

# ASIA-PACIFIC MARKETS MONTHLY

Highlights and Insights from S&P Global Market Intelligence

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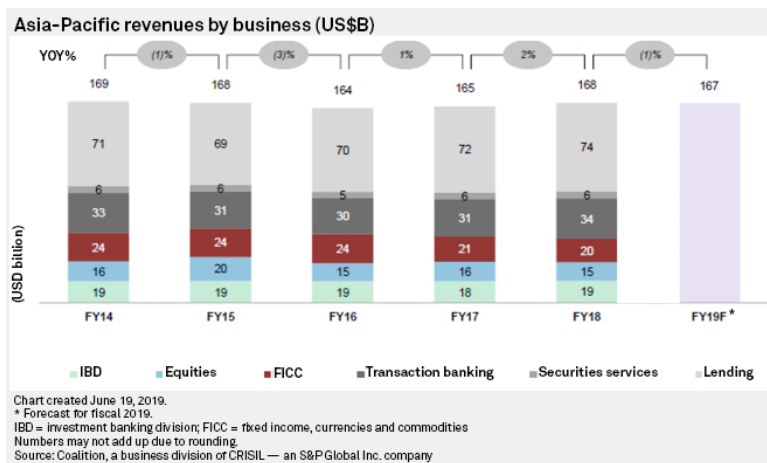
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# Asia-Pacific I-bank Revenues To Slide Amid Tough Bond, Stock Markets: Coalition

**Jun 24, 2019** - Corporate and investment bank revenue in Asia-Pacific may fall marginally in 2019, as weaker fixed income and equities trading are expected to more than offset growth in IPOs, deal advisory and other bank products, research firm Coalition said.

Asia-Pacific CIB revenues for 2019 are forecast to decrease 1% from the prior year to US\$167 billion, led by a 4.7% estimated decline in income from fixed income, currencies and commodities, or FICC, Coalition said. Equities trading is forecast to generate 1.8% less revenue this year too.

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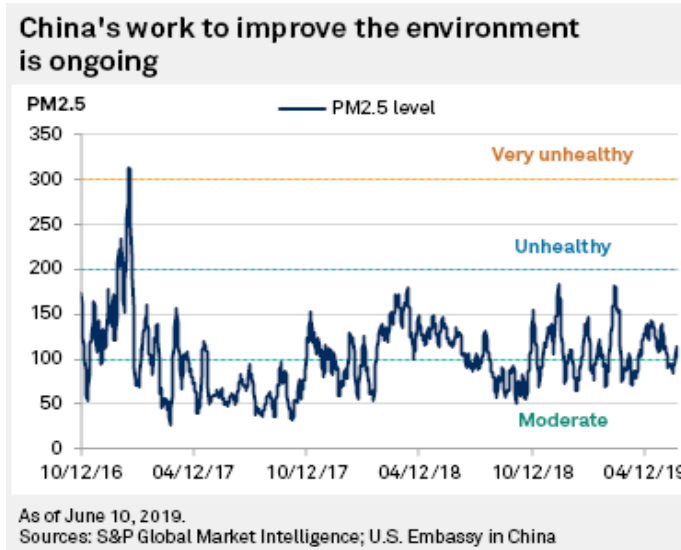
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# China and The Environment — Industry Versus Air

China's determination to improve the quality of its natural environment, and particularly its air, is driving structural changes within its economy. Added to pressures around the global trade war, policy changes at a microeconomic level within China are causing technical shifts, dubbed "mining 2.0," as multilateral mining companies seek to invest at this improved stage of the credit cycle. Of key note are movements to limit steelmakers' output during the smoggy winter months, moves to offshore scrap recycling for China's copper industry and zinc smelter closures throughout the country. Overlaid on this microeconomic picture is the global demand drive for electric vehicles and the de-carbonization of the world's energy supplies.

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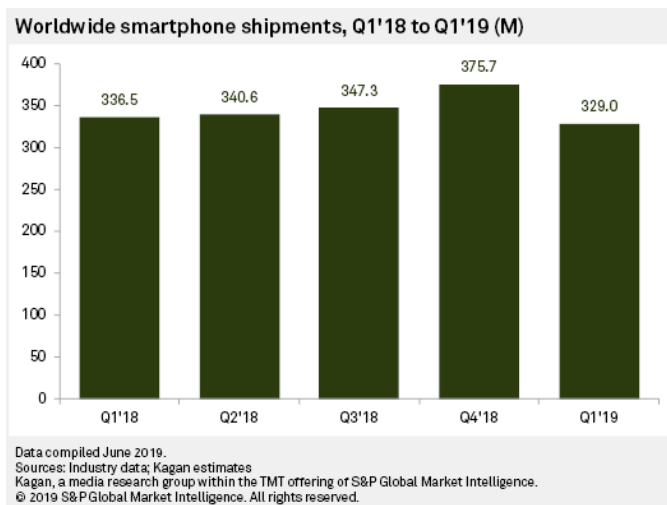
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# Huawei's Global Smartphone Shipments Surge in Q1'19 Before Losing US Suppliers

**Jun 21, 2019** – Market saturation hampered smartphone shipments in the first quarter of 2019, leading to a 2.2% year-over-year decline, according to Kagan estimates. Quarterly global shipments have been declining year over year since the fourth quarter of 2017. Few vendors have bucked this trend, but Huawei Technologies Co. Ltd. has shown consistent year-over-year growth nearly every quarter since 2016, becoming the second largest vendor by shipment volume as of the first quarter of 2019. However, future results may not be as strong, as accusations of intellectual property theft and potential cyber-espionage uses of its telco hardware have resulted in a ban on Huawei from doing business with U.S. companies.

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# G20 Watch: Sumitomo, Konica Could Get Trade Deal Kickstart From Trump-Abe Meet

JAPANESE CHEMICALS EXPORTS TO U.S. ALREADY BUBBLING UP

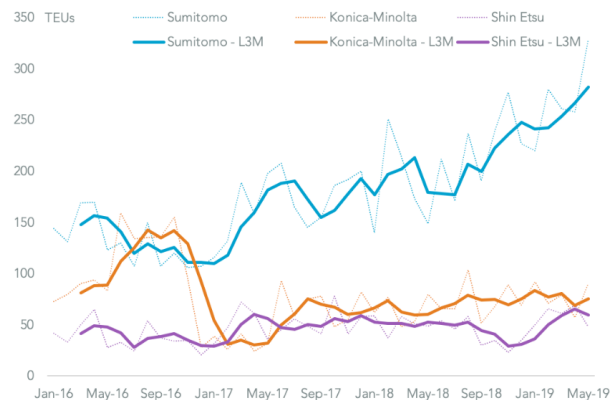


Chart segments U.S. seaborne imports of chemicals by shipping on a monthly and three-month average basis for Sumitomo Chemical, Konica-Minolta and Shin Etsu.  
Source: Panjiva

**Trump-Modi – Reboot or putting the boot in –** There's been a marked deterioration in relations between the U.S. and India after India lost its reduced tariff, GSP status. There may nonetheless be a room for a reboot in relations between Prime Minister Narendra Modi and President Trump following the former's re-election recently.

