

Top News* Macau's Future in Doubt as Crackdown Spurs Global Casino Selloff

When investors started calling early Wednesday morning after China moved to tighten its grip on the world's biggest gambling hub, the junket operator had just one thing to say: sell.

And sell they did, with the Bloomberg Intelligence index of the six casino operators in the gambling enclave plummeting 23% Wednesday, the biggest slide since its inception in 2005. Sands China Ltd. alone hemorrhaged \$8.4 billion in market value. Already hit the previous day, the selloff continued among U.S.-listed casinos, too, with Wynn Resorts Ltd. seeing its biggest two-day rout since March 2020.

Coming after Covid-19 brought the city to a standstill, the new moves threaten to fundamentally transform Macau's identity as the epicenter of global gaming.

The reaction -- which also saw Suncity Group Holdings Ltd., the listed arm of Macau's biggest junket operator, slide 15% -- reflected anxiety over a sector that became a target of Beijing's regulatory zeal long before the wider crackdown on industries from entertainment to after-school tutoring that's now rattling markets.

The casinos themselves didn't comment, seemingly still trying to get their heads around the regulation. An executive at Melco Resorts and Entertainment, whose casinos and hotels are popular with premium gamblers, said it was too new and that the company lacked clarity on what it would mean for its business. Melco is down 19% in the U.S. since Tuesday. Others struck a note of caution as shares plummeted. SJM Holdings Ltd., one of Macau's pioneers, doesn't see much change from the current rules, according to a person familiar with their operations. Still, SJM tumbled 24% in Hong Kong, the most since 2011.

Nevertheless, diversifying the city's economy away from gambling has been an open goal of Beijing's for years.

Market News APAC

- Chinese technology exchange traded funds are likely to stay volatile after falling as much as 62% and rising as much as 50% in 2021 through Sept. 14, and attracting close to \$14 billion, a 68% jump from a year earlier. Despite China's far-reaching corporate crack down, 61% of the 42 China tech ETFs' total assets under management came in this year.
- Online classifieds marketplace Carousell Pte became Singapore's latest tech unicorn, raising funds at a \$1.1 billion valuation as Southeast Asia's e-commerce startups benefit from the pandemic and related lockdowns. As part of its expansion efforts, Carousell has weighed a U.S. listing via a merger with a blank-check company, people with knowledge of the matter said in June.

Indices Asia	Last	Change	YTD
Nikkei225	30469.48	-0.14%	11.12%
KOSPI Comp	3131.05	-0.71%	9.20%
S&P/ASX200	7472.60	0.75%	13.36%
Hang Seng	24767.85	-1.06%	-8.57%
Shanghai Comp.	3664.65	0.23%	5.73%
TWSE Taiwan	17315.99	-0.22%	17.79%
MSCI Singapore	1650.70	-0.44%	8.91%
MSCI Malaysia	500.17	0.06%	-6.86%
JCI Indonesia*	6130.93	0.03%	2.19%
SET Thailand*	1628.04	0.26%	12.33%
PCOMP Philippines*	6924.31	0.64%	-3.18%
VN-Index*	1345.83	0.46%	21.92%
Sensex India*	58723.20	0.82%	22.98%

*as of yesterday

Indices USA	Yesterday	Change	YTD
DJIA	34814.39	0.68%	13.75%
S&P500	4480.70	0.85%	19.29%
Nasdaq100	15503.53	0.78%	20.29%
VIX	18.18	-6.58%	-20.09%

Indices Europe	Yesterday	Change	YTD
EuroStoxx50	4145.94	-1.09%	16.70%
SMI	11984.83	-0.93%	11.97%
DAX	15616.00	-0.68%	13.83%
MSCI UK	6984.74	-0.36%	13.63%
CAC40	6583.62	-1.04%	18.59%

Currencies	Last	Change	YTD
USD/CHF	0.9197	-0.01%	-3.75%
EUR/USD	1.1819	0.02%	-3.26%
GBP/USD	1.3842	0.01%	1.27%
USD/JPY	109.2400	-0.13%	-5.53%
AUD/USD	0.7333	0.00%	-4.63%
NZD/USD	0.7124	0.25%	-0.79%
USD/KRW	1168.6400	-0.16%	-7.00%
USD/HKD	7.7811	-0.01%	-0.35%
USD/SGD	1.3408	-0.01%	-1.39%
USD/THB	32.8670	-0.01%	-8.88%
USD/IDR	14222.5000	-0.14%	-1.36%
USD/INR	73.4925	-0.26%	-0.57%
USD/PHP	49.7950	0.00%	-3.45%
USD/TWD	27.6680	0.00%	1.51%
USD/CNH	6.4290	0.03%	1.14%

Treasury	Yield	Change	YTD
US10Y	1.29	-0.01%	37.90%
EUR10Y	-0.31	0.03%	N.A.
JGB10Y	0.03	0.00%	1.55%
AUD10Y	1.24	0.03%	27.00%
NZD10Y	1.89	0.04%	2.20%
CNY10Y	2.90	0.00%	N.A.

