

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
China: CPI / PPI YoY	Jan	1.4% / 3.9%	1.8% / 4.9%
UK: Industrial Production YoY	Dec	N/A	2.50%
Malaysia: Industrial Production YoY	Dec	N/A	5.00%
Philippines: Exports / Imports YoY	Dec	9.0% / 9.7%	1.6% / 18.5%
Canada: Unemployment Rate	Jan	N/A	5.70%

Source: Bloomberg

II. Macro News

- **Hong Kong, Switzerland Sign MOUs on Financial Market Cooperation.** The Hong Kong Monetary Authority Jan. 23 announced the same date signing of three memoranda of understanding (MoU) with Switzerland on cooperation in: 1) financial markets; 2) financial innovation; and 3) private wealth management. [Bloomberg]
- **China Cautious on Pre-Brexit Trade Talks With U.K.** The U.K. is pushing to solidify its future trading relationship with China, but Beijing is wary of providing any commitments until it sees how the Brexit deal plays out, according to a senior British trade official. [Bloomberg]
- **Canary Wharf Group to Help China Build its New Financial Center.** China's plans to build a fintech center in a new city being built southwest of Beijing will get a hand from Canary Wharf Group Plc, the developer behind London's famed business district. [Bloomberg]

III. Industry News

- **China Foreign Reserves Post 12th Straight Gain as Yuan Rises.** China's foreign-exchange reserves rose for a 12th straight month, as the yuan strengthened and economic outlook improved. The world's largest foreign currency stockpile climbed \$21.6bn to \$3.16tn in Jan, PBOC said, versus the \$3.17tn estimate in a Bloomberg survey. [Bloomberg]
- **China's passenger vehicle sales pick up in January.** China's passenger vehicle sales posted faster growth in January, data from an industrial association showed Thursday. About 2.27mn passenger vehicles were sold last month, up 7.1% YoY, according to the China Passenger Car Association.
- **China to further reduce SOE debts.** China will provide stronger support for debt-to-equity swaps, promote mixed-ownership reform, and improve policies on business reorganizations and bankruptcy, said a statement released after an executive meeting chaired by Premier Li Keqiang. [China Daily]

IV. Corporate News

- **Zijin Mining Aims to Produce 37 Tons Mined Gold in 2018.** The company also aims to produce 244,000 tons of mined copper, 311,700 tons of mined lead and zinc in 2018, according to a statement on Shanghai Stock Exchange. [Bloomberg]
- **China Approves Daimler China's Investment in BAIC NEV Unit.** China approves Daimler Greater China to acquire stake of BAIC BJEV, new energy vehicle unit of BAIC, from a Shenzhen co., National Development and Reform Commission says in statement on website. [Bloomberg]

- **Moody's Takes Case Against HK Regulator to Court of Final Appeal.** Moody's Corp. was granted leave to take its case against the Hong Kong securities watchdog to the Court of Final Appeal. Moody's had applied to the court in relation to regulatory action stemming from a 2011 'Red Flags for Emerging-Market Companies' report on public cos. [Bloomberg]
- **China Longyuan Jan. Power Generation Rises 31% on Year.** Jan. power generation rose to 4.94m MWh, China Longyuan says in Hong Kong stock exchange filing. Jan. wind power generation saw 38.8% increase; coal power generation up 8.81%. [Bloomberg]
- **SMPL, HK to Trade, VCTR, QES to Price: Equity Capital Markets.** Simply Good Foods Co.'s shares are expected to begin trading after its \$112.8 million additional share sale. Victory Capital Holdings Inc. is scheduled to price its \$222.3 million initial public offering. [Bloomberg]
- **Agile Spinoff Says to Raise Net HK\$3.92bn From Hong Kong IPO.** A-Living Services prices 333.3m IPO shares at HK\$12.30 apiece, according to statement to Hong Kong stock exchange, below the midpoint of a marketed range. Shares were offered at HK\$10.80 to HK\$14.20 each. [Bloomberg]
- **LVGEM China to Raise Net HK\$774.6mn in Share Sale.** LVGEM China to issue 132.6m convertible preference shares at subscription price of HK\$2.938 apiece, or at 8.19% discount to last close, co. says in Hong Kong stock exchange filing. [Bloomberg]
- **Chinese Estates Expects FY Profit to Drop 37%-47% on Year.** The company also expects FY revenue to drop 55%-65% on year, Chinese Estates says in Hong Kong stock exchange filing. FY total comprehensive income may rise 373%-383% on year, which includes HK\$9.9b of unrealized gain on fair value change of Evergrande shares. [Bloomberg]
- **Qunxing ordered to pay investors for fraud.** Qunxing Paper Holdings, a Chinese printing company that was kicked off the Hong Kong stock exchange last year for fraud, has been ordered to compensate the 27,000 investors who have invested in it since its 2007 IPO, closing the final chapter in the company's decade-long journey from boom to bust. [SCMP]
- **Foxconn unit Hon Teng shares jump after new venture targets booming autonomous car market.** Shares of FIT Hon Teng broke a three-day losing streak in Hong Kong on Thursday after the company, a unit of Foxconn Technology, said it had formed a joint venture with Japan's Sharp to make components for self-driving cars. [SCMP]
- **CNPC reports record-high domestic natural gas output.** China National Petroleum Corp. said Thursday that its domestic natural gas output reached a record high at 103.3bn cubic meters in 2017. The amount was 5.3% more than 2016, and the first time that its annual natural gas output had reached 100bn cubic meters. [China Daily]
- **Philippines mulls tapping Alibaba's financial technology for Filipinos abroad.** The Philippines is mulling tapping Alibaba's financial technology solutions through its related company Ant Financial to lower remittance costs for the Philippines' over 10mn migrant workers and offer them other online-based banking and financial management services. [China Daily]
- **Xiaomi targets return to No 1 spot in China's smartphone market in 10 quarters.** Chinese smartphone maker Xiaomi has set itself an ambitious goal of retaking the top spot in the domestic market within 10 quarters – a crown it lost in 2016 – as it talked up its prospects ahead of an expected public share offering this year. [China Daily]
- **Hisense steps up globalisation pace.** Hisense Group has become the fastest-growing Chinese electronics and home appliance brand, ranking No 9 on the BrandZ Top 50 Chinese Global Brand Builders 2018 report, as it expands rapidly in overseas markets, with rising global influence and brand awareness. [China Daily]

