

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: Markit Manufacturing PMI	Jan	55.0	55.1
US: Existing Home sales	Dec	5.7mn	5.81mn
Japan: Exports / Imports YoY	Dec	10%/12.4%	16.2%/17.2%
Japan: Nikkei Manufacturing PMI	Jan	N/A	54.0
UK: Average Weekly Earnings YoY	Nov	2.50%	2.50%

Source: Bloomberg

II. Macro News

- **Philippine Growth Above 6% Fuels Market Talk of Rate Hikes.** The Philippines retained its position as one of the world's fastest-growing economies with growth of more than 6 percent for a sixth consecutive year, fueling calls for the central bank to start raising interest rates to keep inflation under control. [Bloomberg]
- **Trump's Tariffs on Solar Mark the Biggest Blow to Renewables Yet.** Trump approved duties of as much as 30 percent on solar equipment made abroad, a move that threatens to handicap a \$28 billion industry that relies on parts made abroad for 80 percent of its supply. [Bloomberg]
- **China slams Trump for raising import duties on Chinese goods.** Trump's action could threaten the international trading system, the Commerce Ministry said in a statement. It repeated criticism that Washington is improperly responding to trade complaints under US law instead of through the World Trade Organisation. [SCMP]

III. Industry News

- **China Is Said to Bar Government Subsidy Use To Avoid Delistings.** Public companies will no longer be able to rely on government subsidies to avoid being delisted. Listed firms will also be barred from making asset sales to avoid delisting, according to sources. [Bloomberg]
- **China's Total Number of Coal Mines Drop to c.7,000.** China had about c.7,000 coal mines in 2017, down from c.10,800 in 2015, National Development and Reform Commission spokesman Yan Pengcheng says on Jan. 22 during a media briefing in Beijing, according to transcript posted on commission website. [Bloomberg]
- **China Is Said to Tighten Stock-Pledged Repo Deals.** Chinese regulators have issued a document to urge securities firms to prevent risks in stock-pledged repurchase deals, Securities Times reports. Document included detailed requirements on maturities, size, funding sources, risk provision ratio for repo transactions. [Bloomberg]

IV. Corporate News

- **Enough! LeEco's white knight admits defeat, refuses any more funding for troubled group.** Sun Hongbin, the white knight who came to rescue of troubled entrepreneur Jia Yueting – also known China's Steve Jobs – with a 15 billion yuan (US\$2.3 billion) investment in Leshi, has refused to make further financial commitments. [SCMP]
- **China's biggest electric-car maker, BJEV, to list in US\$4.5 billion deal.** China's biggest electric-car maker will gain a stock market listing in an asset swap valuing the state-backed manufacturer at 28.8 billion yuan (US\$4.5 billion), giving investors a chance to bet more directly on the world's largest market for new-energy vehicles. [SCMP]

