



## I. Major Economic Release

### Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
China: Aggregate Financing CNY	Sep	RMB1553.5bn	RMB1520bn
China: Money Supply M1 / M2 YoY	Sep	3.9%/8.3%	3.9%/8.2%
India: Exports / Imports YoY	Sep	N/A	19.2%/25.4%
India: Trade Balance	Sep	-USD17.4bn	-USD17.39bn
Indonesia: Exports / Imports YoY	Sep	6.98%/21.8%	4.15%/24.6%

Source: Bloomberg

## II. Macro News

- **China's foreign trade volume jumps 9.9%.** China's foreign trade volume jumped 9.9% YoY to 22.28tn yuan in first three quarters of this year, data from General Administration of Customs show. The country's export volume stood at 11.86tn yuan, up 6.5% YoY, in the first nine months, while import volume surged 14.1% YoY to 10.42tn yuan. [China Daily]
- **Singapore Tightens Monetary Policy on Steady Growth Outlook.** Singapore's central bank tightened monetary policy for a second time this year, encouraged by steady economic growth despite worsening U.S.-China trade tensions. The Monetary Authority of Singapore raised the slope of its currency band slightly, according to statement. [Bloomberg]
- **Indonesia Says Clarity on Fed Hikes Was Key Bali Meeting Outcome.** Bank Indonesia Governor Perry Warjiyo said clarity on the gradual pace of U.S. interest rate hikes was one of the key takeaways of this week's International Monetary Fund and World Bank meetings in Bali. [Bloomberg]

## III. Industry News

- **World's Largest Car Market Faces Historic Drop.** China's car sales fell for a third straight month as a slowing economy and an intensifying trade dispute with the U.S. spooked consumer demand. Purchases of passenger vehicles by dealerships declined 12% to 2.06mn units in Sep, the CAAM said in a statement on Friday. [Bloomberg]
- **Fed Does Consider Impact of Policy on Emerging Markets: Quarles..** The Federal Reserve is taking into account the effects its policies have on emerging markets, Vice Chairman for Supervision Randal Quarles said in Bali, Indonesia, responding to criticism that higher U.S. rates are having an unsettling effect. "We do consider the implication of our own policy to emerging markets," said Quarles. [Bloomberg]
- **Beijing boosts healthcare industry.** The revenue of Beijing's healthcare industry is expected to reach 250bn yuan (\$36bn) by 2020, as the city boosts the industry's innovation capacity and integration with the high-tech research sector, local authorities said on Friday. The goal is part of the municipal govt's 3yr action plan, spanning 2018-20, that aims to form an ecosystem that integrates the healthcare industry and research institutions. [China Daily]

## IV. Corporate News

- **Foxconn's September revenue jumps, buoys hopes for solid sales at Apple.** Taiwan's Foxconn, a key Apple Inc supplier, reported a 30 per cent jump in September revenue on Thursday, boosting expectations for solid product sales for the American tech giant even as US-China trade war escalates. [SCMP]
- **Tencent Music said to delay US listing because of stock market turmoil.** Tencent Music Entertainment Group, China's biggest music-streaming company, is set to postpone an initial public offering in the US amid current market turmoil, according to a report by The Wall Street Journal. [SCMP]

