

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
China: Aggregate Financing	Nov	RMB1225bn	RMB1040bn
US: JOLTS Job Openings	Oct	N/A	6093k
Japan: Machine Tool Orders YoY	Nov P	N/A	49.80%
Canada: Bloomberg Nanos Confidence	8-Dec	N/A	58.7

Source: Bloomberg

II. Macro News

- **US posts strong jobs growth in November as economy hums along.** US job growth increased at a strong clip in November even though wage gains remain moderate. Non-farm payrolls rose by 228,000 jobs last month amid broad gains in hiring as the distortions from the recent hurricanes faded. [SCMP]
- **China's CPI, PPI up 1.7%, 5.8% in November.** China's consumer inflation slowed more than expected to grow 1.7% in Nov driven by falling food prices, the National Bureau of Statistics said Saturday. The CPI rose 1.7% YoY in Nov, down from Oct's 1.9%, and missing market forecast of 1.8%. [China Daily]
- **Economic priorities set for next year.** China will make efforts to forestall and resolve major risks as well as push targeted poverty alleviation and pollution control next year, China's top leadership agreed at a major meeting on Friday. [China Daily]

III. Industry News

- **Shanghai Disney's Toy Story Land to open next April.** Shanghai Disneyland's seventh themed land, Disney Toy Story Land, is set to open on April 26, 2018, the resort announced. In May, the resort announced total volume of visitors reached 10 million people less than 11 months from the opening date. [China Daily]
- **China, Canada show willingness to sign FTA: Foreign Ministry.** Both China and Canada showed willingness to negotiate and sign a free trade agreement (FTA) during Canadian Prime Minister Justin Trudeau's recent visit, a Chinese Foreign Ministry spokesperson said Friday. [Bloomberg]
- **China passenger car sales up 4% in November.** Passenger car sales rose 4% YoY in November on high year-end sales. Sales reached 2.47mn units, a 10% jump on a month earlier, reflecting an annual seasonal spike. Sales in the year to Nov rose 2.3% on the same period last year, well below expectations. [Shanghai Daily]

IV. Corporate News

- **AIIB's first corporate loan goes to Beijing Gas for cleaner air.** Asian Infrastructure Investment Bank said in statement that it approved \$250m loan to Beijing Gas Group Co. for a coal-to-gas conversion project that aims to reduce coal use and improve air quality in the capital. [Bloomberg]
- **Fosun International to list tourism business in \$500mn-plus IPO.** Fosun International is in talks with investment banks to list its tourism business to raise at least \$500 million, IFR Asia reports. [Bloomberg]
- **HSBC sees extra \$1bn Pretax from Pearl River Delta in five years.** HSBC will keep Bank of Communications stake but won't increase the holding, CEO Stuart Gulliver says at briefing in Hong Kong. HSBC wants to eventually own 100% of China JV. [Bloomberg]

- **Galaxy, Leisure & Resorts unit plan \$300mn-\$500mn Boracay Casino.** Macau-based Galaxy Entertainment and Leisure & Resorts unit AB Leisure Global plan to open a \$300mn-\$500mn casino in island resort of Boracay, Philippine Amusement & Gaming Chairman Andrea Domingo says. [Bloomberg]
- **GE to cut 12,000 power jobs globally.** General Electric said it plans to reduce its global headcount by approximately 12,000 jobs at its global power business as part of the industrial conglomerate's efforts to reduce overall structural cost. The company aims to reduce \$1 billion in structural cost reduction in 2018. [China Daily]
- **HSBC Qianhai Securities starts operating.** HSBC Qianhai Securities Limited, the first JV securities co majority-owned by a foreign bank, formally opened for business on Thur. The JV is 51% owned by The Hong Kong and Shanghai Banking Corporation Limited and 49% by Qianhai Financial Holdings Co Ltd. [China Daily]
- **Starbucks plans more mega stores.** Starbucks plans to further innovate its beverage and store designs as well as digital offerings to attract more diversified and technology-savvy customers in China after it opened its biggest cafe in the world in Shanghai. [China Daily]
- **Chinese online insurer ZhongAn forms offshore arm with Sinolink to up bets on fintech, insurtech globally.** ZhongAn Online Property & Casualty Insurance, China's first and largest online-only insurer, has teamed up with Hong Kong-listed Sinolink Worldwide Holdings to create an offshore arm to facilitate overseas expansion. [SCMP]
- **China's regulator slaps nation's biggest fine on Guangfa Bank for fraud, and for covering it up.** China's bank regulator has slapped the home-grown lender in the country's southern powerhouse province of Guangdong with the industry's largest penalty, in a sign that monetary authorities are not letting up on their campaign to crack down on financial malpractice and malfeasance. [SCMP]
- **Ford, China South Industries strengthen partnership.** Ford Motor Company and China South Industries Group Co, the parentco of Changan Group, signed a strategic framework agreement on Friday to speed up local production and create a joint national network. [Shanghai Daily]
- **HSBC Holdings said to suspend new biz with HNA.** Bloomberg cited sources as saying that HSBC Holdings required its dealmakers to stop seeking new businesses related to HNA Group Co., including new acquisition consultation or financing. [AASocks]
- **Tencent, Spotify said to buy stakes in each other.** According to market information, TENCENT 's Tencent Music Entertainment (TME) and Spotify planned to acquire new shares in each other. Tencent also intended to purchase shares from Spotify's exiting backers. It was said that TME proposed to list in 2018. [AASocks]
- **China State Construction Jan-Nov new contract value at \$99.01bn.** China State Construction announced that the group recorded an accumulated new contract value of HK\$99.01 billion in the eleven months ended 30 November 2017, up 25.03% yearly. [AASocks]
- **Fosun International planning to spin off and list Club Med next year.** Fosun International is negotiating with banks as it intends to spin off and list its tourism business in Hong Kong next year, including Thomas Cook and Club Med, raising US\$500m, IFR cited sources. [AASocks]
- **BlackRock cuts stake in LINK Reit, cashing in \$125mn.** BlackRock reduced 1.792 million shares in LINK REIT on 4 December at an average price of \$69.574, cashing in about \$125 million, according to the Stock Exchange. [AASocks]
- **China Resources Land Nov contracted sales up 49%.** China Resources Land announced that in November the company achieved contracted sales of approximately RMB12.08 billion with contracted gross floor area (GFA) of approximately 632,524 square meters, up 49% and 5% year on year respectively. [AASocks]

