



## I. Major Economic Release

### Upcoming Economic Release

Economic Indicator	Period	Market Survey	Prior Period
US: GDP Price Index	1Q A	1.2%	1.7%
China: Non-Manufacturing PMI	Apr	55.0	54.8
U.K.: UK Financing Loans for Housing	Mar	38850	39083
Germany: Import Price Index YoY	Mar	2.1%	1.6%
Eurozone: Consumer Confidence	Apr	96	96

Source: Bloomberg

## II. Macro News

- **U.S., China Officials to Resume Trade Talks Tuesday in Beijing.** Trade negotiators led by U.S. Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin will travel to Beijing next week for another round of talks, the White House said. [Bloomberg]
- **Foreign direct investment flows higher in first quarter.** Foreign direct investment into the Chinese mainland expanded by 8 percent year-on-year to 95.17 billion yuan in March, the Ministry of Commerce said. During the first quarter, FDI inflow grew by 6.5 percent from 1`wqone year earlier to 242.28 billion yuan. [The Standard]
- **CSRC to Strengthen Cooperation with Other Capital Mkts, Refine CN-HK Stock Connect.** China Securities Regulatory Commission will fortify China's opening-up and her cooperation with other capital markets in a more aggressive and pragmatic way, hence propelling reforms and building a resilient Chinese capital market, said CSRC Chairman Yi Huiman at the China-Japan capital market forum. [AASocks]

## III. Industry News

- **China to Issue Guideline to Spur M&As in Steel Industry.** China is about to issue a guideline aimed at spurring mergers and acquisitions in the domestic steel industry, the Economic Information Daily cites unidentified source as saying. The plan is partly designed to establish globally competitive mega-sized steel groups. [Bloomberg]
- **China Approves Launch of 7 Funds to Invest in Tech Board.** China has approved the launch of first batch of mutual funds targeting shares listed on the country's so-called technology board, China Securities Journal reported. As of April 22, a total of 75 tech board-focused funds were still awaiting regulatory approval. [Bloomberg]
- **Thai Bourse Signs Cooperation Agreement with Shenzhen Exchange.** Thailand and Shenzhen stock exchanges sign accord Tuesday to bolster cooperation, according a joint press statement. Five-year agreement aims to develop cross-border products including exchange-traded funds, depository receipts and indexes. [Bloomberg]

## IV. Corporate News

- **Cathay Pacific Cracks Down on Thieving Flight Attendants.** Cathay Pacific Airways Ltd. is cracking down on flight attendants taking in-flight supplies such as cutlery, champagne and ice cream, the South China Morning Post said. The Hong Kong carrier started spot checks by security officials at its home base to prevent such theft, long considered an unofficial perk by staff, the newspaper said. [Bloomberg]
- **Nissan Names New COO to Bolster Depleted Management Ranks.** Nissan Motor Co. named Yasuhiro Yamauchi as chief operating officer, selecting a longtime executive with ties to alliance partner Renault SA to shore up top executive ranks depleted by the fallout from the Carlos Ghosn scandal. [Bloomberg]