- **Agile's A-Living Services Plans Up to \$605mn Hong Kong IPO.** A-Living Services, Agile Group's property management business, plans to raise up to \$605m from a Hong Kong IPO, IFR Asia reports. In Sept., Agile's A-Living Services Files Pre-Listing Documents With HKEX. [Bloomberg]
- **Shimao Property Sees 2017 Net to Increase at Least 40% on Year.** The company says the increase was mainly attributable to an increase in profit from core business and USD/yuan exchange rate change, according to statement to Hong Kong stock exchange dated Jan. 22. [Bloomberg]
- **Zhejiang Geely Bought 18.8mn Geely Auto Shares for ~HK\$470.6mn.** Zhejiang Geely Holding bought 18.83m Geely Automobile Holdings shares at avg HK\$24.99 each on Jan 19, according to disclosure filing to Hong Kong stock exchange. [Bloomberg]
- **Greenland HK to Buy Guangdong Property Stake for 1.86bn Yuan.** Greenland Hong Kong unit signed agreement to buy 70% stake of a company that owns the Songlong Small Town project in Zhaoqing city of Guangdong province, according to Hong Kong stock exchange filing. [Bloomberg]
- **Evergrande Pays HK\$6.6bn for Henderson Land's H.K. Site.** Price was >80% higher than what the HK\$3.63bn Henderson Land paid for the Tuen Mun site in government tender in 2015, Ming Pao newspaper reports. Henderson Land may get ~HK\$2b pre-tax profit from sale, after taking into account construction expenses already committed. [Bloomberg]
- **Shimao Property Proposes to Issue USD Senior Notes.** Principal amount, terms and conditions of the proposed notes issue have yet to be determined, it says in filing to Hong Kong stock exchange. Proceeds to be used to refinance existing debts and for business development, other general purposes. [Bloomberg]
- **MetLife Is Said to Join MassMutual in Seeking Hong Kong Sale.** MetLife Inc. is seeking a sale of its HK insurance unit, joining int'l rivals including Axa SA and MassMutual that have pursued divestments in the Chinese territory. MetLife is preparing to send out information on the HK business to prospective buyers in next couple weeks. [Bloomberg]
- **AIIB Is Ready to Sell Dollar Bonds, Open to Other Currencies.** The Asian Infrastructure Investment Bank is looking to sell dollar bonds and is open to considering securities in other currencies, AIIB President Jin Liqun said. "We can go to the market now," Jin said in an interview. [Bloomberg]
- **CSRC Requires Beingmate to Explain Forecast Revision.** CSRC's Zhejiang bureau asks Beingmate to explain the reason and rationality to revise FY earnings forecast. The co. is asked to explain whether it has provided enough, necessary materials to directors. [Bloomberg]
- **MIE Holdings to Sell HK\$340mn Convertible Bonds to Help Pay Debts.** Proceeds to be used to refinance part of its \$200m 6.875% senior notes due 2018, according to statement to Hong Kong stock exchange. Initial conversion price is HK\$0.58 per share. [Bloomberg]
- **Affinity to Acquire Garment-Label Maker Trimco for \$520mn.** Asian buyout firm Affinity Equity Partners agreed to acquire Trimco International Holdings Ltd., a Hong Kong-based maker of garment labels, from Partners Group Holding AG. [Bloomberg]
- **Zijin Mining Expects 2017 Net profit to Rise 85%-95% year on year.** Zijin Mining expects 2017 net profit to rise 85%-95% year-on-year. The company cites output and product price rise as reasons for full-year net increase, according to statement to Shanghai stock exchange. [Bloomberg]
- **Sany Intl Declares Special Dividend of HK\$0.18 Per Share.** Sany International expects that the special dividend will be distributed on or around March 6, Sany Heavy Equipment International says in Hong Kong stock exchange filing. [Bloomberg]
- **Wanda Hotel Unit Agrees to Sell Australian Real Estate Sites.** Wang Jianlin's Dalian Wanda Group Co. has agreed to sell at least some of its Australia property projects, adding to a wave of asset disposals to raise overseas cash at the formerly acquisitive conglomerate. [Bloomberg]

V. Overnight Market Recap

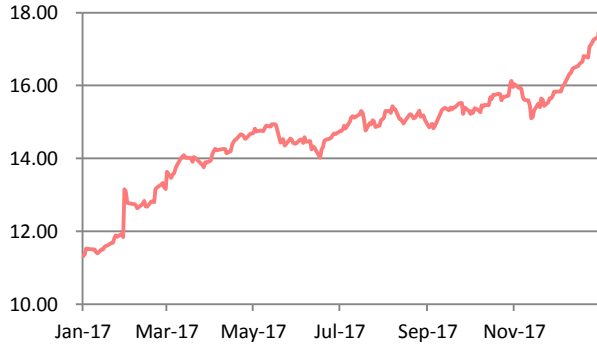
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,839	6.2	0.2	2.3	5.8	10.5	14.9	24.5	6.2
	Dow Jones	26,211	(3.8)	(0.0)	1.6	5.9	11.8	21.8	31.6	6.0
	Nasdaq Composite	7,460	52.3	0.7	3.3	7.2	13.1	16.4	33.2	8.1
	Russell 2000	1,611	5.5	0.3	2.4	4.4	7.4	12.0	17.6	4.9
	VIX Index	11.10	0.1	0.6	(4.8)	12.1	(0.5)	17.7	0.3	0.5
Europe Equity	Euro Stoxx 50	3,672	7.0	0.2	1.4	3.3	1.7	6.3	11.9	4.8
	DAX	13,560	95.9	0.7	2.4	3.7	4.2	11.1	16.9	5.0
	CAC	5,535	(6.7)	(0.1)	0.4	3.2	2.6	7.9	14.6	4.2
	FTSE 100	7,732	16.4	0.2	(0.3)	1.8	2.7	4.8	8.1	0.6
APAC Equity	HSI	32,931	537.3	1.7	3.2	11.3	17.0	22.7	43.5	10.1
	HSCEI	13,490	285.9	2.2	5.5	15.8	18.3	24.7	38.2	15.2
	HSI VIX	18.15	1.9	11.8	28.2	32.1	20.8	49.8	42.7	24.3
	CSI 300	4,383	46.0	1.1	2.9	8.1	10.7	17.1	30.3	8.7
	SH Composite	3,547	45.1	1.3	3.2	7.6	4.7	9.1	12.9	7.2
	SZ Composite	1,951	7.1	0.4	1.2	2.6	(2.9)	5.2	2.9	2.7
	Nikkei 225	24,124	307.8	1.3	0.7	5.3	10.6	20.8	28.4	6.0
Commodities (USD)	KOSPI	2,537	34.5	1.4	0.6	3.8	1.8	3.4	22.7	2.7
	Brent (Future)	69.96	0.9	1.4	1.2	7.2	21.9	45.6	26.7	4.6
	WTI (Future)	64.47	1.0	1.5	1.2	10.3	22.9	39.1	21.2	6.7
	Gold	1,341	7.3	0.5	0.2	5.3	5.1	6.9	11.0	3.0
	Copper (Future)	6,923	(145.0)	(2.1)	(2.2)	(2.8)	(1.2)	15.3	19.5	(4.5)
FX	Baltic Dry Index	1,129.00	4.0	0.4	(7.5)	(17.3)	(28.9)	15.6	27.4	(17.3)
	Dollar Index	90.12	(0.3)	(0.3)	(0.3)	(3.5)	(4.1)	(4.0)	(10.0)	(2.2)
	EUR	1.23	0.0	0.3	0.3	3.7	4.7	5.7	14.7	2.5
	JPY	110.31	(0.6)	(0.5)	(0.1)	2.8	3.4	0.9	3.3	2.3
	CNY	6.40	(0.0)	0.0	0.6	2.1	3.7	5.4	7.0	1.6
CDS	CNH	6.40	(0.0)	(0.1)	(0.6)	2.5	3.8	5.5	6.6	1.8
	ChinaGov CDS	49.70	(0.8)	(1.6)	5.2	(4.1)	(3.6)	(24.8)	(55.2)	(0.8)
	CDX Emerging Market	99.35	(0.1)	(0.1)	(0.2)	0.3	3.0	3.7	5.7	0.2

