

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: Markit Manufacturing PMI	Nov	55.9	55.7
Germany: Markit Manufacturing PMI	Nov	52.0	52.2
Japan: Nikkei Manufacturing PMI	Nov	N/A	52.9
Taiwan: Industrial Production YoY	Oct	4.35%	1.54%
Mexico: GDP Nominal YoY	3Q18	N/A	8.30%

Source: Bloomberg

II. Macro News

- **Italian Budget Rejected Again; EU Warns of Sanctions.** Italy's draft budget plan was once again rejected by the EU for breaching terms of the Eurozone. The country will need to submit a revised plan and set up relevant schedule in two weeks; otherwise, the EU will officially launch sanction procedure on Italy. [AASocks]
- **Singapore Sees Slower 2019 Growth as Key Export Markets Weaken.** Trade-reliant Singapore is bracing for slower economic growth next year as demand in key markets in Asia weakens. Growth is seen easing to 1.5% to 3.5% in 2019 from a projected range of 3% to 3.5% in 2018, the Ministry of Trade and Industry said in a statement. [Bloomberg]
- **Japan's Inflation Stalls at 1% as Risks to Price Gains Gather.** Slow but steady improvement in Japan's core inflation gauge has come to a halt as a host of forces gather that could see price gains begin to slow. Consumer prices excluding fresh food rose 1 percent in October from a year earlier, as expected by economists. [Bloomberg]

III. Industry News

- **China Said to Eye Steel Mega-Deal as Baowu Chief Joins Rival.** China has named the former chairman of Baoshan Iron & Steel Co. as president of rival Ansteel Group Corp., signaling its intention to merge the two parent companies and create a steel giant that would top ArcelorMittal as the world's largest producer. [Bloomberg]
- **China Proposes to Limit Use of Trading Halts to Curb Abuses.** China is seeking to reduce the period of time listed companies can suspend their shares, citing abuses by companies that halt trading during volatile markets. Trading halts for restructuring will be limited to 10 days, according to proposals from the Shanghai and Shenzhen stock exchanges. [Bloomberg]
- **Yuan Debt in the Bag for Philippines as Xi-Duterte Ties Grow.** The Philippines plans to return to the Panda bond market next year with a potential 6-billion-yuan (\$860 million) offer, after its 1.46-billion-yuan maiden sale in March, Finance Secretary Carlos Dominguez said in a statement. [Bloomberg]

IV. Corporate News

- **Meituan Dianping losses widen in first earnings after Hong Kong IPO.** Meituan Dianping, operator of the world's largest on-demand food delivery service, reported a 97.2 per cent jump in revenue in the quarter ended September 30, as losses widened because of higher operating expenses. [SCMP]
- **Cheung Kong Infrastructure faces tough sell in plan to spin-off some assets in London listing.** Cheung Kong Infrastructure Holdings faces an uphill battle in its drive to sell stakes in some European infrastructure assets through a spin-off to be listed in London, according to analysts. [SCMP]

