



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

- **Bank of Japan vows to hold rates at zero until spring 2020.** The Bank of Japan has promised not to raise interest rates before spring 2020 as it made a series of tweaks to its massive programme of monetary stimulus. It is the first time Japan's central bank has put a date on the "extended period" for which it intends to keep rates low. [FT]
- **PBOC Officials Say 'Prudent' Monetary Policy Has Not Changed.** China's central bank has not changed its prudent monetary policy stance and has no intention to either tighten or loosen policy, PBOC Deputy Governor Liu Guoqiang said. The PBOC still aims to have "reasonable, ample" liquidity in money markets, with recent operations being aimed at adjusting short-term liquidity without signaling a change in stance, Liu said. [Bloomberg]
- **S Korea Economy Shrinks Most Since 2008 as Investment Slows.** South Korea's GDP shrank the most in a decade as declining investment, weakness in the technology sector and falling exports take a toll on Asia's fourth-largest economy. The 0.3% contraction in the first quarter from the previous three months, versus estimates for a 0.3 percent gain, is likely to further dent the popularity of President Moon Jaein as his push to boost jobs and incomes falters. [Bloomberg]

III. Industry News

- **China NOCs to Boost Outlays to Secure Energy Supplies.** China's national oil companies will boost outlays to secure future energy supplies after several years of relative spending discipline, S&P says in a statement. They will also boost production in a year that has seen average oil prices well above their all-in cost levels. [Bloomberg]
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- **Indonesia Keeps Key Rate Unchanged as Focus Shifts to Growth.** Indonesia's central bank left its benchmark interest rate unchanged for a fifth month amid a renewed focus on boosting growth in SE Asia's biggest economy. The seven-day reverse repurchase rate was left at 6% on Thursday. [Bloomberg]

IV. Corporate News

- **Five Eyes spies play down split as 'Huawei leak' roils UK government.** Five Eyes cybersecurity chiefs have played down suggestions of a split in the alliance following a politically explosive leak that the UK government will ignore US pressure and give Chinese technology giant Huawei a role in building its 5G networks. [SCMP]

