



## IBJA Market Update

### Daily Market Update

**Report as on Wednesday, August 16, 2017**

# **Polled Premium/Discount for 995 gold in Ahmedabad -2.25 USD/troy oz on August 14, 2017.**

# Gold prices dropped in the line of expectation on Monday, while sentiments will remain weak for gold on Wednesday where market will open after Independence day holiday, weakness can be seen as Gold prices as data on retail sales and US manufacturing came in better than expected and easing geopolitical tensions between North Korea and the U.S. undercut haven demand for the precious metal.

# Prices can see pressure as tensions between Pyongyang and Washington saw further cooling Tuesday as North Korean leader Kim Jong Un announced that he wouldn't launch a ballistic-missile attack on the U.S. territory Guam, according to the country's state media. The receding turmoil comes after days of rhetoric between North Korea and President Donald Trump, who threatened to bring "fire and fury" to that country if it maintained its threatening posture and continued to test fire missiles.

# Indian demand recovered after a poor performance in 2016 and jewellery consumption may climb by about 6 per cent this year, said Sheth, who provides supply and demand data to the World Gold Council. Imports may jump about 30 per cent to as high as 800 metric tons in 2017. Demand for gold bars in China, the world's biggest bullion market, soared by more than half in the first six months of the year, while overall gold consumption climbed almost 10 per cent to 545.2 tons, according to the China Gold Association.

# India recorded surge in the inbound shipments of the precious metal from South Korea, with which India has implemented a free trade agreement since 2010. Officials have stated that the government is contemplating steps to check the surge in imports from that country. Gold imports from South Korea has jumped to \$338.6 million during 1 July – 3 August this year. The import in 2016-17 stood at \$470.46 million. Under the free trade pact between India and South Korea, basic customs duty on gold was eliminated. Further, the 12.5% countervailing duty on gold imports has been subsumed in the GST. Accordingly, imports now attract only 3% integrated GST.

# Hedge-fund managers including billionaire John Paulson are being rewarded as investor worries over everything from uneven economic data to US-North Korean tensions fuel a rally in bullion. At the end of June, Paulson & Co. owned 4.36-million shares of SPDR Gold Shares, a US government filing showed Monday. That's unchanged from the three months through March. Bridgewater Associates added the ETF to its portfolio in the quarter, with the purchase of 577 264 shares valued at \$68.1-million, a regulatory filing showed August 10.

Date	Gold*	Silver*
14 Aug 2017 (Monday)	29020.00	38810.00
11 Aug 2017 (Friday)	29210.00	39110.00
10 Aug 2017 (Thursday)	29070.00	38995.00

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

14 Aug 2017 (Monday)

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Market View		Daily Levels	
Open	29114.00	<b>Resistance</b>	
High	29163.00	29295.00	
Low	29023.00	29229.00	
Close	29080.00	29155.00	
Value Change	-123.00	29015.00	
% Change	-0.42	28949.00	
Margin	5.00	28875.00	
Margin (Rs.)	145400	<b>Support</b>	
Volume	7632.00	<b>Spread</b>	
Open Interest	6575.00	<b>DEC - OCT</b>	
Cng in OI (%)	-4.01	<b>FEB - DEC</b>	
Prev Value(Mln)	22198.39	70.00	
52 Week High	29711.00	41.00	
52 Week Low	27780.00		

**Outlook:** Gold prices looks to remain under pressure as data on retail sales and US manufacturing came in better than expected and easing geopolitical tensions between North Korea and the US, for the day prices a break below 29000 level will look to sell with stop loss above 29120 expecting a more drop towards 28750 level.

