



## I. Major Economic Release

### Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: PCE Deflator / Core YoY	Aug	N/A	2.3%/2.0%
Japan: Industrial Production YoY	Aug	N/A	2.20%
Japan: Jobless Rate	Aug	N/A	2.50%
UK: GfK Consumer Confidence	Sep	N/A	-7.00
S. Korea: Consumer Confidence	Sep	N/A	99.2

Source: Bloomberg

## II. Macro News

- **China to Cut Tariffs on Imports Including Machinery, Textiles.** China will cut import tariffs on goods incl. machinery, paper, textiles and construction materials from Nov. 1, in a move that would lower costs for consumers and companies. The decision will lower tariffs for 1,585 products, state radio reported. Accordingly, the combination of these and other tariff cuts this year will lower the tax burden on consumers and companies by about 60bn yuan (\$8.7bn). [Bloomberg]
- **IMF Raises Argentina Bailout to US\$57B.** The IMF struck a deal with Argentina to lift its three-year lending program with the latter from US\$50bn to US\$57bn. The fund will significantly deliver cash up front and boost the available financing by US\$19bn by the end of 2019, said Christine Lagarde. [AASocks]
- **Philippines Delivers Another 50 Basis-Point Rate Hike.** The Philippine central bank raised its benchmark interest rate by half a percentage point for a second consecutive meeting, delivering on its pledge for strong action to rein in surging prices. Bangko Sentral ng Pilipinas increased the overnight reverse repurchase rate to 4.5% from 4%, it said Thursday. [Bloomberg]

## III. Industry News

- **Bank Indonesia Hikes Rates for Fifth Time to Curb Currency Rout.** Indonesia's central bank raised its benchmark interest rate for the fifth time since May as it intensifies efforts to shield the rupiah from a global rout in emerging markets. The seven-day reverse repurchase rate was raised by 25 basis points to 5.75%. [Bloomberg]
- **London-Shanghai Stock Link May Start Dec.** A system that will allow Chinese and U.K. companies to list in each other's stock market could begin as early as Dec. 3, according to Chinese media. U.K.-listed firms with a market value of at least 20bn yuan would be able to issue depository receipts, Shanghai Securities News reported Thursday. [Bloomberg]
- **FTSE Russell to Add Chinese Stocks to Its Indexes From 2019.** Chinese-listed stocks will soon be added to FTSE Russell's global indexes, another step in the country's efforts to internationalize its markets. The shares will be included in three stages from June, FTSE Russell, a unit of London Stock Exchange Group Plc, said in a statement. [Bloomberg]

## IV. Corporate News

- **Yancoal Australia Is Said to Seek Hong Kong Listing Approval.** Yancoal Australia plans to seek listing approval from the Hong Kong stock exchange Thursday ahead of a planned share sale in the city. The Sydney-listed co. plans to raise as much as \$700m. The company plans to start gauging investor demand for the deal next week. [Bloomberg]
- **AgBank President Has Left for China Development Bank.** Agricultural Bank of China President Zhao Huan has left the company and his next stop would be China Development Bank, China Business News reports. Report didn't say which post Huan would take up at China Development Bank. [Bloomberg]

