



Daily Bullion Physical Market Report

Report as on Thursday, July 18, 2019

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	35370	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	34810
		35478		34702
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	68.88	Important Support for Rupee Where Importer can look to book his today's payment	68.62
		69.00		68.50

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	35515.00	CMDTY	Gold 999 - Ahmedabad	35645
CMDTY	Gold 995 - Bangalore	35530.00	CMDTY	Gold 999 - Bangalore	35680
CMDTY	Gold 995 - Chennai	35550.00	CMDTY	Gold 999 - Chennai	35700
CMDTY	Gold 995 - Cochin	35555.00	CMDTY	Gold 999 - Cochin	35705
CMDTY	Gold 995 - Delhi	35560.00	CMDTY	Gold 999 - Delhi	35710
CMDTY	Gold 995 - Hyderabad	35540.00	CMDTY	Gold 999 - Hyderabad	35690
CMDTY	Gold 995 - Jaipur	35520.00	CMDTY	Gold 999 - Jaipur	35640
CMDTY	Gold 995 - Mumbai	35520.00	CMDTY	Gold 999 - Mumbai	35670

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	40160.00
Silver 999 - Bangalore	40240.00
Silver 999 - Chennai	40200.00
Silver 999 - Delhi	40435.00
Silver 999 - Hyderabad	40220.00
Silver 999 - Jaipur	40200.00
Silver 999 - Kolkata	40420.00
Silver 999 - Mumbai	40260.00

* Rates including GST

Gold Ratios
Gold Silver Ratio
86.63

Gold Crude Ratio
8.97

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 29JUL2019	1423.60
DGCX	GOLD QUANTO 30JUL2019	34715.00
DGCX	SILVER 28AUG2019	14.99

Gold and Silver Fix		
Descr.	LTP	
Gold London AM FIX	1334.3	
Gold London PM FIX	1340.65	
Silver London FIX	15.31	

Date	Gold*	Silver*
17 Jul 2019 (Wednesday)	34591.00	39010.00
16 Jul 2019 (Tuesday)	34750.00	38430.00
15 Jul 2019 (Monday)	34729.00	38135.00

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

17 Jul 2019 (Wednesday)

Gold Market Update



Market View	
Open	34787.00
High	35139.00
Low	34682.00
Close	35090.00
Value Change	278.00
% Change	0.80
Oct-Aug	493.00
Dec-Oct	163.00
Volume	17495
Open Interest	16274
Cng in OI (%)	0.10

BUY GOLD AUG 2019 @ 34950 SL 34800 TGT 35150-35250.MCX

Today's View & Outlook

Gold price rallied upwards strongly to attack the symmetrical triangle's resistance, reinforcing the expectations of continuing the bullish trend in the upcoming sessions, and the way is open to achieve our first waited target at 1438.90, noting that breaching this level will extend the bullish wave to reach 1500.00 on the near term basis.

Gold on MCX settled up 0.8% at 35090 as weaker-than-expected U.S. data increased prospects for an interest rate cut by the U.S. Federal Reserve, dragging the dollar lower. Gold has also been supported by concerns over global growth, exacerbated by data pointing to a slowdown in the Chinese economy. Denting the bullion's appeal, the dollar index gained after data showed that U.S. retail sales increased more than expected in June, adding to recent evidence that the economy is improving. However, the data barely changed market wagers on a U.S. central bank rate cut this month. Futures are still 100% priced for a cut of 25 basis points, and imply a 27% chance of 50 basis points. Adding to the sentiment, Fed Chairman Jerome Powell reiterated pledges to "act as appropriate" to keep the U.S. economy humming, in a speech that did not deviate from expectations that a rate cut is on the way. On the trade front, U.S. President Donald Trump said the United States still has a long way to go to conclude a trade deal with China, but could impose tariffs on an additional \$325 billion worth of Chinese goods if it needed to do so. A survey by the ZEW institute showed that the mood among German investors deteriorated more sharply than expected in July amid an unresolved trade dispute between China and the United States as well as political tensions with Iran. Technically market is under fresh buying as market has witnessed gain in open interest by 0.1% to settled at 16274 while prices up 278 rupees, now Gold is getting support at 34801 and below same could see a test of 34513 levels, and resistance is now likely to be seen at 35258, a move above could see prices testing 35427.

