



I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: Durable Goods Orders	Jan F	0.4%	0.4%
Eurozone: Construction Output MoM	Jan	N/A	- 0.4%
U.K.: Average Weekly Earnings 3M/YoY	Jan	3.2%	3.4%
Germany: ZEW Survey Expectations	Mar	-11.0	-13.4
China: FX Net Settlement – Clients CNY	Feb	N/A	103.1bn

Source: Bloomberg

II. Macro News

- **Li Keqiang says it's time for Chinese government to 'turn the blade inward' to boost jobs growth.** China has pledged to create more than 11mn new jobs this year, equivalent to the population of Belgium and more than that of Hong Kong, as it tries to ensure social stability amid an economic slowdown and rising tensions with foreign countries. [SCMP]
- **Japan's Exports Fall Again, Underscoring Frail Economic Outlook.** Japan's exports fell for a third month in February, highlighting the risks to the economy from waning global demand. The value of shipments abroad declined 1.2 percent from a year earlier, according to the finance ministry. Economists had forecast a 0.6% drop, following an 8.4% slide the previous month, the biggest slump since 2016. [Bloomberg]
- **Fed Reserve and Friends to Sound Dovish: Global Economy Week.** The Federal Reserve is set to reinforce the view that it's not raising interest rates for a while as policy makers gather this week. The U.S. central bank is predicted to keep rates steady on Wed and potentially change its projections to show it hiking once or not at all in 2019. [Bloomberg]

III. Industry News

- **Emerging Nations Plan Green Banks to Help Foot Climate Trillions.** Firms including Macquarie Group Ltd., HSBC Group Plc and Mizuho Financial Group Inc. are scheduled to participate in this week's Green Bank Design Summit in Paris. They're joining representatives of 24 developing countries accounting for almost half the world's greenhouse gases that will be attending the gathering over the next two days. [Bloomberg]
- **Germany Is Said to Eye Keeping Bank Stake After Deutsche Merger.** Germany's govt. may remain a shareholder if Deutsche Bank and Commerzbank merge. With the possibility of a government-backed merger formally on the table, the option of converting the state's 15.6% stake in Commerzbank into shares in the combined bank is the preferred option within Chancellor Angela Merkel's administration. [Bloomberg]
- **HKMA to Issue Virtual Bank Licenses as Early as This Week.** The HKMA is said to authorize the first batch of virtual bank licenses this week the earliest, HK Economic Times reports. HKMA is said to have finalized 8 applications from around 20, and 5-6 licenses are planned to be issued. [Bloomberg]

IV. Corporate News

- **Xinyi Solar to Proceed With Xinyi Energy Spinoff and Listing.** Xinyi Solar Holdings submitted a renewed application for the listing of subsidiary Xinyi Energy Holdings shares, paving the way for a spinoff that was scrapped late last year due to market volatility. [Bloomberg]