- **Buffett's China Car Bet Rakes in \$1.3 Billion in a Decade.** On Sept. 26, 2008, Berkshire Hathaway Inc. agreed to buy what is now equivalent to 24.59% of BYD Co.'s HK-traded stock. Those shares have soared more than 500% since then, turning a \$232mn investment into a stake worth roughly \$1.6bn at current prices. [Bloomberg]
- **China's Nexen Plans to Exit US, Sell Gulf of Mexico Assets.** China's Nexen Petroleum plans to exit the U.S., divesting its stake in oil and gas developments in the Gulf of Mexico, Reuters reports. The company has not determined whether it will sell the assets outright or swap offshore acres with another company. [Bloomberg]
- **China Appoints Zhao Huan to Head Largest Policy Lender.** Agricultural Bank of China Ltd. President Zhao Huan was chosen as chairman of China Development Bank Corp. Zhao's appointment was announced internally at China Development Bank on Thursday, the Beijing-based bank said in a statement. He also replaced Hu Huaibang as the party secretary for the bank. [Bloomberg]
- **Nike's Sales to Enhance Shenzhou Intl's Order Growth.** Currently, capacity instead of orders caps Shenzhou Intl's volume growth; firm announced on Sept. 17 it would invest \$100m to establish a new garment production factory in Cambodia; it is also building phase 2 of garment factory in Vietnam to add another roughly 5,000 workers. [Bloomberg]
- **China Said to Revive \$18 Billion Airbus Deal Amid U.S. Trade War.** China's escalating trade war with the U.S. has revived prospects of an \$18 billion jet order from Airbus SE, with a high-powered delegation from the European planemaker seeking to seal the sale during a visit to Beijing. [Bloomberg]
- **HSBC Raises Hong Kong Lending Rate for First Time in 12 Years.** HSBC Holdings Plc raised its main lending rate in HK for the first time in more than a decade. The London-based bank boosted its best lending rate by 12.5 basis points to 5.125%, it said in a statement on Thursday. [Bloomberg]
- **Singapore Mobile Operator Gets Offer Valuing It at \$1.4 Billion.** Singapore Press Holdings Ltd. and Keppel Corp. offered to buy shares they didn't already own in M1 Ltd. amid intensifying competition that's seen the mobile-phone company languishing in last place among the city-state's operators. [Bloomberg]
- **Amazon to open new bricks-and-mortar store, featuring goods rated four stars and above.** Amazon.com Inc on Wednesday said it is opening a general store in New York City that will sell toys, household goods and a range of other products highly rated on its website, marking its latest push into bricks-and-mortar retail. [SCMP]
- **TRADEGO Priced at \$0.64, Public Offering Over-subscribed 24.9x.** TRADEGO announced that it had recorded subscription for 323mn shares, representing 24.86 time over-subscription. The stock, to be listed on GEM today (28 Sep), is priced at \$0.64, the lower limit of the offer price range. One-lot (4,000 shares) success rate is 30.01%. [AASocks]
- **Anbang Reportedly Seeking to Dispose of Japanese Properties.** Anbang purchased a batch of Japanese properties two years back from Blackstone with US\$2.3bn, is now in talks to dispose of part of those properties, Reuters reported. The transaction is estimated to involve c.US\$200mn with Blackstone also being one of the bidders. [AASocks]
- **WeDoctor, Fullerton Healthcare Form Health Mgmt Platform.** Singapore's Fullerton Healthcare Corporation Ltd. announced that it signed a MOU with We Doctor Holdings Ltd.. Fullerton Healthcare plans to jointly develop a new technology-enabled Health Management Organization platform for Asia, aiming to fully integrate online and offline healthcare services in the region. [AASocks]
- **CNOOC's Nexen Plans to Quit GOM Oil & Gas Project.** Reuter cited sources that Nexen Petroleum, a subsidiary of CNOOC, plans to quit U.S. and sell its large-scale oil & gas development project in the Gulf of Mexico. Sources said Nexen has yet to decide whether to sell the project outright or exchange offshore acres with another firm. [AASocks]
- **ICBC: Aims at Inclusive Loan Growth for Next 3 Yrs at 30% Up.** ICBC announced to upgrade its inclusive financial services on the whole, with an aim at investing a third of its loan growth in the coming three years in the inclusive financial sector. The loan growth will reach above 30%, while the loan will double every three years. [AASocks]

## V. Overnight Market Recap

	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,914	8.0	0.3	(0.6)	0.6	7.3	11.9	16.1	9.0
	Dow Jones	26,440	54.7	0.2	(0.8)	1.4	9.2	10.9	18.1	7.0
	Nasdaq Composite	8,042	51.6	0.6	0.2	0.1	7.2	15.7	24.6	16.5
	Russell 2000	1,691	(1.1)	(0.1)	(1.7)	(2.2)	2.8	11.7	13.6	10.1
	VIX Index	12.41	(0.5)	(3.7)	5.2	(0.7)	(26.4)	(45.7)	29.9	12.4
Europe Equity	Euro Stoxx 50	3,450	16.6	0.5	1.4	0.1	2.5	3.6	(3.2)	(1.5)
	DAX	12,436	49.7	0.4	0.9	(0.7)	2.1	4.1	(2.1)	(3.7)
	CAC	5,540	27.7	0.5	1.6	1.0	5.0	8.0	4.7	4.3
	FTSE 100	7,545	34.0	0.5	2.4	(0.9)	(0.9)	7.1	3.0	(1.9)
APAC Equity	HSI	27,716	(101.2)	(0.4)	1.1	(2.2)	(2.7)	(7.7)	1.1	(7.4)
	HSCEI	10,939	(46.6)	(0.4)	1.8	(1.4)	0.6	(8.9)	0.6	(6.6)
	HSI VIX	18.94	(1.1)	(5.3)	(2.3)	1.2	(11.2)	(33.5)	25.8	29.7
	CSI 300	3,404	(13.7)	(0.4)	2.8	0.1	(0.6)	(11.4)	(11.0)	(15.6)
	SH Composite	2,792	(15.0)	(0.5)	2.2	0.5	0.2	(10.6)	(16.4)	(15.6)
	SZ Composite	1,430	(18.2)	(1.3)	0.4	(4.5)	(8.2)	(21.1)	(27.6)	(24.7)
	Nikkei 225	23,797	(237.1)	(1.0)	0.5	4.3	6.9	13.1	16.9	4.5
KOSPI	2,355	16.3	0.7	2.3	2.3	1.8	(2.6)	(0.7)	(4.5)	
Commodities (USD)	Brent (Future)	81.72	0.4	0.5	3.8	7.2	5.3	16.6	41.1	22.2
	WTI (Future)	72.12	0.6	0.8	1.9	5.3	(1.8)	12.1	39.9	19.4
	Gold	1,183	(11.6)	(1.0)	(2.0)	(1.4)	(5.2)	(10.7)	(8.0)	(9.1)
	Copper (Future)	6,282	(36.0)	(0.6)	2.6	2.9	(6.4)	(4.8)	(2.0)	(13.3)
	Baltic Dry Index	1,503.00	53.0	3.7	7.7	(11.4)	14.8	34.6	5.2	10.0
FX	Dollar Index	94.89	0.7	0.7	1.1	0.1	(0.4)	6.2	1.6	3.0
	EUR	1.16	(0.0)	(0.8)	(1.2)	(0.5)	0.6	(5.5)	(1.3)	(3.1)
	JPY	113.38	0.7	0.6	0.8	(1.9)	(2.6)	(5.8)	(0.9)	(0.6)
	CNY	6.89	0.0	(0.2)	(0.6)	(1.1)	(4.1)	(8.8)	(3.6)	(5.6)
	CNH	6.89	0.0	0.1	0.8	(1.2)	(3.6)	(8.7)	(3.4)	(5.4)
CDS	ChinaGov CDS	56.49	(0.8)	(1.3)	(1.5)	0.9	(21.5)	(13.1)	(10.1)	12.8
	CDX Emerging Market	95.90	0.1	0.2	0.0	0.6	(0.1)	(2.3)	(0.0)	(3.2)

