



Daily Market Update

Report as on Monday, August 13, 2018

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Gold prices ended with a marginal gain to settled at 29783 while overall sentiments still remain bearish as a rally in the dollar amid fears over contagion effects from a currency crisis in Turkey weighed. The dollar rallied to its highest level in more than a year against a currency basket on Friday, as a selloff in the Turkish lira spurred a flight to safety amid fears over contagion effects, particularly on European banks exposed to the Turkish currency. Turkey's currency plunged to its lowest level in a year against the dollar after U.S. President Donald Trump escalated a feud with Ankara by doubling tariffs on metals imports.

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India discounts at \$1.50 vs \$1.50 premium last week - Gold was sold at a discount in India for the first time in six weeks on subdued demand as buyers bet that prices could fall still further after hitting near seven-month lows last week. A five-day India International Jewellery Show kicked off earlier this week in Mumbai. Dealers in India were offering a discount of up to \$1.50 an ounce over official domestic prices this week, compared with a premium of \$1.50 last week.

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Rising Silver prices outperforming Gold - Metals Focus sees silver rising later this year, suggesting the metal may outperform gold. Headwinds for the precious metals may last for a while yet, the consultancy said, listing ongoing trade tensions that have led to U.S. dollar strength and investors rotating out of emerging-market bonds and equities into U.S. Treasury notes. The consultancy also said a silver supply surplus is building, noting that Comex silver warehouse stocks have hit all-time highs. Further, retail investment has been soft.

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IGPC to give inputs on gold policy by August 14 - The India Gold Policy Centre (IGPC) at IIM-Ahmedabad, an independent research think-tank on gold and a research arm of the WGC, will give inputs for the new gold policy, being prepared by the Union ministry of finance, by next week. "We will be giving detailed inputs by August 12 – 14. Hopefully by the next three to six months, there will be a policy going to the PMO and the Cabinet clearing it," said Arvind Sahay, chairperson, IGPC. The policy document is held by the department of economic affairs, at the ministry of finance. "One of the challenges is that during the last 12 months we have seen some steady progress in terms of the development of the of the policy document," Sahay said.

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China Gold Demand Still Heading for 2,000 Tonnes Plus This Year - The latest figures from the Shanghai Gold Exchange for the month of July see a marginal fall in demand for that month compared with a year earlier, but are still in total heading for a higher full year total than in 2017. The July gold withdrawal figures came in at 137.41 tonnes – around 5% lower than in July 2017 but almost 17% ahead of the 2016 figure for the same month. On a cumulative basis, SGE gold withdrawals for the first 7 months of the current year at just short of 1,176 tonnes are running just over 4% higher than at the same time a year ago when the full year total was 1,129 tonnes so it looks like China is on target for another plus 2,000 tonne year.

Date	Gold*	Silver*
10 Aug 2018 (Friday)	29640.00	37825.00
09 Aug 2018 (Thursday)	29640.00	37960.00
08 Aug 2018 (Wednesday)	29590.00	37650.00

The above rate are IBJA PM rates * Rates are exclusive of GST

10 Aug 2018 (Friday)

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Outlook: Gold overall sentiments remained bearish as a rally in the dollar amid fears over contagion effects from a currency crisis in Turkey weighed but today weakness in Rupee will support prices. For the day prices till 29780-29750 will look to buy with a stoploss of below 29680 expecting prices to jump towards 29880-30020 level.

Market View		Daily Levels	
Open	29696.00	Resistance	
High	29815.00	30077.00	
Low	29602.00	29946.00	
Close	29783.00	29864.00	
Value Change	115.00	29651.00	
% Change	0.39	29520.00	
Margin	5.00	29438.00	
Margin (Rs.)	148915	Support	
Volume	7342.00		
Open Interest	7653.00	Spread	
Cng in OI (%)	-3.72	DEC - OCT	
Prev Value(MIn)	21809.72	188.00	
52 Week High	31963.00	FEB - DEC	
52 Week Low	29528.00	191.00	