- **China Eastern plans to buy stakes of Juneyao Airlines.** China Eastern Airlines has announced it will purchase no more than 169mn shares of Juneyao Airlines worth no more than 3.15bn yuan (\$456mn). China Eastern's subsidiary, the Eastern Airlines Industry Investment Co Ltd, will conduct the deal with Juneyao Airlines. [China Daily]
- **Country Garden Raises \$1B to Refinance Convertible Bonds.** Country Garden Holdings Co. raised HK\$7.83bn in a convertible bond sale as it takes on higher-cost funding to push out repayments. The company priced its sale of five-year convertible bonds with a 4.5% coupon, according to terms for the deal obtained by Bloomberg. [Bloomberg]
- **HNA in Talks With China Cinda for Advice on Asset Sales.** HNA Group's vice president Dennis Chen met with Cinda President Chen Xiaozhou on Tuesday to discuss cooperation, Reuters reports. Cinda told HNA it stood ready to help; "Especially when HNA is in a relatively difficult time, there is all the more reason for us to increase our support": report cites internal memo from Chen Xiaozhou. [Bloomberg]
- **Dolce & Gabbana China Blunder Rages On as Sites Pull Brand.** Thousands of Dolce & Gabbana goods have been pulled from China's biggest shopping websites and calls for a boycott of the brand are gaining traction as an uproar over the Italian fashion house's Chinese advertising campaign grows. [Bloomberg]
- **Tesla Lowers Car Prices in China After Trade War Hits Demand.** Tesla Inc. lowered the prices of the Model S and Model X in China, seeking to boost sales after the trade war with the U.S. hit demand in the world's biggest car market. Tesla said it decided to absorb a "significant" part of the tariffs that China charges on cars imported from the U.S. to make its vehicles more affordable. [Bloomberg]
- **China's Cosco Puts Long Beach Container Terminal Up for Sale.** China's Cosco Shipping Holdings is starting the process of selling its large container terminal in Long Beach, California, Wall Street Journal reports. Sale is part of agreement with U.S. regulators that gave co.the green light to buy Orient Overseas International in July. [Bloomberg]
- **HNA Widens Aviation Asset Sales, Paring Back Core Business.** The flagship aviation unit of debt-laden Chinese conglomerate HNA Group Co. is selling more assets from its core airlines and related services business, evidence that it's leaving nothing untouched in the race to raise cash to pay down debts. [Bloomberg]
- **Apple Supplier Foxconn Signals Deep Cuts as iPhone Demand Wanes.** Foxconn Technology Group, the biggest assembler of iPhones, became the latest Apple Inc. supplier to warn of anemic demand, with an internal memo suggesting that expenses will be cut by almost a half next year. [Bloomberg]
- **Hang Seng Bank Says HSBC Asia Becomes Intermediate Holding Co.** HSBC Asia Holdings Limited has acquired an indirect interest in 62.142% of Hang Seng Bank after restructuring, Hang Seng Bank says in HK stock exchange filing. Main purpose of restructuring is to meet certain regulatory requirements by the HKMA and other regulators. [Bloomberg]
- **Xinyi Energy Starts Gauging Demand for Hong Kong IPO.** The company plans to use proceeds for acquisition for utility-scale ground-mounted solar farm project, working capital and loan refinancing, according to terms for the deal obtained by Bloomberg. [Bloomberg]
- **Nvidia Partners With JD.com, Meituan on Delivery.** Nvidia is partnering with JD.com and Meituan Dianping to develop unmanned delivery vehicles, using its chip series, China Daily reports, citing Nvidia CEO Jensen Huang. Report doesn't give details of the partnership. [Bloomberg]
- **China Resources Beer Adopts Div Policy; Annual Div Not To Less Than 20% of Profit.** China Resources Beer announced that the Board has approved and adopted a dividend policy on 21 November 2018. According to the Dividend Policy, the annual dividend to be distributed by the Company to the Shareholders shall be not less than 20% of the Group's profit attributable to Shareholders in any financial year. [AASocks]
- **Xinyi Solar Shareholders Approve Xinyi Energy's Spin-Off & Listing.** Xinyi Solar announced that at the extraordinary general meeting on 21 November, the resolution on the proposed spin-off and listing of Xinyi Energy was approved by shareholders, with 99.86% of shareholders in favour of the resolution. [AASocks]

