



Daily Bullion Physical Market Report

Report as on Tuesday, February 19, 2019

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	33715	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	33501
		33756		33460
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	71.47	Important Support for Rupee Where Importer can look to book his today's payment	71.17
		71.53		71.11

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	34380.00	CMDTY	Gold 999 - Ahmedabad	34550
CMDTY	Gold 995 - Bangalore	34380.00	CMDTY	Gold 999 - Bangalore	34530
CMDTY	Gold 995 - Chennai	34430.00	CMDTY	Gold 999 - Chennai	34580
CMDTY	Gold 995 - Cochin	34440.00	CMDTY	Gold 999 - Cochin	34590
CMDTY	Gold 995 - Delhi	34340.00	CMDTY	Gold 999 - Delhi	34550
CMDTY	Gold 995 - Hyderabad	34380.00	CMDTY	Gold 999 - Hyderabad	34530
CMDTY	Gold 995 - Jaipur	34330.00	CMDTY	Gold 999 - Jaipur	34500
CMDTY	Gold 995 - Mumbai	34400.00	CMDTY	Gold 999 - Mumbai	34550

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	41375.00
Silver 999 - Bangalore	41425.00
Silver 999 - Chennai	41400.00
Silver 999 - Delhi	41425.00
Silver 999 - Hyderabad	41450.00
Silver 999 - Jaipur	41400.00
Silver 999 - Kolkata	41550.00
Silver 999 - Mumbai	41400.00

* Rates including GST

Gold Ratios
Gold Silver Ratio
83.55

Gold Ratios
Gold Crude Ratio
8.43

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 27MAR2019	1328.40
DGCX	GOLD QUANTO 28MAR2019	33600.00
DGCX	SILVER 26FEB2019	15.78

Gold and Silver Fix	
Descr.	LTP
Gold London AM FIX	1323.95
Gold London PM FIX	1325.5
Silver London FIX	15.77

Date	Gold*	Silver*
18 Feb 2019 (Monday)	33490.00	40145.00
15 Feb 2019 (Friday)	33325.00	39825.00
14 Feb 2019 (Thursday)	32990.00	39480.00

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

18 Feb 2019 (Monday)

Gold Market Update



Market View		
Open		33450.00
High		33625.00
Low		33450.00
Close		33608.00
Value Change		224.00
% Change		0.67
Jun-Apr		203.00
Aug-Jun		203.00
Volume		6501
Open Interest		16429
Cng in OI (%)		1.00

Today's View & Outlook
BUY GOLD 05 APR 2019 @ 33500 SL 33350 TGT 33680-33800.MCX
 Gold price confirmed breaching 1316.65 level after ending last week above it, to head towards achieving more expected gains in the upcoming period, organized inside the bullish channel that appears on the chart, supported by the EMA50, noting that our next targets located at 1347.50 followed by 1365.05. We should note that the continuation of the suggested bullish wave depends on the price stability above 1305.00. The expected trading range for today is between 1310.00 support and 1347.00 resistance.

Gold on MCX settled up 0.67% at 33608 as the dollar weakened on hopes the United States and China are nearing a trade deal. The dollar was weaker, as increasing expectations of a U.S.-Sino trade deal led investors to shift away from the safety of the greenback, which had been the preferred safe-haven during the trade dispute. The United States and China will resume trade talks this week in Washington with time running short to ease their bruising trade war, but U.S. President Donald Trump repeated that he may extend a March 1 deadline for a deal and keep tariffs on Chinese goods from rising. Minutes of the Fed's January policy meeting are due on Wednesday and should provide more guidance on the likelihood or not for rate hikes this year. A rally in domestic prices curtailed physical gold demand in India and Japan, with interest in the precious metal lacklustre in other Asian centres as markets gradually return from the Lunar New Year holidays. Dealers in India were offering a discount of up to \$5 an ounce over official domestic prices this week, up from a discount of \$1.5 last week. Demand in Japan also remained weak as local gold prices surged, with the metal being sold at a discount of 50 cents to the global spot price. In top consumer China, premiums dropped to \$7-\$10 an ounce over the benchmark from the \$10-\$12 charged in the week ending February 1. Technically market is under fresh buying as market has witnessed gain in open interest by 1% to settled at 16429 while prices up 224 rupees, now Gold is getting support at 33497 and below same could see a test of 33386 level, And resistance is now likely to be seen at 33672, a move above could see prices testing 33736.

Silver Market Update



Market View		
Open		40080.00
High		40292.00
Low		40080.00
Close		40170.00
Value Change		208.00
% Change		0.52
May-Mar		576.00
Jul-May		615.00
Volume		9443
Open Interest		13023
Cng in OI (%)		0.42

Today's View & Outlook
BUY SILVER 05 MAR 2019 @ 40000 SL 39850 TGT 40340-40550.MCX
 Silver price breached 15.75 level and settled above it, to turn to rise on the intraday basis, targeting testing 61.8% Fibonacci correction level at 16.00 again. Therefore, the bullish bias will be suggested for today, noting that breaching the targeted level will extend silver price gains to reach 16.50 as a next station, while breaking 15.62 will stop the bullish wave and press on the price to decline again. The expected trading range for today is between 15.60 support and 16.00 resistance.