One tangible sign of improvements could come in the removal of recently Implemented retaliatory duties against U.S. section 232 duties on steel and aluminum. Those resulted in \$1.49 billion of products, including almonds worth \$689 million, apples worth \$142 million, laboratory reagents worth \$156 million and phosphoric acids worth \$142 million, becoming subject to duties.

A deal on Indian imports from the U.S. may be possible, particularly in oil where India needs to replace shipments from Iran.

**June 27, 2019 – Trump-Abe –** Biggest opportunity for a clear win - Talks between Prime Minister Shinzo Abe and President Donald Trump are likely to yield the most significant outcomes. An earlier meeting between the two yielded rejuvenated negotiations towards a wide-ranging trade deal. Tariff reductions on autos, chemicals, consumer electronics, industrial machinery and textiles were discussed last week, according to Japan Times.

At a minimum a standstill on automotive tariffs will be vital given it's the largest bilateral trade sector, as flagged in Panjiva research of May 28. A deal on consumer electronics and industrial machinery could prove to be of great help for Japan if it helps in the process of attracting manufacturing away from China.

Major chemicals exporters that could benefit from reduced tariffs that already ship by sea are led by Sumitomo Chemical, which shipped 2.90k TEUs in the 12 months to May 31. Those had already climbed 57.4% year over year in the three months to May 31 and are led by mostly organo-sulfur compounds such as pesticides. That was followed by Mitsui Chemicals with 1.54k TEUs shipped in the 12 months to May 31 and include plastic supply chain others such MTBE. Konica Minolta was fourth, led by photographic chemicals, with 903 TEUs shipped in the past 12 months following a 24.9% increase.

Smaller firms include fertilizer shipper Arysta with 586 TEUs shipped, diversified manufacturer Shin Etsu 575 TEUs delivered and printer-maker Canon which shipped 536 TEUs of printer supply chain products.

TARIFFS LIKELY TO TAKE A BITE OUT OF INDIAN IMPORTS FROM THE U.S.

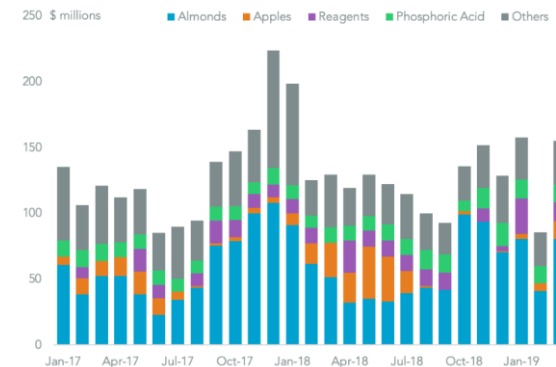


Chart segments Indian imports from the U.S. of products where tariffs have been applied in May 2019.  
Source: Panjiva

Source: Panjiva - calculations based on S&P Global Market Intelligence data as of June 27, 2019  
Charts and graphs are for illustrative purposes only.

# Credit Risk Trends For Asia

## The Credit Landscape Using Probability of Default (PD) Fundamentals in Asia

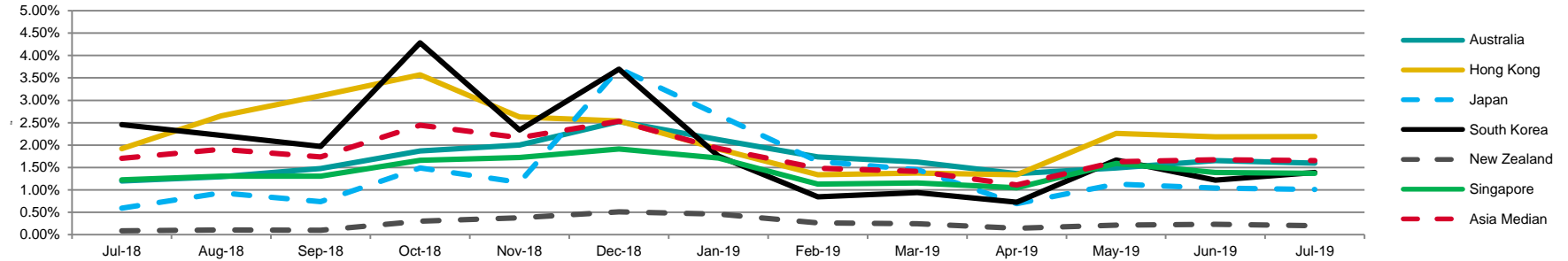
aaa to a-   bbb+ to bbb-   bb+ to bb-   b+ to b-   ccc+ and below

Sector	Australia	China	Hong Kong	India	Indonesia	Japan	Malaysia	New Zealand	Philippines	Singapore	South Korea	Taiwan	Thailand	Asia Average
Consumer Discretionary	bb+	bb	bbb-	bb-	bb	bbb+	bbb-	bbb-	bb	bbb+	bbb	bb	bb-	bb
Consumer Staples	bbb-	bb+	bbb+	bb+	bbb-	bbb+	bb-		bb+	bbb-	bb+		bb+	bbb-
Energy	bbb	bbb	b+	bbb-	bb	bb+	bb+	bb	bb-	b+	a-		bb+	bb+
Financials	bbb-	bb+	bbb-	bb+		bbb	bbb		bbb-	bb+	bb+	bbb-	bb+	bb+
Healthcare	bbb-	bbb-	bb	bb+	bb+	bbb	bbb-	bb-		bbb-	bb-	ccc	bb+	bb+
Industrials	bbb-	bbb-	bbb	bb-	bb	bbb+	bb	bb+	bbb+	bbb-	bb	bb+	bb	bb
Information Technology	bb+	bb	bb+	bbb-	b+	bbb	bb+	b-	b+	bbb-	bb-	bb+	bb+	bb
Materials	bbb	bb+	bbb+	bb+	bb	bbb+	bbb-	bb	bb+		bbb-	bb-	bbb-	bb
Telecommunication Services	bbb-	bbb-	b+	b+	bb	a-	bb	bb+	bb	bb-	bb+	bbb	b+	bbb+
Utilities	bbb	bb	a-	bb	bbb	bb+	bbb	bb+		bb	bbb-		bb	bb+
Country Average	bbb-	bb+	bbb-	bb	bb	bbb+	bb+	bb	bb+	bb+	bb+	bb+	bb	bb+

Source: S&P Global Market Intelligence fundamental-based PD model, PD Model Fundamentals. Lowercase nomenclature is used to differentiate S&P Global Market Intelligence's PD Model Fundamental scores from the credit ratings issued by S&P Global Ratings. Credit ratings are prepared by S&P Global Ratings services, which is analytically and editorially independent from any other analytical group at S&P Global. Data as of July 2, 2019. Charts and graphs are for illustrative purposes only

