

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
U.S.: Fed Rate Decision	26-Sep	2.00-2.25%	1.75-2.00%
UK: Finance Loans for Housing	Aug	N/A	39,584
New Zealand: Trade Balance	Aug	N/A	-NZD143mn
Brazil: Total Outstanding Loans	Aug	N/A	BRL3125bn
Brazil: Personal Loan Default Rate	Aug	N/A	5.00%

Source: Bloomberg

II. Macro News

- **China imposes tariffs on US\$60b of US imports.** China has raised tariffs on US\$60bn of U.S. imports in an escalation of their fight over technology policy following a deadline for President Donald Trump's latest increase. The General Administration of Customs said it started collecting additional taxes of 5 to 10 percent on a list of thousands of American goods at noon on Monday, ratcheting up their fight over Beijing's technology policy. [The Standard]
- **Document lays out China's trade stance.** China published a white paper on Sino-US trade frictions on Monday, defending the legitimacy of its positions on trade and innovation practices while accusing the United States of trade bullying and intimidation. On Monday, new US levies on \$200bn worth of Chinese goods came into force. [China Daily]
- **China Consensus Growth Forecast Steady, Ending Creeping Rise.** The consensus forecast for China's 2018 growth edged up in July to 6.6%, from 6.5% 1H. Downside risks to growth have risen in view of the escalation of the trade war against the background of already decelerating growth. [Bloomberg]

III. Industry News

- **OPEC Gives Tepid Response to Trump's Demand for Lower Oil Prices.** U.S. President Donald Trump's demand that OPEC take rapid action to reduce oil prices got a tepid response, with the group saying it would boost output only if customers requested it. [Bloomberg]
- **Labour Would Force U.K. Companies to Hand 10% of Equity to Staff.** U.K.-based companies with more than 250 employees would be forced to give 10 percent of their equity to staff if Labour wins the next election. The shares would be handed over at a rate of one percent a year and held in Inclusive Ownership Funds that would pay annual dividends to a maximum of 500 pounds (\$653) per employee. [Bloomberg]
- **Indonesia Considers Easing Taxes to Prop Rupiah.** The Indonesian government is considering tax incentives for businesses to convert their dollar holdings into rupiah among measures to support its currency, the Straits Times reports, citing an unidentified government source. [Bloomberg]

IV. Corporate News

- **Shandong Gold Is Said to Price \$617 Million Offering at Bottom.** Shandong Gold Mining Co., the Shanghai-listed metal producer, raised HK\$4.82bn (\$617mn) after pricing a Hong Kong share sale at the low end of a marketed range. The company sold 327.7mn new shares at HK\$14.70 apiece. [Bloomberg]
- **Prinx Chengshan Launches Up to \$129m Hong Kong IPO.** Prinx Chengshan (Cayman) Holding Ltd. offers 135m shares at HK\$5.89 to HK\$7.50 each in Hong Kong initial public offering, according to terms for the deal obtained by Bloomberg. Rongcheng State-owned Capital Operation Co. agreed to buy \$17.8m of stock as a cornerstone investor. [Bloomberg]