- **China Flexible Screen Pioneer Is Said to Seek \$1 Billion Funding.** Royole Corp., a maker of flexible displays, is seeking about \$1bn in a funding round ahead of an IPO. The Shenzhen, China-based company is seeking a valuation of at least \$8bn in the round as it seeks to expand its sales and marketing and research facilities. [Bloomberg]
- **Nissan Governance Panel to Wrap Up Recommendations During March.** Nissan Motor Co.'s advisory panel on corporate governance reform will wrap up its work this month as it considers whether to abolish the automaker's chairman role, the position held by Carlos Ghosn before he was arrested in November. [Bloomberg]
- **Qualcomm Wins First U.S. Trial in Global Dispute With Apple.** Qualcomm Inc. won the first U.S. jury trial in its global dispute with Apple Inc. over how much the iPhone maker should pay for using the chipmaker's patented technology. A federal jury in San Diego on Friday awarded Qualcomm about \$31.6mn in damages on its patent infringement claims. [Bloomberg]
- **GAC Group to set up trading firm in Greater Bay Area.** Guangzhou Automobile Group Co is planning to set up a trading company and a ride-hailing firm in the Guangdong-Hong Kong-Macao Greater Bay Area, its chairman said. Zeng Hongqing, the automaker's chairman, said the company is going to start a trading company in Hong Kong, where the cycle of foreign exchange settlement is shorter than in the Chinese mainland. [China Daily]
- **Fosun's unit opens learning centers for children in Shanghai.** Holiday, the tourism subsidiary under the Shanghai-based conglomerate Fosun Group, together with US toy maker Mattel and French tourism giant Club Med, unveiled on Thursday two child development clubs in central Shanghai. [China Daily]
- **China Unicom reports soaring profit growth.** China Unicom reported a soaring growth of 458 percent in its profits for 2018. Revenue from its mobile services reached 165.1 billion yuan, up 5.5 percent year-on-year, higher than the industry average of 0.6 percent. [China Daily]
- **GE warns investors of weaker financial performance in 2019.** General Electric Co announced its 2019 outlook on Thursday, saying that its challenges in 2019 were "complex." The co expected that GE Industrial, its core business, could burn up to \$2bn in 2019. That means GE Industrial may see negative free cash flows this year. [China Daily]
- **China Coal FY18 NP Up 33% to RMB4.488B; Final DPS 7.8 Fen.** China Coal announced annual results ended December 2018. Revenue amounted to RMB104.14 billion, up 27.8% yearly. Net profit amounted to RMB4.488 billion, up 33.3% yearly. EPS equaled 34 fen. Final DPS was 7.8 fen. [AASocks]
- **Rusal Major Shareholder Files Lawsuit for Sanction Removal.** Rusal substantial shareholder Oleg Deripaska has filed a lawsuit against Washington, in seek of removal from the sanction list and clarification. [AASocks]
- **China Communications Construction 2018 New Contract Value Up 1.1% YoY.** China Communications Construction announced that in 2018, the value of new contracts of the Group amounted to RMB890.873 billion, representing a year-on-year increase of 1.12%. [AASocks]
- **Aoyuan, pharma in strong show as Tencent looms.** Developer China Aoyuan (3883) has reported a 51 percent jump in net profit to 2.94 billion yuan (HK\$3.44 billion), or 89.91 fen per share, for the past year. A final dividend of 36 fen a share was declared. [The Standard]
- **Tesla rolls out US\$50,000 electric SUV.** Tesla unveiled a new all-electric SUV that the automaker hopes will win over consumers looking for an all-electric alternative in the most popular segment of the auto market. Cheers from a hangar-packed crowd of Tesla customers, employees and members of the media welcomed a blue Model Y as it rolled out onto a stage next to the automaker's other models. [The Standard]
- **Club Med owner Fosun Tourism swings to profit during its first year of listing in Hong Kong.** Fosun Tourism Group, the Chinese owner of the Club Med resort chain, swung to profit in 2018, the year of its Hong Kong listing, as its resorts attracted more tourists. Full-year profit attributable to shareholders was 308.4mn yuan (US\$45.9mn), or 0.30 yuan per share, compared with a loss of 196.5mn yuan in 2017, said the company in an exchange filing on Sunday. [SCMP]