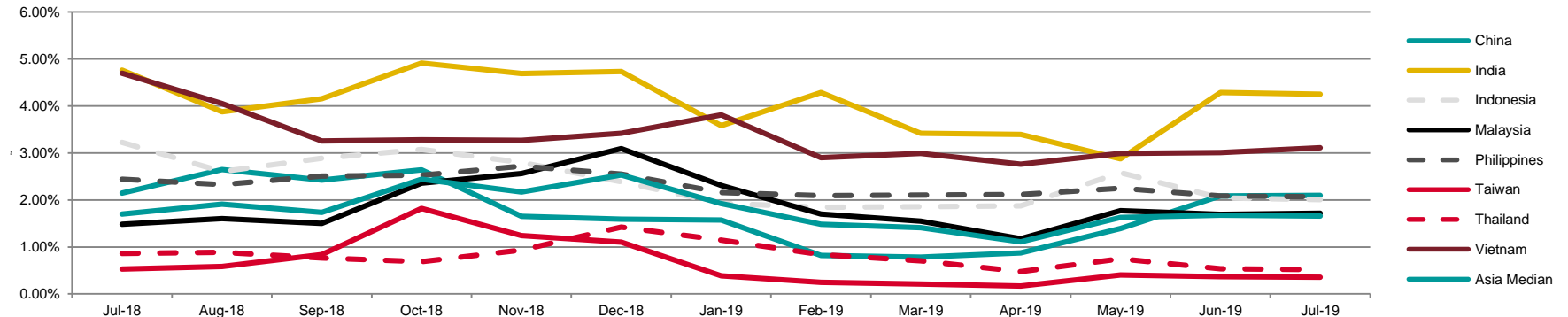
# Credit Risk Trends For Asia

## Market Signal Probability of Default Trends in Developed Asia



Source: S&P Global Market Intelligence equity volatility-based PD Model Market Signals benchmarks as of July 2, 2019. Charts and graphs are for illustrative purposes only

## Market Signal Probability of Default Trends in Developing Asia



Source: S&P Global Market Intelligence equity volatility-based PD Model Market Signals benchmarks as of July 2, 2019. Charts and graphs are for illustrative purposes only



# Transaction Activity By Sector, Country

S&P Global Market Intelligence provides detailed information on M&A and financing transactions covering the most active markets in the world. We track all publicly announced mergers, acquisitions, private placements, public offerings, shelf registrations, equity buybacks, and bankruptcies. Transaction data is updated daily from various sources such as regulatory filings, company websites, newsletters, trade publications, and press releases.

## Our Transaction Data:

S&P Global Market Intelligence covers 1,300,000+ transactions globally.

All transaction information, including M&A activity, is seamlessly integrated in the S&P Capital IQ platform and S&P Global Market Intelligence Excel Plug-In, and can be viewed alongside company fundamentals.

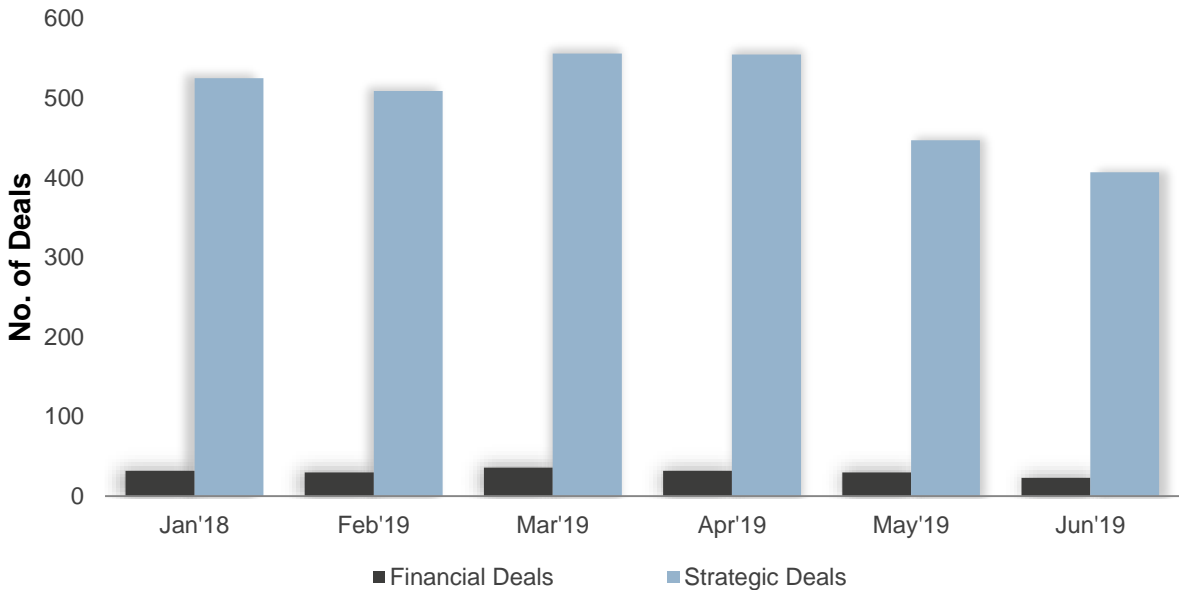
To learn more about our transaction coverage, history, and collection process, please contact [SPGMIMarketingAPAC@spglobal.com](mailto:SPGMIMarketingAPAC@spglobal.com)

## In This Report:

Transaction activities are based on data in selected countries in APAC - Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.

# M&A Activity In Asia Pacific: Strategic vs. Financial Buyers

In June 2019, the volume of total financial and strategic M&A deals continued to decline, reaching the lowest point for the last six months. The number of strategic deals fell 23%, whereas financial deals declined 9% compared to the previous month.



Source: S&P Global Market Intelligence as of July 1, 2019. Figures are based on M&A announcement dates. Includes both closed and pending transactions as well as those without transaction values. Charts are provided for illustrative purposes.

# M&A Activity In Asia Pacific: Selected Sectors

As of June 2019, overall deal volume in Asia Pacific remained mostly flat. Telecommunication services and the energy sector continued to be the best and worst performing sectors, respectively. The year-to-date total value of deals dropped by 25% YoY, with biggest decrease seen in energy, utilities, and staples sectors.

