

I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: Pending Home Sales MoM	Jan	0.8%	-2.2%
Eurozone: M3 Money Supply YoY	Feb	4.0%	4.1%
U.K.: Nationwide House PAX NSA YoY	Feb	0.3%	0.1%
Germany: CPI EU Harmonized YoY	Feb P	1.8%	1.7%
China: Caixin China PMI Mfg	Feb	48.5	48.3

Source: Bloomberg

II. Macro News

- **China's Economy Sees First Signs of Pickup, Earliest Gauges Show.** China's economy is showing the first signs of recovery after months of slowdown, as stock and commodity rallies lift confidence. That's the message from a Bloomberg Economics gauge aggregating the earliest available indicators on market sentiment and business conditions. Key stocks and commodities led gains, and smaller firms became more confident. [Bloomberg]
- **Fed's Clarida Highlights Risks to Economic Growth From Abroad.** A slowdown in global growth is an important factor behind the central bank's decision to put plans for interest rate increases on hold, Federal Reserve Vice Chairman Richard Clarida said. [WSJ]
- **Jerome Powell Affirms Fed's Patient Approach to Interest-Rate Changes.** Fed chief Jerome Powell said the central bank is in no rush to move rates while officials assess the impact on the economy of slower global growth and financial-market turbulence. [WSJ]

III. Industry News

- **U.S. Firms Dial Back China Plans Amid Trade Fight.** U.S. companies are planning their lowest rate of expansion in China since 2016 in response to growing uncertainty about U.S.-China relations and a slowing Chinese economy, according to a survey by the American Chamber of Commerce in China. [WSJ]
- **India Is Said to Ask Power Giants to Help Revive State Retailers.** The Indian government has asked its biggest state power producer and transmission company to form a joint venture that would take over electricity distribution in some areas from financially troubled state retailers, according to people familiar with the plan. [Bloomberg]
- **Bank regulator directs more lending to small firms.** Chinese authorities demanded increased financial support for private firms, requiring major state-owned banks to target faster growth in loans to small and micro businesses, Xinhua reported. Large state-owned lenders should see their loans to small and micro firms borrowing 10mn yuan or less grow by at least 30% this yr, according to document by China Banking and Insurance Regulatory Commission. [The Standard]

IV. Corporate News

- **SEC Asks Manhattan Federal Court to Hold Elon Musk in Contempt.** The Securities and Exchange Commission asked a federal judge on Monday to hold Tesla Inc. Chief Executive Elon Musk in contempt of court over tweets he made last week discussing the auto maker's 2019 projected production volumes. [WSJ]
- **Huawei Pooh-Poohs 5G Bans With an Advertising Offensive.** As a challenge to key U.S. allies seeking to block it from rollouts of 5G networks, China's Huawei Technologies Co. unleashed an edgy ad campaign. The ads whipped up controversy from New Zealand to Germany. [WSJ]