- **Tianneng Power: HK Stock Exchange Approves Proposed Spin-off.** Proposed spin-off would still need regulatory approval in China, company says in statement to HK stock exchange. Chinese EV Battery Maker also mulls Mainland listing after spin off. [Bloomberg]
- **China Unicom HK First Quarter Net Income 3.68 Bln Yuan.** China Unicom HK reported net income for the first quarter of 3.68 billion yuan. 1Q net income growth +22.3%. 1Q revenue 73.15 billion yuan, while Ebitda came in at 25.01 billion yuan. [Bloomberg]
- **China Mobile Profit Drops Most in Two Years as Revenue Slips.** China Mobile Ltd. reported its biggest profit drop in two years after an end to domestic roaming fees and a decline in data tariffs dented income at the world's biggest telecommunications carrier by subscribers. Net income fell 8.3% to 23.7bn yuan (\$3.5bn) in the three months through Mar 31, the carrier said in a statement Tuesday, while operating revenue slipped 0.3% to 185bn yuan. [Bloomberg]
- **Tencent-backed streaming site DouYu files for US IPO.** DouYu International, the Tencent-backed game-streaming company, has filed to raise up to \$500m in a listing on the New York Stock Exchange, down \$200m from the top end of its previous fundraising range. [FT]
- **Ping An Plans Investment Products to Enhance Buyers' Performance.** Ping An Insurance (Group) Co. is planning products to bolster buyers' investment performance, tapping demand for smarter use of big data and artificial intelligence to expand its increasingly profitable tech offerings. [Bloomberg]
- **Three Gorges Bid for EDP to End If Utility Keeps Voting Cap.** China Three Gorges Corp.'s 9.1 billion-euro (\$10.3 billion) takeover offer for EDP-Energias de Portugal SA will end if the Portuguese utility's shareholders on Wednesday decide to keep a cap on voting rights. [Bloomberg]
- **H.K. Airlines' Ex-Director Obtains Injunction Against HNA.** A former director of Hong Kong Airlines has obtained an injunction against HNA Group as the two sides lay claim to the city's third largest carrier, South China Morning Post reports, citing unidentified people. [Bloomberg]
- **HNA Unit's Lenders Seize Assets.** Lenders to HNA Group Co.'s CWT Int'l Ltd. seized control of assets in China and the U.S. after the unit failed to repay amounts due on its credit facility. Assets that are being taken over include shareholdings of CWT Pte, with investment properties in the U.S. and golf courses in China, according to a statement. [Bloomberg]
- **China's Fast-Growing Starbucks Challenger Files for U.S. IPO.** Luckin Coffee Inc., the ambitious startup that is challenging Starbucks Corp. in the race to dominate China's growing coffee culture, filed for a U.S. initial public offering. The coffee unicorn is said to plan to raise around \$300 million in the IPO, Bloomberg News reported. [Bloomberg]
- **FAW-Volkswagen puts latest models on show.** FAW-Volkswagen is showcasing a wide range of models that target different customer groups at the Shanghai auto show, as a sign of the Sino-German joint venture's confidence in the Chinese market. [China Daily]
- **StanChart identifies China as center of strategy.** Standard Chartered Bank identifies China as the center of its strategy, as the country has become a key driver for the group's business growth, said Bill Winters, group chief executive of the bank. It is also proactively looking at opportunities in digital banking and nonbank financial institutions. [China Daily]
- **CNPC overseas equity oil, gas output up 10% in Q1.** Overseas equity of oil and gas production of China National Petroleum Corporation rose 10% YoY in the first quarter of 2019. Production came in at 26.09mn metric tons of oil equivalent in Q1, according to int'l branch of CNPC, the country's largest oil and gas producer and supplier. [China Daily]
- **Tencent: Age for New Game Access to Raised from 13 to 16 under Pilot Scheme.** Tencent will make a new attempt on its healthy system by piloting a "16+" age limit for an upcoming new game, following its "child lock mode" launch in March 2019, cited by China Securities Journal. With the age lock, the required age for game access will be raised from 13 years old to 16 years old, said the mobile game giant. [AASocks]
- **TV maker Skyworth Digital reports 117m yuan profit.** Chinese television sets manufacturer, Skyworth Digital Holdings, reported net profit for the first quarter was up by 78.13 percent on-year to 117.53 million yuan. The basic earnings per share were 0.1125 fen. [The Standard]

