



I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: Challenger Job Cuts YoY	Mar	N/A	117.2%
China: New Yuan Loans CNY	Mar	1225.0b	885.86b
U.K.: BRC Sales Like-For-Like YoY	Mar	N/A	-0.1%
Germany: Current Account Balance	Feb	N/A	18.3b
Eurozone: Factory Orders MoM	Feb	N/A	-2.6%

Source: Bloomberg

II. Macro News

- **Bank Indonesia Chief Says Rate Is on Hold Amid Global Risks.** Bank Indonesia is keeping interest rates unchanged for the moment given global uncertainties, and will turn to macroprudential policies to support economic growth, Governor Perry Warjiyo said. [Bloomberg]
- **Germany Gets No Relief as Factory Orders Drop Most in Two Years.** German factory orders unexpectedly plunged in February, adding to evidence that Europe's largest economy is some way off from overcoming a painful slump in industry. The report, showing a 4.2 percent drop, comes just weeks after the nation's central bank warned there was unlikely to be a turnaround in fortune at the start of 2019. [Bloomberg]
- **India's Central Bank Cuts Interest Rate With More Easing Seen.** India's central bank delivered a back-to-back interest rate cut and fueled speculation of more policy easing after lowering inflation and economic growth forecasts. The repurchase rate was reduced by 25 basis points to 6%, a decision predicted by all but two of 47 economists surveyed by Bloomberg News. [Bloomberg]

III. Industry News

- **China Boosts Tax Break Quota for Some LNG Imports.** Six LNG projects in Zhejiang, Tangshan, Tianjin, Guangxi and Shanghai will be allowed to enjoy tax break for more of their LNG imports this year, the MOF says. 2019 import quota is set at 7m tons for Zhejiang and 6m tons for Tangshan, Tianjin, Guangxi and Shanghai each. [Bloomberg]
- **China's vehicle inventory alert index down in March.** China's Vehicle Inventory Alert Index, which reflects the inventory pressure of automobile dealers, dropped 8.3ppts MoM in March, new data showed. The index stood at 55.3% last month, down from 63.6% in Feb and 58.9% in Jan, according to the China Automobile Dealers Association. [China Daily]
- **China to introduce policies to lessen burden on businesses, individuals.** China will take measures to reduce government-levied charges and operating service charges in order to further lessen the burden on businesses and individuals. The personal postal articles tax rates will be lowered to expand imports and boost consumption. [China Daily]

IV. Corporate News

- **Prada Joins Luxury Brands Lowering Prices in China As VAT Fall.** Prada reducing prices to reflect lower sales tax at all Prada and MiuMiu directly-operated stores in China and online, spokeswoman says. Kering's Gucci, LVMH's Louis Vuitton brands also lowered prices in line with drop: spokeswomen from cos say. [Bloomberg]
- **Tesla sales drop in the first quarter, miss Model 3 estimates.** Tesla reported a drop-off in deliveries in the first quarter after US incentives for its vehicles shrank and the company struggled to quickly get Model 3 sedans to overseas consumers. [SCMP]