V. Overnight Market Recap

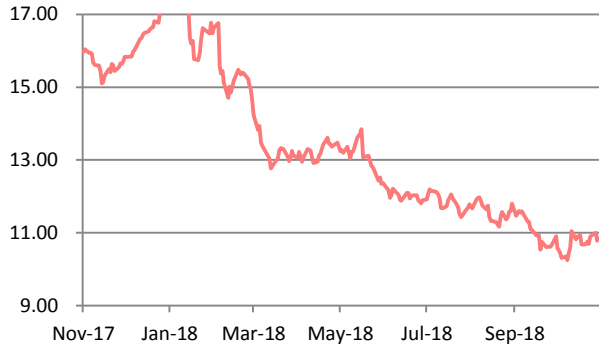
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,650	8.0	0.3	(1.9)	(3.8)	(7.4)	(2.7)	2.0	(0.9)
	Dow Jones	24,465	(1.0)	(0.0)	(2.5)	(3.4)	(4.9)	(1.5)	4.0	(1.0)
	Nasdaq Composite	6,972	63.4	0.9	(2.3)	(6.6)	(11.6)	(5.5)	1.5	1.0
	Russell 2000	1,488	19.3	1.3	(0.9)	(3.3)	(13.6)	(8.4)	(1.9)	(3.1)
	VIX Index	20.80	(1.7)	(7.5)	(2.1)	5.9	69.8	57.3	110.5	88.4
Europe Equity	Euro Stoxx 50	3,127	(27.2)	(0.9)	(2.0)	(0.5)	(8.6)	(11.7)	(12.5)	(10.8)
	DAX	11,138	(105.7)	(0.9)	(1.9)	(1.2)	(9.9)	(14.2)	(14.4)	(13.8)
	CAC	4,938	(37.4)	(0.8)	(1.9)	(0.6)	(8.9)	(11.3)	(8.2)	(7.0)
	FTSE 100	6,960	(89.9)	(1.3)	(1.1)	0.1	(8.0)	(10.6)	(6.2)	(9.5)
APAC Equity	HSI	26,019	47.9	0.2	(0.3)	2.7	(6.4)	(15.2)	(12.4)	(13.0)
	HSCEI	10,446	(39.6)	(0.4)	(1.0)	2.1	(3.4)	(13.6)	(11.0)	(10.8)
	HSI VIX	23.51	(1.3)	(5.2)	(2.4)	(11.8)	26.8	27.6	54.8	61.0
	CSI 300	3,214	(12.1)	(0.4)	(0.9)	1.0	(3.2)	(16.6)	(21.6)	(20.3)
	SH Composite	2,645	(6.1)	(0.2)	(0.9)	2.0	(2.9)	(16.5)	(21.1)	(20.0)
	SZ Composite	1,386	(0.6)	(0.0)	(0.9)	6.6	(5.3)	(24.5)	(28.0)	(27.0)
	Nikkei 225	21,647	139.0	0.7	(0.7)	(1.7)	(3.4)	(4.6)	(3.9)	(4.9)
Commodities (USD)	KOSPI	2,070	(6.6)	(0.3)	(0.9)	(1.7)	(9.3)	(16.3)	(18.4)	(16.1)
	Brent (Future)	62.60	(0.9)	(1.4)	(6.0)	(21.6)	(16.3)	(21.3)	(1.1)	(6.4)
	WTI (Future)	54.63	1.2	2.3	(2.9)	(18.9)	(20.6)	(25.0)	(7.2)	(10.9)
	Gold	1,229	2.6	0.2	1.3	(0.3)	3.5	(5.1)	(5.0)	(5.8)
	Copper (Future)	6,255	20.0	0.3	1.1	0.2	4.2	(10.4)	(10.1)	(13.7)
FX	Baltic Dry Index	1,008.00	5.0	0.5	(1.2)	(36.1)	(41.0)	(13.3)	(30.2)	(26.2)
	Dollar Index	96.71	-	-	(0.2)	0.7	1.6	3.3	3.7	5.0
	EUR	1.14	0.0	0.2	0.7	(0.6)	(1.2)	(2.5)	(3.8)	(5.0)
	JPY	112.95	(0.1)	(0.1)	(0.6)	(0.5)	(1.5)	(2.6)	(1.6)	(0.3)
	CNY	6.93	0.0	(0.1)	0.1	0.2	(1.3)	(8.1)	(4.6)	(6.1)
CDS	CNH	6.93	0.0	0.0	-	0.2	(0.5)	(7.9)	(5.0)	(6.0)
	ChinaGov CDS	73.27	0.9	1.3	8.6	9.8	25.0	31.2	23.8	46.3
	CDX Emerging Market	95.00	0.2	0.2	(0.6)	(0.4)	(0.6)	(2.2)	(1.3)	(4.1)

