

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
Brazil: Personal Loan Default Rate	Sep	N/A	5.00%
Brazil: PPI Manufacturing YoY	Sep	N/A	15.09%
Argentina: Consumer Confidence index	Oct	N/A	33.7
Singapore: Industrial Production YoY	Sep	1.90%	3.30%

Source: Bloomberg

II. Macro News

- **ECB left key rates unchanged.** It will continue bond purchase of EUR15bn per month until Dec-18, and kept rates at current levels to at least the end of summer in 2019.
- **Argentine consumer confidence** extended its declines, to reach a 16-year low in Oct-18.
- **India Is Said to Plan Trade Deal to Boost Exports to China.** India is devising a plan to boost shipments of around 200 products to China and narrow the deficit with its biggest trading partner. The plan includes seeking duty waiver on a raft of products under the Asia Pacific Trade Agreement. [Bloomberg]
- **Pakistan will still seek IMF funds on top of US\$6 billion bailout from Saudi Arabia.** Pakistani Prime Minister Imran Khan on Wednesday said his government would seek a bailout from the International Monetary Fund (IMF) despite a US\$6 billion pledge from Saudi Arabia to stem a deepening balance of payments crisis. [SCMP]
- **Dallas, Cleveland Fed Presidents: To Continue Rate Hikes.** The U.S. Federal Reserve will continue its interest rate hikes, as Reuters quoted Dallas Federal Reserve Bank President Robert Kaplan and Cleveland Federal Reserve President Loretta Mester. Kaplan expects the Fed funds rate to surge to 2.5%-2.75% , or to 2.75%-3% in an orderly way, while any higher rate will represent a more restrictive monetary policy. [AASocks]

III. Industry News

- **Sweden's Central Bank Says It May Need to Raise Rates 'Soon'.** Sweden's central bank said it may soon need to raise interest rates for the first time in seven years if the pace of growth in Scandinavia's biggest economy continues to support inflation. [Bloomberg]
- **Hong Kong bourse operator says blockchain inadequate, industry disagrees.** Industry insiders have questioned a report highlighting the challenges of using blockchain for securities clearance and settlement, published by bourse operator Hong Kong Exchanges and Clearing last week. [SCMP]
- **Bank of Canada Raises Rates, Says Stimulus No Longer Warranted.** The Bank of Canada pressed ahead with a fresh interest rate increase and acknowledged for the first time in more than a decade it expects to completely remove monetary stimulus from the economy. The Ottawa-based central bank raised its overnight benchmark rate by a quarter point to 1.75%, the third hike this year and fifth since it began tightening in 2017. [Bloomberg]

IV. Corporate News

- **Huawei scales back external hiring in new focus on graduates and internal transfers to fill talent gaps.** Huawei Technologies has scaled back recruitment efforts for mid-career candidates in favour of hiring more fresh graduates and will also speed up internal staff transfers as part of its new strategy to fill key jobs, according to an internal memo obtained by the South China Morning Post. [SCMP]

