



## I. Major Economic Release

### Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: Wholesale Inventories MoM	Jan	0.1%	1.1%
Eurozone: Industrial Production YoY	Feb	N/A	5.3%
U.K.: Bank of England Rate	Mar	0.75%	0.75%
Germany: Import Price Index MoM	Feb	N/A	-0.2%

Source: Bloomberg

## II. Macro News

- **Trump Says Tariffs Will Stay Until China Complies With Deal.** President Donald Trump said he'll keep tariffs on China until he's sure Beijing is complying with any trade deal, refuting expectations that the two nations will agree to roll back duties as part of a lasting truce to their trade war. [Bloomberg]
- **Powell Signals Prolonged Federal Pause as Inflation Lags, Risks Loom.** Federal Reserve Chairman Jerome Powell said interest rates could be on hold for "some time" as global risks weigh on the economic outlook and inflation remains muted. [Bloomberg]
- **PRC Steps Back from Promises on Intellectual Property.** Beijing has changed her stance towards intellectual property policies and stepped back from the earlier pledges about data protection and over the pharmaceutical sector, as no assurance has been received from the Trump administration to remove the tariffs imposed on Chinese exports, as Bloomberg quoted from inside sources. [AASocks]

## III. Industry News

- **China CSRC to Study New Measures to Open Capital Market.** China Securities Regulatory Commission will study and adopt new measures to reform and open the capital market, based on international economic and financial changes and China's development needs, according to a statement. [Bloomberg]
- **China to Form State Oil, Natural Gas Pipe Network Companies.** China will set up oil and natural gas pipeline network companies, with the state as controlling shareholder and other investors, China Central Television reports, citing a meeting on deepening reform chaired by President Xi Jinping. [Bloomberg]
- **China Mulls Excluding Boeing 737 Max Jets from Trade Purchase List.** Nations across the world are grounding Boeing's 737 Max 8 jets after the Ethiopian air crash. Based on safety concerns, China is exploring to exclude 737 Max planes from the list of American exports. Meanwhile, China will either consider other Boeing models as substitutes or directly cut the amount of purchases, Bloomberg citing sources familiar with the matter. [AASocks]

## IV. Corporate News

- **Chinese Tower Operator Guodong Is Said to Plan Hong Kong IPO.** Guodong Group, a Chinese wireless infrastructure company, is planning an initial public offering in Hong Kong that could raise about \$300 million. The Shanghai-based company plans to sell shares as soon as this year. [Bloomberg]
- **Tencent Is Said to Mull Bid for \$3 Billion A.S. Watson Stake.** Chinese internet giant Tencent Holdings Ltd. is weighing a bid for part of Temasek Holdings Pte's stake in global retailer A.S. Watson Group. The Singapore state investment company is considering selling around a 10 percent stake in A.S. Watson for about \$3 billion. [Bloomberg]