Gold on MCX settled down -0.42% at 29080 as concerns about tensions between the U.S. and North Korea eased. Prices looks to remain under pressure as data on retail sales and US manufacturing came in better than expected and easing geopolitical tensions between North Korea and the US undercut haven demand for the precious metal. Pressure seen as solid economic reports early Tuesday bolstered appetite for assets considered risky. A gauge of New York-area manufacturing soared to 25.2, marking a three-year high in August, a reading on retail sales surged 0.6% in July, while readings for June were increased to 0.3% from 0.2%. Meanwhile, a report on import prices showed an increase of 0.1% in July. On Monday, "hawkish comments from New York Fed President William Dudley, coupled with a quick relief in geopolitical risk directly associated with North Korea," had pressured gold prices. Tensions between Pyongyang and Washington saw further cooling Tuesday as North Korean leader Kim Jong Un announced that he wouldn't launch a ballistic-missile attack on the U.S. territory Guam, according to the country's state media. The receding turmoil comes after days of rhetoric between North Korea and President Donald Trump, who threatened to bring "fire and fury" to that country if it maintained its threatening posture and continued to test fire missiles. Technically market is under long liquidation as market has witnessed drop in open interest by -4.01% to settled at 6575 while prices down -123 rupees, now Gold is getting support at 29015 and below same could see a test of 28949 level, And resistance is now likely to be seen at 29155, a move above could see prices testing 29229.

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## Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahemdabad	29750.00
CMDTY	Gold 995 - Bangalore	29755.00
CMDTY	Gold 995 - Chennai	29830.00
CMDTY	Gold 995 - Cochin	29800.00
CMDTY	Gold 995 - Delhi	29750.00
CMDTY	Gold 995 - Hyderabad	29690.00
CMDTY	Gold 995 - Jaipur	29770.00
CMDTY	Gold 995 - Kolkata	29800.00
CMDTY	Gold 995 - Mumbai	29665.00

\* Rates including GST

## Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahemdabad	39500.00
CMDTY	Silver 999 - Bangalore	39955.00
CMDTY	Silver 999 - Chennai	39960.00
CMDTY	Silver 999 - Delhi	39940.00
CMDTY	Silver 999 - Hyderabad	39860.00
CMDTY	Silver 999 - Jaipur	39925.00
CMDTY	Silver 999 - Kolkata	40100.00
CMDTY	Silver 999 - Mumbai	39915.00

\* Rates including GST

## Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 27SEP2017	1275.00
DGCX	GOLD 28NOV2017	1274.60
DGCX	GOLD QUANTO 28SEP2017	29115.00
DGCX	GOLD QUANTO 29NOV2017	29054.00
DGCX	SILVER 29AUG2017	16.65
DGCX	SILVER 28NOV2017	16.68
DGCX	SILVER QUANTO 30AUG2017	39149.00
DGCX	SILVER QUANTO 29NOV2017	39703.00

## Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahemdabad	29880.00
CMDTY	Gold 999 - Bangalore	29905.00
CMDTY	Gold 999 - Chennai	29980.00
CMDTY	Gold 999 - Cochin	29950.00
CMDTY	Gold 999 - Delhi	29900.00
CMDTY	Gold 999 - Hyderabad	29840.00
CMDTY	Gold 999 - Jaipur	29885.00
CMDTY	Gold 999 - Mumbai	29815.00

\* Rates including GST

## Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	29080.00
MCX	GOLD 05OCT2017	29150.00
MCX	GOLD 05DEC2017	29191.00
MCX	SILVER 05JUL2017	39178.00
MCX	SILVER 05SEP2017	39732.00
MCX	SILVER 05DEC2017	40173.00

## Gold and Silver Fix

Exch.	Descr.	Last
CMDTY	Gold London AM FIX	1281.10
CMDTY	Gold London PM FIX	1282.30
CMDTY	Silver London FIX	16.97

## Gold / Silver Ratio

Exch.	Descr.	Last
INTL. SPOT	GOLD SILVER RATIO	76.32
MCX	MCX GOLD SILVER RATIO	74.23

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Report is prepared for information purposes only.

## Kedia Stocks & Commodities Research Pvt Ltd.

Mumbai. INDIA. Mobile: 9320096333 / 9619551030 Email: [info@kediacommodity.com](mailto:info@kediacommodity.com) URL: [www.kediaadvisory.com](http://www.kediaadvisory.com)

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