V. Overnight Market Recap

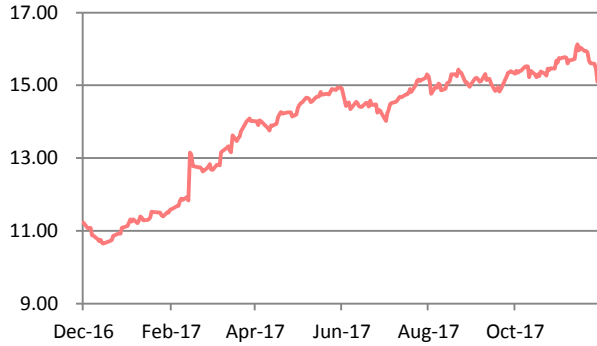
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,652	14.5	0.6	0.4	2.7	6.6	9.0	17.3	18.4
	Dow Jones	24,329	117.7	0.5	0.4	3.9	10.3	14.4	23.1	23.1
	Nasdaq Composite	6,840	27.2	0.4	(0.1)	1.3	6.3	10.2	25.6	27.1
	Russell 2000	1,522	1.3	0.1	(1.0)	3.1	7.6	7.0	9.6	12.1
	VIX Index	9.58	(0.6)	(5.7)	(16.2)	(15.1)	(10.7)	(10.5)	(18.5)	(31.8)
Europe Equity	Euro Stoxx 50	3,591	18.3	0.5	1.8	(0.1)	2.8	0.2	12.3	9.1
	DAX	13,154	108.6	0.8	2.3	0.2	5.4	2.6	17.4	14.6
	CAC	5,399	15.2	0.3	1.5	0.3	4.3	1.9	13.3	11.0
	FTSE 100	7,394	73.2	1.0	1.3	(0.5)	(0.3)	(1.8)	6.3	3.5
APAC Equity	HSI	28,640	336.7	1.2	(1.5)	(1.7)	2.4	10.0	25.8	30.2
	HSCEI	11,290	138.8	1.2	(1.4)	(3.9)	0.6	6.6	14.4	20.2
	HSI VIX	16.23	(1.6)	(8.8)	(2.9)	13.3	5.7	42.9	10.9	(3.9)
	CSI 300	4,003	32.3	0.8	0.1	(2.6)	4.6	11.9	14.6	20.9
	SH Composite	3,290	17.9	0.5	(0.8)	(4.2)	(2.6)	4.2	1.8	6.0
	SZ Composite	1,892	23.1	1.2	(1.3)	(7.2)	(5.0)	1.8	(8.6)	(3.9)
	Nikkei 225	22,811	313.1	1.4	(0.0)	0.6	16.7	14.0	20.1	19.3
Commodities (USD)	KOSPI	2,464	2.0	0.1	(0.5)	(3.1)	4.4	3.5	21.7	21.6
	Brent (Future)	63.40	1.2	1.9	(0.5)	(0.1)	17.9	32.5	17.6	11.6
	WTI (Future)	57.36	0.7	1.2	(1.7)	1.0	20.8	25.7	12.8	6.8
	Gold	1,248	1.3	0.1	(2.5)	(2.6)	(7.3)	(2.3)	6.6	8.8
	Copper (Future)	6,564	14.0	0.2	(2.9)	(3.8)	(4.8)	16.8	13.5	18.6
FX	Baltic Dry Index	1,679.00	9.0	0.5	3.3	13.0	26.1	103.8	49.6	74.7
	Dollar Index	93.90	0.1	0.1	1.1	(1.0)	2.8	(3.1)	(7.1)	(8.1)
	EUR	1.18	-	-	(1.0)	1.5	(2.2)	5.0	10.9	11.9
	JPY	113.48	0.4	0.3	1.2	0.3	(5.0)	(3.0)	0.5	3.1
	CNY	6.62	0.0	(0.0)	(0.1)	0.1	(1.9)	2.7	4.1	4.9
CDS	CNH	6.62	(0.0)	(0.0)	0.4	0.1	(2.0)	2.4	4.4	5.3
	ChinaGov CDS	56.14	(0.2)	(0.4)	(1.7)	(5.0)	(3.5)	(20.3)	(49.8)	(52.0)
	CDX Emerging Market	96.47	0.1	0.1	0.2	0.7	(0.3)	0.8	3.5	3.0

