



I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
China: Swift Global Payments CNY's Share	Oct	N/A	1.89%
US: Personal Income / Spending MoM	Oct	0.4%/0.4%	0.2%/0.4%
US: PCE Deflator MoM / YoY	Oct	0.2%/2.1%	0.1%/2.0%
Germany: CPI YoY / MoM	Nov	2.2%/0.0%	2.5%/0.2%
Eurozone: Economic Confidence	Nov	N/A	109.8

Source: Bloomberg

II. Macro News

- **US consumer confidence sours in November.** U.S. consumer confidence slipped this month but remains strong. The Conference Board, a business research group, said that its consumer confidence index fell to 135.7 in November from October's 18-year high 137.9. [The Standard]
- **Egypt Won't Seek Further Funding From IMF When Program Ends.** Egypt won't ask for further funding from the International Monetary Fund when its \$12bn program expires next year but is open to maintaining a looser relationship with the multilateral lender to reassure investors, Finance Minister Mohamed Maait said. [Bloomberg]
- **Belt, Road spurs business links.** China and Spain will further enrich business ties in areas including high-end manufacturing, renewable energy sources, tourism and other service sectors over the long run thanks to developments brought about by the Belt and Road Initiative, officials and experts said. [China Daily]

III. Industry News

- **China's 'consumption upgrade' trend undeterred by US-China trade war.** Chinese shoppers continue to hunt for premium goods, extending the consumption upgrade trend and shrugging off US-China trade tensions. According to a joint study by global consultancy Bain & Co and market research firm Kantar Worldpanel, spending by Chinese households on fast-moving consumer goods is expected to rise 5% YoY in 2018.[SCMP]
- **China's steel prices hold steady in Oc.** China's steel prices remained stable in October, as China's iron and steel industry has maintained solid growth momentum, according to data from an industry association The steel price index released by the China Iron and Steel Association came in at 121.72 at the end of last month, up 0.07% MoM. [China Daily]
- **Moody's analysts say govt's welfare, healthcare spending is credit positive.** Moody's analysts said that the Chinese central government's larger responsibility for spending on basic social welfare and healthcare services in the country, starting in January 2019, is credit positive. [China Daily]

IV. Corporate News

- **Microsoft Becomes World's Most Valuable Company After Apple Rout.** Microsoft Corp. surpassed Apple Inc. to become the world's most valuable publicly traded company. All it took was a \$300bn rout. After briefly claiming the top spot on Monday, Microsoft shares rose 0.6% Tue, pushing the company's market value to \$828.1bn at the close. That exceeded by more than \$1bn the value of Apple, which has tumbled this month on concern about iPhone unit sales. [Bloomberg]
- **Longfor launches its first retirement home, still a novelty in China.** Longfor Group Holdings is the latest mainland Chinese property developer to jump in to experiment with retirement homes for the country's growing older population, already the largest in the world. [SCMP]

