



## Daily Market Update

**Report as on Monday, October 15, 2018**

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Gold prices look firm this week as stocks eased due to concerns about a potential decline in China's economic growth amid an ongoing trade war and signs of tighter monetary policy by the U.S. Federal Reserve. Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, rose 0.76 percent to 744.64 tonnes on Friday. Gold speculators extended their net short position on Comex gold contracts by 29,881 contracts to 103,009 contracts in the week to Oct. 9, the US CFTC said on Friday. Physical gold demand in India was subdued last week as a rally in domestic prices curbed retail purchases going into a key festival season, while buying remained lacklustre in other major Asian hubs.

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Physical gold demand in India was subdued this week as a rally in domestic prices curbed retail purchases going into a key festival season, while buying remained lacklustre in other major Asian hubs. In the Indian market, gold futures this week touched their highest since July 2016 at 32,014 rupees per 10 grams. Demand usually strengthens toward the end of the year as the traditional wedding season kicks in and as the country celebrates major festivals including Diwali and Dussehra, when buying gold is considered auspicious. India's gold imports in September dropped more than 14 percent from a year earlier as demand was dented by a rally in local prices because of a depreciating rupee, according to provisional data from precious metals consultant GFMS.

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Sovereign Gold Bond 2018-19 Series II opens October 15 - The Government of India will issue the Sovereign Gold Bonds (SGB) 2018-19 for public subscription from October 15-19 at an issue price of Rs 3,146 per gram of gold. "Govt of India, in consultation with the RBI, Sovereign Gold Bonds 2018-19 (Series II) will be opened for the period October 15-19, 2018. The issue price of the Bond during this subscription period i.e. Oct.15-19, 2018, shall be Rs. 3,146 per gram with Settlement on Oct.23, 2018," Ministry of Finance tweeted. "Govt of India in consultation with the RBI has decided to allow discount of Rs. 50 per gram from the issue price to those investors who apply online & the payment is made through digital mode. For such investors the issue price of Gold Bond will be Rs.3,096 per gram of gold," it added.

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China markets opened after the Golden Week festival and premiums ranged between \$4.50 and \$8 an ounce, versus \$6.50-\$8 in the week ending Sept. 28. Premiums in Hong Kong rose to \$1-\$1.50 from between 70 cents and \$1.30 last week. "This week there was some fresh buying interest around the \$1,185-\$1,190 level. But with prices now up \$30 dollars, the physical market may be quiet for a while," said Peter Fung, head of dealing at Wing Fung Precious Metals in Hong Kong.

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India's Sept gold imports drop 14 pct on weak rupee-GFMS - India's gold imports in September dropped more than 14 percent from a year ago as a rally in local prices due to a depreciating rupee reduced demand in the world's second-biggest consumer of bullion, provisional data from precious metals consultancy GFMS. The drop in demand from Indian importers could weigh on global prices, which have dropped 8.8 percent so far this year. But lower imports could help the South Asian country reduce its trade deficit and support the rupee, which hit a record low this week.

Date	Gold*	Silver*
<b>12 Oct 2018 (Friday)</b>	31710.00	38325.00
<b>11 Oct 2018 (Thursday)</b>	31475.00	37985.00
<b>10 Oct 2018 (Wednesday)</b>	31205.00	38015.00

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

12 Oct 2018 (Friday)

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**Outlook:** Gold looks to remain supported as stocks eased due to concerns about a potential decline in China's economic growth amid an ongoing trade war and signs of tighter monetary policy by the Fed. For the day prices a drop towards 31800-31760 will look to buy with a stoploss of below 31600 expecting prices to jump towards 31920-32100 level.