Commodities	Last	Change	YTD
Gold	1796.22	0.12%	-5.41%
Silver	23.96	0.50%	-9.35%
Brent Crude Oil	75.26	-0.27%	47.96%

Singapore Time: 10:02:43 am

What to Watch*

- China Tells Banks Evergrande Won't Pay Interest Next Week
- Obscure Stock's 1,219% Rise Shows Profit and Pain of Chip Crunch
- Palm Oil Giant's Industry-Beating ESG Score Hides Razed Forests
- Australian Employment Tumbles in August as Lockdown Takes Toll
- Budweiser Asia's Pre-Pandemic Profit May Already Be a Dinosaur
- Gains for Japan Exports Slow as Delta Wave Hits Car Shipments
- New Japan PM Unlikely to Set Off BOJ Policy Shift, Survey Shows

Market News EU & US

- Pfizer Inc. said that data from the U.S. and Israel suggest that the efficacy of its Covid-19 vaccine wanes over time, and that a booster dose was safe and effective at warding off the virus and new variants. The company detailed the data in a presentation it will deliver to a meeting of outside advisers to the Food and Drug Administration on Friday. The panel is expected to make recommendations for whether more Americans should receive booster shots. "Real-world data from Israel and the United States suggest that rates of breakthrough infections are rising faster in individuals who were vaccinated earlier," Pfizer said in its presentation, which was posted on the FDA website. The drug giant is partnering with Germany's BioNTech SE to make the shots. The decrease in effectiveness is "primarily due to waning of vaccine immune responses over time," rather than the delta variant, Pfizer researchers said in the presentation. Pfizer shares rose 0.4% as of 11:51 a.m. in New York. BioNTech's American depositary receipts rose 3.2%. Shares of Moderna Inc., the other maker of a U.S.-cleared messenger RNA vaccine, rose 0.3%. While its vaccine continues to provide strong protection against hospitalizations and severe disease in the U.S., Pfizer said in its report, the data from Israel and elsewhere suggest that a reduction in efficacy against infection may be followed by reduced effectiveness against severe disease, especially among vulnerable elderly people.
- Rothschild & Co registered its best-ever half-year revenue in the first six months of 2021, as renewed deal appetite from clients boosted its advisory unit. The Paris-based firm saw its overall revenue jump 61% to 1.35

billion euros (\$1.6 billion), according to a statement Wednesday. Its global advisory unit, the biggest contributor to the firm's performance, saw revenue surge 57% to 833 million euros, also a record high. Revenue from advising on deals jumped 49% to 573 million euros, while revenue from restructuring, debt and equity advisory services surged 80% to 260 million euros, as companies sought help to repair their balance sheets following the effects of the pandemic. The firm, which ranks third globally in terms of M&A deals number after Goldman Sachs Group Inc and JPMorgan, has tried in recent years to boost its presence in the U.S. The bank said Wednesday that it will hire more managing directors there, and has recently opened an office in Boston. The U.S. unit worked on three times more deals in the first half than in the same period a year ago. The bank's wealth and asset management revenue rose 9% to 274 million euros due to equity market gains in the first half. The unit's assets under management, at 87.5 billion euros as of June 30, 2021, were up 23% from a year earlier. Rothschild's investment arm saw revenue soar 345% to 235 million euros, after the pandemic severely hit the unit last year.

Overnight News

- Tax Hikes to Pay for Biden Agenda Approved by House Panel
- UN Says World Economy to Grow at Fastest Pace in Almost 50 Years
- Canadian Pacific Wins Buyout War for K.C. Southern, Defeating CN
- Vivendi Plans Bid for Lagardere to Create European Media Giant

Earnings Releases (Singapore Time)

- Askul Corp. (2678 JP)
- Advance Residence Investment C (3269 JP)

Rating Changes (Source: Bloomberg)

- China Galaxy Sec. H Shares (6881 HK) raised to overweight at JPMorgan
- China Youran Dairy (9858 HK) rated new outperform at Credit Suisse
- Calbee (2229 JP) raised to buy at Goldman; PT 3,300 Yen
- Sumco (3436 JP) raised to overweight at MUFJ Morgan Stanley; PT 4,100 Yen

Key Economic Event for this Asia-Pacific week (Last Update on 13 September 2021)