- **Xiaoi mulls IPO after new HQ.** Shanghai Xiaoi Robot Technology Co Ltd, which is into artificial intelligence, aims to go public in 2019. The announcement follows the opening of its Asia-Pacific headquarters in Hong Kong earlier this month, which was graced by Hong Kong Chief Executive Carrie Lam Cheng Yuet-ngor. [China Daily]
- **FAW-VW meets challenge of China's auto market with dynamic models, rich product lineup.** Despite headwinds China's auto market is currently battling, FAW-Volkswagen has kept its momentum thanks to its rich lineup of products, efficient cooperation between partners, and sound sales & marketing system. In Oct, it delivered 180,600 vehicles under its Volkswagen and Audi brands in China, ranking first by sales vol. among PV makers in the country. [China Daily]
- **Huawei avails funds to construct low-cost houses in Namibia.** Chinese company Huawei, together with Namibia's telecommunications provider MTC, is availing funds for the construction of 250 low-cost houses in Namibia. The donation of 10mn Namibia dollars (\$722,000) to the Namibia Shack Dwellers Federations was announced at a gala dinner held on Monday. [China Daily]
- **Sinopec digs deep for clean energy breakthroughs.** China Petroleum and Chemical Corp, the country's biggest geothermal developer, vows to further develop geothermal energy nationwide, using lessons learnt from the geothermal heating area in Xiongxin county, part of the Xiongan New Area. [China Daily]
- **Gaming company seeks fund infusion.** Tencent-backed iDreamSky Technology Holdings has put the finishing touches to a planned initial public offering in Hong Kong to bankroll its vision of being a newly-minted tech superstar and the flagbearer of China's burgeoning entertainment industry. [China Daily]
- **AXA to increase stake in P&C company.** AXA SA will become the first foreign insurer to own 100 percent of a top 20 property and casualty insurance company in China once it receives regulatory approval for the acquisition. With a 50 percent stake in AXA Tianping Property & Casualty Co, AXA announced it had entered into an agreement with the domestic shareholders to acquire the remaining 50% stake in the co for a total of 4.6bn yuan (\$662mn). [China Daily]
- **Merlin eyes China growth opportunities.** Merlin Entertainment, the British operator of visitor attractions, has confirmed plans to expand its portfolio of Peppa Pig and Legoland attractions in China, following the recent launch of the world's first Peppa Pig World of Play in Shanghai. [China Daily]
- **WeChat Pay to expand in Japan.** Tencent Holdings Ltd is making its WeChat Pay more accessible for Chinese travelers in Japan through a tie-up with popular messaging app Line, a move that accelerates WeChat's overseas outreach. The cooperation will allow Japanese brick-and-mortar merchants with a Line Pay terminal to process WeChat Pay transactions directly without the inconvenience of currency swaps. [China Daily]
- **LINK REIT CEO Sees Stellar Growth from Buying Mall in Tongzhou, Beijing.** LINK REIT CEO George Kwok Lung Hongchoy predicted at Asia Pacific Real Estate Summit that China-US trade irritants will spread across market from January 2019, hoping that there will be good news from their meeting this weekend. [AASocks]
- **XIAOMI-W Strikes Alliance with IKEA, JI Hotel.** Xiaomi-W Chairman Lei Jun, at an AI+IoT (AIoT) developer conference, said AIoT is the core strategy of the company in next decade. He said to realize the opening of AIoT ecology, the eco-chain department of the co has invested and incubated more than a hundred of eco-chain companies. [AASocks]
- **WuXi AppTec Entry Fee \$7,222; To Debut on 13 Dec.** WuXi AppTec, which had been approved by China Securities Regulatory Commission to issue H shares in Hong Kong, proposes a global issuance of 116mn shares at \$64.1-71.5 each, 10% of which are for Hong Kong public offering, according to the sales document obtained by reporters. [AASocks]
- **Swire Pacific A Privatization of HAECO Approved; Listing Status Canceled.** Swire Pacific A and HAECO announced that the Scheme of privatization and withdrawal of listing status of the latter was sanctioned without modification by the High Court on 28 November 2018. The reduction of the share capital of HAECO involved in the Scheme was also confirmed by the High Court on the same day. [AASocks]
- **Trump Threatens to Cut GM Subsidies.** President Donald Trump threatened to cut electric-vehicle and other subsidies that have benefited General Motors Co., escalating tensions with the Detroit auto maker a day after it released plans to close several U.S. factories next year. [WSJ]

