



## I. Major Economic Release

### Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: CPI YoY	Aug	2.80%	2.90%
US: Real Average Weekly Earnings YoY	Aug	N/A	-0.20%
UK: Bank of England Bank Rate	13-Sep	N/A	0.75%
Australia: Full / Part-Term Employment Change	Aug	N/A	19.3k/-23.2k
S. Africa: Gold Production YoY	Jul	N/A	-19.20%

Source: Bloomberg

## II. Macro News

- **China Woos U.S. Companies Again, Curbs Trade Threats.** Chinese leaders are stepping up a charm offensive with U.S. multinationals and dropping earlier threats of retaliation as Beijing changes tack to keep the trade fight with Washington from scaring off foreign investors. [WSJ]
- **Eurozone's Industrial Output Down 0.1% YoY in Jul.** Data from Eurostat reveal that, after seasonal adjustment, eurozone's industrial output slipped for two months in a row, falling 0.1% year-on-year as compared with market projection of a 1% advancement. [AASocks]
- **Boston Fed President: Rate Hike 25 bps Per Quarter Appropriate.** Boston Fed President Eric Rosengren expressed during an interview with MarketWatch that the Fed's gradual rate hike at 0.25% per quarter is appropriate. Besides, Rosengren pointed out that the US economy is fine, with inflation at a satisfactory level. [AASocks]

## III. Industry News

- **China's new yuan loans fall in August.** China's new yuan-denominated loans stood at 1.28 trillion yuan (\$186.4 billion) in August, down from 1.45tn yuan in July, central bank data showed. Despite the drop, the amount of new yuan loans was still up 183.4bn yuan from August last year, the PBOC said in a statement on its website. [Bloomberg]
- **China Bank Lending Slowed in August as Bond Issuance Surges.** China's broadest measure of new credit expanded as companies issued more debt, though the expansion in new bank loans slowed. Aggregate financing stood at 1.52tn yuan (\$221bn) in August, the PBOC said. [Bloomberg]
- **China Car Sales Drop as Economic Woes, U.S. Trade War Hit Buyers.** China's car sales fell for a third straight month as an intensifying trade dispute with U.S. and slowing economic growth are threatening to end the vehicle market's almost three-decade expansion. Retail sales of cars, SUVs and multipurpose vehicles fell 7.4% to 1.76mn units in Aug, CPCA said. [Bloomberg]

## IV. Corporate News

- **CNPC Aims to Produce 42 Bcm of Shale Gas in Sichuan by 2035.** China National Petroleum Corp. plans to increase shale gas output to 42b cubic meters by 2035 in Sichuan Basin, its southwest exploration unit says on official WeChat account, citing a management meeting Wednesday. [Bloomberg]
- **Toyota Is Said Ready to Share Hybrid-Car Secrets With China.** Toyota Motor Corp. is preparing to divulge details of the hybrid-car engine technology it pioneered with the Prius to China in an attempt to catch up with rivals in the world's biggest auto market. [Bloomberg]