Time	SG/Country	Event	For	Survey	Prior
Monday, 13 September 2021					
7:50	JN	PPI YoY	Aug	5.60%	5.60%
7:50	JN	PPI MoM	Aug	0.30%	1.10%
16:30	HK	Industrial Production YoY	2Q	--	2.60%
16:30	HK	PPI YoY	2Q	--	1.70%
Tuesday, 14 September 2021					
5:00	NZ	REINZ House Sales YoY	Aug	--	-11.70%
9:30	AU	NAB Business Conditions	Aug	--	11
9:30	AU	NAB Business Confidence	Aug	--	-8
12:30	JN	Industrial Production MoM	Jul F	--	-1.50%
12:30	JN	Industrial Production YoY	Jul F	--	11.60%
Wednesday, 15 September 2021					
7:00	SK	Unemployment rate SA	Aug	3.50%	3.30%
7:50	JN	Core Machine Orders MoM	Jul	2.60%	-1.50%
7:50	JN	Core Machine Orders YoY	Jul	14.80%	18.60%
8:30	AU	Westpac Consumer Conf SA MoM	Sep	--	-4.40%
8:30	AU	Westpac Consumer Conf Index	Sep	--	104.1
10:00	CH	Retail Sales YoY	Aug	7.00%	8.50%
10:00	CH	Retail Sales YTD YoY	Aug	18.90%	20.70%
10:00	CH	Industrial Production YoY	Aug	5.80%	6.40%
10:00	CH	Industrial Production YTD YoY	Aug	13.50%	14.40%
12:00	ID	Trade Balance	Aug	\$2400m	\$2589m
12:00	ID	Exports YoY	Aug	36.90%	29.32%
12:00	ID	Imports YoY	Aug	45.10%	44.44%
12:30	JN	Tertiary Industry Index MoM	Jul	0.30%	2.30%
7:00	SK	Unemployment rate SA	Aug	3.50%	3.30%
7:50	JN	Core Machine Orders MoM	Jul	2.60%	-1.50%
Thursday, 16 September 2021 (Exchange Holiday: Malaysia)					
6:45	NZ	GDP SA QoQ	2Q	1.10%	1.60%
6:45	NZ	GDP YoY	2Q	16.10%	2.40%
7:50	JN	Trade Balance	Aug	-¥21.2b	¥441.0b
7:50	JN	Exports YoY	Aug	34.10%	37.00%
7:50	JN	Imports YoY	Aug	40.00%	28.50%
9:30	AU	Unemployment Rate	Aug	4.90%	4.60%
16:30	HK	Unemployment Rate SA	Aug	4.90%	5.00%
Friday, 17 September 2021					
8:30	SI	Non-oil Domestic Exports SA MoM	Aug	2.60%	-0.90%
8:30	SI	Non-oil Domestic Exports YoY	Aug	9.00%	12.70%
8:30	SI	Electronic Exports YoY	Aug	--	15.00%

Contact

**VP Bank Ltd
Singapore Branch**

8 Marina View · #27-03 Asia Square Tower 1
Singapore 018960 · Singapore
T +65 6305 0050 · F +65 6305 0051 · info.sg@vpbank.com

Content responsibility

Thomas Rupf, Head of Investment Advisory & Treasury Asia
Paul Leo, Senior Investment Advisor
Jane Foo, Senior Execution / Forex Advisor
Jeremy Ng, Execution / Forex Advisor

Fiona Yap, Junior Investment Advisor
Jeannette Choo, Senior Fixed Income Advisor
Glen Tay, Execution / Equity Advisor
Jeffrey Wong, Execution / Advisor

Source: Bloomberg, unless otherwise stated.

Important legal notes

General: This document was produced by VP Bank Ltd Singapore Branch (hereinafter referred to as VP Bank) using sources that are believed to be reliable. It is intended solely for information purposes, and the utmost care has been exercised in its production. However, VP Bank does not warrant either expressly or tacitly that the contents of this document are complete, up-to-date or correct. In particular, the information in this document may not include all relevant information regarding financial instruments or their issuers. The sources for the information in this document may include national and international media, information services (e.g. Reuters, Bloomberg), publicly accessible databanks, publicly available corporate information, the publications of rating agencies, and information from companies (notably issuers, lead managers, co-managers, guarantors and sellers of financial instruments) with which VP Bank and/or its subsidiaries may have a business relationship relating to the products mentioned in this document or other business relationships. The opinions expressed in this document reflect the opinions of VP Bank on the date stated in the document. It is possible that VP Bank and/or its subsidiaries have published in the past or will publish in the future documents that contain information and opinions that do not accord with those in this document. VP Bank and/or its subsidiaries are not obliged to provide recipients of this document with such documents offering different information or opinions.

