

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
Germany: NEW Survey Current Situation	Jan	89.6	89.3
Taiwan: Industrial Production YoY	Dec	1.20%	0.85%
Philippines: GDP YoY	4Q17	6.70%	6.90%
Eurozone: Consumer Confidence	Jan	0.60	0.50

Source: Bloomberg

II. Macro News

- **China Says It Can Keep Steady Economic Performance in 2018.** China has the confidence, conditions to maintain steady performance in economy this year, Yan Pengcheng, spokesman of National Development and Reform Commission, says at regular briefing in Beijing. [Bloomberg]
- **Li calls for efforts to ensure growth.** Premier Li Keqiang called on Monday for making concerted efforts to ensure good growth prospects this year, in addition to a focus on guarding against major risks and on targeted poverty alleviation and control of pollution. [China Daily]
- **Myanmar-China bilateral trade hits \$7.42bn in first eight months of FY 2017-18.** Bilateral trade between Myanmar and China hit \$7.42 billion in the first eight months (April-November) of the present fiscal year 2017-18, official Global New Light of Myanmar reported Monday. [China Daily]

III. Industry News

- **Singapore Joins Dual-Class Shares Club, Wooing Tech IPOs.** Singapore Exchange Ltd. said it allow companies with dual-class share structures to list, a month after Hong Kong announced a similar proposal, as competition between markets for technology listings becomes increasingly fierce. [Bloomberg]
- **China Insurers' 2017 Premium Income Rises 18.2% YoY.** China Insurers' 2017 Total premium income rose to 3.66t yuan last year, China Insurance Regulatory Commission says in statement released at briefing in Beijing. China insurers' 2017 life premium income rose 20.3%, property premium income rose 12.7%. [Bloomberg]
- **Singapore Office Rents Seen Rising Twice as Fast as Hong Kong.** Singapore office rents are set to post the biggest gains among Asian cities as an increase in demand runs into moderating supply, according to Cushman & Wakefield Inc. Office rents in all major Asian cities, with the exception of Tokyo, are set to rise over the next two years, according to forecasts from Cushman. [Bloomberg]

IV. Corporate News

- **Huawei, ZTE cut lobbying spending but find other ways to spread influence.** Chinese telecommunications equipment companies Huawei and ZTE, which face strong political headwinds in the United States, sharply cut lobbying expenditures last year, according to fourth-quarter spending disclosures. [SCMP]
- **Sixth HNA unit suspends shares from trading in Shanghai.** HNA Infrastructure Investment company has asked that its shares be suspended from trading in Shanghai from Tuesday, according to a filing to the Shanghai Stock Exchange. The company is the sixth subsidiary of embattled conglomerate HNA to suspend its shares from trading. [SCMP]

- **Tencent takes aim at Apple and Google app stores with WeChat mini program push.** Tencent Holdings is on a collision course with Apple and Alphabet with its aggressive push into mini mobile applications, which allow users to bypass traditional app stores and run programs directly within its WeChat application. [SCMP]
- **Chinese truck maker eyes expanding LatAm market.** Shacman has launched operations in Panama with an eye to expanding its share of the Latin American market. In a recent effort to pursue its aim, the company participated in the international heavy machinery fair Expo Maquina 2018, which took place in Panama City on Jan 18-20. [China Daily]
- **Daimler, Bosch hit by walkouts in industry-wide labor dispute.** Some 44,000 German workers at companies, including Mercedes maker Daimler and automotive supplier Bosch, took part in industrial action on Thursday as powerful labor union IG Metall and employers held regional wage talks. [China Daily]
- **Parkson Retail Group Repurchases 53.4% of 2018 Notes in Tender.** Hong Kong-listed retailing group agrees to buy back approximately \$258.9 million of 2018 notes after its tender offer closed on Jan. 19, according to an exchange filing Monday. [Bloomberg]
- **Wanda Says It Plans to Announce Sale, Not Purchase, of Something.** Wanda Hotel Development Co. corrected a statement on a planned sale of assets that last week had appeared to contradict an English-language version of an announcement at the unit of billionaire Wang Jianlin's property-to-entertainment conglomerate. [Bloomberg]
- **L'Occitane 9-Month Net Sales Grow 3% at Constant Rates.** Net sales at reported rates dropped 0.6% y/y for 9 months ended Dec. 31, it says in filing to Hong Kong stock exchange. Momentum in China continued to "outperform"; China same-store sales growth further accelerated to 17.4%. [Bloomberg]
- **DP World, India's Infrastructure Fund Plan \$3 Billion Investment.** DP World Ltd., the Dubai-based port operator that manages terminals from Hong Kong to Peru, and India's National Investment & Infrastructure Fund plan to jointly invest up to \$3 billion in the South Asian nation. [Bloomberg]
- **Buyers of CK Asset's Tower May Sell Some Floors.** The Hong Kong partners of the consortium that paid HK\$40.2b for CK Asset's The Center are considering selling some floors as the price of office space rises sharply in the city's core business district, South China Morning Post reports, citing Raymond Tsoi, one of the four partners. [Bloomberg]
- **Huiyuan Juice Proposes to Issue HK\$1bn Convertible Bonds.** Huiyuan to issue HK\$1b of convertible bonds due 2019 at zero interest, it says in filing to HKEX. Initial conversion price HK\$2.31 apiece; bonds represent 13.94% enlarged share capital assuming full conversion. Company to use proceeds for refinancing of existing debts. [Bloomberg]
- **Zhongyuan Bank Proposes Up to 10B Yuan in Preference Share Sale.** Zhongyuan Bank proposes to sell preferred stock in private placement, company says in statement filed Sunday to Hong Kong stock exchange. Zhongyuan to use proceeds to replenish additional Tier 1 capital. [Bloomberg]
- **Pudong Bank Apologises, Accepts Penalties Imposed by Regulators.** Pudong Development Bank says co. supports and accepts penalties imposed by banking regulators on its Chengdu branch in statement to Shanghai exchange. The company has booked the fines in its 2017 financial results; fines "won't have significant negative" impact on business and continuing operations. [Bloomberg]
- **Boston Scientific, Sinopharm Said to Vie for XIO's Lumenis.** Boston Scientific Corp. and an arm of Sinopharm are among bidders competing for XIO Group's medical laser business Lumenis Ltd. Warburg Pincus, CVC Capital Partners and Chinese buyout firm FountainVest Partners have also made preliminary non-binding offers. [Bloomberg]
- **Ping An Health App Is Said to Near \$400 Million SoftBank Funding.** SoftBank Group Corp. is nearing a deal to invest about \$400 million in Ping An Insurance (Group) Co.'s health-care portal ahead of the Chinese company's initial public offering. [Bloomberg]
- **Sinopec's Natural Gas Surge Helps Overcome Oil Output Slump.** A surge in natural gas output by Sinopec helped the Chinese energy major overcome a continued slide in crude oil production. Total output rose 3.4% to 445.8mn barrels of oil equivalent in 2017 (about 1.22mn barrels a day), the company said in a statement. [Bloomberg]