## No. of Deals YTD Activity (19' vs. 18')

Sector	'19 YTD	'18 YTD	YoY Growth
	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018 -	YoY Comparison Through Jun 30, 2019
Industrials	884	824	7%
Discretionary	657	687	-4%
IT	616	584	5%
Real Estate	481	517	-7%
Materials	404	415	-3%
Teleco. Services	291	265	10%
Health Care	285	317	-10%
Staples	272	256	6%
Financials	266	280	-5%
Utilities	162	160	1%
Energy	81	98	-17%
NSD	719	690	4%
Total	5118	5093	0%

## Value of Deals (USDmm) YTD Activity (19' vs. 18')

Sector	'19 YTD	'18 YTD	YoY Growth
	Jan 1, 2018 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018 -	YoY Comparison Through Jun 30, 2019
Real Estate	38,852	52,758	-26%
Industrials	34,872	37,232	-6%
Materials	24,513	32,154	-24%
Financials	23,469	15,597	50%
IT	22,813	17,995	27%
Discretionary	20,880	37,482	-44%
Healthcare	11,185	20,056	-44%
Teleco. Services	9,471	15,985	-41%
Staples	7,269	15,504	-53%
Utilities	4,553	17,495	-74%
Energy	3,656	24,014	-85%
NSD	25,314	15,654	62%
Total	226,848	301,926	-25%

Source: S&P Global Market Intelligence as of July 1, 2019. Figures are based on M&A announcement dates. Includes closed and pending transactions as well as those without transaction values. NSD – No Sector Disclosed. Tables are provided for illustrative purposes. Data sorted by no. of deals and by transaction value from highest (darkest green) to lowest (lightest green).

# M&A Activity In Asia Pacific: Selected Countries

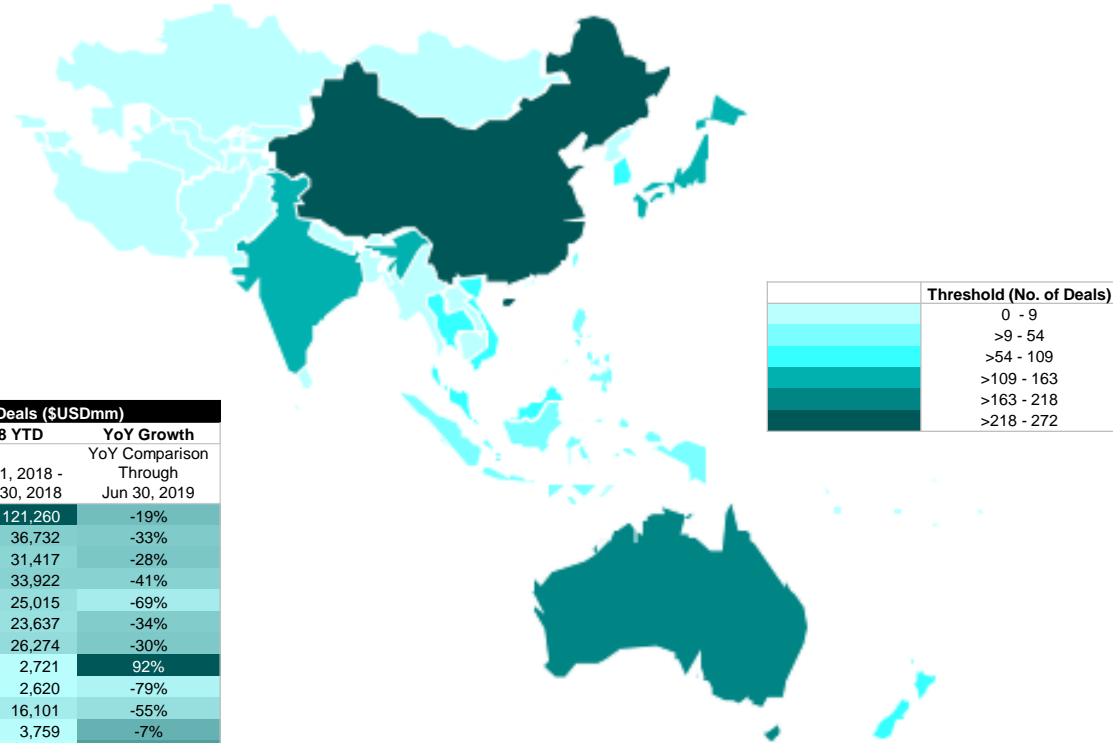
In June 2019, 690 M&A deals were announced for a total of US\$29bn in aggregate deal value. On a year-over-year basis, total deal volume decreased by 16%, while total deal value also saw a significant decline of 32%. The most active M&A market was China, with total value of US\$17bn across 272 deals, followed by Australia and Malaysia.

## No. of Deals and Value by Country (Jun'19)

Country	No. of Deals	Value of Deals (\$USDmm)
China	272	16,800.2
Australia	113	3,448.6
Japan	85	2,185.1
India	63	1,130.7
Hong Kong	32	407.8
Singapore	24	643.9
South Korea	23	1,446.1
Malaysia	21	2,533.7
Vietnam	16	28.4
Thailand	13	89.3
New Zealand	10	129.9
Indonesia	9	97.1
Philippines	7	49.4
Taiwan	2	5

## No. of Deals and Value YTD Activity (19' vs. 18')

	No. of Deals			Value of Deals (\$USDmm)		
	19 YTD	18 YTD	YoY Growth	19 YTD	18 YTD	YoY Growth
	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018	YoY Comparison Through Jun 30, 2019	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018	YoY Comparison Through Jun 30, 2019
China	1,724	1,900	-9%	98,015	121,260	-19%
Australia	666	757	-12%	24,664	36,732	-33%
Japan	757	775	-2%	22,674	31,417	-28%
India	519	731	-29%	19,986	33,922	-41%
Hong Kong	203	233	-13%	7,652	25,015	-69%
Singapore	213	177	20%	15,497	23,637	-34%
South Korea	295	555	-47%	18,374	26,274	-30%
Malaysia	182	220	-17%	5,229	2,721	92%
Vietnam	189	284	-33%	559	2,620	-79%
Thailand	121	146	-17%	7,205	16,101	-55%
New Zealand	96	133	-28%	3,507	3,759	-7%
Indonesia	85	83	2%	2,567	2,248	14%
Philippines	38	51	-25%	474	1,225	-61%
Taiwan	30	69	-57%	444	4,761	-91%
<b>Total</b>	<b>5,118</b>	<b>6,114</b>	<b>-16%</b>	<b>226,848</b>	<b>331,691</b>	<b>-32%</b>



Source: S&P Global Market Intelligence as of July 1, 2019. Figures are based on M&A announcement dates. Includes both closed and pending transactions as well as those without transaction values. Charts are provided for illustrative purposes.