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.18	(0.0)	(0.4)	2.2	2.1	1.9	1.7	1.0	1.4
	2-Year Treasury Yield	2.83	0.0	0.4	2.8	2.7	2.5	2.3	1.5	1.9
	5-Year Treasury Yield	2.96	0.0	0.4	2.9	2.8	2.7	2.6	1.9	2.2
	10-Year Treasury Yield	3.05	0.0	0.1	3.1	2.9	2.9	2.7	2.3	2.4
	2-10 Spread	22.08	(0.8)	(3.7)	25.9	20.4	32.8	46.9	85.4	51.8
China rates	O/N China Repo Rate	2.30	(0.2)	(9.4)	2.5	2.4	2.2	2.8	2.5	3.0
	1-Week China Repo Rate	2.50	(0.2)	(7.4)	2.6	2.6	2.9	3.3	3.4	3.1
	O/N SHIBOR	2.46	(0.1)	(3.6)	2.5	2.4	2.6	2.7	2.9	2.8
	1-Week SHIBOR	2.72	0.0	0.4	2.7	2.6	2.9	2.9	3.0	3.0

Source: Bloomberg

## VI. Key Indicators

**Hang Seng Index PE Ratio**



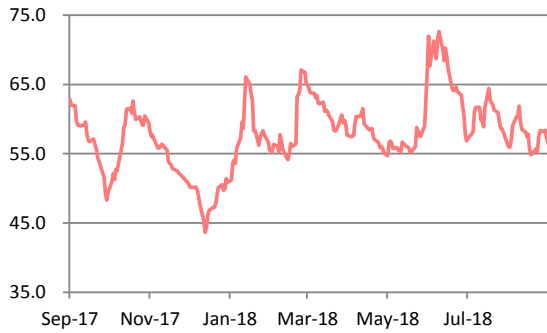
Source: Bloomberg

**Shanghai Composite Index PE Ratio**



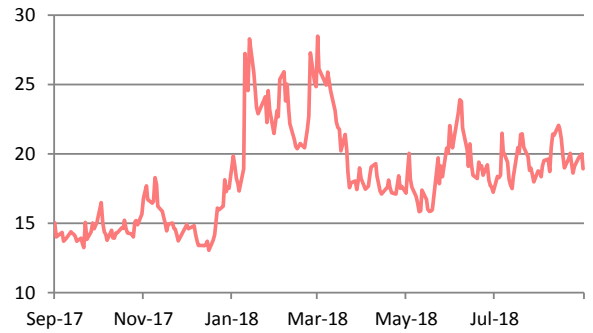
Source: Bloomberg

**China 5Y CDS Index\_USD**



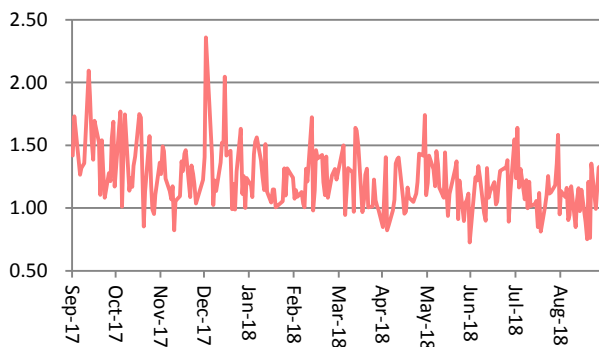
Source: Bloomberg

**Hang Seng Index VIX**



Source: Bloomberg

**Hang Seng Index Put Call Volume Ratio**



Source: Bloomberg

**USDCNH 1Y Forward**



Source: Bloomberg

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