- **Huawei fights back against claims it is government-funded.** Huawei has fought back against allegations that it is government-funded, telling reporters at a press conference in Zhenzhen that “Most of what the US government says, as we all know, is not true”. [FT]
- **Nissan issues second profit warning in two months.** Nissan issued a second profit warning in two months on Wed as the embattled carmaker grapples with the fallout in Japan from the ousting of ex-boss Carlos Ghosn and weak sales in the US. The 22% cut to its net profit guidance came as Hiroshi Karube, Nissan’s CFO, explicitly acknowledged for the first time that the company’s sales in Japan were hurt by the turmoil surrounding Ghosn’s ousting. [FT]
- **Volvo Cars warn on margins as profits fall 21%.** Volvo Cars warned that trade tariffs and the weaker global market for cars will eat into its margins this year after reporting a 21% fall in first-quarter profits. The Swedish carmaker, owned by Geely, posted a net income of SKr2bn, down 21.6% YoY, while revenues rose 10.7% to SKr62.9bn. [FT]
- **China Railway Is Said to Delay Friday’s 15b Yuan Bond Sale.** China Railway Corp has postponed a 15b yuan dual-tranche offering which was expected to be launched on April 26. In its first railway construction bond issue this year, China Railway had planned to offer 7b yuan 5-year and 8b yuan 20-year bonds. [Bloomberg]
- **Minsheng Bank Said to Be Subject of HK Regulator Warning.** China Minsheng Banking Corp. is the unidentified lender that was the subject of a HK regulatory warning about risky lending practices, according to people with knowledge of the matter. HK’s securities regulator and central bank said late Wed they had inspected the local unit of a Chinese bank and found that it had entered into transactions that “make it difficult to conduct rigorous risk assessment.” [Bloomberg]
- **China Three Gorges Bid Ends After EDP Keeps Voting Cap.** China Three Gorges Corp’s 9.1 billion-euro (\$10.2 billion) takeover offer for EDP-Energias de Portugal SA ended after the Portuguese utility’s shareholders decided to keep a cap on voting rights. [Bloomberg]
- **BYD Says Electric Car Fire in China’s Wuhan Left Battery Intact.** Initial investigation shows fire of a BYD e5 in the central Chinese city Wednesday began in the car trunk and the battery on the chassis remained intact, BYD says in a statement. BYD is working with authorities to determine cause of the accident, in which no injuries were involved. [Bloomberg]
- **Wellington Management Sells ~\$21m China Tower Shares.** Wellington Management Group sold c.75.5m H shares in China Tower on exchange at avg HK\$2.192 apiece April 18, according to a filing to the Hong Kong exchange. Wellington cuts stake in China Tower H shares to 8.99% from 9.16%. [Bloomberg]
- **Shenwan Hongyuan Says H.K. Listing’s Retail Offer 3.78x Covered.** Institutional offer is “moderately over-subscribed,” according to statement to Hong Kong stock exchange. The company is expected to raise net HK\$8.87b in Hong Kong listing. Trading expected to begin April 26. Shenwan Hongyuan Offers H Shares at HK\$3.63 Apiece. [Bloomberg]
- **Baosteel net profit down 46% in Q1.** Baoshan Iron and Steel Co Ltd saw its net profit slump 45.7 percent year-on-year in the first quarter of 2019 amid falling profit margins. In a filing to the Shanghai Stock Exchange, Baosteel said its net profit totalled 2.7b yuan in the Jan-Mar period, compared to about 5 billion yuan in the same period in 2018. [China Daily]
- **Home appliance maker TCL reports rises in both revenue, net profit.** China’s leading home appliance manufacturer TCL Corp’s revenue rose 15.5% to 29.6bn yuan (\$4.42bn) in the first quarter of 2019. The corporation’s net profits attributable to its shareholders were up 6.6 percent to 779mn yuan in the first quarter. [China Daily]
- **Huawei launches Cloud & AI Innovation Lab in Singapore.** China’s telecom giant Huawei on Wednesday launched its Cloud & AI Innovation Lab in Singapore at the Huawei Cloud Summit 2019, to cultivate local artificial intelligence (AI) talents, bridge Singapore with state-of-art AI technologies globally, and accelerate cloud and AI innovations.[China Daily]
- **ASM Pacific Sees 2Q19 GM Up 1-2 ppts QoQ.** ASM Pacific delivered 1Q19 gross margin of 33.9%, said the CEO Lee Wai Kwong at the result press conference, and the reading was expected to grow 1-2 ppts quarterly in 2Q19 along with turnover recovery. As for R&D expenditure, Lee modeled the FY19 reading at approx US\$210-220mn, largely flattish in year, while the capital expenditure this year may shrink to US\$89mn. [AASocks]