V. Overnight Market Recap

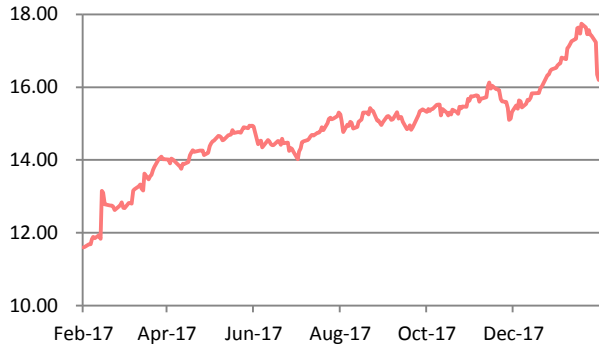
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,581	(100.7)	(3.8)	(8.5)	(6.2)	(0.1)	4.3	11.8	(3.5)
	Dow Jones	23,860	(1,032.9)	(4.1)	(8.9)	(6.0)	1.7	8.2	18.3	(3.5)
	Nasdaq Composite	6,777	(274.8)	(3.9)	(8.2)	(5.4)	0.4	6.7	18.6	(1.8)
	Russell 2000	1,464	(44.2)	(2.9)	(7.3)	(6.2)	(0.8)	4.8	6.2	(4.7)
	VIX Index	33.46	5.7	20.7	148.4	231.9	218.7	201.2	207.5	203.1
Europe Equity	Euro Stoxx 50	3,377	(77.2)	(2.2)	(5.6)	(6.8)	(6.5)	(2.6)	3.0	(3.6)
	DAX	12,260	(330.1)	(2.6)	(5.7)	(8.4)	(7.0)	0.9	5.3	(5.1)
	CAC	5,152	(104.2)	(2.0)	(5.6)	(6.7)	(4.7)	0.1	6.7	(3.0)
	FTSE 100	7,171	(108.7)	(1.5)	(4.3)	(7.2)	(4.2)	(4.4)	(0.8)	(6.7)
APAC Equity	HSI	30,451	128.1	0.4	(6.7)	(1.8)	4.5	9.7	29.4	1.8
	HSCEI	12,380	(52.9)	(0.4)	(7.8)	1.0	5.4	12.9	22.9	5.7
	HSI VIX	24.56	(1.2)	(4.5)	37.5	83.6	71.6	66.4	73.3	68.2
	CSI 300	4,012	(38.5)	(0.9)	(5.5)	(4.2)	(1.6)	7.5	18.1	(0.5)
	SH Composite	3,262	(47.2)	(1.4)	(5.4)	(4.4)	(4.8)	(0.4)	2.5	(1.4)
	SZ Composite	1,735	20.2	1.2	(4.7)	(11.1)	(14.5)	(8.0)	(11.3)	(8.7)
	Nikkei 225	21,891	245.5	1.1	(6.8)	(10.8)	(7.0)	7.8	12.5	(6.5)
KOSPI	2,408	11.1	0.5	(6.3)	(6.0)	(7.5)	(0.4)	14.2	(4.4)	
Commodities (USD)	Brent (Future)	64.81	(0.7)	(1.1)	(7.0)	(4.4)	2.1	24.3	17.6	(3.1)
	WTI (Future)	61.15	(0.6)	(1.0)	(7.1)	(3.8)	5.9	22.2	14.2	0.2
	Gold	1,319	0.4	0.0	(2.2)	0.6	2.7	3.4	7.5	1.3
	Copper (Future)	6,845	(35.0)	(0.5)	(3.8)	(3.9)	(0.1)	5.6	16.1	(5.5)
	Baltic Dry Index	1,097.00	2.0	0.2	(1.5)	(21.4)	(25.9)	4.5	55.2	(19.7)
FX	Dollar Index	90.23	(0.0)	(0.0)	1.8	(2.3)	(4.9)	(3.6)	(10.0)	(2.1)
	EUR	1.22	(0.0)	(0.1)	(2.1)	2.7	5.3	4.2	15.0	2.1
	JPY	108.74	(0.6)	(0.5)	(0.6)	3.5	4.3	1.1	4.1	3.5
	CNY	6.33	0.1	(0.8)	(0.5)	2.7	4.7	5.9	8.4	2.8
	CNH	6.36	0.0	0.7	1.2	2.8	4.6	5.3	8.0	2.5
CDS	ChinaGov CDS	64.61	3.8	6.4	16.4	42.6	9.9	2.7	(39.5)	29.0
	CDX Emerging Market	98.68	(0.4)	(0.4)	(0.7)	(0.8)	2.9	2.5	4.7	(0.4)

