



I. Major Economic Release

Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: Capacity Utilisation	Mar	79.2%	78.2%
China: Property Investment YTD	Mar	N/A	11.6%
U.K.: Average Weekly Earnings 3M/YoY	Feb	N/A	3.4%
Germany: ZEW Survey Expectations	Apr	N/A	-3.6
Eurozone: Retail Sales Volume WDA/YoY	Feb	N/A	0.5%

Source: Bloomberg

II. Macro News

- **U.S. Home Building, Permits Fell Last Month.** A gauge of U.S. home building and approvals for new projects declined in March, continuing a recent weak stretch for new housing construction. So-called housing starts fell 0.3% in March from the prior month to a seasonally adjusted annual rate of 1.139 million, the Commerce Department said. [WSJ]
- **Fed Officials Contemplate Thresholds for Rate Cuts.** Federal Reserve officials are starting to talk about the conditions under which they would cut interest rates, including a scenario where inflation drifts lower even if the economic growth doesn't falter. Such a scenario isn't seen as particularly likely, and a rate cut isn't imminent or under consideration for their meeting April 30-May 1. [WSJ]
- **Shanghai sets priorities for attracting investment.** Shanghai will keep introducing and implementing more opening-up policies as it continues to make a name for itself as a key global investment choice, according to municipal authorities. The city will prioritize attracting foreign investors in the following three areas: those engaged in the services sector, those hosting regional/country HQs, and those seeking to establish research and development sites. [China Daily]

III. Industry News

- **Global automakers seek to make China electric vehicle export hub.** Global automakers are pushing forward with plans to use China as an export hub for the world, particularly for electric cars, after signs from Washington and Beijing that they are getting closer to resolving their year-long trade war. [FT]
- **NPC reviews Securities Law amendment.** The top legislature deliberated on the draft revision of the Securities Law over the weekend, signaling China may soon adopt the revision to pave the way for key capital market reforms, experts said. On Saturday, the draft revision was submitted to a bimonthly session of the Standing Committee of the National People's Congress for a third reading, Xinhua News Agency reported. [China Daily]
- **Stronger demand, higher expectations from new energy vehicle owners.** China's new energy vehicles market continues to show strong growth with total sales of 1.16 million vehicles in 2018, up 62 percent on the previous year. License plate control policies are a major driver of the demand, with new products, longer driving ranges and more affordable prices also playing a role in the strong demand. [China Daily]

IV. Corporate News

- **Chinese company endorsed by Premier embroiled in \$800m defaults.** An investment group often described as the "brainchild" of Chinese premier Li Keqiang has seen cross-defaults triggered on \$800m in bonds after showing signs of stress earlier this year with a missed debt payment. The troubles of China Minsheng Investment Group highlight waning govt. support for state-owned companies and other high-profile institutions with strong political backing. [FT]