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.43	0.0	1.3	1.4	1.3	1.1	1.1	0.5	1.4
	2-Year Treasury Yield	2.04	(0.0)	(1.0)	2.0	1.9	1.6	1.4	1.2	1.9
	5-Year Treasury Yield	2.41	(0.0)	(1.5)	2.4	2.2	2.0	1.8	1.9	2.2
	10-Year Treasury Yield	2.61	(0.0)	(1.4)	2.6	2.5	2.4	2.3	2.5	2.4
	2-10 Spread	57.07	(1.4)	(2.5)	54.3	58.6	83.3	92.8	126.9	51.8
China rates	O/N China Repo Rate	2.57	(0.3)	(8.9)	2.8	2.5	2.7	2.8	2.1	3.0
	1-Week China Repo Rate	2.83	(0.2)	(5.7)	3.5	2.8	3.3	3.4	3.2	3.1
	O/N SHIBOR	2.60	(0.2)	(6.1)	2.8	2.6	2.7	2.7	2.2	2.8
	1-Week SHIBOR	2.86	(0.0)	(0.9)	2.9	2.9	2.9	2.8	2.7	3.0

Source: Bloomberg

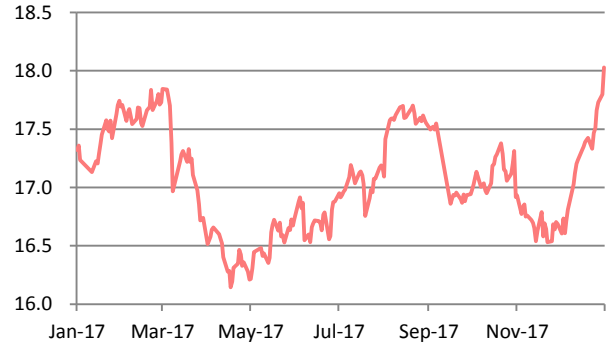
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



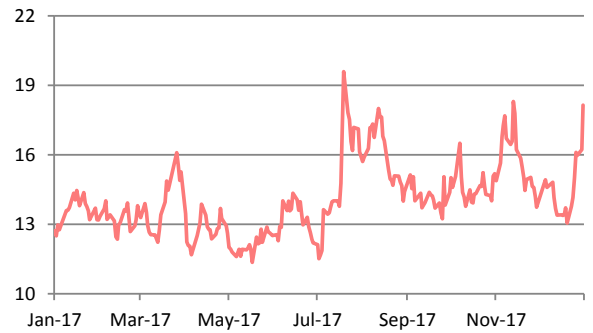
Source: Bloomberg

China 5Y CDS Index_USD



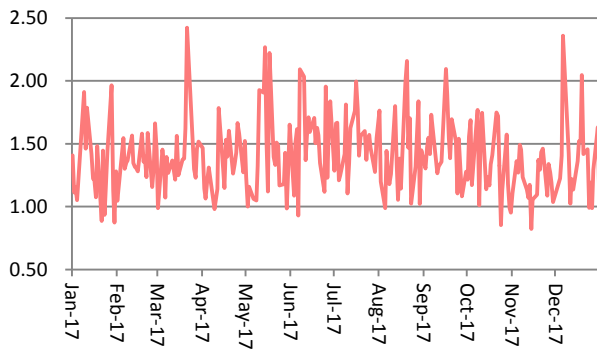
Source: Bloomberg

Hang Seng Index VIX



Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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