# Initial Public Offerings By Country

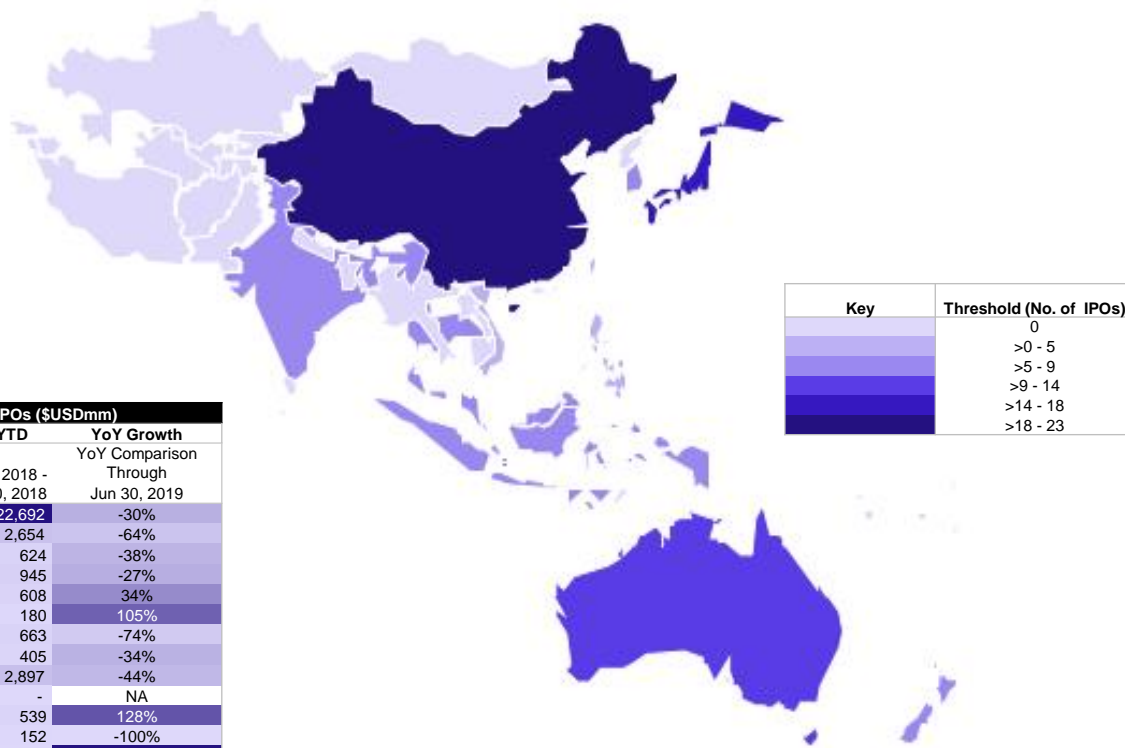
In June 2019, 66 IPOs took place in APAC with total proceeds of US\$6bn, which was a step up compared to May 2019. However, the number of deals and the value raised via IPO declined 24% and 34%, respectively, on a YoY basis. China led the IPO market in terms of volume, followed by Japan and India.

## No. of IPOs and Value by Country (Jun'19)

Country	No. of IPOs	Value of IPOs (\$USDmm)
China	23	4,402.7
Japan	11	450.6
Australia	8	265.8
Hong Kong	5	266.3
South Korea	5	100.1
Malaysia	5	33.1
Indonesia	4	33.8
Thailand	2	20.6
India	1	4.5
New Zealand	1	6.5
Singapore	1	16.6
Philippines	0	0.0
Taiwan	0	0.0
Vietnam	0	0.0

## No. of IPOs and Value YTD Activity (19' vs. 18')

	No. of Deals			Value of IPOs (\$USDmm)		
	19 YTD	18 YTD	YoY Growth	19 YTD	18 YTD	YoY Growth
	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018	YoY Comparison Through Jun 30, 2019	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018	YoY Comparison Through Jun 30, 2019
China	118	99	19%	15,967	22,692	-30%
Japan	39	39	0%	959	2,654	-64%
Australia	20	36	-44%	388	624	-38%
Hong Kong	22	58	-62%	688	945	-27%
South Korea	26	20	30%	816	608	34%
Malaysia	17	15	13%	369	180	105%
Indonesia	17	21	-19%	169	663	-74%
Thailand	9	7	29%	269	405	-34%
India	36	105	-66%	1,618	2,897	-44%
New Zealand	1	-	NA	7	-	NA
Singapore	12	15	-20%	1,231	539	128%
Philippines	-	1	-100%	-	152	-100%
Taiwan	2	1	100%	45	13	243%
Vietnam	15	23	-35%	32	1,931	-98%
<b>Total</b>	<b>334</b>	<b>440</b>	<b>-24%</b>	<b>22,557</b>	<b>34,302</b>	<b>-34%</b>



Source: S&P Global Market Intelligence as of July 1, 2019. Figures are based on public offerings offer date. Includes all closed transactions. Tables are provided for illustrative purposes.

# Private Equity Investments & Buyouts: Selected Countries

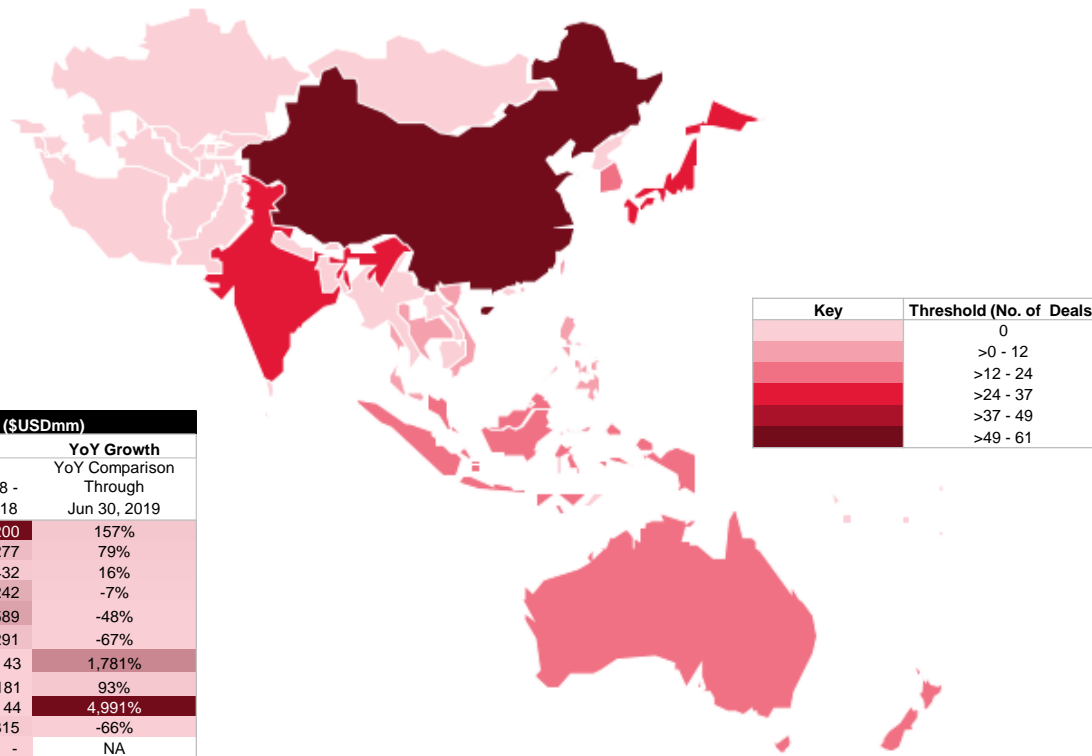
The APAC private equity market saw 14% decrease in deal volume YoY. Nevertheless, the overall total value of deals throughout the region soared by 89% YoY. With 61 PE deals announced in June, China accounted for 44% of the total deal volume and 80% of the total deal value in this region.