- **China Names Chen Siqing to Head World's Largest Bank.** China has named a new chief for Industrial & Commercial Bank of China Ltd., the world's largest lender by assets, people with knowledge of the matter said. Chen Siqing, chairman of Bank of China Ltd., was appointed as party secretary of Beijing-based ICBC at an internal meeting on Monday. [Bloomberg]
- **Porsche CEO Eyes Cooperation With Chinese Technology Giants.** Porsche AG is exploring joint projects with Chinese technology giants including Tencent Holdings Ltd., Alibaba Group Holding Ltd. and Baidu Inc. to expand digital offerings in its largest market and bolster sales. [Bloomberg]
- **Fosun eyes Thomas Cook as bidders circle holidays group.** Thomas Cook is in talks with several potential buyers after a horrible year for the company, during which its market capitalization tumbled by 80%. Fosun is said to be definitely interested in making a bid, said a person close to the company. [FT]
- **Nissan's former chairman Carlos Ghosn indicted on breach-of-trust charges in Japan, the most serious allegations yet against him.** Carlos Ghosn was indicted on new breach of trust charges, Japanese broadcaster TBS and Kyodo News said, the most serious allegations yet against the former chairman of Nissan Motor. [SCMP]
- **Booming e-commerce helped parcel delivery giant DHL Express weather the US-China trade war, chief executive says.** The movement of goods in the US-China trade corridor remained "very strong" for DHL Express in 2018 even as the trade war between the world's two largest economies escalated, according to John Pearson, the chief executive. [SCMP]
- **Consumption, urbanization help German appliance firm expand.** Vorwerk & Co KG, the German manufacturer for household appliances and cosmetics, will expand its manufacturing base in Shanghai, said one of its senior executives. It will also set up 25 to 30 customer experience centers across China this year. [China Daily]
- **Huawei revenue up 39 percent from one year ago.** Huawei Technologies Co said Monday that it posted 179.7 billion yuan (\$26.8bn) in revenue in the first quarter of 2019, representing a year-on-year growth of 39 percent. The company's quarter one net profit margin stood at about 8 percent, slightly higher than the same period last year. [China Daily]
- **China Life insurance premiums grow over 11%.** China Life Insurance Co Ltd, a leading insurer, saw its premium income increase by 11.9 percent YoY in the first quarter of 2019, company data showed. Premium income in the January-March period totaled 272.4 billion yuan (\$40.7 billion), according to unaudited figures released by the insurer. [China Daily]
- **Xiaomi opens first Mi Store in Buchare.** Chinese technology company Xiaomi on Saturday opened its first official store at a shopping center in Bucharest, capital of Romania. Located in Mega Mall in eastern Bucharest, the first Mi Store in the eastern European country occupies 200 square meters, offering some 300 products. [China Daily]
- **Tencent Approved as Agent for Nintendo's Switch Console.** Tencent is going to act as the agent for Nintendo's Switch console, according to news from the Department of Culture of Guangdong Province. Switch is a game console launched by Nintendo in March 2017, being available in Hong Kong since 3 March 2017. [AASocks]
- **China Life Sees 80-100% Surge in 1Q Profit.** China Life issued a profit alert that the estimated net profit for the first quarter ended 31 Mar 2019 will increase by a range between approx. RMB10.814bn and RMB13.518bn as compared to the same period of 2018 (representing an increase of approx. 80% to 100%), mainly attributable to a significant year-on-year increase in the income from open market equity investments due to the sharp rise of domestic stock market. [AASocks]
- **Yanzhou Coal 1Q Saleable Coal Sales Dip 3.5% YoY to 26.44M Tons.** Yanzhou Coal announced that the production volume of saleable coal dipped 4.53% year-on-year in 1Q19 to 23.19 million tons, while the sales volume of saleable coal dropped 3.54% yearly to 26.44 million tons. [AASocks]
- **Huawei Offers Nil-Espionage Deal to Germany.** Huawei has offered Germany a "no-spy agreement" to promise no backdoor installation in networks and to comply with the EU data protection laws after communicating with Berlin last month, Wirtschaftswoche quoted the Chief Executive Ren Zhengfei as saying. [AASocks]