- **Sands China Self-Arranging \$2B Revolver.** Sands China is self-arranging an unsecured \$2 billion revolving credit facility to replace a same-sized outstanding portion of a \$6.385 billion loan signed in 2016, IFRAsia reports, without saying how it got the information. [Bloomberg]
- **Beijing Gas Unit Agrees One-Year LNG Supply Deal With Kunlun.** Shandong Zhengweili, a unit of Beijing Gas Blue Sky, has agreed to purchase LNG from Kunlun Energy Shandong for one year from Oct. 24, according to a filing to the Hong Kong stock exchange. [Bloomberg]
- **Cofco International CEO Johnny Chi Is Said to Be Chairman.** Cofco International Ltd. CEO Jingtao “Johnny” Chi will become chairman of the global trading arm of China’s biggest food company. Dong Wei, chairman and executive director of China Agri-Industries Holdings Ltd., another subsidiary of Cofco Int’s parent Cofco Corp., will be CEO. [Bloomberg]
- **Daimler Sees Fourth-Quarter Rebound After Two Outlook Cuts.** Daimler AG struck a more confident tone for the last quarter of the year, potentially lessening the blow from two profit warnings in the past four months because of trade tensions and fallout from tighter scrutiny on emissions. [Bloomberg]
- **Cash-Strapped HNA Is Said to Put Fleet of Luxury Jets for Sale.** HNA Group Co. is in talks to sell a fleet of private jets, some of which were reserved for its leaders, as the debt-laden Chinese conglomerate continues to grapple with liquidity challenges. [Bloomberg]
- **Haier’s D-shares start trading in Frankfurt.** Qingdao Haier went public on Wednesday on China Europe International Exchange’s D-Shares Market in Frankfurt, the first Chinese company to do so. Shares were listed in the Prime Standard, which is part of the EU-regulated market of the Frankfurt Stock Exchange. [China Daily]
- **Sands China Ltd. 3Q Net Revenues Up 13% YoY.** Sands China announced that on a US GAAP basis, total net revenues increased 13% YoY to US\$2.15bn in the 3Q18. During the period, net income for the company increased 13% YoY to US\$454mn, while net income attributable to non-controlling interests increased to US\$128mn. [AASocks]
- **Sinopec, China National Petroleum Halt Booking Iranian Oil.** Sinopec Group and China National Petroleum have not made any subscription to load crude oil from Iran in November due to concerns about violation of the US sanctions, as Reuters cited parties with knowledge of the matter. [AASocks]
- **Conch Cement 1-3Q Net Profit Leaps 1.5x YoY to RMB7.774B.** Conch Cement announced the results for the first three quarters. Revenue hiked 55.5% YoY to RMB77.792bn on the ride of rising product sales volume and selling prices. Net profit surged 111.2% YoY to RMB20.716bn. EPS equaled RMB3.91. [AASocks]
- **Tencent Substantial Shareholder Wants to Add Stake in Indian Food Delivery ‘Swiggy’.** Tencent’s substantial shareholder, Naspers, intends to add stake in Swiggy, an Indian online food delivery platform, Bloomberg cited sources. Naspers may buy stake in Swiggy from Bessemer Venture Partners, while also planning to invest in Hungerbox, an Indian catering services company, report said. [AASocks]
- **Weichai to Supply Heavy Truck Engines to Sinotruk in 2019.** Given China’s VI emission standard effective from 1 July 2019, Weichai Power will supply its WP heavy truck engines to Sinotruk starting from next year, Chinese media reported. [AASocks]
- **CN Automaker ‘FAW’ Strikes Over RMB1T Intentional Credit Line with 16 Banks.** First Automobile Works announced that it entered into strategic cooperation agreements with 16 banks. Pursuant to which, the group will obtain RMB1.015tn of intentional credit line in aggregate. Meanwhile, FAW will establish extensive alliance with such banks in financing business, cash mgmt, int’l financial business, new energy, intelligent network and so on. [AASocks]
- **Huayu Expressway Mulls Selling 30% Stakes in Hunan Daoyue Expressway to NWS Holdings.** Huayu Expressway announced that its subsidiary Good Sign and substantial shareholder Chan Yeung Nam’s Shenzhen Huayu intend to sell 30% and 10% equity interest in Hunan Daoyue Expressway to the subsidiary of NWS Holdings for an aggregate consideration of RMB470mn. [AASocks]

- **Tesla turnaround delivers US\$311m quarterly profit.** Tesla earned US\$311.5mn during the three months ending in Sept, swinging from a loss of US\$619mn at the same time last year. It is only the third time that Tesla has posted a quarterly profit in its eight-year history as a public company and the first time in two years. [The Standard]
- **Amazon tumbles on disappointing forecast for holiday season.** The company issued a disappointing revenue and profit forecast for the busy holiday quarter, suggesting sales growth is slowing for the e-com giant while higher pay for warehouse workers could hurt the bottom line. [Bloomberg]