- **PetroChina Parent Halts Shale Drilling After Quakes.** China's biggest oil and gas producer halted drilling in part of the country's top shale region after earthquakes left two dead, wrecked houses and damaged dams, according to local media reports. [Bloomberg]
- **Everbright Bank Is Said in Talks to Back \$20 Billion Saudi Fund.** Everbright Bank Co., the Beijing-based lender, is among parties in talks to contribute capital to a joint investment fund being set up by China and Saudi Arabia that's targeting as much as \$20 billion, people with knowledge of the matter said. [Bloomberg]
- **Bank China Construction Indonesia Issues Up to \$50 Million Subdebt.** The company issued subordinated bonds on February 22 to its controlling shareholder China Construction Bank Corporation, it says in stock exchange filing. [Bloomberg]
- **HNA Sells Out of BrightSphere as Group's Disposals Continue.** HNA Group Co. sold its remaining shares in asset manager BrightSphere Investment Group Plc, the latest disposal for the debt-laden Chinese conglomerate, which has been selling tens of billions of dollars in assets worldwide to stay in business. [Bloomberg]
- **StanChart Aiming for \$700 Million in Cost Cuts by 2021.** Standard Chartered Plc Chief Executive Officer Bill Winters announced plans to reduce costs and indicated he'll restructure operations in markets including India and South Korea as part of a long-awaited plan to turn around the lender. [Bloomberg]
- **Shanghai to Beijing high speed rail operator may be readying for IPO this yr.** Operator of the high-speed railway linking Shanghai and Beijing has taken its first step towards a mainland IPO after receiving pre-listing tutorial services from a brokerage. According to a document published by the Beijing branch of CSRC on Tue, Beijing-Shanghai High-Speed Railway is being advised by CSC Financial on a listing application, which is expected to be completed this yr. [SCMP]
- **Stanchart's 2018 results miss analysts' forecasts after taking a massive charge for penalties over past conduct.** Standard Chartered missed analysts' estimates with its full-year financial results after taking a charge for potential fines liable under US sanctions law. Pre-tax profit rose to US\$3.86bn, missing Bloomberg's consensus forecast of US\$3.98bn by 3%. Operating income was US\$14.97bn, missing estimates of US\$15.02bn, while NP fell 13% to US\$1.1bn. [SCMP]
- **Stanchart: Div May Double by 2021; Mulls Surplus Capital to Shareholders if Not Deployed.** Standard Chartered announced the refreshed strategic priorities. The refreshed priorities and related actions are expected to deliver a return on tangible equity of at least 10% by 2021 and generate significant surplus capital that is intended to be distributed to shareholders if not deployed to fund additional growth. [AASocks]
- **Yancoal Aus: Coal Exports to PRC Unaffected.** Yancoal Aus CEO Reinhold Schmidt disclosed that while approximately 20% of their coals are exported to China, the co. is exposed to none of the impacts mentioned in earlier media reports due to suspension in imports, as their clients are long-term-agreement-based. [AASocks]
- **NWDS China Interim Net Profit Falls Nearly 13% to \$89.69 Million, Nil Dividend.** NWDS announced interim results ended December 2018. Net profit amounted to \$89.69 million, down 12.9% yearly. Basic EPS equaled 5 cents. No dividend was declared. [AASocks]
- **Anta Sports 4Q18 ANTA Brand Retail Sales at Mid-teens Growth.** Anta Sports announced operational update for 4Q18. In terms of retail value, retail sales of ANTA branded products for 4Q18 increased by mid-teens YoY. Including brands newly joined to the Group after Oct17, retail sales of other branded products increased 80%-85% annually. [AASocks]
- **Anta Sports FY18 Net Profit Grows 32.9% to RMB4.1B, Final DPS Drops to HK28 Cents.** Anta Sports announced annual results ended Dec18. The turnover rose 44.4% YoY to RMB24.1bn. During the year, net profit amounted to RMB4.103bn, up 32.9% YoY. Basic EPS equaled 152.82 fen. Final DPS was HK28 cents, vs. HK41 cents in a year ago's period. [AASocks]
- **Berkshire Hathaway's Greg Abel and Ajit Jain earn US\$18m.** Warren Buffett says two potential successors earned roughly US\$18 million each last year managing Berkshire Hathaway's dozens of operating companies. Buffett says Greg Abel and Ajit Jain have both done a great job since they joined Berkshire's board in early 2018. Jain oversees the conglomerate's insurance businesses while Abel oversees non-insurance business operations. [The Standard]

V. Overnight Market Recap

	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,794	(2.2)	(0.1)	0.5	4.8	4.2	(3.6)	1.8	11.5
	Dow Jones	26,058	(34.0)	(0.1)	0.6	5.3	5.3	0.0	2.5	11.7
	Nasdaq Composite	7,549	(5.2)	(0.1)	0.8	5.4	6.6	(5.8)	3.0	13.8
	Russell 2000	1,577	(11.3)	(0.7)	0.2	6.4	5.7	(8.7)	2.7	17.0
	VIX Index	15.17	0.3	2.2	1.9	(12.9)	(20.2)	24.8	(18.4)	(40.3)
Europe Equity	Euro Stoxx 50	3,289	9.3	0.3	1.5	4.0	3.9	(4.8)	(4.9)	9.6
	DAX	11,541	35.4	0.3	2.0	2.3	2.0	(8.0)	(7.6)	9.3
	CAC	5,239	6.9	0.1	1.5	6.4	5.1	(4.4)	(2.0)	10.7
	FTSE 100	7,151	(32.6)	(0.5)	(0.4)	5.0	1.9	(5.6)	(1.8)	6.3
APAC Equity	HSI	28,772	(187.2)	(0.6)	1.9	4.4	9.3	1.8	(8.0)	11.3
	HSCEI	11,544	(87.1)	(0.7)	3.8	6.2	9.8	4.5	(8.7)	14.0
	HSI VIX	18.55	0.5	3.0	1.5	4.4	(23.9)	(1.2)	(16.8)	(25.9)
	CSI 300	3,685	(44.8)	(1.2)	7.1	15.7	17.5	8.2	(9.2)	22.4
	SH Composite	2,942	(19.8)	(0.7)	6.7	13.1	14.2	5.8	(10.6)	17.9
	SZ Composite	1,550	(7.6)	(0.5)	7.4	17.4	15.9	3.5	(14.3)	22.2
	Nikkei 225	21,449	(78.8)	(0.4)	0.7	3.7	(1.8)	(5.5)	(3.8)	7.7
KOSPI	2,227	(6.0)	(0.3)	1.0	2.4	6.3	(3.0)	(9.2)	9.3	
Commodities (USD)	Brent (Future)	65.21	0.5	0.7	(1.9)	5.8	7.8	(14.0)	(3.4)	21.2
	WTI (Future)	55.50	0.0	0.0	(1.1)	4.3	8.6	(18.7)	(11.1)	23.3
	Gold	1,329	1.4	0.1	(0.9)	2.0	9.4	9.7	0.8	3.6
	Copper (Future)	6,493	13.0	0.2	2.8	7.2	4.9	6.4	(8.7)	8.9
	Baltic Dry Index	637.00	3.0	0.5	0.3	(29.6)	(52.4)	(62.5)	(46.4)	(49.9)
FX	Dollar Index	96.00	(0.4)	(0.4)	(0.5)	0.2	(1.1)	0.9	6.8	(0.2)
	EUR	1.14	0.0	0.3	0.4	(0.3)	0.9	(2.5)	(6.9)	(0.7)
	JPY	110.59	(0.5)	(0.4)	(0.0)	(1.1)	2.9	0.5	(2.9)	(0.8)
	CNY	6.70	0.0	(0.2)	0.9	0.7	3.6	1.7	(5.7)	2.7
	CNH	6.69	0.0	0.0	(0.9)	1.1	4.0	1.6	(5.4)	2.8
CDS	ChinaGov CDS	49.48	0.4	0.7	(6.3)	(15.8)	(31.6)	(12.5)	(12.6)	(26.0)
	CDX Emerging Market	97.17	0.1	0.1	0.3	0.7	2.5	1.8	(2.1)	2.0