V. Overnight Market Recap

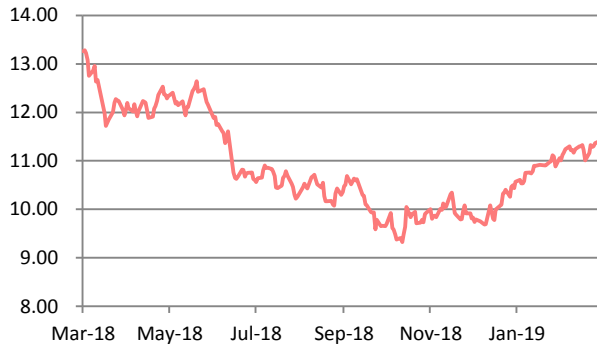
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,822	14.0	0.5	2.9	1.7	10.9	(2.8)	2.6	12.6
	Dow Jones	25,849	138.9	0.5	1.6	(0.1)	9.2	(1.5)	3.6	10.8
	Nasdaq Composite	7,689	57.6	0.8	3.8	2.9	13.3	(3.4)	2.8	15.9
	Russell 2000	1,554	3.9	0.3	2.1	(1.0)	12.8	(9.2)	(2.0)	15.2
	VIX Index	12.88	(0.6)	(4.6)	(19.8)	(13.6)	(49.6)	0.7	(18.5)	(49.3)
Europe Equity	Euro Stoxx 50	3,386	44.1	1.3	3.1	4.4	11.4	0.8	(1.5)	12.8
	DAX	11,686	98.2	0.8	2.0	3.4	8.8	(3.9)	(5.7)	10.7
	CAC	5,405	55.5	1.0	3.3	4.6	13.7	0.8	2.3	14.3
	FTSE 100	7,228	42.9	0.6	1.7	0.1	7.9	(1.0)	0.9	7.4
APAC Equity	HSI	29,012	100.2	0.3	2.1	2.7	12.8	7.5	(7.6)	12.6
	HSCEI	11,508	30.0	0.3	2.3	3.5	12.8	9.3	(9.0)	14.0
	HSI VIX	15.30	(1.2)	(7.0)	(13.9)	(15.5)	(33.5)	(23.7)	(26.3)	(38.9)
	CSI 300	3,745	46.5	1.3	0.4	8.7	19.7	14.5	(7.7)	24.4
	SH Composite	3,022	31.1	1.0	(0.2)	9.7	17.3	11.9	(7.6)	21.2
	SZ Composite	1,641	23.1	1.4	(1.6)	13.9	25.1	16.9	(11.9)	29.5
	Nikkei 225	21,451	163.8	0.8	2.0	1.0	1.8	(8.2)	(0.8)	7.4
Commodities (USD)	KOSPI	2,176	20.4	1.0	1.8	(1.6)	5.5	(5.8)	(12.8)	6.6
	Brent (Future)	67.16	(0.1)	(0.1)	2.2	0.8	19.1	(15.2)	1.2	24.6
	WTI (Future)	58.52	(0.1)	(0.2)	4.4	4.8	26.0	(16.6)	(6.5)	28.3
	Gold	1,302	6.2	0.5	0.3	(2.1)	4.0	8.4	(1.3)	1.3
	Copper (Future)	6,431	27.0	0.4	0.6	3.9	4.9	7.7	(7.1)	7.8
FX	Baltic Dry Index	730.00	53.0	7.8	13.2	13.5	(47.7)	(46.2)	(36.1)	(42.6)
	Dollar Index	96.60	(0.2)	(0.2)	(0.7)	(0.3)	(0.6)	2.0	7.0	0.4
	EUR	1.13	0.0	0.2	0.8	0.1	(0.3)	(2.9)	(8.2)	(1.3)
	JPY	111.48	(0.2)	(0.2)	0.3	(0.9)	0.8	0.7	(4.9)	(1.7)
	CNY	6.71	0.0	(0.0)	0.2	0.8	2.7	2.2	(5.7)	2.4
CDS	CNH	6.71	(0.0)	(0.1)	(0.3)	0.8	2.6	2.1	(5.9)	2.3
	ChinaGov CDS	48.39	0.0	0.1	(2.5)	(9.7)	(24.6)	(12.8)	(14.2)	(27.6)
	CDX Emerging Market	97.08	0.0	0.0	0.3	0.2	1.5	1.6	(2.0)	1.9

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.43	(0.0)	(0.0)	2.4	2.4	2.4	2.1	1.8	2.4
	2-Year Treasury Yield	2.44	(0.0)	(0.9)	2.5	2.5	2.7	2.8	2.3	2.5
	5-Year Treasury Yield	2.40	(0.0)	(1.5)	2.4	2.5	2.7	2.9	2.6	2.5
	10-Year Treasury Yield	2.59	(0.0)	(1.6)	2.6	2.7	2.9	3.0	2.8	2.7
	2-10 Spread	14.73	(1.6)	(9.9)	16.2	14.2	16.1	20.7	54.9	19.2
China rates	O/N China Repo Rate	2.72	(0.0)	(0.4)	2.1	1.7	2.6	2.5	2.6	1.0
	1-Week China Repo Rate	2.80	0.0	1.4	2.1	2.2	2.7	2.6	2.6	3.5
	O/N SHIBOR	2.66	0.3	14.9	2.1	1.7	2.6	2.5	2.6	2.6
	1-Week SHIBOR	2.73	0.1	5.0	2.4	2.4	2.7	2.6	2.9	2.9