- **Hua Medicine Says Hong Kong IPO Retail Portion Undersubscribed.** Hua Medicine's Hong Kong IPO retail portion was c.0.5x subscribed, according to statement to Hong Kong stock exchange. Offer shares for Hong Kong retail portion were cut to 5.22m from initial 10.5m. [Bloomberg]
- **HNA Surrenders Hong Kong Office Space It Never Occupied.** As HNA Group Co.'s global ambitions continue to shrink, so too does its need for office space. The debt-laden Chinese conglomerate is surrendering eight floors of office space in Hong Kong's business district that it never occupied, according to people familiar with the matter. [Bloomberg]
- **HK billionaires Li Ka-shing, Joseph Lau and Adrian Cheng subscribe to Meituan Dianping's US\$4.2bn IPO.** Hong Kong billionaires Li Ka-shing, Joseph Lau Luen-hung and Adrian Cheng Chi-kong have put their faith in Meituan Dianping's HK\$33.14 billion (US\$4.2 billion) IPO – the city's second largest tech offering this year. [SCMP]
- **Shandong Gold plans US\$768mn in HK IPO.** Shandong Gold Mining, one of China's largest miners of the precious metal, is seeking to raise as much as US\$768mn in a Hong Kong IPO to fund overseas expansion. The company is offering 327.7m H-shares at between HK\$14.7 and HK\$18.4, according to its filing to the Hong Kong stock exchange. [SCMP]
- **Alipay writes US\$50mn cheque as China Renaissance prepares to raise up to US\$377mn in HK IPO.** Beijing-based investment bank China Renaissance, which has advised on a number of high-profile technology mergers and acquisitions, has set the pricing range for its Hong Kong listing with the aim of raising as much as HK\$2.96bn (US\$377mn). [SCMP]
- **Dutch chip maker NXP, getting past failed Qualcomm merger, sees China as biggest growth market.** NXP Semiconductors, moving beyond the failed US\$44bn purchase by its US counterpart Qualcomm, is highlighting China as a key source of future growth. [SCMP]
- **Anta eyes acquisition of Amer.** Anta Sports Products Ltd is planning to further expand its business scale in a bid to challenge Nike and Adidas, with a 4.7bn-euro approach for one of the world's biggest athletic gear makers. Anta said it and Chinese buyout firm FountainVest Partners made an indicative offer for Amer Sports Oyj of Finland. [China Daily]
- **DCP Capital invests \$120m in Sunpower Group.** DCP Capital, a private equity firm focusing on China, on Tuesday announced investment of \$120 million through two rounds of convertible bonds to fuel the further growth of Sunpower Group Limited. [China Daily]
- **China Huarong withdraws IPO application.** China Huarong Asset Management Co Ltd has announced the withdrawal of its A share IPO application, citing a significant decline in financial performance in the first half and uncertainty surrounding disciplinary investigations relating to its former chairman. [China Daily]
- **Investor sells \$1.4b China Gas stake.** An institutional investor has sold a stake in China Gas worth HK\$1.45bn. The Capital Group Companies sold 59.75mn shares at an average price of HK\$24.3 per share last Friday. It already sold shares of China Gas twice totaling HK\$41.79mn in August. [The Standard]
- **Meituan Dianping falls short of IPO target.** Meituan Dianping has not been fully subscribed in the retail tranche of its initial public offering. Thirteen brokerages lent out about HK\$1.50bn for the Chinese online delivery giant's IPO, which accounted for 86 percent of its fundraising goal of HK\$1.73bn, according to a market source. [The Standard]
- **Tencent Lego Developed Game To Launch Next Wed.** Tencent and Lego Group announced that their jointly developed game will be officially publicized next Wednesday (19 September). The two companies ascertained the strategic cooperation relationship in January 2018. [AASocks]
- **Ping An Asset Mgmt Adds 59.665M ICBC H Shares Last Fri.** Ping An's subsidiary Ping An Asset Management purchased on-market 59.665 million shares in ICBC last Friday (7 September), involving approximately \$338 million, as disclosed by the Stock Exchange. [AASocks]
- **China Res Land Realizes Rental Income of RMB792M, Up 28% YoY.** China Resources Land announced that rental income from investment properties in August 2018 achieved approximately RMB792mn, up 28% YoY. Rental income from investment properties for the first eight months of 2018 achieved approximately RMB6.002bn, up 28% YoY. [AASocks]

