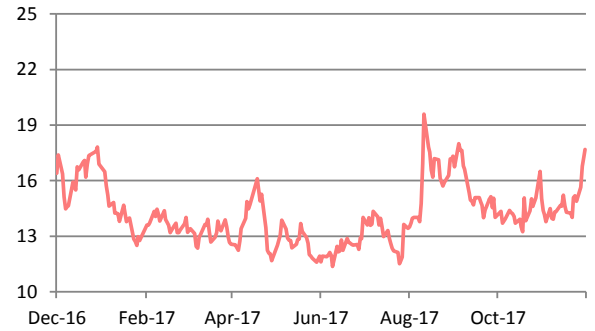
Source: Bloomberg

China 5Y CDS Index_USD



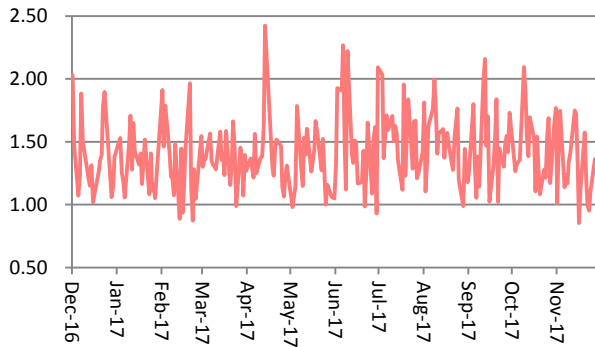
Source: Bloomberg

Hang Seng Index VIX



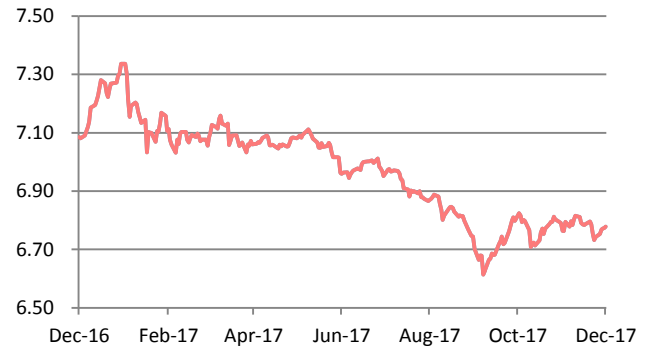
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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