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	1.54	(0.0)	(0.2)	1.5	1.4	1.2	1.0	0.5	1.4
	2-Year Treasury Yield	2.10	(0.0)	(0.9)	2.1	2.0	1.7	1.3	1.2	1.9
	5-Year Treasury Yield	2.54	(0.0)	(0.7)	2.6	2.3	2.1	1.7	1.9	2.2
	10-Year Treasury Yield	2.82	(0.0)	(0.4)	2.8	2.6	2.4	2.2	2.4	2.4
	2-10 Spread	71.86	0.8	1.2	69.6	58.0	74.0	89.1	121.4	51.8
China rates	O/N China Repo Rate	2.56	-	-	2.5	2.7	2.6	2.8	2.2	3.0
	1-Week China Repo Rate	2.93	0.2	8.1	2.8	3.1	3.1	3.1	2.6	3.1
	O/N SHIBOR	2.57	0.0	0.0	2.5	2.6	2.7	2.8	2.3	2.8
	1-Week SHIBOR	2.90	0.1	4.8	2.8	2.8	2.8	2.9	2.6	3.0

Source: Bloomberg

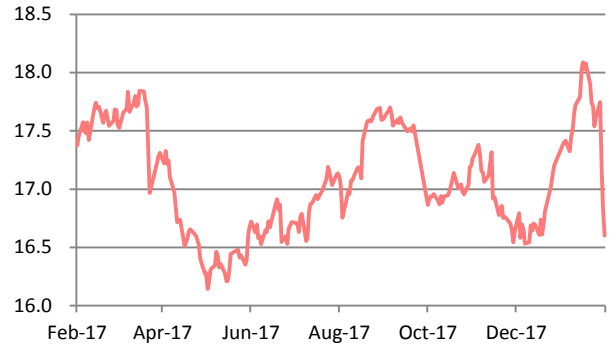
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



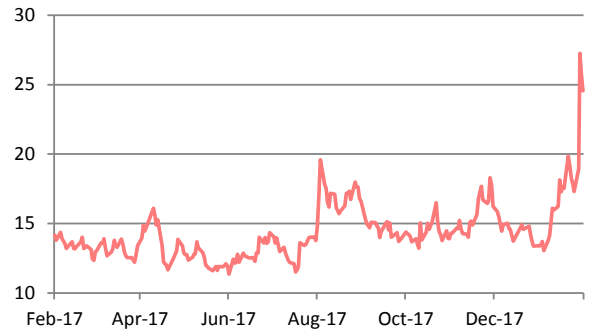
Source: Bloomberg

China 5Y CDS Index_USD



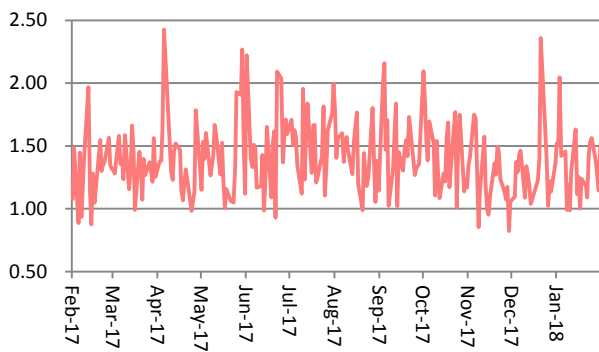
Source: Bloomberg

Hang Seng Index VIX



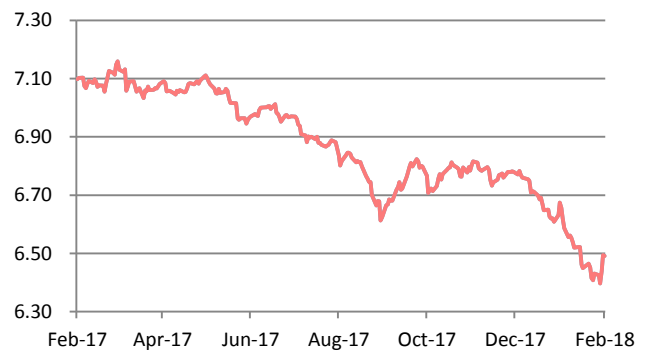
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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