## V. Overnight Market Recap

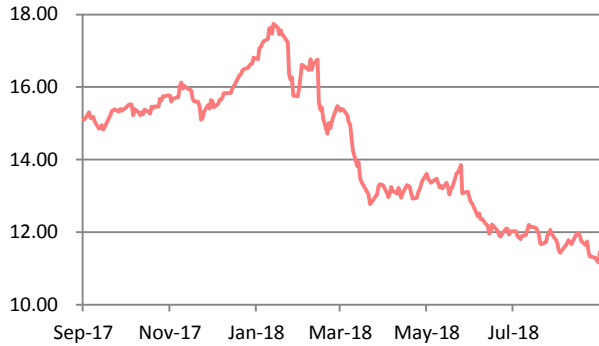
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,904	15.3	0.5	0.9	2.3	4.4	5.6	16.4	8.6
	Dow Jones	26,146	147.1	0.6	0.6	3.3	3.9	5.6	17.8	5.8
	Nasdaq Composite	8,014	59.5	0.7	1.1	1.8	3.3	6.9	24.6	16.1
	Russell 2000	1,714	(1.4)	(0.1)	(0.0)	1.3	1.8	8.2	20.3	11.6
	VIX Index	12.37	(0.8)	(5.9)	(15.6)	(7.1)	2.1	(28.2)	18.5	12.0
Europe Equity	Euro Stoxx 50	3,334	7.1	0.2	1.1	(2.2)	(5.5)	(1.7)	(5.5)	(4.9)
	DAX	12,056	23.3	0.2	0.8	(2.5)	(8.0)	(1.5)	(3.9)	(6.7)
	CAC	5,328	(4.0)	(0.1)	1.6	(1.4)	(3.6)	1.8	2.0	0.3
	FTSE 100	7,282	(31.8)	(0.4)	(0.5)	(4.3)	(6.2)	2.1	(0.2)	(5.3)
APAC Equity	HSI	27,014	669.5	2.5	0.1	(2.7)	(11.3)	(14.1)	(2.7)	(9.7)
	HSCEI	10,503	264.2	2.6	(0.7)	(2.2)	(12.1)	(17.2)	(5.4)	(10.3)
	HSI VIX	19.89	(1.2)	(5.7)	(7.1)	(0.7)	25.3	(2.4)	35.4	36.2
	CSI 300	3,237	34.5	1.1	(0.8)	(4.0)	(14.2)	(20.5)	(15.5)	(19.7)
	SH Composite	2,687	30.5	1.1	(0.2)	(3.4)	(11.7)	(18.4)	(20.3)	(18.8)
	SZ Composite	1,414	10.0	0.7	(1.3)	(6.6)	(17.9)	(24.8)	(29.1)	(25.6)
	Nikkei 225	22,821	216.7	1.0	1.5	2.1	0.4	4.8	15.2	0.2
KOSPI	2,286	3.3	0.1	(0.1)	1.2	(5.7)	(8.0)	(3.8)	(7.3)	
Commodities (USD)	Brent (Future)	78.18	(1.6)	(2.0)	2.2	7.7	1.9	20.9	41.7	16.9
	WTI (Future)	68.59	(1.8)	(2.5)	1.2	2.6	2.9	12.9	37.9	13.9
	Gold	1,201	(4.8)	(0.4)	0.1	0.7	(7.7)	(9.2)	(9.6)	(7.7)
	Copper (Future)	6,033	36.0	0.6	1.8	(2.0)	(16.9)	(13.1)	(7.9)	(16.8)
	Baltic Dry Index	1,411.00	(28.0)	(1.9)	(4.9)	(18.2)	(1.5)	20.7	3.7	3.3
FX	Dollar Index	94.52	(0.3)	(0.3)	(0.5)	(1.9)	1.0	5.4	2.2	2.6
	EUR	1.17	0.0	0.6	0.6	3.1	1.1	(5.5)	(1.9)	(2.6)
	JPY	111.92	0.7	0.6	1.1	(0.8)	(1.2)	(5.1)	(1.6)	0.6
	CNY	6.84	(0.0)	0.1	(0.1)	0.7	(6.5)	(7.6)	(4.4)	(4.9)
	CNH	6.85	0.0	0.1	-	0.8	(6.2)	(7.8)	(4.4)	(4.8)
CDS	ChinaGov CDS	55.75	(2.1)	(3.6)	(6.9)	(11.0)	0.8	1.5	(0.5)	11.3
	CDX Emerging Market	95.35	0.5	0.5	0.7	(0.2)	(0.8)	(4.0)	(1.5)	(3.8)

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.13	(0.0)	(0.1)	2.1	2.1	1.9	1.8	1.0	1.4
	2-Year Treasury Yield	2.76	0.0	0.3	2.7	2.6	2.5	2.3	1.4	1.9
	5-Year Treasury Yield	2.87	0.0	0.4	2.8	2.7	2.8	2.6	1.8	2.2
	10-Year Treasury Yield	2.97	0.0	0.2	2.9	2.9	2.9	2.8	2.2	2.4
	2-10 Spread	20.94	(0.1)	(0.5)	23.2	25.0	37.1	54.9	81.9	51.8
China rates	O/N China Repo Rate	2.50	0.2	6.4	2.6	2.3	2.6	2.6	2.7	3.0
	1-Week China Repo Rate	2.50	(0.0)	(1.2)	2.5	2.5	2.8	2.6	3.4	3.1
	O/N SHIBOR	2.53	(0.0)	(1.1)	2.6	2.3	2.6	2.6	2.7	2.8
	1-Week SHIBOR	2.66	(0.0)	(0.4)	2.7	2.6	2.8	2.9	2.8	3.0