V. Overnight Market Recap

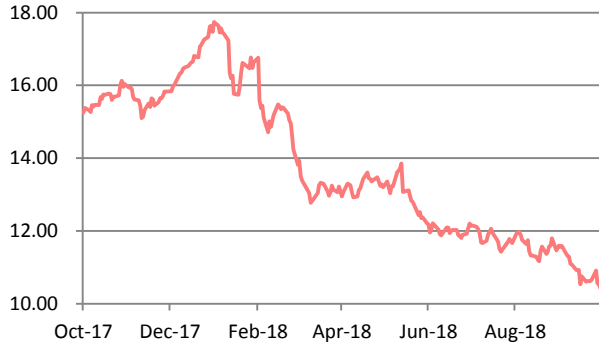
		Close	Net Chg	Chg (%)	Performance (%)					
					1W	1M	3M	6M	1Y	YTD
US Equity	S&P 500	2,706	49.5	1.9	(2.3)	(6.9)	(4.6)	1.4	5.7	1.2
	Dow Jones	24,985	401.1	1.6	(1.6)	(5.3)	(2.1)	2.7	6.8	1.1
	Nasdaq Composite	7,318	209.9	3.0	(2.2)	(8.4)	(6.8)	2.8	11.6	6.0
	Russell 2000	1,500	31.7	2.2	(3.9)	(11.3)	(11.5)	(3.7)	0.2	(2.3)
	VIX Index	24.22	(1.0)	(4.0)	20.7	87.9	99.5	49.1	114.3	119.4
Europe Equity	Euro Stoxx 50	3,164	34.1	1.1	(1.5)	(7.8)	(9.8)	(9.7)	(13.0)	(9.7)
	DAX	11,307	115.5	1.0	(2.4)	(8.7)	(11.7)	(9.5)	(13.9)	(12.5)
	CAC	5,032	79.2	1.6	(1.7)	(8.7)	(8.2)	(7.7)	(7.8)	(5.3)
	FTSE 100	7,004	41.1	0.6	(0.3)	(6.8)	(8.6)	(5.6)	(6.4)	(8.9)
APAC Equity	HSI	24,994	(255.3)	(1.0)	(1.8)	(10.1)	(13.2)	(16.7)	(11.4)	(16.5)
	HSCEI	10,177	(49.9)	(0.5)	0.4	(7.4)	(7.7)	(14.8)	(11.1)	(13.1)
	HSI VIX	27.81	1.5	5.7	14.6	39.0	58.0	46.4	87.5	90.5
	CSI 300	3,194	6.1	0.2	4.9	(6.5)	(9.7)	(14.9)	(20.0)	(20.8)
	SH Composite	2,604	0.5	0.0	4.7	(7.2)	(9.7)	(15.3)	(23.6)	(21.3)
	SZ Composite	1,293	(4.4)	(0.3)	4.9	(10.7)	(19.7)	(27.0)	(36.3)	(31.9)
	Nikkei 225	21,269	(822.5)	(3.7)	(6.1)	(11.5)	(5.8)	(4.7)	(2.2)	(6.6)
KOSPI	2,063	(34.3)	(1.6)	(4.0)	(11.8)	(9.9)	(16.7)	(16.8)	(16.4)	
Commodities (USD)	Brent (Future)	76.89	0.7	1.0	(3.0)	(6.1)	4.0	3.9	31.6	15.0
	WTI (Future)	67.33	0.5	0.8	(1.9)	(6.4)	(3.8)	(1.8)	27.2	10.8
	Gold	1,232	(1.6)	(0.1)	0.5	3.1	0.7	(6.5)	(2.8)	(5.5)
	Copper (Future)	6,226	47.0	0.8	1.1	(1.5)	(1.0)	(11.2)	(11.2)	(14.1)
	Baltic Dry Index	1,546.00	(31.0)	(2.0)	(1.2)	2.9	(9.5)	12.4	(0.6)	13.2
FX	Dollar Index	96.68	0.2	0.3	0.8	2.7	2.6	6.0	3.2	4.9
	EUR	1.14	(0.0)	(0.1)	(0.7)	(3.1)	(2.3)	(6.0)	(2.4)	(5.2)
	JPY	112.42	0.2	0.1	0.2	0.3	(1.0)	(2.7)	1.4	0.3
	CNY	6.95	0.0	(0.1)	(0.2)	(1.2)	(2.6)	(9.0)	(4.5)	(6.4)
CDS	CNH	6.96	0.0	0.2	0.3	(1.1)	(1.8)	(9.0)	(4.3)	(6.3)
	ChinaGov CDS	70.63	1.1	1.6	7.5	23.4	22.1	19.1	46.2	41.0
	CDX Emerging Market	95.35	0.1	0.1	0.1	(0.4)	(1.9)	(2.7)	(1.0)	(3.8)

