

## I. Major Economic Release

### Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
Germany: IFO Business Climate	Sep	N/A	103.8
US: Dallas Fed Manufacturing Activity Index	Sep	31.0	30.9
Brazil: Federal Total Debt	Aug	N/A	BRL3749bn
Brazil: Foreign Direct Investment	Aug	N/A	USD3897mn
Mexico: Bi-Weekly CPI YoY	15-Sep	N/A	5.00%

Source: Bloomberg

## II. Macro News

- **Trump Is Said to Deny Product Exclusions From New China Tariffs.** The Trump administration hasn't put a process in place for companies to get exemptions from 10 percent tariffs it's imposing on \$200 billion of Chinese goods, unlike earlier rounds of the duties. [Bloomberg]
- **Japan's Manufacturing PMI Rises to Three-Month High.** Japan's manufacturing sector added strength in September, which should further allay concerns about slowing growth in a sector that has been in expansion for two years. The Nikkei Japan Purchasing Managers Index for manufacturers showed a preliminary reading of 52.9 in September, up from 52.5 in August. [Bloomberg]
- **China cutting tariffs to boost imports.** China is planning to cut the average tariff rates on imports from the majority of its trading partners as soon as next month, two people familiar with the matter said, in a move that will lower costs for consumers as a trade war with the US deepens. [The Standard]

## III. Industry News

- **HKMA Says PBOC Bill Sale Details to Be Announced at Later Date.** The PBOC sale of bills in Hong Kong aims to enrich spectrum of yuan financial products with high credit ratings, improve the yield curve of RMB bonds and support development of the offshore yuan business in Hong Kong, the HKMA says in statement. [Bloomberg]
- **Australia Ratings Outlook Revised to Stable From Negative by S&P.** Stable outlook reflects expectations that the general govt fiscal balance will return to surplus by the early 2020s, S&P Global Ratings says in a statement. The nation's long-term foreign currency debt rating was affirmed at AAA by S&P. [Bloomberg]
- **ShFE adds copper options.** The Shanghai Futures Exchange launches copper options trading last Friday, aiming to take a slice of a \$270bn (HK\$2.1tn) global market in one of its biggest challenges yet to London and New York rivals. The product comes as the exchange also considers opening its flagship copper futures to foreign investors, and is a major step in China's prolonged effort to develop its derivatives industry. [The Standard]

## IV. Corporate News

- **Hong Kong developer New World Development reports profit jumps 204 per cent to HK\$23.34bn.** Hong Kong property developer New World Development reported net income of HK\$23.34 billion for the financial year ended June 30, reflecting a 204.1 per cent surge from last year. [SCMP]
- **Swire Properties has a bold vision that anticipates the continuing rise of Shenzhen.** Swire Properties is aggressively looking to gain a foothold in Shenzhen through partnership or site acquisitions in anticipation that the city's status will benefit as the Greater Bay Area takes shape. [SCMP]

- **PingAn Tech Fund joins backers for Israeli infection diagnostic firm MeMed.** PingAn Global Voyager Fund, the US\$1 billion global technology investment fund of Ping An Insurance, has joined eight other investors in backing Israeli infection diagnostic tool maker MeMed's US\$70mn series C-round funding, helping the company expand its immune-system based test to China and elsewhere. [SCMP]
- **Samsung Is Said to Plan Lower Chip Growth to Bolster Prices.** Samsung Electronics Co. is planning to curtail growth in memory chip output next year to keep supplies tight amid an expected slowing in demand. Samsung now expects bit growth of less than 20% for dynamic random-access memory and a rise of 30 percent for Nand flash. [Bloomberg]
- **Walgreens to Open Boots Flagship Store on Alibaba's Tmall.** Flagship store on Tmall Global to allow co. to reach consumers on Alibaba's platforms in China, according to a statement. "Our collaboration with Tmall Global complements our presence in wholesale and retail pharmacy in China," Executive Vice President Ken Murphy says. [Bloomberg]
- **HSBC Plans to Issue GBP1B Perpetual Subordinated Contingent Convertible Securities.** HSBC Holdings announced that it intends to issue GBP1 billion 5.875% perpetual subordinated contingent convertible securities (or up to GBP1.1 billion if the over-allotment option will be exercised in full) in aggregate on 28 September. [Bloomberg]
- **Tencent Buys Back 118.3K Shrs at \$39.05M.** Tencent announced that it had repurchased 118,300 shares at approximately \$39.05 million through the Stock Exchange on 21 September. Tencent has bought back an aggregate of 1.196 million shares, representing 0.0126% of its share capital, ytd. [Bloomberg]
- **Dell Is Said to Plan Banker Interviews Toward IPO, WSJ Reports.** Dell Technologies Inc., the world's largest private technology company, plans to interview several banks this week for underwriting roles in a traditional initial public offering as a backup to another plan that has met investor resistance, the Wall Street Journal reported. [Bloomberg]
- **New World Development's New Mall, Home Sales Will Boost Earnings.** New World Development's earnings growth for the fiscal year ending June 2019 will be propelled by a net order book that's surged to over HK\$24 billion from the robust presales of five development projects in Hong Kong. Victoria Dockside in Tsim Sha Tsui, the developer's new mixed-use project, will boost its rental income. [Bloomberg]
- **Evergrande to Pay 6.68B Yuan for 23.87% Stake in Guanghui.** Evergrande will pay 6.68b yuan to buy a 23.87% stake in Xinjiang Guanghui Industry, co. says in a statement to Hong Kong's stock exchange Sunday. Evergrande will become the second largest shareholder at c.41%. [Bloomberg]
- **Haidilao Says Hong Kong IPO Retail Portion 5.56X Subscribed.** Haidilao International prices 424.5m shares at HK\$17.80 apiece in Hong Kong initial public offering, according to statement to Hong Kong stock exchange. Trading expected to begin Sept. 26. [Bloomberg]
- **Li Ka-Shing Adds Stake Further in CK Asset for \$211M.** Li Ka-Shing, Senior Adviser of CKH series of companies, purchased 3.508 million shares in CK ASSET on 18-19 September on market, involving \$211 million, as disclosed by the Stock Exchange. [AASocks]