Source: Bloomberg

## VI. Key Indicators

**Hang Seng Index PE Ratio**



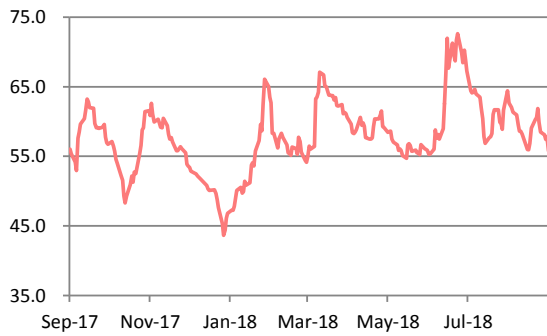
Source: Bloomberg

**Shanghai Composite Index PE Ratio**



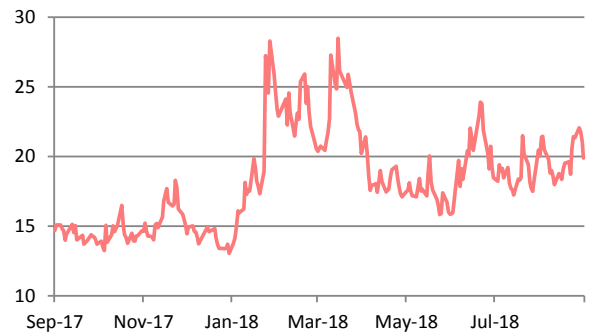
Source: Bloomberg

**China 5Y CDS Index\_USD**



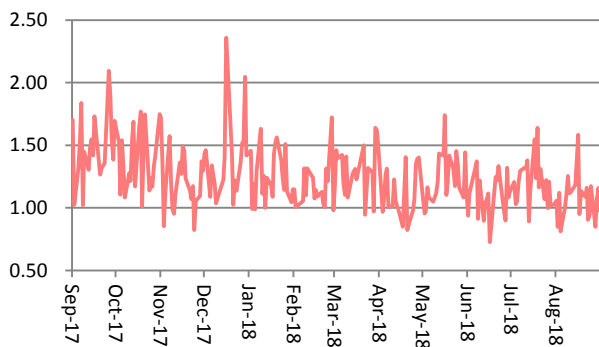
Source: Bloomberg

**Hang Seng Index VIX**



Source: Bloomberg

**Hang Seng Index Put Call Volume Ratio**



Source: Bloomberg

**USDCNH 1Y Forward**



Source: Bloomberg

## Research

**LIU Taisheng, Steven**  
Head of Research & TMT  
(852) 3465 5652  
stevenliu@csci.hk

**CHAN Ka Yeung, Duncan**  
Commodity  
(852) 3465 5654  
duncanchan@csci.hk

**TIAN Yang**  
Automotive  
(852) 3465 5775  
tianyong@csci.hk

**YAO Xue, Snowy**  
Power & Coal  
(852) 3465 5675  
snowyyao@csci.hk

**SHEN Xiangfei, Thomas**  
Technology Hardware  
(852) 3465 8689  
thomasshen@csci.hk

**XU Qiwen**  
Consumer Discretionary  
(852) 3465 8690  
xuqiwen@csci.hk

## Institutional Sales & Trading

**XIANG Xinrong, Ron**  
Head of IST  
(852) 3465 5633  
ronxiang@csci.hk

**HO Wen Hao, Jack**  
(852) 3465 5685  
jackho@csci.hk

**WANG Zhuo, Gary**  
(852) 3465 8655  
wangzhuo@csci.hk

**LEE Ying Ju, Rose**  
(852) 3465 5707  
roselee@csci.hk

**XIA Tian**  
(852) 3465 5670  
xiatian@csci.hk

**XU Xiaowei, Vincent**  
(852) 3465 5795  
vincentxu@csci.hk

**CHAU Manying, Angel**  
(852) 3465 5781  
angelchau@csci.hk

**LIU Honglin, Charlene**  
(852) 3465 8686  
charleneliu@csci.hk

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### China Securities (International) Research

18/F, Two Exchange Square, Central, Hong Kong

Tel: (852) 34655600 Fax: (852)21809495