V. Overnight Market Recap

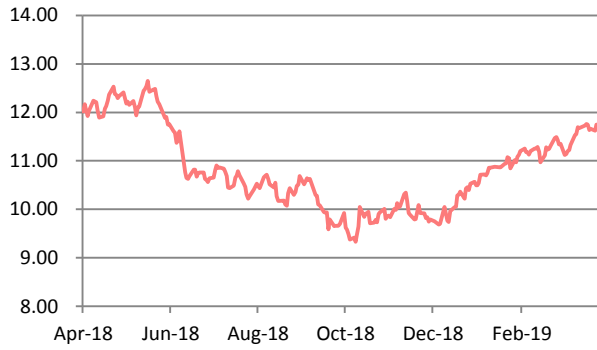
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,908	2.9	0.1	0.0	3.8	10.2	6.1	8.9	16.0
	Dow Jones	26,511	(48.5)	(0.2)	0.4	4.0	7.9	5.2	8.4	13.6
	Nasdaq Composite	8,015	17.2	0.2	0.4	4.9	14.1	7.8	12.4	20.8
	Russell 2000	1,560	(5.7)	(0.4)	(1.6)	3.6	7.3	2.2	(0.1)	15.7
	VIX Index	12.42	0.3	2.7	3.4	(24.6)	(36.4)	(40.0)	(24.0)	(51.1)
Europe Equity	Euro Stoxx 50	3,499	21.5	0.6	1.9	2.6	11.6	9.0	0.4	16.6
	DAX	12,222	69.3	0.6	2.4	3.7	9.1	5.8	(2.7)	15.8
	CAC	5,580	17.3	0.3	1.7	2.8	14.4	9.7	3.5	18.0
	FTSE 100	7,460	(11.4)	(0.2)	0.6	1.9	7.1	5.8	1.8	10.9
APAC Equity	HSI	29,963	(161.4)	(0.5)	0.4	1.7	10.6	17.2	(2.4)	15.9
	HSCEI	11,769	(80.4)	(0.7)	1.3	0.7	10.6	15.1	(3.8)	16.2
	HSI VIX	15.19	(0.1)	(0.8)	(4.2)	(5.9)	(18.5)	(35.9)	(13.5)	(39.3)
	CSI 300	4,026	(95.0)	(2.3)	1.3	5.0	28.2	26.5	6.9	33.7
	SH Composite	3,215	(55.8)	(1.7)	1.2	3.6	24.6	23.9	4.8	28.9
	SZ Composite	1,752	(26.9)	(1.5)	1.6	3.0	33.1	34.7	(0.7)	38.2
	Nikkei 225	22,218	17.3	0.1	0.2	2.6	7.7	0.8	0.4	10.8
Commodities (USD)	KOSPI	2,217	0.5	0.0	(1.2)	1.2	4.0	5.1	(10.5)	8.4
	Brent (Future)	74.04	2.1	2.9	3.5	10.7	21.4	(2.9)	(0.6)	38.0
	WTI (Future)	65.55	1.7	2.7	2.8	11.3	24.9	(1.1)	(4.3)	44.7
	Gold	1,275	(0.5)	(0.0)	(1.0)	(3.5)	(0.6)	3.7	(3.7)	(0.5)
	Copper (Future)	6,476	(80.0)	(1.2)	1.1	0.8	7.0	5.2	(7.8)	8.6
FX	Baltic Dry Index	790.00	23.0	3.0	8.5	11.0	(29.0)	(49.9)	(34.2)	(37.8)
	Dollar Index	97.29	(0.1)	(0.1)	0.4	0.7	1.3	1.4	7.0	1.2
	EUR	1.13	0.0	0.1	(0.4)	(0.6)	(1.2)	(2.0)	(7.9)	(1.9)
	JPY	111.94	0.0	0.0	(0.1)	(1.5)	(1.9)	0.7	(2.7)	(1.8)
	CNY	6.71	0.0	(0.1)	(0.1)	0.1	1.4	3.5	(5.9)	2.5
CDS	CNH	6.71	0.0	0.1	0.1	0.1	1.2	3.3	(6.0)	2.3
	ChinaGov CDS	40.51	0.0	0.0	(3.7)	(21.9)	(33.6)	(39.3)	(33.1)	(39.4)
	CDX Emerging Market	96.36	(0.0)	(0.0)	(0.1)	0.1	0.1	1.0	(1.8)	1.2

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.42	0.0	0.4	2.4	2.4	2.4	2.3	1.8	2.4
	2-Year Treasury Yield	2.39	0.0	0.3	2.4	2.3	2.6	2.9	2.5	2.5
	5-Year Treasury Yield	2.39	0.0	0.6	2.4	2.2	2.6	3.0	2.8	2.5
	10-Year Treasury Yield	2.59	0.0	1.1	2.6	2.4	2.7	3.2	3.0	2.7
	2-10 Spread	19.98	2.2	12.7	17.6	11.8	15.0	28.4	49.5	19.2
China rates	O/N China Repo Rate	2.56	0.1	4.5	2.9	2.3	2.2	2.4	2.8	1.0
	1-Week China Repo Rate	3.10	0.6	24.0	2.8	2.5	2.5	2.6	10.0	3.5
	O/N SHIBOR	2.56	(0.1)	(3.9)	2.9	2.6	2.2	2.5	2.7	2.6
	1-Week SHIBOR	2.65	(0.0)	(1.4)	2.8	2.7	2.6	2.6	2.9	2.9