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.27	(0.0)	(0.4)	1.3	1.2	1.0	1.0	0.5	0.5
	2-Year Treasury Yield	1.79	(0.0)	(0.4)	1.8	1.6	1.3	1.3	1.1	1.2
	5-Year Treasury Yield	2.14	0.0	0.1	2.1	2.0	1.6	1.8	1.9	1.9
	10-Year Treasury Yield	2.38	0.0	0.5	2.4	2.3	2.1	2.2	2.5	2.4
	2-10 Spread	57.75	2.0	3.7	58.3	70.2	78.5	86.2	133.1	125.0
China rates	O/N China Repo Rate	2.59	0.0	1.6	2.6	2.7	2.6	2.5	2.2	2.2
	1-Week China Repo Rate	3.10	0.3	10.7	3.1	2.9	2.6	2.9	2.6	2.6
	O/N SHIBOR	2.61	0.0	0.9	2.6	2.6	2.6	2.8	2.3	2.2
	1-Week SHIBOR	2.80	0.0	0.3	2.9	2.8	2.8	2.9	2.5	2.5

Source: Bloomberg

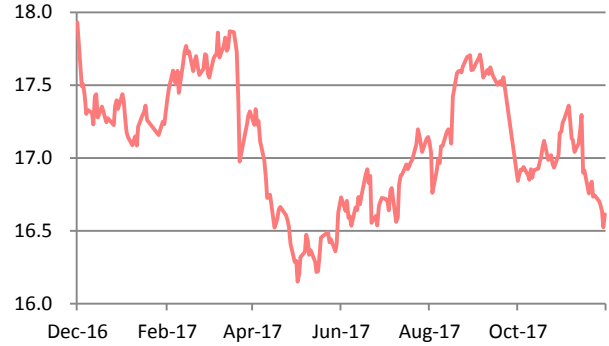
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



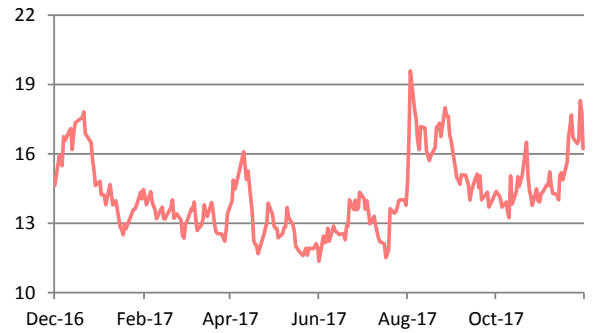
Source: Bloomberg

China 5Y CDS Index_USD



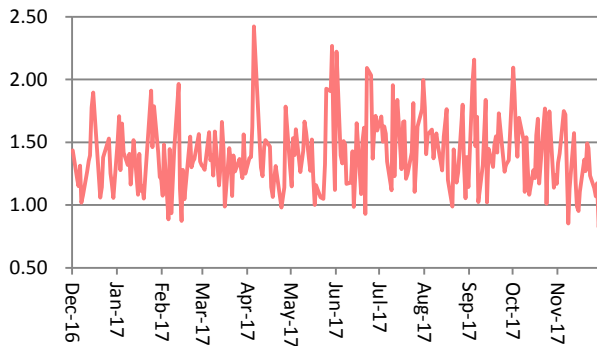
Source: Bloomberg

Hang Seng Index VIX



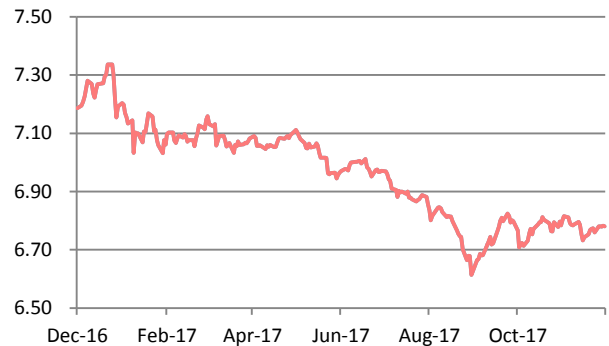
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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