- **China Gas Aims to Convert 9 Million Homes From Coal in 4 Years.** China Gas Holdings plans to switch 9 million households to gas boilers from coal in four years, according to Executive Director Kevin Zhu. Expects to convert 2 million homes this year, 2.8 million in 2019 and 3.6 million in 2020. [Bloomberg]
- **Barrick Gold, Randgold Said to Be in Advanced Merger Talks.** Barrick Gold Corp. is said to be in advanced negotiations to merge its operations with Africa-focused rival Randgold Resources Ltd., protecting the Toronto-based miner's crown as the world's largest producer of the metal. [Bloomberg]
- **Coronado, Holders Eye Up to \$1 Billion in Top Australia Coal IPO.** Coronado Global Resources Inc., a miner backed by private equity firm Energy & Minerals Group, and current investors are seeking to raise as much as A\$1.4 billion (\$1 billion) in what would be Australia's largest coal initial public offering. [Bloomberg]
- **BOCOM Financial Leasing to Sign \$200m-Equivalent 3Y Yen Loan.** Bank of Communication Financial Leasing Co. is planning to sign the yen-denominated term loan this week, according to a press release. The facility is fully committed by China Agbank Tokyo Branch, BOCOM Tokyo Branch, Mizuho and MUFG. [Bloomberg]
- **China Evergrande diversifies into vehicle, energy businesses as Beijing continues clampdown on property market.** China Evergrande Group, the country's third-largest property developer by sales, is taking steps to diversify into vehicle sales, energy, real estate and logistics, as Beijing steps up efforts to dampen the runaway property market. [SCMP]
- **Tencent eyes advanced technologies to counter financial crimes.** Tencent Co Ltd will take more efforts in building intelligent risk-prevention system based on advanced technologies, aiming to enter the field of financial risk prevention and control, according to the company's top management. [China Daily]
- **Geely's 'Flying Car' Pre-sale to Commence Next Month, Selling Price to Set.** Chris Jaran, CEO of Terrafugia (a wholly-owned Geely subsidiary and the world's first flying car maker), revealed in a public speech that the pre-sale of the Transition, the world's first roadable airplane, will commence in October. [AAStocks]
- **Evergrande Adds Stake as 2nd Largest Shareholder of Guanghui Group at RMB14.49B.** Evergrande announced that Xinjiang Guanghui controlling shareholder has agreed to procure the existing shareholders of Guanghui Group other than Guanghui controlling shareholder to transfer an aggregate of 23.865% interest in Guanghui Group to Evergrande for a consideration of RMB6.68bn within seven working days from the signing of the investment agreement. [AAStocks]
- **Sa Sa Int'l XRL West Kowloon Store Opens.** Sa Sa Int'l announced that with the Guangzhou-Shenzhen-HK Express Rail Link officially put into operation on 23 Sep, a SaSa store at the West Kowloon Station has seen its grand opening on the same day. The new store occupies c.600 sq.ft., making it the 119th SaSa stores in HK and Macau. [AAStocks]
- **AAC TECH To Pump US\$20M in Finland's R&D Center in Next 3 Years.** AAC Tech announced its investment plan in Tampere, the second largest city in Finland. The company proposed to pump US\$20 million in Tampere's R&D center in next three years. [AAStocks]
- **CTEG Mulls Disposal of 6 Subsidiary Equity to Agile Group.** CTEG announced that it has entered into an agreement with Agile Eco Technology, a subsidiary of Agile Group, to sell its 50% equity interest in each of the six wholly-owned subsidiaries to Agile Eco Technology. [AAStocks]
- **Geely Licenses Intellectual Properties to Chairman-Backed Geely Hldgs at Over RMB1.3B.** Geely Auto had entered into Licensing Agreement with Geely Hldg, backed by Chairman Li Shu Fu, pursuant to which the Group agreed to license the Intellectual Properties and Foreground Intellectual Properties to Geely Hldg for the design, development, manufacture, sale, marketing and distribution of the Licensed Models within the Licensed Regions during the Licensed Period. [AAStocks]
- **Rusal Assembles CN Trading Team against US Sanctions.** Rusal is setting up a trading team in China, as U.S. sanctions are threatening its sales to Western clients, Reuters citing sources. Purportedly, RUSAL will form a company to house the team, which will comprise a sales manager, an aluminum trader and an alumina trader. [AAStocks]