Silver Market Update



Market View	
Open	39370.00
High	40225.00
Low	39231.00
Close	40176.00
Value Change	850.00
% Change	2.16
Dec-Sep	738.00
Mar-Dec	738.00
Volume	32785
Open Interest	17833
Cng in OI (%)	1.93

BUY SILVER SEP 2019 @ 40300 SL 40100 TGT 40650-40900.MCX

Today's View & Outlook

Silver price continues to fluctuate around 15.62 level, and we still waiting to breach this level to confirm extending the bullish wave on the intraday and short term basis, as the bullish channel continues to organize the suggested bullish wave, waiting to visit 16.00 as a next main target, noting that the EMA50 supports the positive overview. The expected trading range for today is between 15.80 support and 16.30 resistance.

Silver on MCX settled up 2.16% at 40176 as expectations of a rate cut later this month weighed on the dollar and prompted investors to seek the safe haven commodity. Retail sales gained 0.4% in June, outpacing consensus forecasts for a 0.1% advance. The data sparked buying interest in the U.S. dollar and pushed Treasury yields higher, which in turn put pressure on the metal. Separately, news that U.S. President Donald Trump and his administration are ready to start talks with Iran lowered safe-haven demand. The United States still has a long way to go to conclude a trade deal with China but could impose tariffs on an additional \$325 billion worth of Chinese goods if it needed to do so, Trump said. Multiple reports cited U.S. Secretary of State Mike Pompeo as saying "for the first time" Iranian officials "are ready to negotiate on their missile program." US industrial production was flat in June, slightly below the expected gain of 0.1%, as a slump in utilities was offset by gains in output by factories and mining. The eurozone's trade surplus with the rest of the world widened in May, official data showed. According to initial estimates from Eurostat, the European Commission's statistics office, the 19-strong eurozone recorded a €23 billion trade surplus with the rest of the world in May, compared to €16.9 billion a year earlier. Technically market is under fresh buying as market has witnessed gain in open interest by 1.93% to settled at 17833 while prices up 850 rupees, now Silver is getting support at 39529 and below same could see a test of 38883 levels, and resistance is now likely to be seen at 40523, a move above could see prices testing 40871.

USDINR Update



Market View		
Open		68.7150
High		68.9700
Low		68.7150
Close		68.9175
Value Change		0.1100
% Change		0.16
Aug-Jul		0.23
Sep-Aug		0.21
Volume		1674089
Open Interest		1734631
Cng in OI (%)		-14.88

BUY USDINR JUL 2019 @ 68.76 SL 68.66 TGT 68.90-69.02. NSE

Today's View & Outlook

Rupee dropped after buying by nationalised banks likely on behalf of oil importers amid a strengthening greenback after an upbeat US retail sales data. Also, swollen risk sentiment after US President Donald Trump's comment on US-China trade agreement further supported demand for dollar. Technically now USDINR is getting support at 68.83 and below same could see a test of 68.645 level, and resistance is now likely to be seen at 69.085, a move above could see prices testing 69.155.

Rupee dropped after buying by nationalised banks likely on behalf of oil importers amid a strengthening greenback after an upbeat US retail sales data. Also, swollen risk sentiment after US President Donald Trump's comment on US-China trade agreement further supported demand for dollar. The greenback extended gains against major counterparts after stronger-than-expected June US retail sales data reduced the chances of more aggressive Fed rate cuts. Moreover, the struggling pound and euro also provided additional impetus to the greenback. India's government is likely to overshoot the budget deficit target previously set for the current fiscal year, three officials have warned, as a slowing economy creates a big shortfall in tax collections and prompts new stimulus plans. New Finance Minister Nirmala Sitharaman presents her first budget on July 5, for the fiscal year ending March 2020. It is also the first budget of Prime Minister Narendra Modi's second term after his government was returned in a landslide election win last month. Since becoming prime minister in 2014, Modi succeeded in improving public finances, trimming the fiscal deficit to 3.4% of gross domestic product (GDP) from 4.5% in 2013/14, mostly through subsidies cuts and fuel taxes. India's dominant services activity contracted for the first time in more than a year in June, dragged down by slowing new business growth which in turn curtailed hiring, a private survey showed. Technically now USDINR is getting support at 68.83 and below same could see a test of 68.645 level, and resistance is now likely to be seen at 69.085, a move above could see prices testing 69.155.