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.40	-	-	2.3	2.3	2.1	1.9	1.3	1.4
	2-Year Treasury Yield	2.81	-	-	2.8	2.8	2.6	2.5	1.7	1.9
	5-Year Treasury Yield	2.89	-	-	2.9	2.9	2.7	2.8	2.0	2.2
	10-Year Treasury Yield	3.06	-	-	3.1	3.1	2.8	2.9	2.3	2.4
	2-10 Spread	24.68	-	-	25.9	26.9	18.8	45.1	58.8	51.8
China rates	O/N China Repo Rate	2.40	(0.2)	(6.3)	2.3	2.4	2.4	2.5	2.9	3.0
	1-Week China Repo Rate	2.30	(0.2)	(8.0)	2.7	2.5	2.3	2.9	3.4	3.1
	O/N SHIBOR	2.46	(0.1)	(4.8)	2.3	2.4	2.4	2.5	2.8	2.8
	1-Week SHIBOR	2.64	(0.0)	(0.5)	2.6	2.6	2.6	2.8	2.9	3.0

Source: Bloomberg

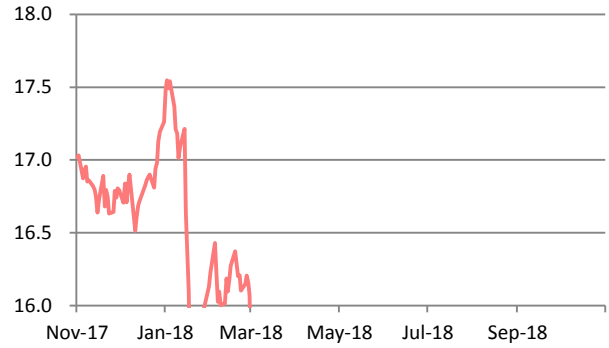
VI. Key Indicators

Hang Seng Index PE Ratio



Source: Bloomberg

Shanghai Composite Index PE Ratio



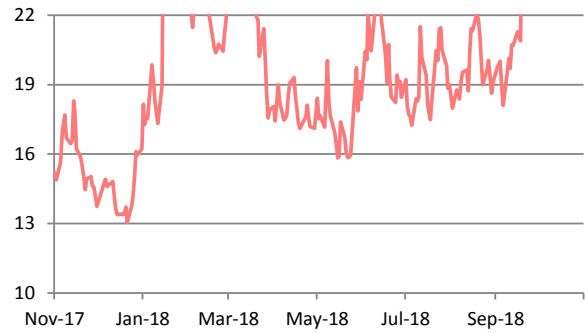
Source: Bloomberg

China 5Y CDS Index_USD



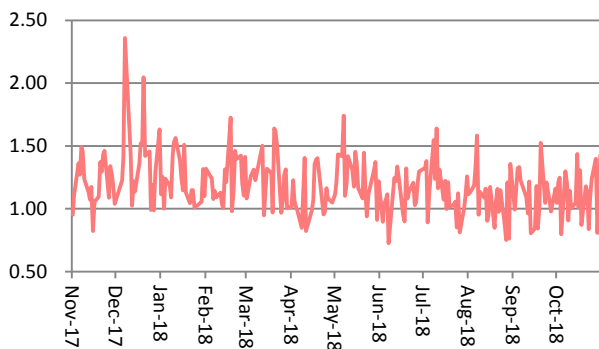
Source: Bloomberg

Hang Seng Index VIX



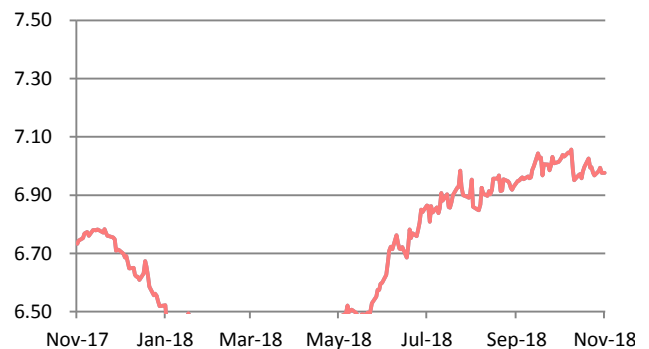
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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