## V. Overnight Market Recap

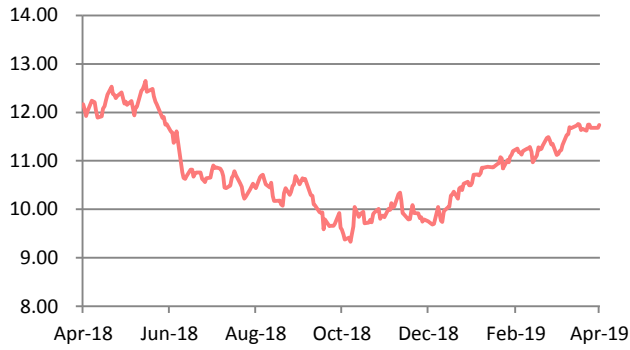
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,934	25.7	0.9	1.0	4.7	11.0	10.5	11.4	17.0
	Dow Jones	26,656	145.3	0.5	1.0	4.5	8.6	8.4	11.0	14.3
	Nasdaq Composite	8,121	105.6	1.3	1.8	6.3	14.8	14.2	15.9	22.4
	Russell 2000	1,585	25.0	1.6	0.4	5.3	8.2	7.9	2.0	17.5
	VIX Index	12.28	(0.1)	(1.1)	(0.3)	(25.5)	(35.0)	(51.3)	(31.9)	(51.7)
Europe Equity	Euro Stoxx 50	3,504	4.6	0.1	1.6	6.0	12.1	11.9	(0.2)	16.7
	DAX	12,236	13.1	0.1	2.0	7.7	9.9	9.3	(2.5)	15.9
	CAC	5,592	11.3	0.2	1.6	6.1	14.8	12.9	2.7	18.2
	FTSE 100	7,523	63.2	0.8	1.2	4.4	10.3	8.0	1.3	11.8
APAC Equity	HSI	29,963	149.0	0.5	1.0	3.4	11.0	19.3	(1.7)	16.5
	HSCEI	11,731	45.4	0.4	1.2	2.2	10.2	15.2	(3.8)	16.3
	HSI VIX	15.74	0.6	3.6	(1.9)	(0.8)	(13.8)	(40.2)	(9.7)	(37.1)
	CSI 300	4,019	(6.6)	(0.2)	(1.7)	4.8	27.2	26.1	4.6	33.5
	SH Composite	3,199	(16.4)	(0.5)	(2.0)	3.0	23.4	22.9	2.2	28.3
	SZ Composite	1,729	(23.0)	(1.3)	(2.5)	1.6	30.7	33.3	(4.2)	36.4
	Nikkei 225	22,260	41.8	0.2	0.2	3.2	8.4	1.0	0.1	11.5
Commodities (USD)	KOSPI	2,221	3.9	0.2	(1.3)	1.6	3.5	5.9	(9.9)	8.8
	Brent (Future)	74.51	0.5	0.6	4.7	10.6	21.4	(2.6)	0.4	37.8
	WTI (Future)	66.30	0.6	0.9	4.6	11.7	24.2	(1.3)	(2.6)	45.3
	Gold	1,272	(2.6)	(0.2)	(0.3)	(3.9)	(0.8)	3.0	(4.5)	(0.9)
	Copper (Future)	6,407	(69.0)	(1.1)	(1.2)	1.5	7.7	3.4	(7.7)	7.4
FX	Baltic Dry Index	790.00	23.0	3.0	8.8	14.5	(15.9)	(48.9)	(40.6)	(37.8)
	Dollar Index	97.64	0.3	0.4	0.6	1.0	1.1	1.2	7.6	1.5
	EUR	1.12	(0.0)	(0.3)	(0.5)	(0.8)	(0.8)	(1.5)	(8.3)	(2.2)
	JPY	111.86	(0.1)	(0.1)	(0.1)	(1.8)	(2.1)	0.3	(2.8)	(2.0)
	CNY	6.73	(0.0)	0.1	(0.5)	(0.2)	1.0	3.3	(6.2)	2.3
CDS	CNH	6.73	0.0	0.3	0.2	(0.1)	1.0	3.3	(6.4)	2.2
	ChinaGov CDS	40.17	(0.1)	(0.3)	(3.4)	(22.7)	(33.6)	(40.8)	(33.7)	(39.9)
	CDX Emerging Market	96.31	(0.0)	(0.0)	(0.2)	(0.1)	(0.2)	1.0	(1.9)	1.1