V. Overnight Market Recap

	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,744	61.6	2.3	3.9	3.9	(5.8)	2.0	4.5	2.6
	Dow Jones	25,366	617.7	2.5	3.7	3.8	(2.9)	4.1	6.0	2.6
	Nasdaq Composite	7,292	208.9	2.9	5.5	3.4	(10.1)	(1.4)	6.8	5.6
	Russell 2000	1,530	37.5	2.5	4.2	3.6	(11.8)	(5.7)	(0.8)	(0.3)
	VIX Index	18.49	(0.5)	(2.8)	(17.7)	(25.1)	50.9	8.6	72.8	67.5
Europe Equity	Euro Stoxx 50	3,168	1.9	0.1	0.5	0.4	(8.3)	(7.6)	(11.7)	(9.6)
	DAX	11,299	(10.2)	(0.1)	0.5	(0.3)	(10.1)	(10.8)	(13.5)	(12.5)
	CAC	4,983	0.1	0.0	0.2	(0.1)	(9.4)	(8.4)	(7.7)	(6.2)
	FTSE 100	7,005	(12.3)	(0.2)	(0.6)	(0.3)	(7.4)	(8.2)	(5.3)	(8.9)
APAC Equity	HSI	26,683	350.6	1.3	2.7	7.5	(6.1)	(12.5)	(9.9)	(10.8)
	HSCEI	10,635	119.4	1.1	1.4	6.2	(4.0)	(11.1)	(8.7)	(9.2)
	HSI VIX	24.76	0.4	1.5	(0.2)	(12.7)	34.8	32.1	43.4	69.6
	CSI 300	3,179	41.7	1.3	(1.5)	3.3	(6.1)	(16.4)	(21.6)	(21.1)
	SH Composite	2,602	27.1	1.1	(1.9)	2.3	(6.1)	(16.6)	(22.1)	(21.3)
	SZ Composite	1,355	18.7	1.4	(2.2)	7.2	(9.0)	(24.1)	(29.4)	(28.6)
	Nikkei 225	22,177	224.6	1.0	2.8	4.9	(2.9)	(0.8)	(1.9)	(2.6)
KOSPI	2,108	8.8	0.4	1.5	5.6	(8.7)	(14.2)	(16.1)	(14.6)	
Commodities (USD)	Brent (Future)	58.76	(1.5)	(2.4)	(7.4)	(24.3)	(22.6)	(22.0)	(7.6)	(12.1)
	WTI (Future)	50.29	(1.3)	(2.5)	(5.9)	(24.6)	(27.3)	(24.3)	(11.8)	(16.4)
	Gold	1,221	6.2	0.5	(0.4)	(0.7)	1.2	(6.0)	(4.9)	(6.3)
	Copper (Future)	6,122	(67.5)	(1.1)	(1.0)	(0.6)	0.3	(11.1)	(11.8)	(15.5)
	Baltic Dry Index	1,339.00	122.0	10.0	32.8	(11.8)	(20.5)	24.3	(11.1)	(2.0)
FX	Dollar Index	96.79	(0.6)	(0.6)	0.1	0.4	2.2	2.7	3.8	5.1
	EUR	1.14	0.0	0.7	(0.2)	(0.0)	(2.9)	(1.5)	(4.0)	(5.3)
	JPY	113.68	(0.1)	(0.1)	0.6	(1.0)	(1.6)	(4.2)	(1.4)	(0.8)
	CNY	6.95	0.0	(0.0)	(0.4)	0.1	(2.2)	(8.0)	(5.0)	(6.4)
	CNH	6.94	(0.0)	(0.2)	0.2	0.5	(1.7)	(7.4)	(4.7)	(6.1)
CDS	ChinaGov CDS	72.16	(0.3)	(0.4)	0.4	(0.8)	29.0	27.4	25.6	44.1
	CDX Emerging Market	95.16	0.4	0.5	0.4	0.0	0.0	(1.8)	(1.1)	(4.0)

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.38	(0.0)	(0.4)	2.4	2.3	2.1	1.9	1.3	1.4
	2-Year Treasury Yield	2.81	(0.0)	(0.9)	2.8	2.9	2.6	2.4	1.8	1.9
	5-Year Treasury Yield	2.86	(0.0)	(0.9)	2.9	3.0	2.8	2.7	2.1	2.2
	10-Year Treasury Yield	3.06	0.0	0.1	3.1	3.1	2.9	2.9	2.4	2.4
	2-10 Spread	24.83	2.6	11.7	24.7	26.8	20.2	42.7	62.2	51.8
China rates	O/N China Repo Rate	2.30	(0.1)	(4.2)	2.4	1.6	2.2	3.4	2.6	3.0
	1-Week China Repo Rate	2.65	-	-	2.3	2.6	2.6	4.9	3.4	3.1
	O/N SHIBOR	2.54	(0.0)	(0.7)	2.5	1.6	2.3	2.8	2.7	2.8
	1-Week SHIBOR	2.65	0.0	0.3	2.6	2.6	2.6	2.9	2.9	3.0

Source: Bloomberg

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