## No. of Deals and Value by Country (Jun'19)

Country	No. of Deals	Value of Deals (\$USDmm)
China	61	94,166.8
India	22	581.9
Japan	20	292.8
South Korea	9	261.9
Australia	5	1,445.8
Singapore	4	76.6
Indonesia	2	13.5
Malaysia	1	239.4
New Zealand	1	0.0
Hong Kong	0	0.0
Philippines	0	0.0
Taiwan	0	0.0
Thailand	0	0.0
Vietnam	0	0.0

## No. of Deals and Value YTD Activity (19' vs. 18')

	No. of Deals			Value of Deals (\$USDmm)		
	19 YTD	18 YTD	YoY Growth	19 YTD	18 YTD	YoY Growth
	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018	YoY Comparison Through June 30, 2019	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018	YoY Comparison Through June 30, 2019
China	362	452	-20%	105,934	41,200	157%
India	148	142	4%	7,639	4,277	79%
Japan	115	153	-25%	1,666	1,432	16%
South Korea	73	93	-22%	6,703	7,242	-7%
Australia	42	50	-16%	4,994	9,589	-48%
Singapore	23	22	5%	1,099	3,291	-67%
Indonesia	8	3	167%	805	43	1,781%
Malaysia	11	5	120%	349	181	93%
New Zealand	7	3	133%	2,249	44	4,991%
Hong Kong	9	9	0%	444	1,315	-66%
Philippines	3	-	NA	5	-	NA
Taiwan	3	4	-25%	77	433	-82%
Thailand	-	2	-100%	-	54	-100%
Vietnam	11	13	-15%	168	820	-80%
<b>Total</b>	<b>815</b>	<b>951</b>	<b>-14%</b>	<b>132,132</b>	<b>69,920</b>	<b>89%</b>



Source: S&P Global Market Intelligence as of July 1, 2019. Figures are based on M&A announcement dates. Includes both closed and pending transactions as well as those without transaction values. Tables are provided for illustrative purposes.



# Venture Capital Investments: Non Buyouts By Country

There were 197 VC deals with total deal value of \$98bn announced in June. The total deal volume decreased slightly by 1%, whereas in terms of total value of deals, there has been a 23% decline YoY. The vast majority of the VC deals originated in China, which topped the chart with 94 deals announced and US\$95 raised. The largest VC deal by value was the US\$1bn deal by Blackstone Group L.P. to purchase Sydney Office Towers.

## No. of Deals and Value by Country (Jun'19)

Country	No. of Deals	Value of Deals (\$USDmm)
China	94	94,937.7
Japan	37	163.9
India	36	626.9
Singapore	7	92.6
South Korea	7	212.1
Australia	5	1,453.8
Indonesia	5	45.7
Hong Kong	2	4.4
Vietnam	2	1.4
Malaysia	1	0.0
Taiwan	1	1.0
New Zealand	0	0.0
Philippines	0	0.0
Thailand	0	0.0



## No. of Deals and Value YTD Activity (19' vs. 18')

	No. of Deals			Value of Deals (\$USDmm)		
	19 YTD	18 YTD	YoY Growth	19 YTD	18 YTD	YoY Growth
	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018	YoY Comparison Through Jun 30, 2019	Jan 1, 2019 - Jun 30, 2019	Jan 1, 2018 - Jun 30, 2018	YoY Comparison Through Jun 30, 2019
China	482	546	-12%	15,235	25,467	-40%
Japan	208	219	-5%	1,425	1,436	-1%
India	205	184	11%	7,388	4,859	52%
Singapore	70	34	106%	946	312	203%
Australia	36	42	-14%	390	454	-14%
Indonesia	29	14	107%	811	49	1,554%
South Korea	43	56	-23%	1,441	5,862	-75%
Vietnam	17	14	21%	120	826	-85%
New Zealand	8	5	60%	2,278	23	9,753%
Hong Kong	14	11	27%	409	313	31%
Malaysia	8	10	-20%	40	29	37%
Philippines	5	2	150%	6	2	291%
Taiwan	4	6	-33%	4	128	-97%
Thailand	4	7	-43%	30	55	-45%
<b>Total</b>	<b>1,133</b>	<b>1,150</b>	<b>-1%</b>	<b>30,523</b>	<b>39,814</b>	<b>-23%</b>

Source: S&P Global Market Intelligence as of July 1, 2019. Figures are based on transaction announcement dates. Includes both closed and pending transactions as well as those without transaction values. Non-buyouts will include all features except for leverage buyouts (LBO), management buyout or secondary LBO. Tables are provided for illustrative purposes.

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# APAC Monthly Snapshots: Trade Wars And Currency Concerns

Jun, 2019

## Key Takeaways

- China is suffering from a moderate loss of competitiveness due to U.S. tariffs. The renminbi is depreciating as a natural result. For China, this is an effective way to absorb tariffs. It need not trigger devaluation concerns.
- In the long run, if U.S.-China friction leads to less tech transfer and slower productivity growth in China, the trend of the renminbi's real exchange rate will also weaken. This is consistent with a slower rebalancing of China's economy.
- We expect the economics to trump the politics of the exchange rate and for China to tolerate renminbi flexibility versus the U.S. dollar. If friction with the U.S. persists, this should mean trading above 7 later this year. We find evidence of an emerging "renminbi bloc" in Asia which implies broader currency weakness versus the dollar.
- Elsewhere in the region, Q1 GDP reports released by Australia and India confirm a weak start to the year across the region and foreshadowed 25 basis point (bp) rate cuts by the central banks in both countries. Meanwhile, China has eased some fiscal constraints.