- **China Mobile, HKT, SmarTone Assigned Hong Kong 5G Spectrum.** The Hong Kong government has tentatively assigned three telecom operators the 26 GHz and 28 GHz 5G spectrums, Hong Kong Economic Journal reports, citing Office of the Communications Authority. China Mobile Hong Kong, Hong Kong Telecom and SmarTone Telecommunications are the successful applicants. [Bloomberg]
- **China Baby Formula Maker Feihe Is Said to Revive \$1 Billion IPO.** China Feihe Ltd., an infant formula producer, is restarting preparations for a Hong Kong initial public offering that could raise as much as \$1bn. The Heilongjiang-based company plans to sell shares as soon as this year. [Bloomberg]
- **Evergrande Unit Completes Property Business Restructuring.** HKEX approved in principle the proposed spinoff of Hengda Real Estate for A-share listing, Shenzhen Special Economic Zone Real Estate & Properties says in statement to the stock exchange. [Bloomberg]
- **Nissan Is Said to Cut China Sales Outlook as Market Sputters.** Nissan Motor Co. is cutting a future target for China car sales by about 8 percent, people familiar with the matter said, signaling that the downturn in the world's biggest car market may be an extended one. [Bloomberg]
- **China Resources Beer Full Year Net Income Misses Lowest Estimate.** China Resources Beer reported net income for the full year that missed the lowest analyst estimate. The company believes the Chinese economy will maintain steady growth in 2019, and is confident in premiumization strategy and profit growth. [Bloomberg]
- **China Overseas Land FY Net Income Beats Est.** China Overseas Land reported net income for the full year that beat the average analyst estimate. FY net income HK\$44.90 billion, estimate HK\$41.71 billion (range HK\$38.14 billion to HK\$51.55 billion) (Bloomberg data). [Bloomberg]
- **Top China Fund SDIC Joins Global Shift Away From Coal Investment.** State Development & Investment Corp. will no longer invest in new thermal power business, a Beijing-based spokesman said on Wednesday. He declined to comment on SDIC's plans for its existing thermal power assets, including those held by listed unit SDIC Power Holdings Co., which typically burn coal. [Bloomberg]
- **Moody's affirms China Construction Bank (Europe)'s A2 deposit and issuer ratings, with stable outlook.** Moody's Investors Service yesterday affirmed the A2 long-term deposit and issuer ratings of China Construction Bank (Europe) S.A., with a stable outlook, and its Prime-1 short-term deposit and issuer ratings. [Bloomberg]
- **Yili Group expected to take full control of NZ dairy company.** The Inner Mongolia Yili Industrial Group is expected to acquire a 100 percent stake in New Zealand's second largest dairy producer - Westland Cooperative Dairy Company Ltd - for about \$168.95 million to secure quality and stable supply of raw milk. [China Daily]
- **SF Holding sees 16.6% revenue decline in February.** Chinese courier giant SF Holding posted a 16.6 percent year-on-year decline in revenues from its express delivery business in February. The revenues totalled 4.95 billion yuan (\$737 million), SF Holding said in a filing to the Shenzhen Stock Exchange. [China Daily]
- **Volvo inaugurates Asia-Pacific Headquarters in Shanghai.** Volvo Car Group inaugurated its Asia-Pacific Headquarters in Shanghai on Monday. Yuan Xiaolin, senior vice-president of Volvo Car Group, said the inauguration of the headquarters marked the company's commitment to the sustainable development of the Asia-Pacific market with China as the center. [China Daily]
- **Sunny Optical Wealth Mgmt Product Subscription Approved, Cap RMB3B.** Sunny Optical announced the Proposed Subscription Cap of wealth management products was RMB3bn (equivalent to approx.. HK\$3.488bn). The Proposed Subscription Cap was determined and approved by a resolution of the Board on 19 March. The Group will continue to diversify its investments among different banks to lower the concentration risk. [AASocks]