- **Switzerland Plans to Tighten Capital Rules for Its Biggest Banks.** Switzerland is proposing bigger capital cushions for the country's top banks that could force UBS Group AG and Credit Suisse Group AG to set aside an additional 24 billion Swiss francs (\$24 billion) in reserves. [Bloomberg]
- **Nomura Plans to Close a Fifth of Japan Branches, Nikkei Reports.** Nomura Holdings Inc. plans to close around 20 percent of its domestic retail branches as part of a broad restructuring, the Nikkei newspaper reported. The Japanese securities firm, which has 156 outlets in the country, will cut the number over the next few years to reduce fixed costs, the newspaper reported. [Bloomberg]
- **Boeing to Cut 737 MAX Production.** Boeing Co. will cut production of its 737 MAX by a fifth and appointed a special board committee to examine its development of new planes, as the financial impact from two crashes of its best-selling jetliner deepens. [WSJ]
- **China's Gree aims for US expansion. Entering its fourth year in the US market,** Gree Electric Appliances Inc, one of China's top air-conditioner manufacturers, aims to continue expanding in the US market in 2019. "In the next two to three years, the Gree Commercial team's goal is to set up a marketing network throughout the United States," said Ouyang Jun, vice-general manager of Gree's Overseas Sales Company. [China Daily]
- **FAW introduces intelligent connected Hongqi models.** FAW Group unveiled three customized models of its Hongqi brand, as the group accelerates R&D in the field of intelligent connected vehicles. The Jilin-based FAW-Hongqi has cooperated with tech firms including Huawei, Baidu, Intel and iFlytek, as well as Jilin University in the provincial capital Changchun on autonomous and smart driving, intelligent safety systems and big data mining and mgmt. [China Daily]
- **FWD Hong Kong profit hits \$333m.** Profit before tax in life insurance for FWD Hong Kong, which has been seeking to list, increased 12% to HK\$333mn in 2018. The firm said the annualized insurance premium rose 30% last year to HK\$2.88bn, due to the robust sales growth in the distribution channel and confirmed they signed a memorandum of understanding with Siam Commercial Bank to acquire part of its insurance business. [The Standard]
- **HSBC Holdings to Keep Rewarding Shareholders through Shr Buyback, Div.** HSBC Holdings Chief Executive John Flint said at the Informal Shareholders' Meeting that there will be loads of uncertainties this year, including the Brexit standoff, China-US trade war and the pace of US Fed rate hikes. Hence, the bank will maintain its 11% return on tangible equity target, with persistent growth momentum in the long run. [AAStocks]
- **Tencent To Issue US\$6B Notes Thu.** Tencent announced that the Co entered into a Subscription Agreement with the Managers with respect to the issue of the Notes under the Programme in an aggregate principal amount of US\$6bn. The estimated net proceeds of the issue of the Notes will amount to c.US\$5.98b. The Notes are expected to be issued on 11 Apr 2019. [AAStocks]
- **Daimler, BMW Mulls Limiting Joint EV Production Plan in China.** Daimler and BMW looked to limit their cooperation to produce an affordable electric vehicle model in China, reported Sueddeutsche Zeitung. Both automakers planned to jointly develop EVs with the price of EUR27,500-32,500 each to tap the EV mass market. [AAStocks]
- **Sinopec Corp. Chair Explores Team-up Potentials with ExxonMobil.** Sinopec Corp. announced that the Group Chairman Dai Houliang met with Darren Woods, Chairman and CEO at ExxonMobil, at headquarters yesterday. Both parties exchanged opinions in promoting existing cooperation and exploring future team-up opportunities. [AAStocks]
- **China Overseas Buys 5 Lands in Mar with RMB7.73B.** China Overseas announced that, in March 2019, the group acquired 5 land parcels in Shenyang, Shijiazhuang, Foshan, Dalian and Hong Kong with aggregate attributable gross floor area of approximately 1.0078mn sq.m, of which one will be developed in form of cooperation project. [AAStocks]
- **BOC, MIIT Sign Strategic Cooperation Deal to Propel High-quality Mfg & Telecom Dev.** MIIT announced that the MIIT Miao Wei and Bank of China. Chairman Chen Siqing signed a strategic cooperation deal on fostering the high-quality manufacturing and telecommunication development in Beijing. [AAStocks]