Suitability / Not an Offer: The information contained in this document does not constitute a recommendation to buy, hold or sell the financial instruments described herein, nor does it constitute advice on legal, financial, accountancy or taxation matters or any form of personal advice. In particular, the financial instruments discussed in this document may be unsuitable for an investor on the basis of his/her investment objective, time horizon, risk-tolerance, financial situation or other personal circumstances. It may be the case that financial instruments described in this document (in particular investment funds, exchange-traded funds and certificates) are not authorized for sale in every country. The information provided in this document is therefore in no way a substitute for individual advice by a specialist qualified in the matters referred to or a substitute for perusal of the documents provided by the issuers and sellers of the financial instruments (e.g. issue prospectuses, term sheets, etc.). In particular, this document does not constitute an offer, a solicitation to make an offer or a public advertisement inviting participation in transactions involving the financial instruments described herein or an invitation to enter into any transaction. VP Bank and its subsidiaries expressly refuse to accept any liability for any detriment or loss that is claimed to have been incurred on the basis of information contained in this document.

Notes on risk: The price and value of the investments mentioned in this document and the returns achieved on these investments may rise or fall. No assurance can be given to investors that they will recover the amounts that they invest. The past performance of an investment is not a reliable indicator of future performance. The same remarks apply to performance forecasts. Any investment mentioned in this document may involve the following risks: issuer (creditworthiness) risk, market risk, credit risk, liquidity risk, interest rate risk, currency risk, economic risk and political risk. Investments in emerging markets are speculative and particularly strongly exposed to such risks. This list of risks should not be regarded as exhaustive.

Other information: To the extent permitted by law, VP Bank and/or its subsidiaries may participate in other financial transactions with the issuers of assets mentioned in this document. They may invest in these issuers or render services to them, acquire orders from them, hold positions in their assets or in options on those assets, carry out transactions in these positions, or have another substantial interests relating to the issuers of assets mentioned in this document. Such actions or situations may already have occurred in the past. Employees of VP Bank who are involved in the production of this document are free to buy, hold or sell the assets discussed in this document. The contents of this publication are protected by copyright, and any utilization other than private use requires the prior authorization of VP Bank.

Notes on the distribution of this document: This document may be distributed only in countries in which its distribution is permitted by law. Thus the contents of this document are not intended for persons subject to a jurisdiction that prohibits the dissemination of, access to or use of this document or makes such dissemination, access or use subject to authorization, whether on the basis of the nationality or residence of the person concerned or for other reasons. Persons who come into possession of this document or gain knowledge of its contents must therefore acquaint themselves with local laws and restrictions and abide by them.

British Virgin Islands: This information was distributed by VP Bank (BVI) Ltd, VP Bank House, Main Street, P.O. Box 2341, Road Town, Tortola VG1110, British Virgin Islands. VP Bank (BVI) Ltd is subject to authorization and regulation by the British Virgin Islands Financial Services Commission.

Hong Kong: This information has been distributed by VP Wealth Management (Hong Kong) Ltd, 33/F, Suite 3305, Two Exchange Square, 8 Connaught Place. Related financial products or services are only available to wholesale clients with liquid assets of over USD 1 million that meet the regulatory criteria and the Company's policy to be a client, and who have sufficient financial experience and understanding to participate in financial markets in a wholesale jurisdiction. VP Wealth Management (Hong Kong) Ltd is a licensed corporation under the Securities and Futures Ordinance (Cap. 571) and regulated by the Securities and Futures Commission (SFC).

Liechtenstein: This document has also been distributed by VP Bank Ltd, Aeulestrasse 6, 9490 LI. VP Bank is authorized and regulated by the Financial Services Authority Liechtenstein (FMA).

Luxembourg: This document was produced by VP Bank Ltd Singapore Branch and distributed by VP Bank (Luxembourg) S.A., 2, rue Edward Steichen, LU-2540 Luxembourg. VP Bank (Luxembourg) SA is subject to authorization and regulation by the Luxembourg Commission de Surveillance du Secteur Financier (CSSF). VP Bank Ltd Singapore Branch is licensed as a merchant bank by the Monetary Authority of Singapore.

Singapore: This document has been created and distributed by VP Bank Ltd Singapore Branch, 8 Marina View, #27-03 Asia Square Tower 1, Singapore 018960, which is licensed as a merchant bank by the Monetary Authority of Singapore.

Switzerland: This document was produced by VP Bank Ltd Singapore Branch, and distributed by VP Bank (Schweiz) AG, Talstrasse 59, 8001 Zurich. VP Bank Ltd Singapore Branch is licensed as a merchant bank by the Monetary Authority of Singapore. VP Bank (Schweiz) AG is subject to authorization and regulation by the Swiss Financial Market Supervisory Authority (FINMA).

US/UK/Canada: This document or copies thereof may not be delivered to persons who are resident in the US, UK or Canada or who are citizens of one or more of these countries.

* Numbers shown in the content can vary from the table on page 1 due to the time the information was collected.

Important: Please take note of the legal information on the last page of this documentation.