V. Overnight Market Recap

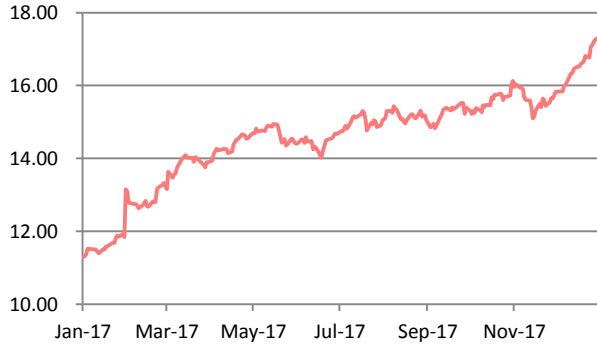
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,833	22.7	0.8	1.7	5.6	10.4	14.6	25.1	6.0
	Dow Jones	26,215	142.9	0.5	1.6	5.9	12.6	21.5	32.4	6.0
	Nasdaq Composite	7,408	71.7	1.0	2.0	6.4	12.5	16.0	33.4	7.3
	Russell 2000	1,605	7.5	0.5	0.8	4.0	7.2	11.8	19.1	4.5
	VIX Index	11.03	(0.2)	(2.1)	8.6	11.4	(0.4)	17.8	(6.3)	(0.1)
Europe Equity	Euro Stoxx 50	3,665	16.2	0.4	1.5	3.1	1.6	6.2	12.0	4.6
	DAX	13,464	29.2	0.2	2.0	3.0	3.5	10.0	16.6	4.2
	CAC	5,542	15.5	0.3	0.6	3.3	2.9	8.3	14.9	4.3
	FTSE 100	7,715	(15.4)	(0.2)	(0.7)	1.6	2.5	3.5	7.9	0.4
APAC Equity	HSI	32,393	138.5	0.4	3.4	9.5	14.4	21.3	41.5	8.3
	HSCEI	13,205	25.1	0.2	5.9	13.3	14.9	22.4	35.8	12.8
	HSI VIX	16.23	0.3	1.6	17.8	18.1	12.9	33.0	26.4	11.2
	CSI 300	4,337	51.2	1.2	2.6	7.0	10.3	16.3	28.9	7.6
	SH Composite	3,501	13.5	0.4	2.7	6.2	3.6	8.1	11.6	5.9
	SZ Composite	1,944	22.4	1.2	1.6	2.2	(3.4)	5.3	2.2	2.3
	Nikkei 225	23,816	8.3	0.0	0.4	4.0	9.8	18.5	26.1	4.6
Commodities (USD)	KOSPI	2,502	(18.2)	(0.7)	(0.1)	2.5	0.5	2.1	21.1	1.4
	Brent (Future)	69.03	0.4	0.6	(1.8)	5.8	19.5	43.6	24.4	3.2
	WTI (Future)	63.57	0.1	0.2	(1.3)	9.2	23.0	39.5	21.0	5.7
	Gold	1,334	2.1	0.2	(0.5)	4.6	4.0	6.2	9.4	2.3
	Copper (Future)	7,041	(35.0)	(0.5)	(1.0)	1.4	1.1	18.0	22.7	(2.8)
FX	Baltic Dry Index	1,125.00	(14.0)	(1.2)	(11.0)	(17.6)	(28.7)	15.1	21.6	(17.6)
	Dollar Index	90.40	(0.2)	(0.2)	(0.6)	(3.2)	(3.5)	(3.7)	(10.3)	(1.9)
	EUR	1.23	0.0	0.3	(0.0)	3.3	4.3	5.3	13.9	2.1
	JPY	110.92	0.2	0.1	0.3	2.1	2.2	0.1	1.6	1.5
	CNY	6.41	0.0	(0.0)	0.5	2.7	3.7	5.4	7.0	1.6
	CNH	6.40	0.0	0.0	(0.4)	2.4	3.6	5.4	6.4	1.7
CDS	ChinaGov CDS	50.53	0.4	0.8	6.9	(2.5)	(3.2)	(23.5)	(55.2)	0.9
	CDX Emerging Market	99.42	0.0	0.0	(0.1)	0.4	3.0	3.8	5.8	0.3