V. Overnight Market Recap

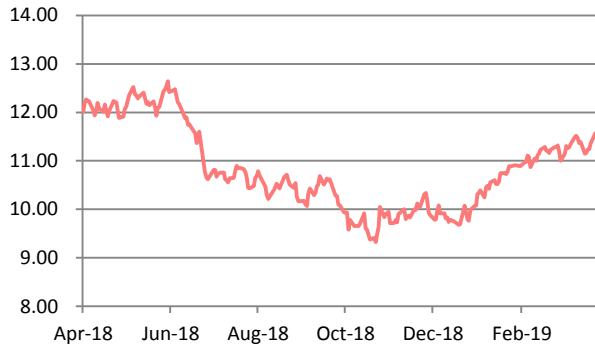
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,893	13.4	0.5	2.1	5.5	12.4	0.3	11.1	15.4
	Dow Jones	26,425	40.4	0.2	1.9	3.8	11.1	(0.2)	10.4	13.3
	Nasdaq Composite	7,939	46.9	0.6	2.7	7.2	15.1	2.6	14.8	19.6
	Russell 2000	1,583	15.1	1.0	2.8	4.0	10.9	(2.9)	4.6	17.4
	VIX Index	12.82	(0.8)	(5.6)	(6.5)	(20.1)	(37.4)	(13.5)	(40.3)	(49.6)
Europe Equity	Euro Stoxx 50	3,447	5.5	0.2	2.9	5.0	12.8	4.2	1.2	14.9
	DAX	12,010	21.7	0.2	4.2	4.8	11.2	0.5	(1.9)	13.7
	CAC	5,476	12.4	0.2	2.3	4.7	14.7	3.3	4.1	15.8
	FTSE 100	7,447	44.9	0.6	2.3	4.8	8.5	3.0	3.7	10.7
APAC Equity	HSI	29,936	(50.1)	(0.2)	4.0	3.4	16.8	12.7	1.4	15.8
	HSCEI	11,692	(12.8)	(0.1)	3.5	0.9	16.6	11.0	(1.4)	15.5
	HSI VIX	15.36	(0.1)	(0.6)	(0.5)	(12.5)	(33.1)	(25.8)	(40.7)	(38.6)
	CSI 300	4,062	40.1	1.0	9.0	6.5	33.8	18.1	5.4	34.9
	SH Composite	3,247	30.3	0.9	8.4	6.3	29.1	15.1	3.7	30.2
	SZ Composite	1,780	7.9	0.4	8.6	8.8	39.1	23.5	(2.8)	40.4
	Nikkei 225	21,808	82.6	0.4	2.8	3.9	8.1	(8.2)	1.3	9.1
Commodities (USD)	KOSPI	2,210	3.1	0.1	3.2	3.5	9.2	(1.8)	(8.9)	8.4
	Brent (Future)	70.34	0.9	1.4	2.9	7.6	20.5	(15.7)	5.4	31.5
	WTI (Future)	63.08	1.0	1.6	4.9	13.2	27.5	(14.6)	2.3	39.8
	Gold	1,292	(0.5)	(0.0)	(0.1)	(0.4)	0.6	8.8	(3.3)	0.8
	Copper (Future)	6,401	(50.0)	(0.8)	(1.3)	(1.2)	8.2	3.7	(6.1)	7.3
FX	Baltic Dry Index	711.00	12.0	1.7	3.8	9.6	(43.7)	(53.5)	(25.0)	(44.1)
	Dollar Index	97.40	0.1	0.1	0.1	0.1	1.5	1.7	8.1	1.2
	EUR	1.12	(0.0)	(0.0)	(0.0)	(0.2)	(2.0)	(2.4)	(9.0)	(2.2)
	JPY	111.73	0.1	0.1	0.8	(0.4)	(2.5)	1.5	(4.3)	(1.7)
	CNY	6.71	(0.0)	0.1	0.1	(0.0)	2.1	2.4	(6.0)	2.5
CDS	CNH	6.71	(0.0)	(0.1)	(0.2)	0.2	2.1	3.0	(6.2)	2.3
	ChinaGov CDS	42.31	(3.7)	(8.1)	(14.6)	(11.7)	(36.7)	(34.4)	(32.2)	(36.7)
	CDX Emerging Market	96.67	0.1	0.1	0.4	0.0	0.7	1.7	(1.5)	1.5

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.42	(0.0)	(0.0)	2.4	2.4	2.4	2.2	1.7	2.4
	2-Year Treasury Yield	2.34	0.0	0.1	2.3	2.5	2.5	2.9	2.3	2.5
	5-Year Treasury Yield	2.31	(0.0)	(0.6)	2.3	2.4	2.5	3.1	2.6	2.5
	10-Year Treasury Yield	2.50	(0.0)	(0.8)	2.5	2.6	2.7	3.2	2.8	2.7
	2-10 Spread	15.20	(2.4)	(13.7)	16.6	16.1	15.1	34.4	50.3	19.2
China rates	O/N China Repo Rate	1.42	(0.2)	(13.9)	2.0	2.1	1.4	2.5	2.4	1.0
	1-Week China Repo Rate	2.27	0.2	8.1	2.4	2.1	2.0	2.6	2.7	3.5
	O/N SHIBOR	1.42	(0.2)	(14.8)	2.3	2.0	1.4	2.5	2.4	2.6
	1-Week SHIBOR	2.42	0.1	2.6	2.6	2.4	2.5	2.7	2.8	2.9