	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	2.3	1.8	2.4
	2-Year Treasury Yield	2.36	(0.0)	(1.0)	2.4	2.2	2.6	2.8	2.5	2.5
	5-Year Treasury Yield	2.36	(0.0)	(1.1)	2.4	2.2	2.6	2.9	2.8	2.5
	10-Year Treasury Yield	2.57	(0.0)	(0.9)	2.6	2.4	2.7	3.1	3.0	2.7
	2-10 Spread	19.90	(0.1)	(0.4)	19.2	15.3	15.4	26.9	52.3	19.2
China rates	O/N China Repo Rate	2.88	0.4	15.2	3.0	2.6	2.3	2.4	3.0	1.0
	1-Week China Repo Rate	2.70	(0.5)	(15.6)	2.8	2.6	2.5	2.5	3.0	3.5
	O/N SHIBOR	2.83	0.3	10.6	3.0	2.5	2.2	2.4	2.7	2.6
	1-Week SHIBOR	2.70	0.0	1.7	2.8	2.7	2.6	2.6	2.9	2.9

Source: Bloomberg

## VI. Key Indicators

**Hang Seng Index PE Ratio**



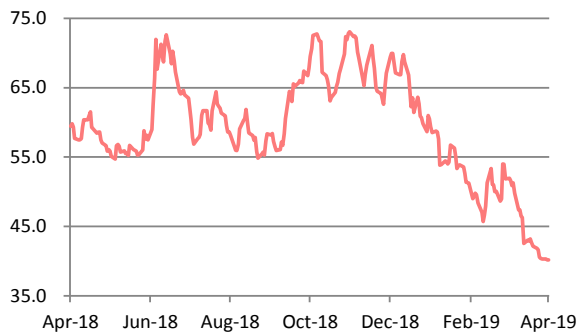
Source: Bloomberg

**Shanghai Composite Index PE Ratio**



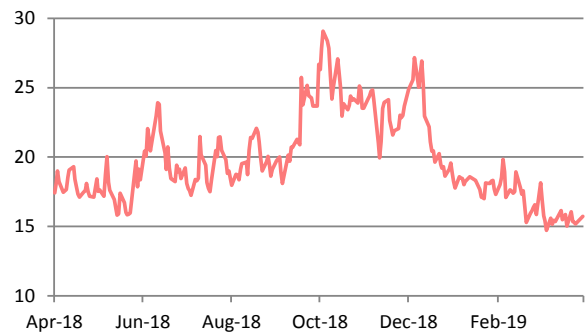
Source: Bloomberg

**China 5Y CDS Index\_USD**



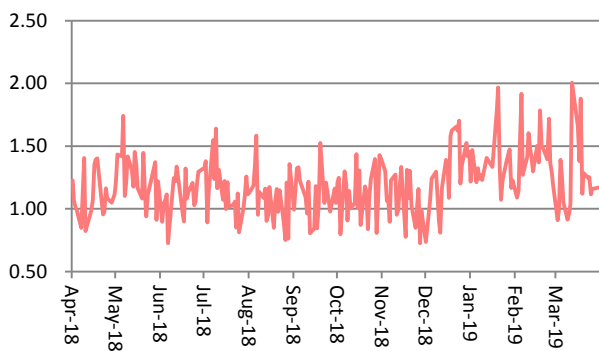
Source: Bloomberg

**Hang Seng Index VIX**



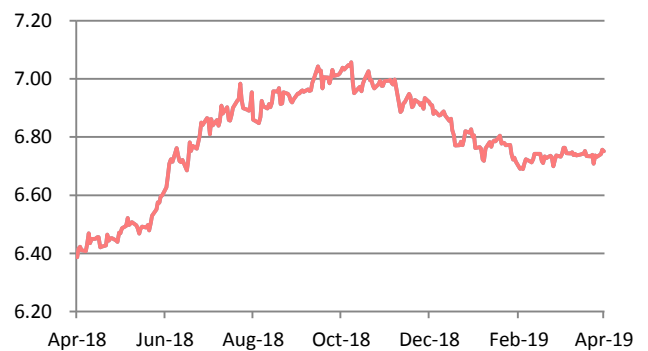
Source: Bloomberg

**Hang Seng Index Put Call Volume Ratio**



Source: Bloomberg

**USDCNH 1Y Forward**



Source: Bloomberg

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