## V. Overnight Market Recap

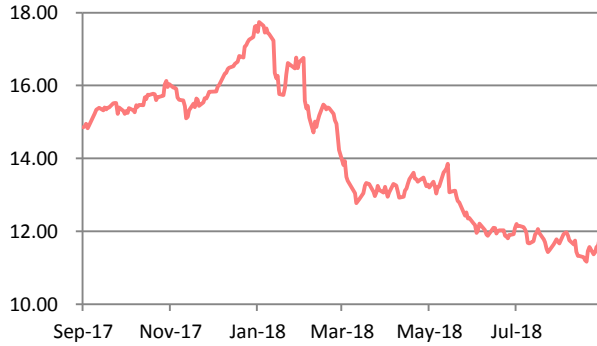
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,930	(1.1)	(0.0)	0.8	1.9	6.3	13.2	17.1	9.6
	Dow Jones	26,744	86.5	0.3	2.3	3.7	8.8	13.6	19.7	8.2
	Nasdaq Composite	7,987	(41.3)	(0.5)	(0.3)	0.5	3.8	14.2	24.3	15.7
	Russell 2000	1,712	(7.9)	(0.5)	(0.5)	(0.8)	1.6	13.4	18.0	11.5
	VIX Index	11.68	(0.1)	(1.0)	(3.2)	(2.6)	(15.2)	(53.0)	21.8	5.8
Europe Equity	Euro Stoxx 50	3,431	27.7	0.8	2.6	0.1	(0.3)	4.0	(3.1)	(2.1)
	DAX	12,431	104.4	0.8	2.5	0.3	(1.2)	4.6	(1.3)	(3.8)
	CAC	5,494	42.6	0.8	2.6	1.1	2.0	7.8	4.0	3.4
	FTSE 100	7,490	122.9	1.7	2.5	(1.2)	(2.5)	8.2	2.5	(2.6)
APAC Equity	HSI	27,954	475.9	1.7	2.4	1.0	(4.7)	(7.8)	0.3	(6.6)
	HSCEI	11,027	234.5	2.2	4.3	2.3	(2.8)	(9.1)	(0.7)	(5.8)
	HSI VIX	19.11	0.5	2.6	0.6	6.3	4.1	(29.9)	32.6	30.9
	CSI 300	3,410	100.4	3.0	5.2	2.6	(5.5)	(12.7)	(11.1)	(15.4)
	SH Composite	2,797	68.2	2.5	4.3	2.5	(3.2)	(11.3)	(16.6)	(15.4)
	SZ Composite	1,445	25.1	1.8	3.0	(1.0)	(9.5)	(18.2)	(27.3)	(23.9)
	Nikkei 225	23,870	195.0	0.8	4.6	5.6	6.0	15.8	17.6	4.9
KOSPI	2,339	15.7	0.7	0.9	2.0	(0.8)	(3.2)	(2.1)	(5.2)	
Commodities (USD)	Brent (Future)	78.80	0.1	0.1	0.9	5.2	5.5	13.2	40.2	19.2
	WTI (Future)	70.78	(0.0)	(0.0)	2.6	4.0	4.3	8.5	41.1	18.3
	Gold	1,200	(7.1)	(0.6)	0.4	(0.6)	(5.4)	(11.5)	(8.6)	(8.1)
	Copper (Future)	6,363	281.0	4.6	6.5	5.3	(6.2)	(6.3)	(1.4)	(12.2)
	Baltic Dry Index	1,413.00	17.0	1.2	4.1	(16.7)	5.4	25.9	(5.9)	3.4
FX	Dollar Index	94.22	0.3	0.3	(0.7)	(1.0)	(0.3)	5.4	2.2	2.3
	EUR	1.17	(0.0)	(0.2)	1.1	1.1	0.4	(5.6)	(0.9)	(2.2)
	JPY	112.59	0.1	0.1	0.5	(1.1)	(2.4)	(6.3)	(0.7)	0.2
	CNY	6.86	0.0	(0.2)	0.2	(0.1)	(5.3)	(7.8)	(3.9)	(5.1)
	CNH	6.85	0.0	0.2	(0.4)	(0.7)	(4.5)	(8.7)	(3.5)	(4.9)
CDS	ChinaGov CDS	58.37	1.0	1.8	6.5	0.4	(1.0)	(12.5)	(3.3)	16.5
	CDX Emerging Market	95.44	(0.4)	(0.5)	(0.1)	0.1	(0.6)	(2.7)	(0.3)	(3.7)