Source: Bloomberg

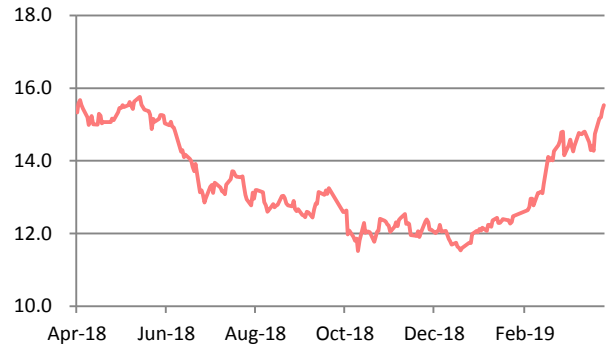
VI. Key Indicators

Hang Seng Index PE Ratio



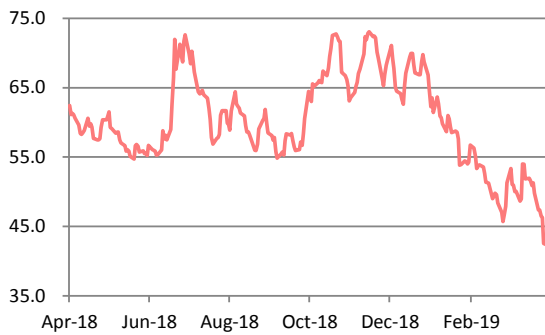
Source: Bloomberg

Shanghai Composite Index PE Ratio



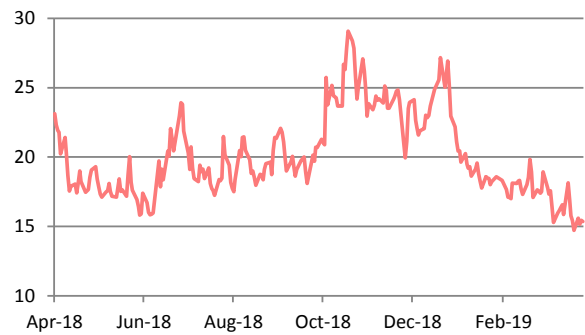
Source: Bloomberg

China 5Y CDS Index_USD



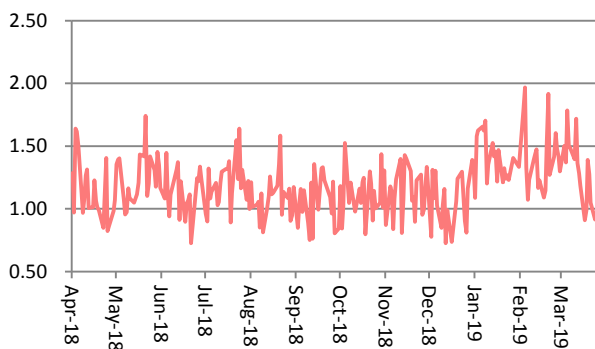
Source: Bloomberg

Hang Seng Index VIX



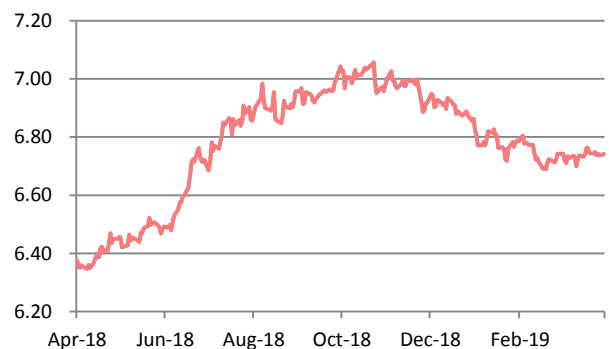
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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