Source: Bloomberg

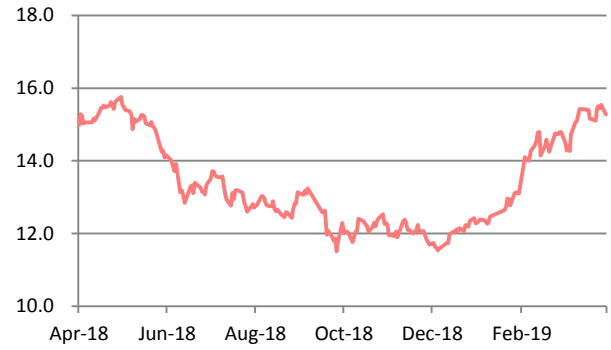
VI. Key Indicators

Hang Seng Index PE Ratio



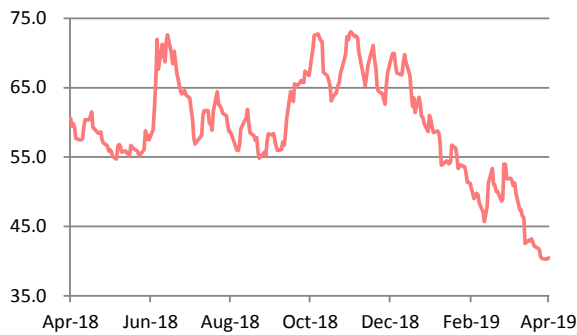
Source: Bloomberg

Shanghai Composite Index PE Ratio



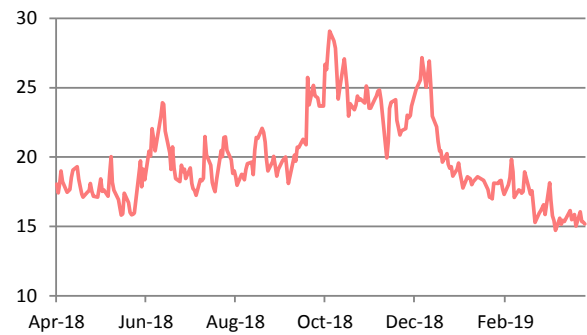
Source: Bloomberg

China 5Y CDS Index_USD



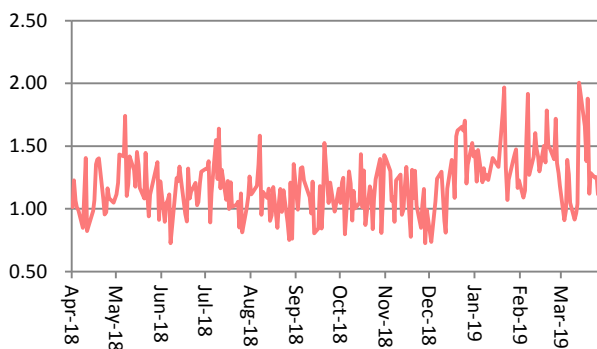
Source: Bloomberg

Hang Seng Index VIX



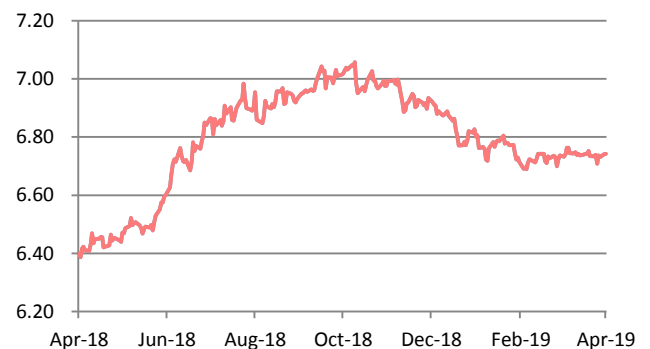
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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