Source: Bloomberg

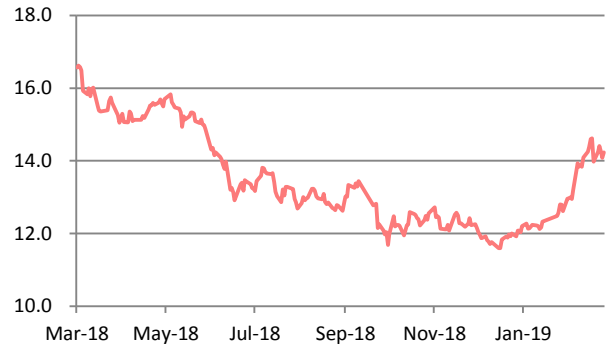
VI. Key Indicators

Hang Seng Index PE Ratio



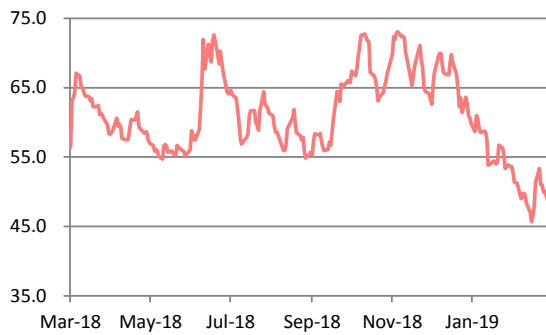
Source: Bloomberg

Shanghai Composite Index PE Ratio



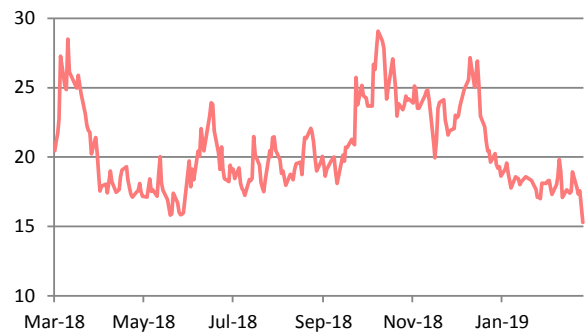
Source: Bloomberg

China 5Y CDS Index_USD



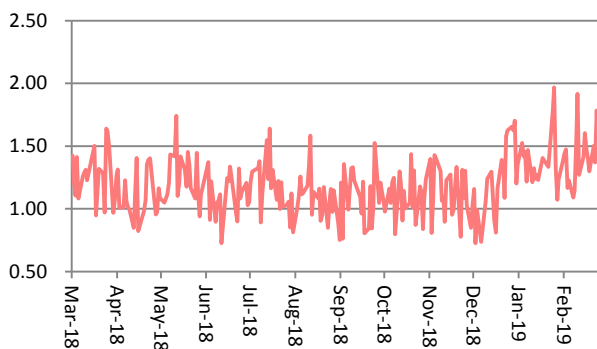
Source: Bloomberg

Hang Seng Index VIX



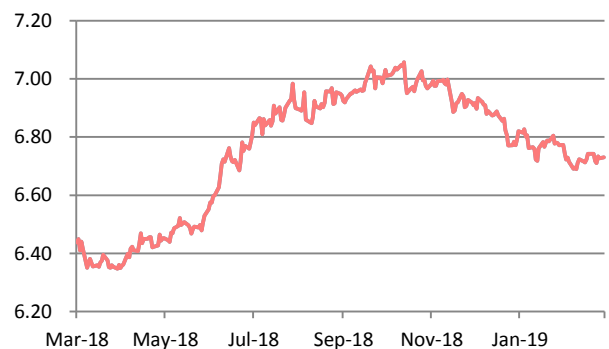
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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