V. Overnight Market Recap

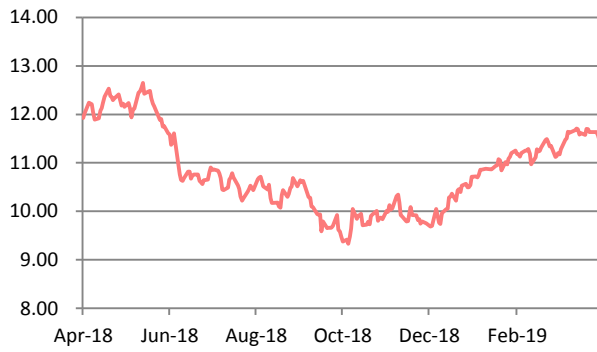
	Close	Net Chg	Chg (%)	Performance (%)						
				1W	1M	3M	6M	1Y	YTD	
US Equity	S&P 500	2,651	14.3	0.5	(1.8)	(2.8)	(8.2)	(4.9)	(0.5)	(0.8)
	Dow Jones	24,527	157.0	0.6	(2.0)	(3.4)	(5.7)	(3.1)	0.1	(0.8)
	Nasdaq Composite	7,098	66.5	0.9	(0.8)	(1.4)	(10.8)	(7.9)	3.4	2.8
	Russell 2000	1,455	15.2	1.1	(1.7)	(4.2)	(15.2)	(13.5)	(4.0)	(5.2)
	VIX Index	21.46	(0.3)	(1.4)	3.5	23.6	63.3	73.9	116.3	94.4
Europe Equity	Euro Stoxx 50	3,108	52.7	1.7	(1.3)	(2.7)	(6.6)	(10.6)	(13.7)	(11.3)
	DAX	10,929	148.9	1.4	(2.4)	(3.5)	(9.2)	(14.9)	(17.1)	(15.4)
	CAC	4,909	103.3	2.1	(0.7)	(3.0)	(7.9)	(10.0)	(9.5)	(7.6)
	FTSE 100	6,880	73.3	1.1	(0.6)	(2.5)	(5.9)	(10.7)	(8.3)	(10.5)
APAC Equity	HSI	26,187	415.0	1.6	(2.4)	1.5	(3.1)	(14.8)	(10.4)	(12.5)
	HSCEI	10,417	172.2	1.7	(3.2)	(0.6)	(0.8)	(13.4)	(9.6)	(11.0)
	HSI VIX	22.14	(0.5)	(2.2)	4.7	(6.8)	11.3	39.7	47.3	51.6
	CSI 300	3,171	10.8	0.3	(2.5)	(2.1)	(2.0)	(16.3)	(21.7)	(21.3)
	SH Composite	2,602	8.1	0.3	(1.8)	(2.0)	(3.1)	(14.7)	(21.2)	(21.3)
	SZ Composite	1,346	2.1	0.2	(2.5)	(2.7)	(4.8)	(22.3)	(29.7)	(29.1)
	Nikkei 225	21,603	454.7	2.2	(1.4)	(1.0)	(5.3)	(5.9)	(5.1)	(5.1)
Commodities (USD)	KOSPI	2,083	29.6	1.4	(0.9)	0.5	(8.9)	(15.6)	(16.0)	(15.6)
	Brent (Future)	60.20	0.0	0.1	(2.2)	(14.1)	(24.5)	(20.6)	(4.9)	(9.9)
	WTI (Future)	51.15	(0.5)	(1.0)	(3.3)	(14.7)	(27.3)	(22.9)	(10.5)	(15.3)
	Gold	1,246	2.4	0.2	0.7	3.6	3.7	(4.1)	(0.8)	(4.4)
	Copper (Future)	6,168	79.0	1.3	(0.7)	1.8	5.3	(15.0)	(7.5)	(14.9)
FX	Baltic Dry Index	1,364.00	(21.0)	(1.5)	5.2	21.2	(3.3)	(1.9)	(21.7)	(0.1)
	Dollar Index	97.39	(0.4)	(0.4)	(0.1)	(0.5)	2.3	3.4	3.1	5.3
	EUR	1.14	0.0	0.5	0.2	0.7	(2.7)	(3.6)	(3.8)	(5.3)
	JPY	113.29	(0.1)	(0.1)	0.1	0.5	(1.2)	(2.6)	(0.7)	(0.5)
	CNY	6.88	(0.0)	0.3	(0.3)	1.2	(0.4)	(6.9)	(3.8)	(5.4)
CDS	CNH	6.87	(0.0)	(0.5)	0.2	1.1	(0.4)	(7.0)	(3.7)	(5.2)
	ChinaGov CDS	67.79	(1.4)	(2.0)	1.4	4.0	21.6	21.4	26.5	35.3
	CDX Emerging Market	95.48	0.2	0.2	0.2	(0.1)	0.1	(0.9)	(3.4)	(3.7)

	Close	Net Chg	Chg (%)	Value						
				1W	1M	3M	6M	1Y	YTD	
US rates	3-Month Treasury Yield	2.42	0.0	1.3	2.4	2.3	2.1	1.9	1.3	1.4
	2-Year Treasury Yield	2.77	0.0	0.3	2.8	2.9	2.8	2.6	1.8	1.9
	5-Year Treasury Yield	2.77	0.0	1.0	2.8	3.0	2.9	2.8	2.1	2.2
	10-Year Treasury Yield	2.91	0.0	1.1	2.9	3.1	3.0	2.9	2.3	2.4
	2-10 Spread	13.52	2.2	19.8	13.3	24.4	20.9	37.0	56.4	51.8
China rates	O/N China Repo Rate	2.41	(0.0)	(1.6)	2.4	2.1	2.5	2.6	2.8	3.0
	1-Week China Repo Rate	2.35	(0.2)	(8.9)	2.5	2.5	2.5	2.3	3.0	3.1
	O/N SHIBOR	2.42	(0.0)	(1.6)	2.4	2.5	2.5	2.6	2.8	2.8
	1-Week SHIBOR	2.63	0.0	0.1	2.6	2.6	2.7	2.8	2.9	3.0

