



**MKS PAMP GROUP**  
**Asia Market Update**  
20<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>	1339.80/00	15.97/99	818/20	1480/85
<b>HIGH</b>	1346.50/70	16.07/09	823/25	1502/07
<b>LOW</b>	1339.30/50	15.96/98	817/19	1478/03
<b>LAST</b>	1343.50/70	16.04/06	820/22	1490/95

**MARKETS/MACRO**

Chinese Vice-Premier Liu He is set to meet with top U.S. officials including U.S. Treasury Secretary Steven Mnuchin in Washington this Thursday and Friday. The meetings are preceded by deputy level talks that began on Tuesday. New York Fed President John Williams said in an interview with Reuters on Tuesday that he is comfortable with the level U.S. interest rates are now, and sees no need to raise them unless growth or inflation shifts to an unexpectedly higher gear.

Stocks in the U.S. edged modestly higher on Tuesday, as optimism over trade relations were buoyed by a fresh round of talks between the U.S. and China beginning in Washington. Defensive stocks such as utilities (+0.54%) and consumer staples (+0.50%) were the main drivers, underpinning the S&P 500 to a +0.15% gain, while the DJIA edged +0.03% higher to 25,891.32 points and the Nasdaq Composite booked a seventh consecutive gain to add +0.19%. The dollar declined -0.33% on Tuesday after giving up earlier gains in New York, predominantly a result of a firmer pound (+1.09%), while the euro also strengthened (+0.3%). Stocks in Europe ended trade mixed on Tuesday, with declines coming following weaker than expected results from heavyweights HSBC and BHP. The Stoxx Europe 600 ended the session off -0.22% to 368.97 points, while the German Dax tacked on +0.9% to 11,309.21 points. In London the FTSE 100 traded lower (-0.56%), largely on the back of the HSBC and BHP results and a firmer pound.

**PRECIOUS**

Precious prices remained buoyant during Asian hours today, consolidating Tuesday's gains and pushing to fresh cycle highs. Dollar weakness and concerns over trade continued to provide underlying support to the complex, most notably during Shanghai hours. Bullion saw mild early session profit taking that took the metal briefly underneath USD \$1,340, however soon pared declines on the back of a softer dollar. Chinese interest took the yellow metal through the New York high print on a mild stop loss run through to USD \$1,344, while sustained bids saw a USD \$1,346.50 high leading into the Chinese lunch break. USD/China looked to be the main driver of price action, seeing USD/CNH underneath 6.72 after opening toward 6.75. Afternoon trade saw a modest offered bias as the dollar regained footing, however supportive price action was evident toward USD \$1,342 to restrict any further declines. Top-side targets extend toward a move through USD \$1,350 for a test of last year's high around USD \$1,365. Palladium remained in focus today, ripping through USD \$1,500 to continue its recent run higher, while silver importantly moved and held above USD \$16. All eyes tonight on the FOMC meeting minutes.



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