- **China's BYD wins bid to supply electric vehicles to largest private bus operator in Vancouver, Canada.** BYD has won the bids to supply vehicles to the largest private bus operator in Vancouver, Canada. BYD Canada has been awarded for zero emission, battery-electric buses by WESTCOAST Sightseeing, the first tour company in Canada to order clean energy buses as well as the first to commit to having a 100% clean-energy vehicles by 2023. [China Daily]
- **Tesla said to close in on \$145m plot for China plant.** Tesla Inc is in the process of obtaining land in Shanghai for its first factory outside the U.S., as it pushes ahead with plans to set up production in China. The automaker is the sole bidder for a plot of land with an auction price of around 1 billion yuan (\$145mn). [China Daily]
- **Lenovo reclaims top spot in PC rankings in Q3.** Lenovo reclaims top spot in global market share of traditional PCs while Apple sales drop sharply in the third quarter. Lenovo, with 24% global market share, replaced U.S.-based computer firm HP, which has 22.8% global market share of traditional PCs, incl desktop, notebook and workstation, in Q3. [China Daily]
- **Baidu in deal with NetEase Cloud Music.** Internet search giant Baidu Inc said on Saturday it has strategically invested in NetEase Cloud Music, one of China's major music live streaming services, and the two partners will carry out deep cooperation in content, traffic flow and copyright. [China Daily]
- **Alibaba steps up battle with Meituan-Dianping.** Alibaba Group Holding Ltd announced on Friday the consolidation of two of its food review and delivery-related businesses, intensifying a battle with Tencent Holdings Ltd-backed rival Meituan-Dianping for dominance of the Chinese market. [China Daily]
- **Wanda launches retail expansion.** The commercial property arm of Dalian Wanda Group says it is betting big on new retail, and aims to have 300 plazas by 2019. Wanda Commercial Management Group disclosed in an annual convention that it will expand its current 285 Wanda Plazas to 300 as of August next year. [China Daily]
- **CNOOC lifts natural gas supplies.** CNOOC said it would bolster its liquefied natural gas storage facilities to ensure adequate supplies of the clean fuel to northern parts of the country this winter. The company enlarged the capacity of its current LNG terminal in Tianjin with addition of a new 160,000-cubic-meter-storage capacity LNG tank. [China Daily]
- **Tencent ranked as top Chinese brand.** British multinational advertising and public relations company WPP unveiled its top 100 Chinese brands ranking. Tencent Holdings Ltd topped the league table, followed by e-commerce leader Alibaba Group Holding Ltd and telecom company China Mobile Communication Corp. [China Daily]
- **Debt-ridden HNA Group to offload Swissport.** HNA Group Co is in advanced talks to sell its Swiss airport-cargo handler to a Canadian asset manager, Bloomberg reported. This could be the debt-laden Chinese conglomerate's biggest disposal since it unloaded its Hilton Worldwide Holdings Inc. stake in April. [The Standard]
- **Pacific Textiles Projects 27% Hike in Interim Profit.** Pacific Textiles issued positive profit alert, expecting that the profit attributable to equity holders of the Company will record an increase to approximately HK\$490mn for the six months period ended 30 September 2018 from the six months period ended 30 Sept. 2017 (an increase of 27%). [AASocks]
- **GAC Group September Output, Sales Volume Up 3 percent, 5.8 percent YoY.** GAC Group laid out the data for September 2018. Production and sales volume reached 193,700 vehicles and 198,000 vehicles, up 2.98 percent and 5.84 percent year on year. [AASocks]
- **Geely Boss: Weaknesses in CN Auto Industry Needs Remedy ASAP, Should Form All-in-one Chain.** Li Shufu, Chairman of Zhejiang Geely Holding Group, said that weakness are really there in the auto industry of China, adding China, as the world's largest auto market, will have its pie cut by every global brand if it does not take remedies and shape its own competitiveness of all-in-one car industry chain asap, China Securities Journal cited. [AASocks]
- **BYD Company September Car Sales Volume of About 48,000 Units.** BYD Company announced that its total vehicle sales volume reached 47,900 units in September, where 27,900 units are new energy vehicles and 20,000 units are oil-fueled vehicles. [AASocks]