V. Overnight Market Recap

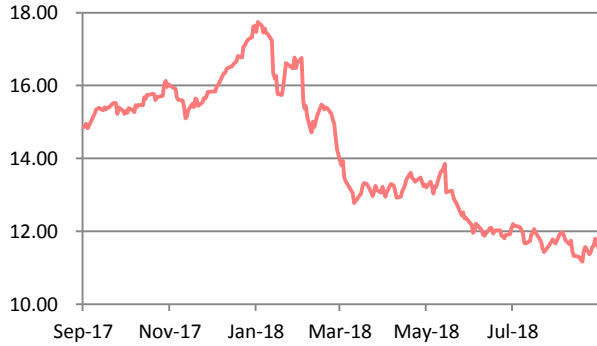
		Close	Net Chg	Chg (%)	Performance (%)					
					1W	1M	3M	6M	1Y	YTD
US Equity	S&P 500	2,919	(10.3)	(0.4)	1.1	1.6	7.4	12.8	16.9	9.2
	Dow Jones	26,562	(181.5)	(0.7)	1.9	3.0	9.5	12.9	19.1	7.5
	Nasdaq Composite	7,993	6.3	0.1	1.2	0.6	6.1	14.3	25.5	15.8
	Russell 2000	1,705	(7.0)	(0.4)	0.1	(1.2)	2.9	12.9	17.4	11.1
	VIX Index	12.20	(0.2)	(1.8)	(6.3)	(0.1)	(30.9)	(51.8)	17.3	8.5
Europe Equity	Euro Stoxx 50	3,410	5.8	0.2	1.7	(0.3)	1.4	3.6	(3.4)	(2.5)
	DAX	12,351	8.6	0.1	1.7	(0.3)	0.7	4.0	(1.9)	(4.3)
	CAC	5,476	2.8	0.1	2.1	0.9	3.7	7.5	4.0	3.1
	FTSE 100	7,458	44.9	0.6	2.8	(1.0)	(0.1)	8.4	2.8	(2.4)
APAC Equity	HSI	27,499	(454.2)	(1.6)	2.1	(0.6)	(5.0)	(9.3)	(0.0)	(8.1)
	HSCEI	10,828	(199.6)	(1.8)	3.5	0.4	(3.4)	(10.7)	(0.8)	(7.5)
	HSI VIX	19.75	0.6	3.3	0.5	9.8	(3.3)	(27.6)	31.8	35.3
	CSI 300	3,380	(30.7)	(0.9)	5.5	1.6	(6.3)	(13.4)	(11.9)	(16.2)
	SH Composite	2,781	(16.3)	(0.6)	4.9	1.9	(3.8)	(11.8)	(17.0)	(15.9)
	SZ Composite	1,437	(7.8)	(0.5)	4.1	(1.6)	(10.0)	(18.6)	(27.7)	(24.3)
Commodities (USD)	Nikkei 225	23,940	195.0	0.8	4.6	5.9	6.3	16.1	18.0	5.2
	KOSPI	2,339	15.7	0.7	0.9	2.0	(0.8)	(3.2)	(2.1)	(5.2)
	Brent (Future)	81.39	2.4	3.1	4.0	8.0	9.6	16.2	38.7	22.5
	WTI (Future)	72.08	1.3	1.8	4.6	5.4	6.4	10.0	38.8	19.9
	Gold	1,199	(1.0)	(0.1)	(0.2)	(0.8)	(5.1)	(11.3)	(8.4)	(7.8)
FX	Copper (Future)	6,353	(10.0)	(0.2)	6.9	4.1	(6.4)	(4.6)	(1.6)	(12.3)
	Baltic Dry Index	1,434.00	21.0	1.5	5.8	(15.5)	7.6	27.8	(4.6)	5.0
	Dollar Index	94.19	(0.0)	(0.0)	(0.3)	(1.1)	(0.2)	5.2	1.6	2.2
	EUR	1.17	(0.0)	(0.0)	0.6	0.9	0.6	(5.3)	(0.6)	(1.9)
	JPY	112.80	0.2	0.2	0.9	(1.5)	(2.7)	(6.6)	(1.0)	(0.1)
CDS	CNY	6.86	0.0	(0.3)	(0.2)	(0.9)	(4.8)	(8.7)	(3.7)	(5.3)
	CNH	6.87	0.0	0.3	(0.0)	(1.1)	(4.7)	(8.9)	(3.7)	(5.1)
	ChinaGov CDS	58.39	(0.2)	(0.3)	4.9	3.3	(1.0)	(12.5)	(3.3)	16.6
	CDX Emerging Market	95.26	0.1	0.1	-	(0.2)	(0.8)	(2.9)	(0.4)	(3.9)