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Company Name	Rating Action	Rating Date	PriorRating	Current Rating	Geographic Locations
COFCO (Hong Kong) Limited	Upgrade	Jun-26-2019	BBB+	A-	Hong Kong (Primary)
E.SUN Commercial Bank, Ltd.	Upgrade	Jun-21-2019	BBB+	A-	Taiwan (Primary)
Jain Irrigation Systems Limited (BSE:500219)	Downgrade	Jun-20-2019	B+	B-	India (Primary)
Lembaga Pembiayaan Ekspor Indonesia	Upgrade	Jun-10-2019	BBB-	BBB	Indonesia (Primary)
MetLife Limited	Downgrade	Jun-28-2019	A+	BBB+	Hong Kong (Primary)
PT Bank Mandiri (Persero) Tbk (IDX:BMRI)	Upgrade	Jun-10-2019	BB+	BBB-	Indonesia (Primary)
PT Bank Negara Indonesia (Persero) Tbk (IDX:BBNI)	Upgrade	Jun-10-2019	BB+	BBB-	Indonesia (Primary)
PT. Chandra Asri Petrochemical Tbk (IDX:TPIA)	Upgrade	Jun-26-2019	B+	BB-	Indonesia (Primary)
Shandong Yuhuang Chemical Co., Ltd.	Downgrade	Jun-14-2019	B+	B-	China (Primary)
Snowy Hydro Limited	Upgrade	Jun-18-2019	BBB+	A-	Australia (Primary)

Source: S&P Global Ratings, as of July 1, 2019. Credit ratings are prepared by S&P Global Ratings, which is analytically and editorially independent from any other analytical group at S&P Global. Tables are for illustrative purposes only.

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## In this Report:

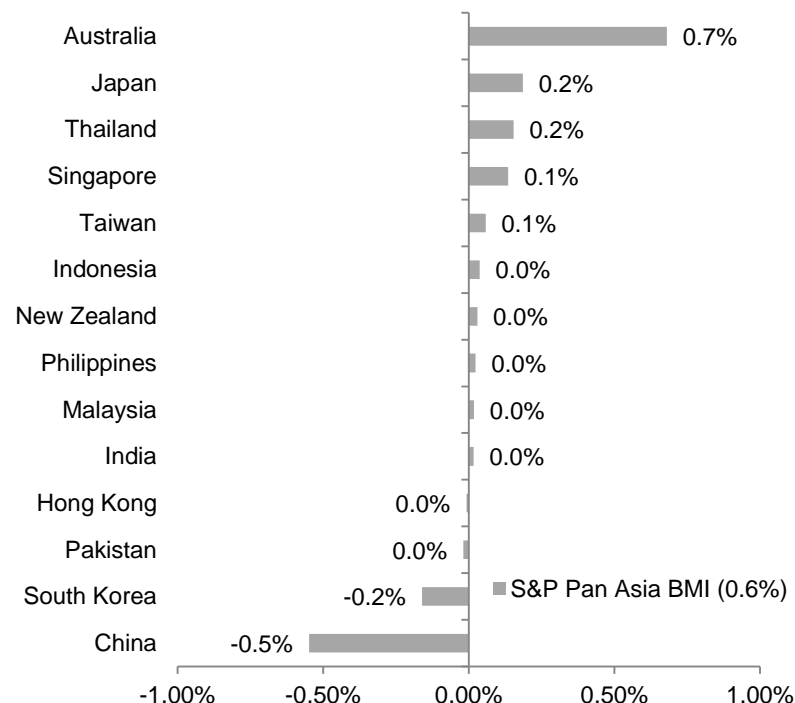
Monthly market performance that highlight developments in the Asia Pacific equity, commodities, fixed income, and niche-themed markets.

# Market Attributes: Index Dashboard

## Summary

- Asian equities rallied in June; the S&P Pan Asia BMI gained 5%, with all 11 sectors contributing positively for June.
- Australian equities completed Q2 in firmly positive territory. The S&P/ASX 200 led the way, gaining 8% and followed closely by the S&P/NZX 50 Portfolio which gained 7%.
- There was a wide divergence among single-country performances in Q2, with some not fully recovering from May's declines. The S&P China 500 declined 1% in Q2, and our broad market indices for Korea, Japan and Hong Kong also finished in the red for the quarter.
- Fixed income indices ticked up across the board this quarter, as fears about slowing global growth and dovish central bank action pulled down yields. The S&P BSE India Government Bond and S&P/ASX Australian Government Bond indices were the leaders in Q2, both gaining 4%.
- The S&P GSCI Gold benefited from recent rallies as investors move towards safe haven assets; rising 9% in Q2. The S&P GSCI Crude Oil made a comeback in June with a gain of 9% after declines in May, but finished the quarter with a decline of 3%.

## S&P Pan Asia BMI Country Contribution Q2 2019



Source: S&P Dow Jones Indices LLC and/or its affiliates. Data as of June 28, 2019. Index performance based on total return. Numbers in brackets are closing price levels for the corresponding indices. Returns for single country indices and single country strategies are in local currency, otherwise USD. Sector contributions to the S&P Pan Asia BMI are calculated over the prior quarter. Charts and graphs are provided for illustrative purposes. Past performance is no guarantee of future results. For more information, please visit our website at [www.spdji.com](http://www.spdji.com)



# Market Attributes: Index Dashboard

## Index Investment Strategy

Index	1M	YTD	12M
<b>Pan Asia Equity</b>			
S&P Pan Asia BMI	4.89%	0.60%	9.92%
S&P Pan Asia MidCap	4.55%	-1.37%	8.35%
S&P Pan Asia SmallCap	3.23%	-1.25%	7.94%
S&P Southeast Asia 40	6.38%	5.86%	10.68%
S&P Asia 50	8.46%	1.46%	11.53%
S&P Asia-Pacific BMI	4.67%	1.31%	9.42%
S&P Asia-Pacific Emerging BMI	5.32%	-0.75%	10.95%
<b>S&amp;P Pan Asia BMI Smart Beta</b>			
S&P Pan Asia Low Volatility	4.74%	5.15%	12.50%
S&P Pan Asia Momentum LargeMidCap	3.37%	2.09%	11.74%
S&P Pan Asia Ethical Select Dividend Opportunities	6.56%	4.21%	13.00%
S&P Pan Asia Quality LargeMidCap	5.25%	1.93%	10.89%
S&P Pan Asia Dividend Aristocrats®	4.26%	1.13%	12.19%
S&P Pan Asia Growth	5.35%	1.02%	12.41%
S&P Pan Asia Low Beta	4.50%	0.60%	8.89%
S&P Pan Asia Value	4.41%	0.14%	7.37%
S&P Pan Asia Intrinsic Value Weighted	4.78%	-0.04%	8.17%
S&P Pan Asia GIVI	4.37%	-0.25%	6.79%
S&P Pan Asia Enhanced Value LargeMidCap	5.06%	-1.50%	4.22%
<b>Commodities</b>			
Dow Jones Commodity Index (DJCI)	3.12%	-0.56%	6.92%
S&P GSCI	4.43%	-1.42%	13.34%
S&P GSCI Gold	8.01%	9.01%	10.01%
S&P GSCI Silver	4.97%	1.01%	-1.82%
S&P GSCI Crude Oil	9.01%	-2.85%	26.95%
S&P GSCI Aluminum	0.08%	-6.67%	-3.49%
S&P GSCI Copper	2.99%	-7.24%	1.41%