## MCX GOLD

Market View		Daily Levels	
Open	31898.00	<b>Resistance</b>	
High	31898.00	32088.00	
Low	31730.00	31993.00	
Close	31846.00	31920.00	
Value Change	-145.00	31752.00	
% Change	-0.45	31657.00	
Margin	5.00	31584.00	
Margin (Rs.)	159230	<b>Support</b>	
Volume	8338.00	<b>Spread</b>	
Open Interest	14067.00	<b>FEB - DEC</b>	
Cng in OI (%)	-4.69	<b>APR - FEB</b>	
Prev Value(Mln)	26541.36	235.00	
52 Week High	32014.00	223.00	
52 Week Low	29500.00		

Gold on MCX settled down -0.45% at 31846 coming under pressure as the U.S. dollar climbed and global stocks rebounded from a six-day rout. But support remained solid above the \$1,200 level from safe-haven demand triggered by the recent weakness on Wall Street and spike in Treasury yields. The dollar index rose as global equities rebounded from a multiday selloff, boosted by strong export data in China. The Fed hiked rates last month for the third time this year and is expected to raise them again in December. Physical gold demand in India was subdued in the week as a rally in domestic prices curbed retail purchases going into a key festival season, while buying remained lacklustre in other major Asian hubs. Dealers in India offered a discount of up to \$6 an ounce over official domestic prices this week, down from last week's \$6.50, which was the highest since mid-June. Demand usually strengthens toward the end of the year as the traditional wedding season kicks in and as the country celebrates major festivals including Diwali and Dussehra, when buying gold is considered auspicious. In China, markets opened after the Golden Week festival and premiums ranged between \$4.50 and \$8 an ounce, versus \$6.50-\$8 in the week ending Sept. 28. Hedge funds and money managers increased their bearish wagers on Comex gold contracts in the week to Oct. 9, the U.S. Commodity Futures Trading Commission said. Gold speculators extended their net short position by 29,881 contracts to 103,009 contracts, according to CFTC data. Technically now Gold is getting support at 31752 and below same could see a test of 31657 level, And resistance is now likely to be seen at 31920, a move above could see prices testing 31993.

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INT. GOLD\$		
Market View		Daily Levels
Open	1224.39	Resistance
High	1224.39	1231.41
Low	1215.80	1227.90
Close	1217.74	1222.82
Value Change	-7.03	1214.23
% Change	-0.01	1210.72
		1205.64
		Support
		1200.00

Outlook: Gold price continues to decline calmly to settle around 1218.00 level now, while stochastic gains the positive momentum gradually to support the chances of bouncing bullishy and resume the bullish trend, to continue suggesting the positive scenario as long as the price is above 1208.40, reminding you that our main waited target is located at 1238.31.

Gold settled down coming under pressure as the U.S. dollar climbed and global stocks rebounded from a six-day rout. But support remained solid above the \$1,200 level from safe-haven demand triggered by the recent weakness on Wall Street and spike in Treasury yields. The dollar index rose as global equities rebounded from a multiday selloff, boosted by strong export data in China. The Fed hiked rates last month for the third time this year and is expected to raise them again in December. Physical gold demand in India was subdued in the week as a rally in domestic prices curbed retail purchases going into a key festival season, while buying remained lacklustre in other major Asian hubs. Dealers in India offered a discount of up to \$6 an ounce over official domestic prices this week, down from last week's \$6.50, which was the highest since mid-June. Demand usually strengthens toward the end of the year as the traditional wedding season kicks in and as the country celebrates major festivals including Diwali and Dussehra, when buying gold is considered auspicious. In China, markets opened after the Golden Week festival and premiums ranged between \$4.50 and \$8 an ounce, versus \$6.50-\$8 in the week ending Sept. 28. Hedge funds and money managers increased their bearish wagers on Comex gold contracts in the week to Oct. 9, the U.S. Commodity Futures Trading Commission said. Gold speculators extended their net short position by 29,881 contracts to 103,009 contracts, according to CFTC data. Technically now Gold is getting support at 1212.20 and below same could see a test of 1206.80 level, And resistance is now likely to be seen at 1224.80, a move above could see prices testing 1232.60.

# IBJA Daily Market Update



The rupee slumped to a fresh all-time low of 74.4850 per dollar, as oil prices rose past \$86p/b and the Fed pledged higher US policy rates. To reduce the current account deficit, the government imposed import duties on non-essentials. Technically market is getting support at 73.53 and below same could see a test of 73.36 level, And resistance is now likely to be seen at 73.98, a move above could see prices testing 74.27.