Source: Bloomberg

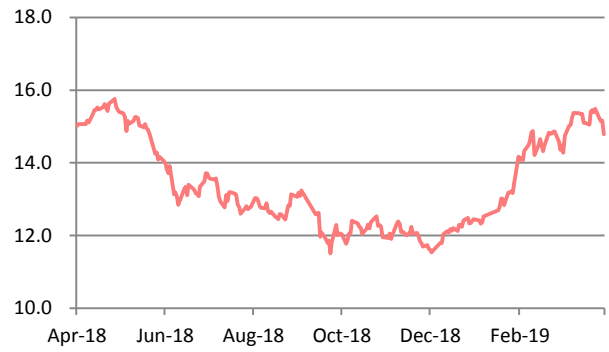
VI. Key Indicators

Hang Seng Index PE Ratio



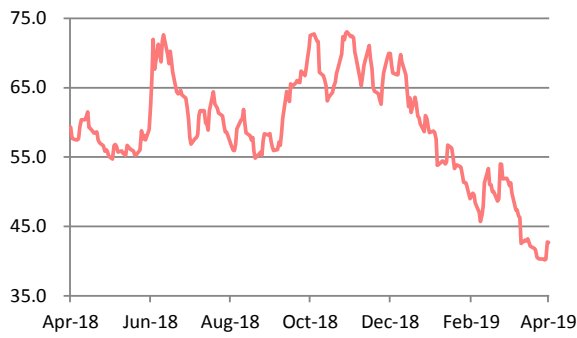
Source: Bloomberg

Shanghai Composite Index PE Ratio



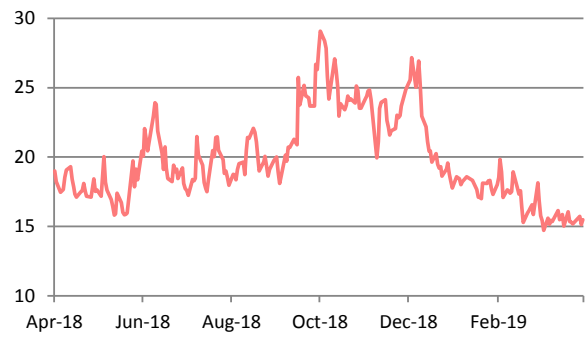
Source: Bloomberg

China 5Y CDS Index_USD



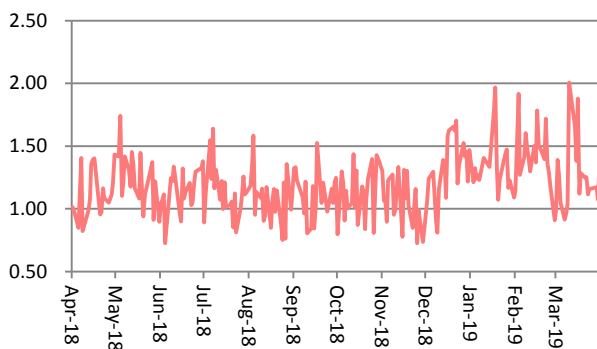
Source: Bloomberg

Hang Seng Index VIX



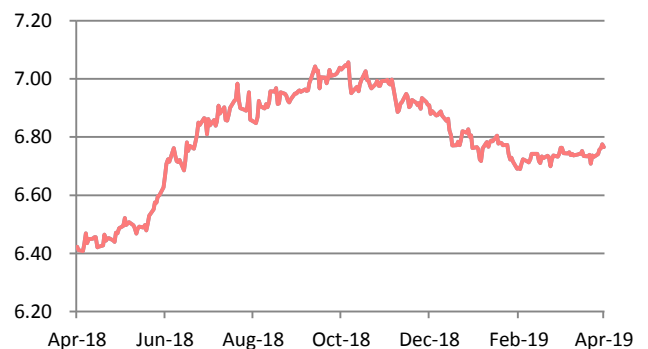
Source: Bloomberg

Hang Seng Index Put Call Volume Ratio



Source: Bloomberg

USDCNH 1Y Forward



Source: Bloomberg

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