## V. Overnight Market Recap

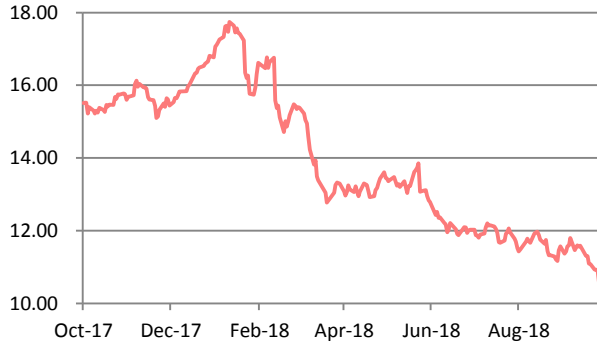
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,767	38.8	1.4	(4.1)	(4.7)	(1.2)	4.2	8.4	3.5
	Dow Jones	25,340	287.2	1.1	(4.2)	(3.1)	1.3	4.0	10.8	2.5
	Nasdaq Composite	7,497	167.8	2.3	(3.7)	(6.4)	(4.2)	5.5	13.5	8.6
	Russell 2000	1,547	1.3	0.1	(5.2)	(10.2)	(8.3)	(0.2)	2.9	0.7
	VIX Index	21.31	(3.7)	(14.7)	49.9	76.6	75.0	22.4	121.7	93.0
Europe Equity	Euro Stoxx 50	3,194	(14.8)	(0.5)	(4.5)	(4.5)	(7.5)	(7.4)	(11.4)	(8.8)
	DAX	11,524	(15.5)	(0.1)	(4.9)	(5.0)	(8.1)	(7.4)	(11.3)	(10.8)
	CAC	5,096	(10.4)	(0.2)	(4.9)	(4.8)	(6.1)	(4.1)	(4.8)	(4.1)
	FTSE 100	6,996	(11.0)	(0.2)	(4.4)	(4.2)	(8.7)	(3.7)	(7.2)	(9.0)
APAC Equity	HSI	25,801	535.1	2.1	(2.9)	(5.4)	(9.5)	(16.3)	(9.4)	(13.8)
	HSCEI	10,299	206.6	2.0	(2.2)	(2.6)	(4.2)	(16.0)	(10.6)	(12.0)
	HSI VIX	23.76	(2.0)	(7.7)	14.8	25.1	28.7	17.5	73.4	62.7
	CSI 300	3,171	46.6	1.5	(7.8)	(2.2)	(9.2)	(18.1)	(19.1)	(21.3)
	SH Composite	2,607	23.5	0.9	(7.6)	(2.8)	(7.9)	(17.5)	(23.1)	(21.2)
	SZ Composite	1,296	2.5	0.2	(10.1)	(7.6)	(19.2)	(29.3)	(36.4)	(31.7)
	Nikkei 225	22,695	103.8	0.5	(5.3)	(1.7)	0.4	4.2	7.3	(0.3)
Commodities (USD)	KOSPI	2,162	32.2	1.5	(5.0)	(6.7)	(6.4)	(11.9)	(12.6)	(12.4)
	Brent (Future)	80.43	0.2	0.2	(4.4)	0.9	8.0	11.7	43.0	20.3
	WTI (Future)	71.34	0.4	0.5	(4.0)	1.4	1.4	6.4	41.0	18.1
	Gold	1,217	(7.0)	(0.6)	1.1	0.9	(2.4)	(8.8)	(5.9)	(6.6)
	Copper (Future)	6,302	60.0	1.0	2.1	5.1	1.2	(7.6)	(8.5)	(13.0)
FX	Baltic Dry Index	1,579.00	64.0	4.2	2.8	15.6	(5.2)	55.7	6.3	15.6
	Dollar Index	95.22	0.2	0.2	(0.4)	0.4	0.4	6.1	2.3	3.4
	EUR	1.16	(0.0)	(0.3)	0.3	(0.6)	(1.0)	(6.2)	(2.3)	(3.7)
	JPY	112.21	0.1	0.0	(1.3)	(0.8)	0.3	(4.3)	0.1	0.4
	CNY	6.92	0.0	(0.5)	(0.8)	(1.0)	(3.7)	(9.1)	(4.8)	(6.0)
CDS	CNH	6.92	0.0	0.6	0.3	(1.2)	(3.3)	(9.3)	(4.9)	(5.8)
	ChinaGov CDS	65.15	(0.4)	(0.6)	7.6	18.8	1.1	9.2	14.0	30.1
	CDX Emerging Market	95.17	0.0	0.0	0.3	(0.4)	(1.5)	(3.1)	(1.2)	(4.0)