USDINR		
Market View		Daily Levels
Open	73.9975	Resistance
High	74.1100	74.44
Low	73.6550	74.28
Close	73.7000	73.99
Value Change	-0.5175	73.53
% Change	-0.70	73.37
Margin	2.51	73.08
Margin (Rs.)	1850	Support
Volume	2744800	
Open Interest	3241703	Spread
Cng in OI (%)	-7.85	NOV - OCT
Prev Value(Mln)	202681.09	0.2875
52 Week High	74.6875	DEC - NOV
52 Week Low	64.6000	0.2550

Rupee gained on likely foreign investors fund inflows into local stocks as risk appetite improved in markets tracking sharp fall in US Treasury yields. Positive global trends on reduced trade war concern between world's two largest economies helped indices to end in green recovering from a brutal selloff in the previous session. The greenback faltered against other major currencies as Treasury yields ended sharply lower after data showed retail inflation in the US rose at lower rate than anticipated. US consumer price index rose 0.1% in the month of September after rising by 0.2% in the previous month. India is likely to overshoot its fiscal deficit target for 2018/19 by a small margin following its decision to cut fuel excise duties, Moody's Investors Service said, describing the move as "credit negative". The government announced cuts in excise duty on gasoline and diesel last week, to soften the impact of sharp rise in global crude oil prices on consumers. The move came a few months before elections in three key states this year followed by national elections due by May. "These measures create material downside risks to the central government's fiscal deficit target of 3.3 percent of GDP for fiscal 2018," Moody's said, adding that it expected "the central government deficit target to slip modestly to 3.4 percent of GDP". Technically market is under long liquidation as market has witnessed drop in open interest by -5.3% to settled at 3331451, now USDINR is getting support at 73.49 and below same could see a test of 73.345 level, And resistance is now likely to be seen at 73.945, a move above could see prices testing 74.255.

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## Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahmedabad	32500.00
CMDTY	Gold 995 - Bangalore	32525.00
CMDTY	Gold 995 - Chennai	32510.00
CMDTY	Gold 995 - Cochin	32525.00
CMDTY	Gold 995 - Delhi	32480.00
CMDTY	Gold 995 - Hyderabad	32510.00
CMDTY	Gold 995 - Jaipur	32475.00
CMDTY	Gold 995 - Kolkata	32570.00
CMDTY	Gold 995 - Mumbai	32500.00

\* Rates including GST

## Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahmedabad	39325.00
CMDTY	Silver 999 - Bangalore	39450.00
CMDTY	Silver 999 - Chennai	39420.00
CMDTY	Silver 999 - Delhi	39450.00
CMDTY	Silver 999 - Hyderabad	39475.00
CMDTY	Silver 999 - Jaipur	39450.00
CMDTY	Silver 999 - Kolkata	39550.00
CMDTY	Silver 999 - Mumbai	39450.00

\* Rates including GST

## Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 28NOV2018	1222.60
DGCX	GOLD 29JAN2019	1194.50
DGCX	GOLD QUANTO 29NOV2018	31899.00
DGCX	GOLD QUANTO 30JAN2019	32076.00
DGCX	SILVER 28NOV2018	14.65
DGCX	SILVER 26FEB2019	14.72
DGCX	SILVER QUANTO 29NOV2018	41189.00

## Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahmedabad	32630.00
CMDTY	Gold 999 - Bangalore	32675.00
CMDTY	Gold 999 - Chennai	32660.00
CMDTY	Gold 999 - Cochin	32675.00
CMDTY	Gold 999 - Delhi	32630.00
CMDTY	Gold 999 - Hyderabad	32660.00
CMDTY	Gold 999 - Jaipur	32595.00
CMDTY	Gold 999 - Mumbai	32650.00

\* Rates including GST

## Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	31846.00
MCX	GOLD 05OCT2017	32081.00
MCX	GOLD 05DEC2017	32304.00
MCX	SILVER 05JUL2017	38918.00
MCX	SILVER 05SEP2017	39642.00
MCX	SILVER 05DEC2017	40116.00

## 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	83.61
MCX	MCX GOLD SILVER RATIO	81.83

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