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.44	(0.0)	(0.1)	2.4	2.4	2.4	2.1	1.7	2.4
	2-Year Treasury Yield	2.48	(0.0)	(1.0)	2.5	2.6	2.8	2.7	2.3	2.5
	5-Year Treasury Yield	2.45	(0.0)	(1.3)	2.5	2.6	2.9	2.8	2.7	2.5
	10-Year Treasury Yield	2.64	(0.0)	(1.0)	2.6	2.7	3.1	2.9	2.9	2.7
	2-10 Spread	15.18	(0.3)	(1.9)	14.5	15.2	24.8	20.4	63.1	19.2
China rates	O/N China Repo Rate	2.73	0.0	1.1	1.8	2.1	2.3	2.4	2.5	1.0
	1-Week China Repo Rate	2.73	0.1	3.4	1.9	2.8	2.7	2.6	2.9	3.5
	O/N SHIBOR	2.71	0.1	3.8	1.9	2.2	2.5	2.4	2.6	2.6
	1-Week SHIBOR	2.75	0.1	3.3	2.4	2.7	2.7	2.6	2.9	2.9

Source: Bloomberg

VI. Key Indicators

Hang Seng Index PE Ratio



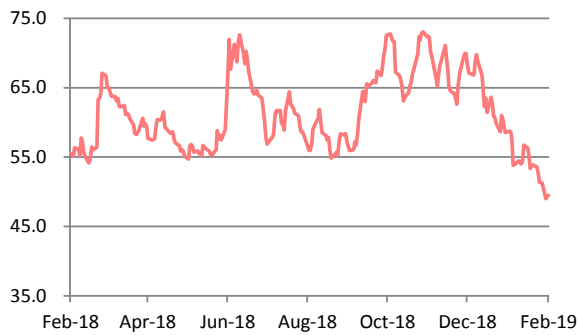
Source: Bloomberg

Shanghai Composite Index PE Ratio



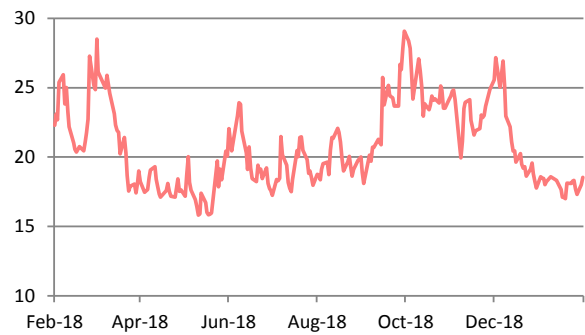
Source: Bloomberg

China 5Y CDS Index_USD



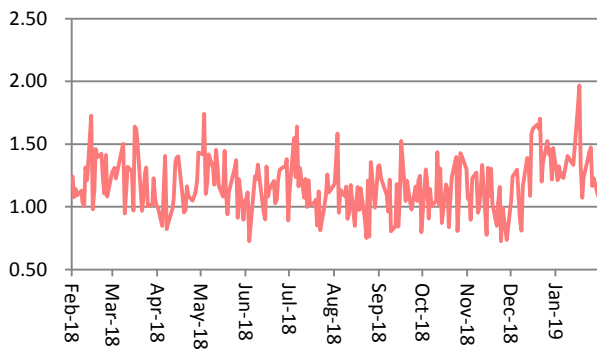
Source: Bloomberg

Hang Seng Index VIX



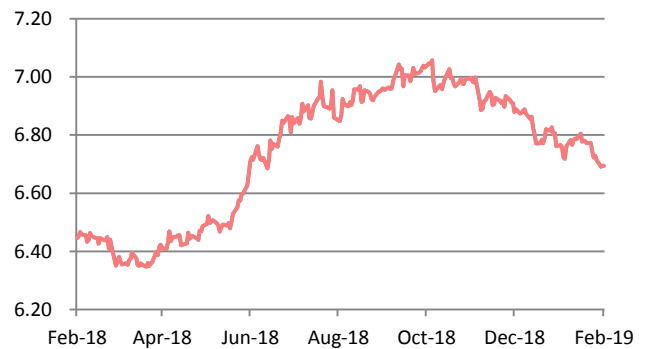
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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