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.26	0.0	0.2	2.2	2.1	2.0	1.7	1.1	1.4
	2-Year Treasury Yield	2.85	0.0	0.2	2.9	2.8	2.6	2.4	1.5	1.9
	5-Year Treasury Yield	3.01	0.0	0.3	3.1	2.9	2.7	2.7	1.9	2.2
	10-Year Treasury Yield	3.16	0.0	0.4	3.2	3.0	2.8	2.8	2.3	2.4
	2-10 Spread	30.43	0.7	2.4	34.4	21.4	24.5	46.6	77.6	51.8
China rates	O/N China Repo Rate	2.43	0.0	1.7	2.8	2.5	2.3	2.6	2.6	3.0
	1-Week China Repo Rate	2.50	0.1	4.2	2.9	2.6	2.7	2.7	2.9	3.1
	O/N SHIBOR	2.44	0.1	3.3	2.7	2.5	2.5	2.6	2.6	2.8
	1-Week SHIBOR	2.62	0.0	0.2	2.8	2.6	2.7	2.8	2.9	3.0

Source: Bloomberg

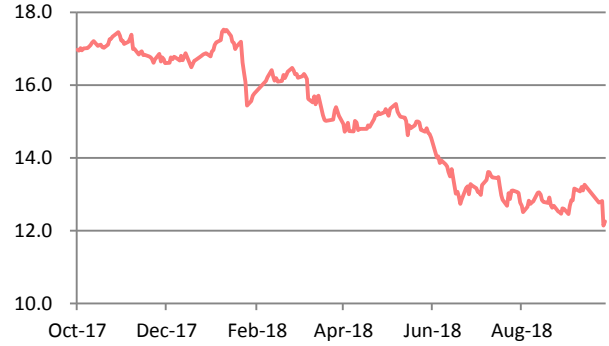
## VI. Key Indicators

**Hang Seng Index PE Ratio**



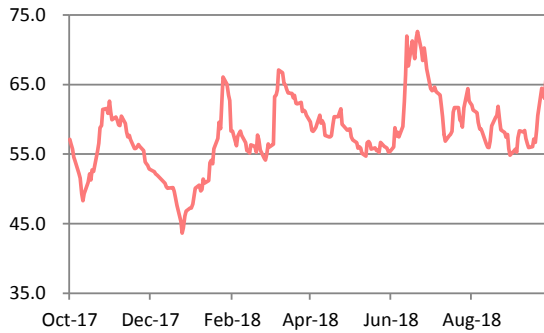
Source: Bloomberg

**Shanghai Composite Index PE Ratio**



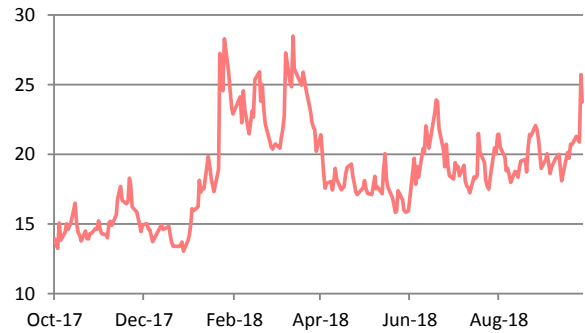
Source: Bloomberg

**China 5Y CDS Index\_USD**



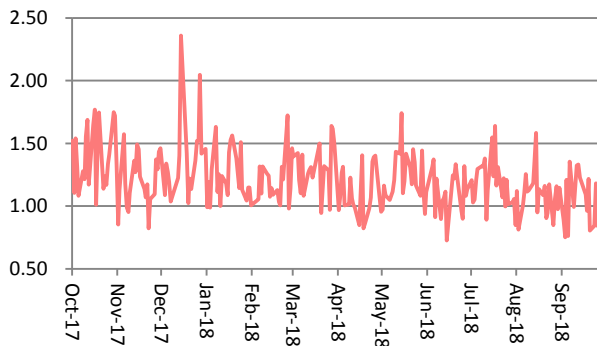
Source: Bloomberg

**Hang Seng Index VIX**



Source: Bloomberg

**Hang Seng Index Put Call Volume Ratio**



Source: Bloomberg

**USDCNH 1Y Forward**



Source: Bloomberg

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