Bullion News

Gold futures recorded their best settlement in more than six years on Wednesday, as expectations of a rate cut later this month weighed on the dollar and prompted investors to seek the safe haven commodity. After two successive days of notable gains, the greenback eased. The dollar index, which edged up slightly to 97.44 early on in the day, retreated to 97.16 later, losing about 0.25%. The Federal Reserve Chairman Jerome Powell told a dinner audience at the Bank of France in Paris on Tuesday the central bank is "carefully monitoring" downside risks to U.S. growth and "will act as appropriate to sustain the expansion." Hopes about a steep cut in interest rate faded on Tuesday after data showed a bigger than expected increase in retail sales in June and factory output too rose more than expected in the month.

Likely fall in gold imports a positive for trade deficit - India's gold imports may decline up to 10 per cent year on year in 2019, bringing some relief to the government on current account deficit (CAD), said experts. India's CAD widened to \$57.2 billion, or 2.1 per cent of GDP, in 2018-19 from 1.8 per cent a year ago. India imports around 800 tonnes of gold annually. In June, gold imports increased 12.6 per cent from a year ago to \$2.69 billion amid a jump in global prices to six-year highs. However, imports were 44 per cent lower than \$4.78 billion in the previous month.

Jewellery exports in June decline 16% YoY on slow demand from China, Gulf - Gem and jewellery exports declined 16.26 per cent to \$2,826 million during June from \$3,375.17 million during the same month last year. Exports during the first quarter of FY20 declined by 10.38 per cent to \$9.18 billion from \$10.25 billion during the same period last year. Experts say that the trend seen in first quarter is likely to continue and the value of overseas shipments may decline by 10-15 per cent for the full year. The reasons are many for the dismal scene. Colin Shah, Vice-Chairman of the Gems and Jewellery Export Promotion Council (GJEPC) says, "Despite stable market conditions in the US and Europe, subdued demand from China and the Gulf impacted overall exports." Cut and polished diamonds were a major laggard, with exports dipping by 19.38 per cent to \$1.68 billion this June, from \$2.08 billion a year ago. In the first quarter this fiscal, the exports fell 17.33 per cent to \$5.20 billion. India gets orders for further processing of already cut and polished diamonds, which is now becoming unviable due to high import duty.

China hikes gold holdings for seventh month in a row - Poland has more than doubled gold assets, Russia is also buying. Central banks are going after gold in 2019, boosting holdings as economic growth slows, trade and geopolitical tensions rise, and some authorities seek to diversify their reserves away from the dollar. The Peoples Bank of China said on Monday it raised reserves for a seventh month in June, adding 10.3 tonnes, following the inflow of almost 74 tonnes in the six months through May. Last week, Poland said it more than doubled its gold assets over this year and last, becoming the top holder in central Europe. Aside from its attempt to diversify its holdings of dollars, owning more gold reserves is also an important strategy in China's rise as a superpower, Howie Lee, an economist at Oversea-Chinese Banking Corp. in Singapore, said in an email. Additions are likely to continue in coming months, according to Lee.

London's gold market is more liquid than bonds - LBMA - London's gold market is much more liquid than government or corporate bonds, the London Bullion Market Association (LBMA) said, presenting new figures which it said meant gold should not be subject to tough new liquidity rules. The rules, due to go into force in the European Union in 2021, treat physically traded gold and other precious metals like any other commodity and require banks to hold more assets to match their exposure as a buffer against adverse price moves. The LBMA has lobbied for precious metals to be exempt, arguing the regulation is unnecessary and would disrupt London's bullion clearing system, which settles gold transactions worth around \$25 billion a day. To persuade the EBA of the need for an exemption, the LBMA calculated the liquidity of London's precious metals market and compared this with the EBA's ratings of assets including government and corporate bonds, which it considers highly liquid.

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