		Close	Net Chg	Chg (%)	Value					
					1W	1M	3M	6M	1Y	YTD
US rates	3-Month Treasury Yield	2.17	0.0	0.1	2.2	2.1	1.9	1.8	1.0	1.4
	2-Year Treasury Yield	2.82	0.0	0.6	2.8	2.6	2.5	2.3	1.4	1.9
	5-Year Treasury Yield	2.97	0.0	0.6	2.9	2.7	2.7	2.6	1.8	2.2
	10-Year Treasury Yield	3.09	0.0	0.9	3.1	2.8	2.9	2.8	2.2	2.4
	2-10 Spread	26.78	0.9	3.5	25.2	18.8	34.0	50.7	79.3	51.8
China rates	O/N China Repo Rate	2.53	0.0	0.4	2.7	2.4	2.4	2.7	3.0	3.0
	1-Week China Repo Rate	2.75	0.2	7.8	2.7	2.3	2.8	2.9	3.4	3.1
	O/N SHIBOR	2.54	0.0	1.2	2.7	2.4	2.5	2.6	2.8	2.8
	1-Week SHIBOR	2.69	0.0	1.4	2.7	2.6	2.8	2.9	2.9	3.0

Source: Bloomberg

VI. Key Indicators

Hang Seng Index PE Ratio



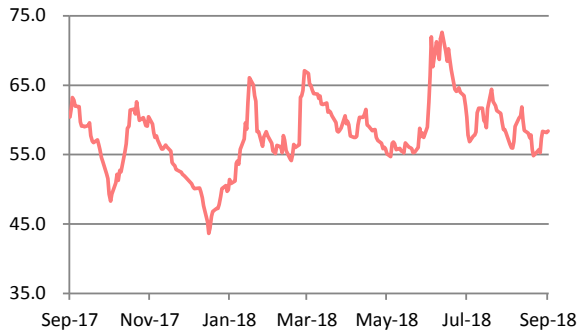
Source: Bloomberg

Shanghai Composite Index PE Ratio



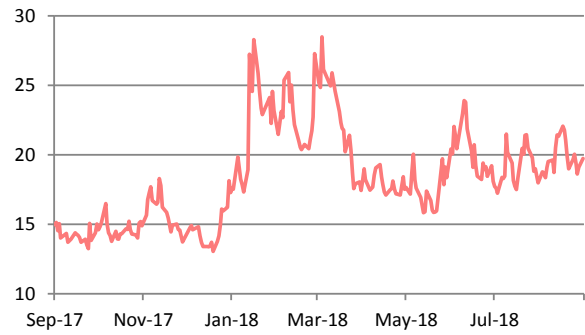
Source: Bloomberg

China 5Y CDS Index_USD



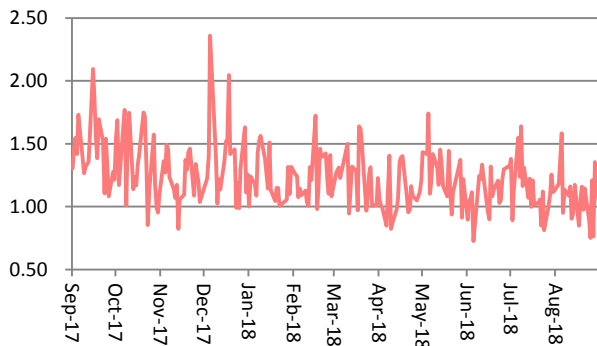
Source: Bloomberg

Hang Seng Index VIX



Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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