

BUSINESS & FINANCIAL OVERVIEW

Asian markets kick higher on renewed U.S.-China trade hopes

Asian markets were broadly higher on Monday as traders looked forward to the continuation of trade talks between Chinese and American officials in Washington this week.

South Korea's Kospi SEU, +0.42% jumped 0.7% and the Shanghai Composite index SHCOMP, +2.32% rose 1.6%. Hong Kong's Hang Seng HSI, +1.67% was 1.7% higher. Australia's S&P/ASX 200 XJO, +0.39% added 0.4%.

Japan's benchmark Nikkei 225 NIK, +1.84% advanced 1.8%. The country said its core machinery orders dropped 0.1% in December from the previous month, beating forecasts of a 1.1% decline. Shares rose in Taiwan Y9999, +0.80% and throughout Southeast Asia.

Among individual stocks, Uniqlo owner Fast Retailing 9983, +4.00% jumped in Tokyo trading, as did Bridgestone 5108, +4.82% and Japan Steel 5631, +4.61%. Oil producers CNOOC 0883, +3.46% and PetroChina 0857, +4.42% rose in Hong Kong, along with tech companies Sunny Optical 2382, +3.83% and Tencent 0700, +2.16%. Samsung 005930, +0.11% rose in Korea, as did Taiwan Semiconductor 2330, +1.32% in Taiwan. Oil companies such as Woodside Petroleum WPL, +2.30%, Beach Energy BPT, +3.18% and Santos STO, +1.19% jumped in Australia.

After the markets closed on Friday, China and the U.S. announced plans to resume trade negotiations in Washington, fueling hopes that both countries were edging toward a deal.

"We feel we have made headway on very, very important and difficult issues," U.S. Trade Representative Robert Lighthizer said, in a meeting with Chinese President Xi Jinping.

Xi expressed hope for "a mutually beneficial and win-win agreement," according to the official Xinhua News Agency. Negotiators had just wrapped up two days of talks in Beijing. Investors were worried about progress on thorny issues like Washington's unhappiness over Chinese technology and trade policies.

A tariffs truce expires March 2 and will leave the U.S. free to more than double import taxes on \$200 billion in Chinese goods. President Donald Trump has said he may hold off on these if the country was close to a deal with China.

Optimism surrounding U.S-China trade talks boosted indexes on Friday. The broad S&P 500 index SPX, +1.09% rebounded 1.1% to 2,775.60. The Dow Jones Industrial Average DJIA, +1.74% climbed 1.7% to 25,883.25 and the Nasdaq composite COMP, +0.61% rose 0.6% at 7,472.41. U.S. markets are closed Monday for Presidents Day.

U.S. crude CLJ9, +0.55% added 28 cents to \$55.87 per barrel in electronic trading on the New York Mercantile Exchange. It added \$1.18 to settle at \$55.59 per barrel in New York on Friday. Brent crude LCOJ9, +0.33%, used to price international oils, shed 2 cents to \$66.23 per barrel. It picked up \$1.68 to \$66.25 per barrel in London. The dollar USDJPY, +0.06% strengthened to 110.53 yen from 110.48 yen late Friday.