Gold on MCX settled up 0.39% at 29783 as investors flocked to safe-haven assets while U.S. President Donald Trump announced the implementation of higher tariffs on Turkey. However, upside seen limited on expectations that the U.S. Federal Reserve will raise interest rates next month, bolstering the dollar and U.S. bond yields and damaging the appeal of non-yielding gold. Gold has tumbled more than 11 percent from an April high to a one-year low of \$1,204 last week as the dollar rallied to 13-month highs and investors exited gold positions and began to speculate on lower prices. Holdings of gold at exchange-traded funds (ETFs) have fallen by 3.7 million ounces, or 6.3 percent, since late May to the lowest in almost a year. Speculators have meanwhile expanded their net short position on the Comex exchange to the biggest ever recorded, helping to drive prices lower. Gold was sold at a discount in India for the first time in six weeks on subdued demand as buyers bet that prices could fall still further after hitting near seven-month lows last week. Meanwhile Chinese buying picked up on the back of a firm yuan and trade tensions with the United States. Dealers in India were offering a discount of up to \$1.50 an ounce over official domestic prices this week, compared with a premium of \$1.50 last week. Premiums in top consumer China ranged between \$2 and \$3 an ounce this week, versus \$1-\$3 last week, while premiums in Hong-Kong were around 70 cents to \$1.30 as against \$1-\$1.40 previously. Technically now Gold is getting support at 29651 and below same could see a test of 29520 level, And resistance is now likely to be seen at 29864, a move above could see prices testing 29946.

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Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahmedabad	30510.00
CMDTY	Gold 995 - Bangalore	30515.00
CMDTY	Gold 995 - Chennai	30530.00
CMDTY	Gold 995 - Cochin	30535.00
CMDTY	Gold 995 - Delhi	30500.00
CMDTY	Gold 995 - Hyderabad	30500.00
CMDTY	Gold 995 - Jaipur	30375.00
CMDTY	Gold 995 - Kolkata	30550.00
CMDTY	Gold 995 - Mumbai	30490.00

* Rates including GST

Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahmedabad	38500.00
CMDTY	Silver 999 - Bangalore	38950.00
CMDTY	Silver 999 - Chennai	38925.00
CMDTY	Silver 999 - Delhi	38950.00
CMDTY	Silver 999 - Hyderabad	39000.00
CMDTY	Silver 999 - Jaipur	38925.00
CMDTY	Silver 999 - Kolkata	39000.00
CMDTY	Silver 999 - Mumbai	38950.00

* Rates including GST

Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 26SEP2018	1210.80
DGCX	GOLD 28NOV2018	1220.30
DGCX	GOLD QUANTO 27SEP2018	29792.00
DGCX	GOLD QUANTO 29NOV2018	29969.00
DGCX	SILVER 29AUG2018	15.43
DGCX	SILVER 28NOV2018	15.35
DGCX	SILVER QUANTO 30AUG2018	40436.00
DGCX	SILVER QUANTO 29NOV2018	41189.00

Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahmedabad	30640.00
CMDTY	Gold 999 - Bangalore	30665.00
CMDTY	Gold 999 - Chennai	30680.00
CMDTY	Gold 999 - Cochin	30685.00
CMDTY	Gold 999 - Delhi	30650.00
CMDTY	Gold 999 - Hyderabad	30650.00
CMDTY	Gold 999 - Jaipur	30495.00
CMDTY	Gold 999 - Mumbai	30640.00

* Rates including GST

Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	29783.00
MCX	GOLD 05OCT2017	29971.00
MCX	GOLD 05DEC2017	30162.00
MCX	SILVER 05JUL2017	37968.00
MCX	SILVER 05SEP2017	38809.00
MCX	SILVER 05DEC2017	39643.00

Gold and Silver Fix

Exch.	Descr.	Last
CMDTY	Gold London AM FIX	1341.05
CMDTY	Gold London PM FIX	1341.05
CMDTY	Silver London FIX	16.45

Gold / Silver Ratio

Exch.	Descr.	Last
INTL. SPOT	GOLD SILVER RATIO	79.18
MCX	MCX GOLD SILVER RATIO	78.44

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