## V. Overnight Market Recap

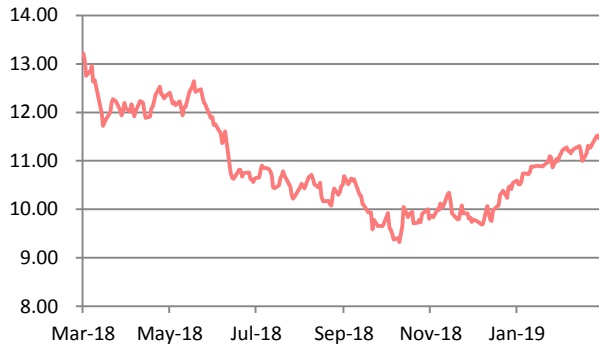
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,824	(8.3)	(0.3)	0.5	1.8	16.9	(3.6)	4.1	12.7
	Dow Jones	25,746	(141.7)	(0.5)	0.2	(0.4)	14.7	(3.7)	4.3	10.4
	Nasdaq Composite	7,729	5.0	0.1	1.1	3.6	22.0	(3.2)	5.2	16.5
	Russell 2000	1,543	(11.8)	(0.8)	(0.8)	(2.1)	19.4	(9.9)	(2.3)	14.4
	VIX Index	13.91	0.4	2.6	3.7	(3.8)	(53.8)	19.1	(22.1)	(45.3)
Europe Equity	Euro Stoxx 50	3,372	(36.6)	(1.1)	1.5	3.3	12.4	(1.7)	(0.8)	12.4
	DAX	11,604	(184.5)	(1.6)	0.3	1.6	9.1	(6.7)	(5.7)	9.9
	CAC	5,383	(43.2)	(0.8)	1.4	3.6	14.7	(2.0)	2.7	13.8
	FTSE 100	7,291	(33.0)	(0.5)	1.8	1.7	8.5	(2.7)	3.6	8.4
APAC Equity	HSI	29,321	(145.3)	(0.5)	1.8	2.4	13.9	4.9	(6.7)	13.4
	HSCEI	11,625	(61.7)	(0.5)	1.9	2.8	15.1	5.4	(7.2)	14.8
	HSI VIX	16.37	0.2	1.4	(6.9)	(7.6)	(30.9)	(14.3)	(24.7)	(34.6)
	CSI 300	3,835	1.5	0.0	3.0	11.4	26.6	12.5	(5.6)	27.4
	SH Composite	3,091	(0.3)	(0.0)	2.1	12.3	22.8	10.5	(5.8)	23.9
	SZ Composite	1,685	(4.2)	(0.2)	1.7	16.6	31.1	16.6	(9.4)	32.9
	Nikkei 225	21,609	42.1	0.2	1.5	0.7	7.2	(9.5)	1.1	8.0
Commodities (USD)	KOSPI	2,177	(0.5)	(0.0)	1.3	(1.4)	6.6	(6.0)	(11.6)	7.7
	Brent (Future)	68.50	0.9	1.3	1.4	2.1	27.2	(13.1)	(1.4)	27.3
	WTI (Future)	60.23	0.8	1.4	2.7	5.6	31.9	(15.0)	(7.7)	32.5
	Gold	1,313	6.0	0.5	0.3	(0.6)	4.7	9.6	(1.2)	2.6
	Copper (Future)	6,457	(2.0)	(0.0)	(0.2)	0.8	7.6	6.2	(4.4)	8.2
FX	Baltic Dry Index	709.00	(3.0)	(0.4)	4.7	12.5	(44.6)	(49.8)	(36.5)	(44.2)
	Dollar Index	95.76	(0.6)	(0.7)	(0.8)	(0.7)	(1.1)	1.8	6.8	(0.3)
	EUR	1.14	0.0	0.5	0.8	0.8	0.5	(2.7)	(7.4)	(0.3)
	JPY	110.70	(0.7)	(0.6)	(0.4)	(0.0)	0.4	1.7	(4.2)	(0.9)
	CNY	6.69	(0.0)	0.3	0.2	0.4	2.8	2.3	(5.4)	2.7
CDS	CNH	6.69	(0.0)	(0.4)	(0.2)	0.6	3.6	2.5	(5.7)	2.8
	ChinaGov CDS	54.51	5.1	10.4	6.0	6.1	(16.5)	(5.0)	(13.9)	(18.5)
	CDX Emerging Market	96.91	(0.3)	(0.3)	(0.1)	0.1	1.6	1.1	(1.1)	1.8

