

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: Factory Orders MoM	Oct	- 0.40%	1.40%
Japan: Consumer Confidence Index	Nov	44.9	44.5
Indonesia: Nikkei Manufacturing PMI	Nov	N/A	50.1
Indonesia: CPI YoY	Nov	3.41%	3.58%

Source: Bloomberg

II. Macro News

- **China denounces US opposition to market economy status.** China's MOC expressed strong dissatisfaction with the US opposition to granting it market economy status in the WTO. The Office of the US Trade Representative told Xinhua that the U.S. had submitted a statement of opposition to the WTO as a third-party brief in support of the EU in a case brought by China arguing the "surrogate country approach" should be dropped after the expiration date. [China Daily]
- **India's economy bounces back from three-year low.** India's economic growth bounced back from a 3-yr low amid an uptick in inflationary pressures. GDP expanded 6.3% in July to Sept from a year earlier. That's slower than the 6.4% median estimate in a Bloomberg survey of but faster than 5.7% in previous quarter. [Bloomberg]
- **France said to press China for more financial market access.** French Finance Minister Bruno Le Maire will press Chinese authorities to allow banks such as BNP Paribas SA and Societe Generale SA better access to the local securities markets during an official visit to the nation. [Bloomberg]

III. Industry News

- **Banks shifting lending attention to higher-profit customers as year-end bonus nears.** An apparent shortage of bank credit in China, as the year end nears, is offering some of the industry's largest players good opportunities to maximum profits, by shifting their credit focus to higher-profit customers, say analysts. [SCMP]
- **More locked-up shares to become free-floating.** More than RMB280bn worth of non-tradeable A shares will become free-floating this month. According to Wind Information, a combined 22.25bn non-tradeable shares held by major shareholders of listed firms will be unlocked this month, up 37.7% from November. [SCMP]
- **Philippines says offer to open telecom sector not just for China.** The Philippines will open up its telecommunications sector to more foreign investors, and an invitation by President Rodrigo Duterte isn't just for Chinese companies, Economic Planning Secretary Ernesto Pernia said.

IV. Corporate News

- **Tencent Music and Spotify in talks to swap stakes ahead of public listings.** Tencent's music arm and Swedish music-streaming company Spotify are in talks to swap stakes of up to 10 per cent ahead of both companies' public listings next year, according to a report by The Wall Street Journal on Friday. [SCMP]
- **Minsheng Investment seeks bigger slice of market for services for China's rapidly ageing population.** China Minsheng Investment Group is bucking the trend of building senior living projects as the country's population ages, and is instead looking to manage more residential properties to seek a bigger slice of the market for care for the elderly. [SCMP]

- **Three Chinese car firms plan new tech cooperation.** FAW Group Corp, Dongfeng Motor Corp and Chongqing Changan Automobile Co was signed on Friday announced a broad-ranging cooperation plan to promote technological innovation, optimize full-value chain operations, expand global markets and explore new business models. [SCMP]
- **China gives import tax breaks to SMIC units, other chip makers.** China adds 14 integrated circuit producers including units of SMIC and Hangzhou Silan Microelectronics on its list for import tax breaks, according to a statement from National Development and Reform Commission. [Bloomberg]
- **CNPC discovers 1B-ton level oilfield in China's Xinjiang.** China National Petroleum Corp. discovers a new oilfield in Xinjiang's Juggar Basis that may hold as much as 1.24b tons of crude oil, official Xinhua News Agency reports, citing CNPC Xinjiang unit. [Bloomberg]
- **BEA to sell units to China financial services for 563mn yuan.** Bank of East Asia agrees to sell Shenzhen Credit Gain Finance, Chongqing Liangjiang New Area Credit Gain Finance and Chongqing Dongrong Business Consultancy to China Financial Services Holdings, according to a Hong Kong stock exchange filing. [Bloomberg]
- **Geely Holding may transfer proton related assets to listed co.** Zhejiang Geely Holding Group has provided irrevocable undertaking to Hong Kong-listed Geely Auto in relation to Zhejiang Geely's proposed acquisition of Proton stake, which was announced on May 24, company says in a filing to stock exchange. [Bloomberg]
- **Luk Fook plans to set up at least 100 new shops in China.** The company plans to expedite pace of opening shops in China, the Hong Kong Economic Journal cites Chairman Wong Wai Sheung as saying, without giving a time frame. The company has increased its target to open at least 100 new shops in China from 50. [Bloomberg]
- **KWG Property to sell additional \$150mn 6.00% senior notes Due 2022.** The company plans to use net proceeds to refinance debt, KWG Property says in Hong Kong stock exchange filing. Offering price to be 100.25% of the principal amount plus accrued interest from Sept. 15 to Dec. 7. [Bloomberg]
- **Poly Real Estate to buy parent unit stake to cut competition.** Poly Real Estate's board approved a plan to buy 50% stake in Poly (Hong Kong) Holdings from parent China Poly Group for 2.38b yuan, according to a statement to Shanghai Stock Exchange. [Bloomberg]
- **Bank of China chief stresses Mediterranean region's importance in Belt and Road construction.** Bank of China Chairman Chen Siqing said on Saturday that the Mediterranean region's position is unique and of strategic importance, at the crossroads of land Silk Road and maritime Silk Road. [China Daily]
- **Alibaba to pour \$1.51bn to poverty relief in next 5 years.** Jack Ma, founder and chairman of Alibaba, announced that Alibaba plans to spend RMB10bn yuan (\$1.51bn) on poverty alleviation in the next five years, at the launching ceremony of the Alibaba Poverty Relief Fund in Hangzhou city, East China's Zhejiang province, on Friday. [China Daily]
- **Guangzhou Automobile plans design studios in LA, Shanghai.** Guangzhou Automobile Group Co. plans to establish two design studios in Los Angeles and Shanghai. Wang Qiuqing, president of the GAC Engineering Institute, said establishment of the studios would help boost the company's technology research strength by focusing on advanced technologies in the automobile industry. [China Daily]
- **COSCO unit tops global peers in container handling.** COSCO Shipping Holdings Cohas been ranked first in terms of container handling during the third quarter of this year, outshining Denmark's Maersk Line, according to global shipping consultancy Alphaliner. [China Daily]
- **Disney park in Shanghai will open new area.** Shanghai Disneyland will open a new themed area by next summer as it strives to attract more visitors to its latest resort, which broke even in the first year of operation. The newly added Toy Story Land marks the first expansion since the site's grand opening last June. [China Daily]
- **China Telecom Bestpay to boost presence in mobile payment.** China Telecom Bestpay, a wholly owned subsidiary of China Telecom Corp committed to mobile payment, announced Thursday plans to invest 10 billion yuan (\$1.5 billion) in resources to boost its presence in the fast-growing market. [China Daily]

