



**MKS PAMP GROUP**  
**Asia Market Update**  
25<sup>th</sup> February 2019

Range Asian Hours  
(from Globex open)

|             | <b>GOLD</b> | <b>SILVER</b> | <b>PLATINUM</b> | <b>PALLADIUM</b> |
|-------------|-------------|---------------|-----------------|------------------|
| <b>OPEN</b> | 1328.30/50  | 15.92/94      | 842/44          | 1496/01          |
| <b>HIGH</b> | 1331.90/10  | 15.97/99      | 849/51          | 1505/10          |
| <b>LOW</b>  | 1327.30/50  | 15.92/94      | 842/44          | 1496/01          |
| <b>LAST</b> | 1330.50/70  | 15.94/96      | 845/47          | 1504/09          |

**MARKETS/MACRO**

President Trump said on Sunday that he is extending the March 1 tariff deadline with China amid progress between the two parties. Assuming both sides make additional progress, a summit between President Trump and President Xi will be planned at Mar-a-Lago to conclude an agreement. Reports out of the talks last week indicate China has committed to buying up to USD \$1.2 trillion in U.S. goods, although with respect to an agreement on the transfer of intellectual property, the parties are said to be far apart.

Stocks in the U.S. firmed on Friday as investors welcomed further U.S. – China trade talks. The DJIA added +0.70% to 26,031.81 points, reclaiming the 26,000 handle for the first time since early November and booking a ninth consecutive weekly gain. The S&P 500 climbed +0.64% to 2,792.67 points as technology stocks (+1.29%) underpinned gains, while the Nasdaq Composite jumped +0.91% to 7,527.545 points, also notching a ninth consecutive weekly gain, its longest streak since May 2009. The greenback edged modestly lower on Friday (DXY -0.06%), slipping against the pound (GBP/USD +0.12%) and the yuan (USD/CNH -0.32%). European stocks ended higher on Friday on the back of optimism over U.S. – China trade negotiations. The German Dax edged +0.30% higher to 11,457.70 points as Europe’s engine room narrowly avoided a recession to print a seasonally adjust flat 4Q GDP figure and take the annualised figure to +0.9% YoY. The Stoxx Europe 600 closed +0.22% higher at 371.23 points as the Eurozone CPI printed in-line with expectations at +1.4% YoY during January (core +1.1% YoY). In London the FTSE 100 finished +0.16% higher to 7,178.60 points as U.S. – China trade discussions bolstered major mining stocks.

**PRECIOUS**

A generally subdued session for bullion during Asian hours on Monday, with price action limited to within a USD \$5 range. Weekend U.S. – China trade developments, namely President Trump delaying the March 1 tariff increases weighed upon the dollar and saw USD/CNH turn markedly lower in early flows. Initial interest out of China saw gold above USD \$1,330, as the on-shore premium held around USD \$10 to underpin spot pricing. Following Thursday’s decline to USD \$1,322 and subsequent re-positioning on Friday, there remains robust interest in the yellow metal as uncertainty over trade relations and the potential for a global slowdown lingers. Expect USD \$1,330 to act as a pivot for a test back toward USD \$1,340 and the recent high of USD \$1,346, while supportive pricing is evident through USD \$1,320 - \$1,325. Silver has held relatively firm today as the metal looks to reclaim USD \$16, while the white metals remain buoyant as palladium trades back above USD \$1,500 once again and platinum test USD \$850.



**MKS PAMP**  
GROUP

Data today includes the Chicago Fed Nat activity index, U.S. wholesale inventories and the Dallas Fed manufacturing activity index.

*Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.*