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.42	(0.0)	(0.7)	1.4	1.3	1.1	1.2	0.5	1.4
	2-Year Treasury Yield	2.06	(0.0)	(0.2)	2.0	1.9	1.6	1.4	1.1	1.9
	5-Year Treasury Yield	2.45	(0.0)	(0.1)	2.4	2.2	2.0	1.9	1.9	2.2
	10-Year Treasury Yield	2.65	(0.0)	(0.3)	2.5	2.5	2.4	2.3	2.4	2.4
	2-10 Spread	58.51	(0.5)	(0.9)	51.9	58.8	83.4	94.1	125.0	51.8
China rates	O/N China Repo Rate	2.82	(0.1)	(2.1)	2.8	2.5	2.5	2.7	2.2	3.0
	1-Week China Repo Rate	3.00	(0.2)	(6.3)	3.4	2.8	3.4	2.9	2.5	3.1
	O/N SHIBOR	2.77	(0.1)	(2.3)	2.8	2.6	2.6	2.7	2.2	2.8
	1-Week SHIBOR	2.89	(0.0)	(0.1)	2.9	2.9	2.8	2.8	2.6	3.0

Source: Bloomberg

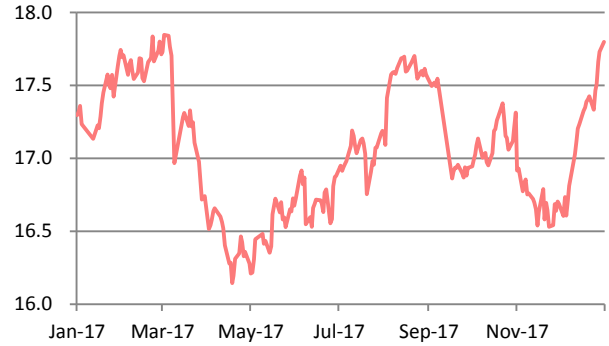
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



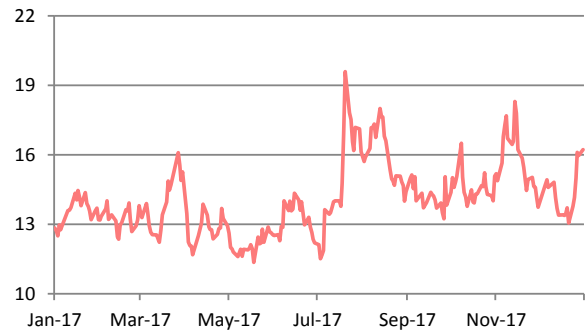
Source: Bloomberg

China 5Y CDS Index_USD



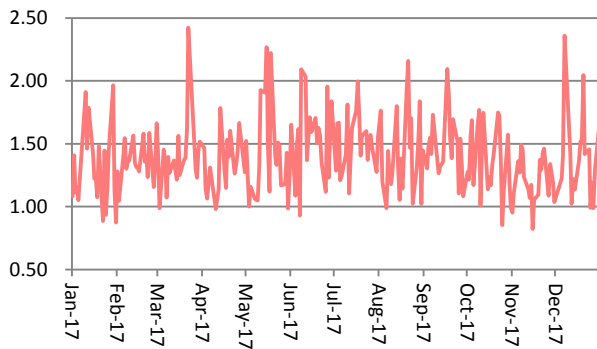
Source: Bloomberg

Hang Seng Index VIX



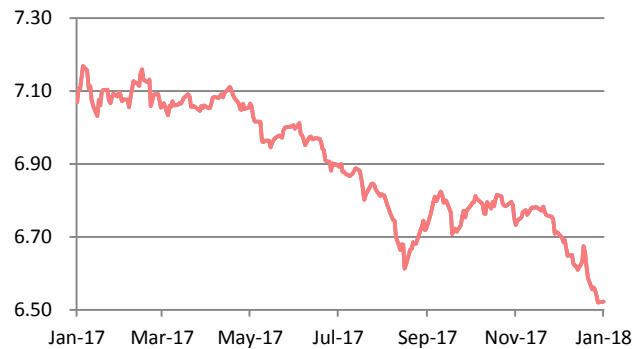
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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