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.44	0.0	0.4	2.4	2.4	2.4	2.2	1.7	2.4
	2-Year Treasury Yield	2.47	(0.1)	(2.9)	2.5	2.5	2.7	2.8	2.3	2.5
	5-Year Treasury Yield	2.43	(0.1)	(4.0)	2.4	2.5	2.7	3.0	2.7	2.5
	10-Year Treasury Yield	2.61	(0.1)	(3.3)	2.6	2.6	2.8	3.1	2.9	2.7
	2-10 Spread	13.95	(1.4)	(9.7)	16.3	14.3	13.6	25.5	57.5	19.2
China rates	O/N China Repo Rate	2.55	0.0	1.1	2.3	2.0	2.6	2.6	2.5	1.0
	1-Week China Repo Rate	2.65	0.0	1.8	2.6	2.4	2.5	2.7	2.8	3.5
	O/N SHIBOR	2.71	0.0	1.8	2.3	2.0	2.6	2.5	2.6	2.6
	1-Week SHIBOR	2.71	(0.0)	(0.7)	2.6	2.4	2.7	2.7	2.9	2.9

Source: Bloomberg

## VI. Key Indicators

**Hang Seng Index PE Ratio**



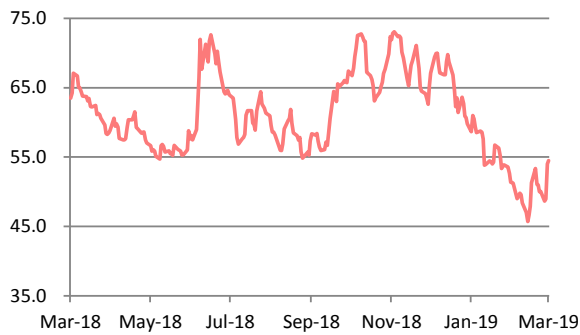
Source: Bloomberg

**Shanghai Composite Index PE Ratio**



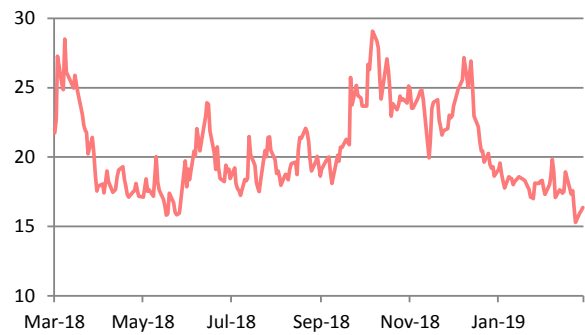
Source: Bloomberg

**China 5Y CDS Index\_USD**



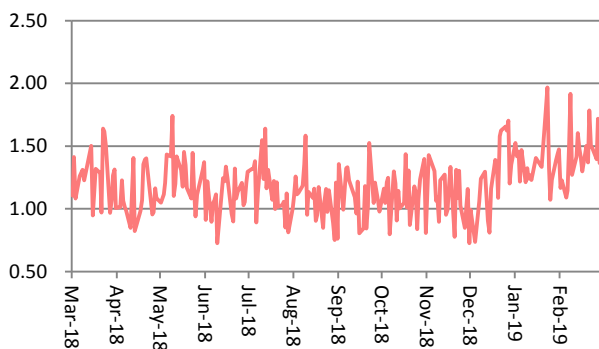
Source: Bloomberg

**Hang Seng Index VIX**



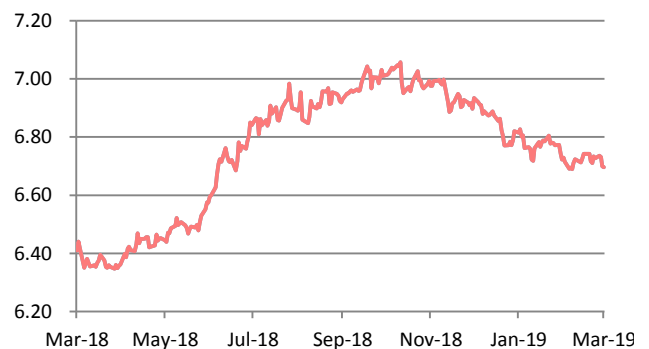
Source: Bloomberg

**Hang Seng Index Put Call Volume Ratio**



Source: Bloomberg

**USDCNH 1Y Forward**



Source: Bloomberg

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