V. Overnight Market Recap

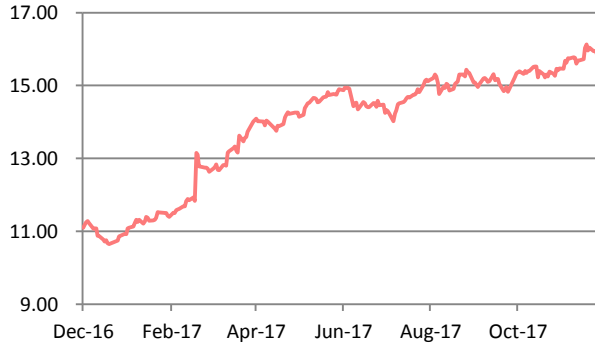
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,642	(5.4)	(0.2)	1.5	2.1	6.7	8.3	20.5	18.0
	Dow Jones	24,232	(40.8)	(0.2)	2.9	2.9	10.2	14.3	26.4	22.6
	Nasdaq Composite	6,848	(26.4)	(0.4)	(0.6)	1.2	6.4	8.6	30.3	27.2
	Russell 2000	1,537	(7.1)	(0.5)	1.2	2.8	8.7	9.4	17.0	13.3
	VIX Index	11.43	0.2	1.3	18.2	25.1	12.8	17.2	(19.1)	(18.6)
Europe Equity	Euro Stoxx 50	3,528	(42.4)	(1.2)	(1.5)	(4.4)	2.8	(1.8)	17.0	7.2
	DAX	12,861	(162.5)	(1.2)	(1.5)	(4.6)	6.3	0.3	22.3	12.0
	CAC	5,317	(55.9)	(1.0)	(1.4)	(3.6)	4.2	(0.5)	17.4	9.3
	FTSE 100	7,300	(26.2)	(0.4)	(1.5)	(3.4)	(1.5)	(3.3)	8.5	2.2
APAC Equity	HSI	29,074	(103.1)	(0.4)	(2.7)	1.6	4.8	12.2	28.8	32.2
	HSCEI	11,449	(26.3)	(0.2)	(3.9)	(1.3)	2.4	7.3	17.1	21.9
	HSI VIX	16.71	(1.0)	(5.5)	12.2	21.3	(7.2)	40.2	(3.9)	(1.1)
	CSI 300	3,998	(8.0)	(0.2)	(2.6)	0.1	4.0	14.7	13.3	20.8
	SH Composite	3,318	0.4	0.0	(1.1)	(1.6)	(1.8)	6.8	2.3	6.9
	SZ Composite	1,917	14.9	0.8	(0.3)	(3.0)	(2.6)	7.2	(8.0)	(2.7)
	Nikkei 225	22,819	94.1	0.4	1.2	1.2	17.0	13.1	23.8	19.4
KOSPI	2,475	(1.0)	(0.0)	(2.7)	(2.8)	6.7	4.8	26.1	22.7	
Commodities (USD)	Brent (Future)	63.73	0.2	0.3	(0.2)	2.4	21.5	27.3	16.7	11.9
	WTI (Future)	58.36	1.0	1.7	(1.0)	4.6	23.1	22.1	12.6	8.3
	Gold	1,281	5.6	0.4	(0.6)	(0.6)	(4.4)	(0.4)	8.9	11.1
	Copper (Future)	6,833	71.0	1.0	(2.4)	(1.4)	(0.0)	19.9	18.0	23.4
	Baltic Dry Index	1,626.00	48.0	3.0	10.1	10.2	37.0	95.9	35.7	69.2
FX	Dollar Index	92.89	(0.2)	(0.2)	0.1	(1.9)	0.4	(3.7)	(7.5)	(8.8)
	EUR	1.19	(0.0)	(0.1)	(0.3)	2.2	(0.3)	5.4	10.2	12.8
	JPY	112.17	(0.4)	(0.3)	0.6	0.8	(2.7)	(2.1)	0.9	3.7
	CNY	6.62	0.0	(0.1)	(0.2)	(0.2)	(0.9)	2.9	4.1	5.0
	CNH	6.60	(0.0)	(0.2)	0.2	0.3	(1.2)	2.6	3.9	5.6
CDS	ChinaGov CDS	57.09	(0.6)	(1.1)	(5.6)	2.9	(0.6)	(23.9)	(51.1)	(51.2)
	CDX Emerging Market	96.29	0.0	0.0	0.1	0.0	(0.2)	0.5	4.1	2.8