		Close	Net Chg	Chg (%)	Value					
					1W	1M	3M	6M	1Y	YTD
US rates	3-Month Treasury Yield	2.32	(0.0)	(0.1)	2.3	2.2	2.0	1.8	1.1	1.4
	2-Year Treasury Yield	2.85	0.0	0.6	2.9	2.8	2.7	2.5	1.6	1.9
	5-Year Treasury Yield	2.96	0.0	0.7	3.0	2.9	2.8	2.8	2.1	2.2
	10-Year Treasury Yield	3.12	0.0	0.4	3.2	3.0	3.0	3.0	2.5	2.4
	2-10 Spread	26.60	(0.3)	(1.1)	28.4	22.9	28.1	47.1	84.2	51.8
China rates	O/N China Repo Rate	2.20	(0.2)	(7.2)	2.4	2.5	2.0	2.9	2.7	3.0
	1-Week China Repo Rate	2.50	-	-	2.6	2.7	2.6	3.0	3.4	3.1
	O/N SHIBOR	2.22	(0.2)	(7.4)	2.4	2.6	2.3	2.9	2.7	2.8
	1-Week SHIBOR	2.63	(0.0)	(0.0)	2.6	2.7	2.7	3.0	2.9	3.0

Source: Bloomberg

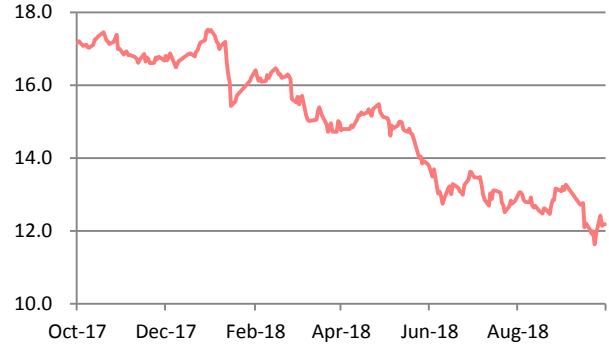
VI. Key Indicators

Hang Seng Index PE Ratio



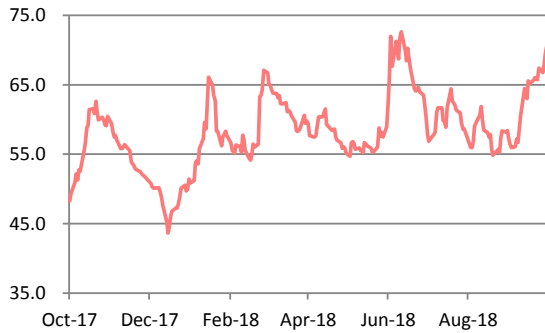
Source: Bloomberg

Shanghai Composite Index PE Ratio



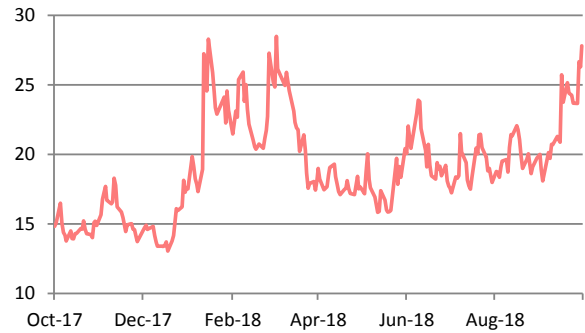
Source: Bloomberg

China 5Y CDS Index_USD



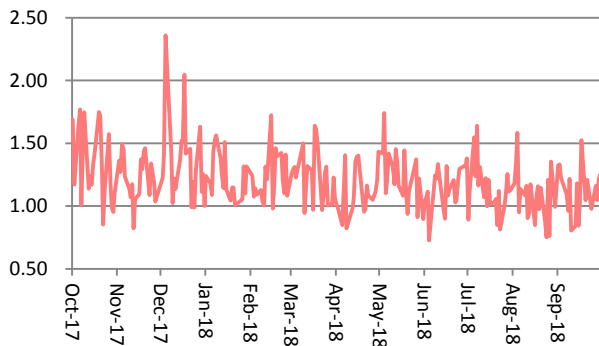
Source: Bloomberg

Hang Seng Index VIX



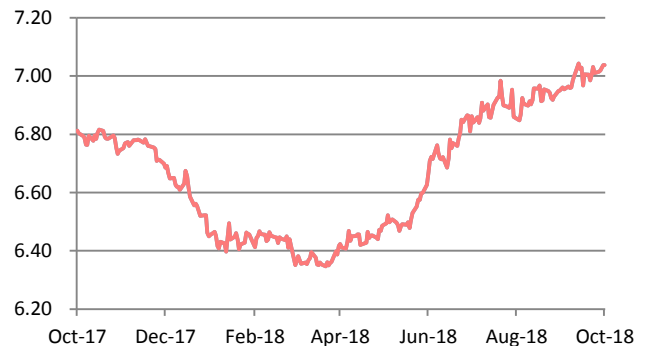
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

Research

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