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.16	0.0	0.1	2.1	2.1	1.9	1.7	1.0	1.4
	2-Year Treasury Yield	2.80	(0.0)	(0.1)	2.8	2.6	2.5	2.3	1.4	1.9
	5-Year Treasury Yield	2.95	(0.0)	(0.2)	2.9	2.7	2.8	2.6	1.9	2.2
	10-Year Treasury Yield	3.06	0.0	0.0	3.0	2.8	2.9	2.9	2.2	2.4
	2-10 Spread	25.86	0.4	1.4	20.7	18.8	34.5	57.7	81.5	51.8
China rates	O/N China Repo Rate	2.52	(0.0)	(1.2)	2.5	2.4	2.6	2.6	2.6	3.0
	1-Week China Repo Rate	2.55	(0.1)	(4.9)	2.6	2.3	3.5	2.8	3.3	3.1
	O/N SHIBOR	2.51	(0.0)	(0.2)	2.5	2.4	2.6	2.5	2.8	2.8
	1-Week SHIBOR	2.65	(0.0)	(0.2)	2.6	2.6	2.8	2.9	2.9	3.0

Source: Bloomberg

## VI. Key Indicators

**Hang Seng Index PE Ratio**



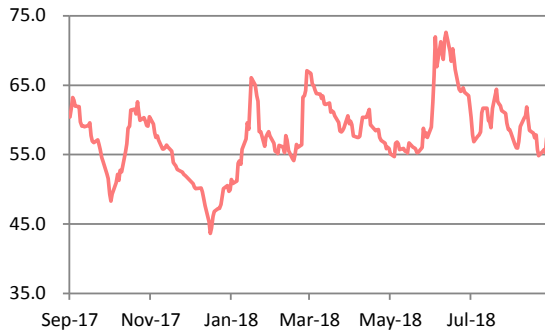
Source: Bloomberg

**Shanghai Composite Index PE Ratio**



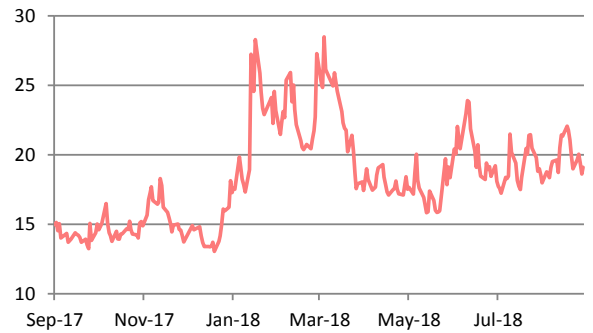
Source: Bloomberg

**China 5Y CDS Index\_USD**



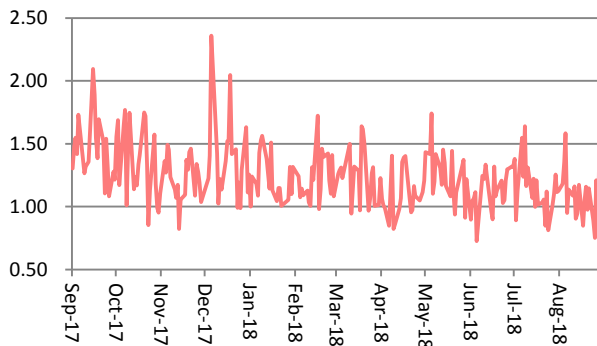
Source: Bloomberg

**Hang Seng Index VIX**



Source: Bloomberg

**Hang Seng Index Put Call Volume Ratio**



Source: Bloomberg

**USDCNH 1Y Forward**



Source: Bloomberg

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