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.26	0.0	0.2	1.2	1.2	1.0	1.0	0.5	0.5
	2-Year Treasury Yield	1.77	(0.0)	(0.6)	1.7	1.6	1.3	1.3	1.1	1.2
	5-Year Treasury Yield	2.11	(0.0)	(1.2)	2.0	2.0	1.7	1.7	1.8	1.9
	10-Year Treasury Yield	2.36	(0.0)	(2.0)	2.3	2.3	2.2	2.2	2.4	2.4
	2-10 Spread	58.35	(4.0)	(6.4)	58.3	71.6	82.0	87.6	128.5	125.0
China rates	O/N China Repo Rate	2.58	(0.2)	(7.9)	2.0	2.5	2.7	2.9	2.3	2.2
	1-Week China Repo Rate	3.10	(0.3)	(9.9)	2.8	2.9	2.8	3.4	2.5	2.6
	O/N SHIBOR	2.64	(0.1)	(5.2)	2.8	2.6	2.8	2.8	2.3	2.2
	1-Week SHIBOR	2.85	(0.0)	(1.6)	2.9	2.8	2.9	2.9	2.5	2.5

Source: Bloomberg

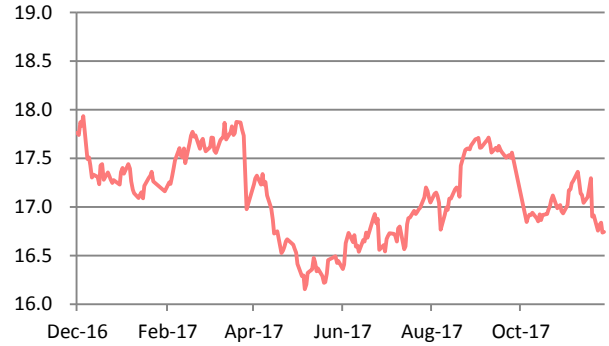
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



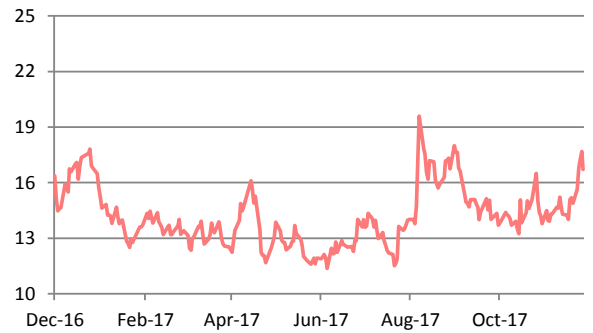
Source: Bloomberg

China 5Y CDS Index_USD



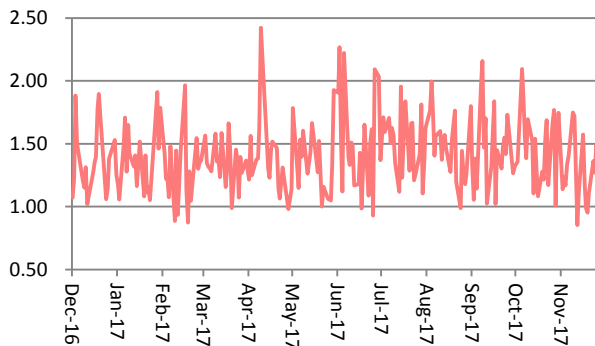
Source: Bloomberg

Hang Seng Index VIX



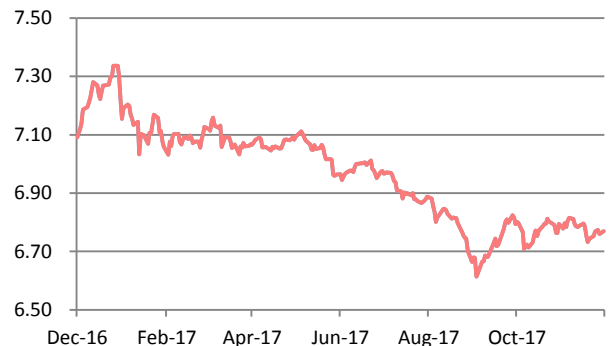
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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