Index	1M	YTD	12M
<b>Single-Country Equity</b>			
S&P/ASX 200	3.70%	7.97%	19.73%
S&P/NZX 50 Portfolio	4.36%	6.83%	18.61%
S&P Singapore BMI	7.85%	6.19%	13.33%
S&P BSE SENSEX	-0.54%	2.27%	9.86%
S&P Taiwan BMI	3.60%	1.65%	12.01%
S&P Korea BMI	4.32%	-0.28%	5.83%
S&P Hong Kong BMI	5.99%	-0.55%	14.33%
S&P China 500	6.62%	-0.62%	20.27%
S&P/TOPIX 150	2.98%	-1.52%	6.33%
<b>Single-Country Strategy</b>			
S&P New China Sectors (USD)	9.10%	-0.83%	22.94%
JPX/S&P CAPEX & Human Capital	2.59%	-1.96%	6.14%
S&P Korea Dividend Opportunities	2.23%	-3.33%	1.81%
S&P Korea Low Volatility	3.22%	-3.46%	0.07%
S&P Japan GIVI	1.85%	-3.49%	1.69%
S&P/JPX Dividend Aristocrats	2.10%	-4.69%	0.76%
<b>Volatility</b>			
HSI Volatility Index (17.48)	-16.16%	18.67%	-30.16%
CBOE Volatility Index / VIX® (15.08)	-19.40%	9.99%	-40.68%
CBOE/CME FX Yen Volatility Index (7.43)	-6.19%	7.22%	-23.01%
S&P/ASX 200 VIX (11.91)	-12.55%	9.93%	-27.25%
S&P 500® VIX Short-Term Futures	-16.44%	-13.18%	-45.66%
S&P/JPX JGB VIX (1.84)	27.78%	30.50%	10.18%

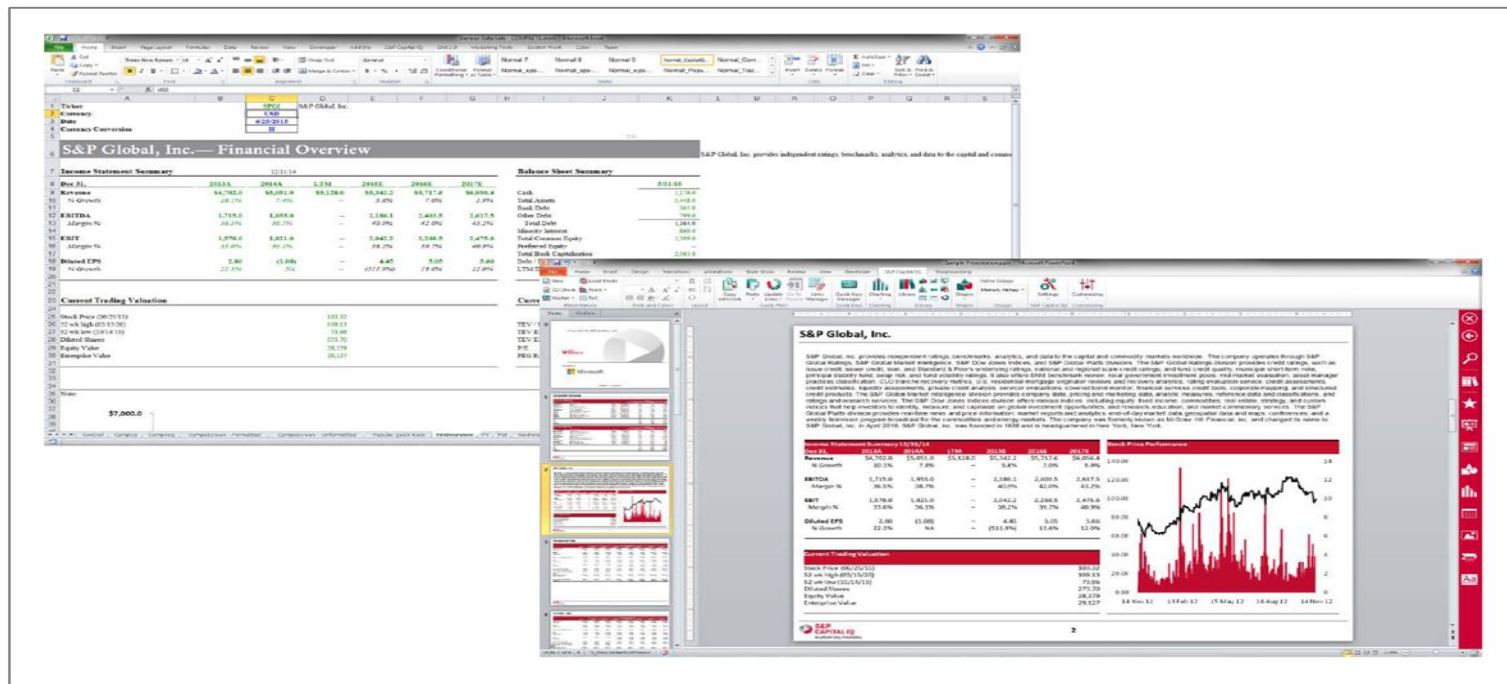
Index	1M	QTD	YTD
<b>Single-Country Fixed Income</b>			
S&P/ASX Australian Government Bond	1.22%	1.18%	3.63%
S&P/NZX Government Bond	1.38%	0.96%	1.86%
S&P Singapore Government Bond	1.98%	0.54%	0.86%
S&P BSE India Government Bond	6.97%	2.03%	4.38%
S&P Korea Government Bond	1.59%	0.70%	1.84%
S&P Hong Kong Government Bond	1.94%	0.15%	0.32%
S&P Japan Government Bond	-0.08%	0.53%	0.79%
S&P Taiwan Government Bond	0.71%	0.33%	0.98%
S&P China Government Bond	3.24%	0.41%	0.37%
<b>S&amp;P Pan Asia BMI Sectors</b>			
Financials	0.57%	4.63%	3.08%
Information Technology	0.17%	7.29%	1.37%
Materials	0.09%	6.23%	1.37%
Industrials	0.17%	4.43%	1.18%
Consumer Discretionary	0.10%	6.19%	0.75%
Real Estate	0.02%	4.52%	0.23%
Telecommunication Services	-0.01%	4.87%	-0.09%
Consumer Staples	-0.16%	2.52%	-2.35%
Utilities	-0.06%	3.16%	-2.46%
Health Care	-0.20%	2.30%	-3.19%
Energy	-0.11%	2.41%	-3.48%

Source: S&P Dow Jones Indices LLC and/or its affiliates. Data as of June 28, 2019. Index performance based on total return. Numbers in brackets are closing price levels for the corresponding indices. Returns for single country indices and single country strategies are in local currency, otherwise USD. Sector contributions to the S&P Pan Asia BMI are calculated over the prior quarter. Charts and graphs are provided for illustrative purposes. Past performance is no guarantee of future results. For more information, please visit our website at [www.spdji.com](http://www.spdji.com)

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