Silver on MCX settled up 0.52% at 40170 as the dollar dropped as the prospects of a Sino-U.S. trade deal improved investors' appetite for riskier assets. U.S.-China trade talks will continue in Washington this week after the two sides wrapped up the last discussions in Beijing last week. Both the U.S. and China reported progress in the latest trade negotiations, although U.S. President Donald Trump said on Friday that the talks were "very complicated". Meanwhile, the Federal Reserve is due to publish the minutes of its January meeting on Wednesday where it has kept rates on hold and surprised markets by shifting to a more dovish stance on future rate hikes, citing subdued inflation and rising risks to global economic growth. San Francisco Fed President Mary Daly suggested the central bank may hold off on raising interest rates in 2019. The U.S. currency posted the second week of losses and is down 1.7% year to date. GFMS, silver jewellery consumption in India had increased by 20% in the fourth quarter of 2018. This trend has continued further as India's latest trade data showed that the Silver import also jumped 127% to Rs 2529 crore in January 2019. Market watchers will be looking ahead to Thursday's durable goods report for an update on the health of the manufacturing sector, while a report on existing home sales the same day will give fresh insight into the housing sector, which lost momentum late last year amid higher interest rates and property prices. Technically now Silver is getting support at 40070 and below same could see a test of 39969 level, And resistance is now likely to be seen at 40282, a move above could see prices testing 40393.

USDINR Update



Market View	
Open	71.3200
High	71.5200
Low	71.2450
Close	71.3175
Value Change	0.1050
% Change	0.15
Mar-Feb	0.24
Apr-Mar	0.28
Volume	1894501
Open Interest	1776987
Cng in OI (%)	1.71

Today's View & Outlook BUY USDINR 26 FEB 2019 @ 71.30 SL 71.16 TGT 71.44-71.56. NSE
 Rupee weakened by 11 paise to end 71.34 against the US dollar on Monday amid firming crude oil prices and persistent foreign fund outflows. Heavy selling in domestic equity markets also weighed on the rupee, technically market is under short covering and getting support at 71.205 and below same could see a test of 71.125 level, And resistance is now likely to be seen at 71.48, a move above could see prices testing 71.675.

Rupee dropped on buying by nationalised banks on behalf of oil importers amid overseas fund outflows from local stocks. The dollar recovered after dismal U.S. retail sales and as the market awaited developments in trade talks between Washington and Beijing. The results of a meeting between U.S. Treasury Secretary Steve Mnuchin and China's President Xi Jinping could be important for foreign exchange investors. Earlier in the week, markets had cheered U.S. President Donald Trump's upbeat assessment of the talks but a lack of progress since then has bred a risk-off mood causing declines in the Australian dollar, a proxy for China risk. India's consumer prices rose at a milder pace than anticipated in January and remained below the Reserve Bank of India's target for a sixth straight month, strengthening views it could again cut the key interest rate at its next policy review in April. Annual retail inflation in January rose 2.05 percent, its slowest pace since June 2017, government data showed. The decline was due to a fall in food prices and smaller increases in fuel costs. Figures showed industrial output growth rose 2.4 percent in December on the year. In a surprise move on Feb. 7, the Reserve Bank of India's Monetary Policy Committee (MPC) cut the benchmark repo rate 25 basis points to 6.25 percent, in its first cut in 18 months, and hinted of more room to cut rates. Technically now USDINR is getting support at 71.205 and below same could see a test of 71.125 level, And resistance is now likely to be seen at 71.48, a move above could see prices testing 71.675.

Bullion News

Gold prices hovered near their highest level in more than two weeks on Monday and the dollar weakened as investors bet more progress would be made in U.S.-China trade talks. After five days of negotiations in Beijing, a statement from the White House noted that high level U.S.-China trade talks last week led to "progress between the two parties", but "much work remains." The talks will continue in Washington this week as both sides race to reach a deal by the March 1 deadline. Investors also watched the latest Brexit developments and pondered over the political fall-out from U.S. President Trump's decision to declare national emergency in a bid to fund his promised wall at the U.S.-Mexico border.

Gold trades near all-time high on escalating cross-border tension - The price of gold is trading near its all-time high on account of tension after terror attacks in India and Iran. In the international market, gold is trading at \$1,324 per ounce. However, in Mumbai's Zaveri Bazar, standard gold closed at Rs 33,365 per 10 gm, a price higher than the previous close of Rs 33,265 seen in November 2013. During intra-day trading, however, in last January gold traded at a higher price. At a high price, demand is minimum and that was reflected in import figures. In January, gold import was only 50 tonnes, and that too was because of wedding-related purchases. Surendra Mehta, national secretary, IBJA, said "now there will be pressure on easy smuggled gold movement. Also due to tension in Asia the gold price is likely to escalate. This tension will also put pressure on the rupee, making gold costlier in India".

Sovereign gold bond yields better than spot metal investments - Investors who bought sovereign gold bonds instead of the precious metal have turned out to be better off as gold prices have risen supported with the 2per cent interest on these bonds. Investors can exit the first bond issued in November 2015 after it completes five years in 2020. Indians have bought a total of Rs 7,176.49 crore of gold bonds in 26 tranches in the three and a half years since the Reserve Bank of India (RBI) issued the first such bonds in November 2015. Data from the RBI shows that investors bought bonds at a varied price range of Rs 2,600 per gram in January 2016 to Rs 3,214 per gram, which was issued last month.

Jewellery sales rally on bullish trend - The year 2019 has relatively started well for the gold and diamond jewellery industry. Looking back at the first quarter of 2018, the volumes of jewellery sales in the UAE have been impacted by the implementation of VAT effective from January 1, 2018. As with other cases of tax implementation, this was a period of readjustment for the economy and the industry, more specifically. A similar impact was seen when the GST was introduced in India in 2017. Other factors such as geo-political challenges, global trade war and sanctions, and depreciation of currencies also contributed to the adverse impact on demand for jewellery in the UAE during 2018.

China gold demand off to decent 2019 start - The first 2019 announcement for Shanghai Gold Exchange gold withdrawals for January, a little delayed because of the Chinese New Year holiday, was marginally below last year's relatively high figure but is still at a high monthly level so could be considered a decent start to the year. However January withdrawal figures do tend to be reasonably high due to good demand ahead of the Lunar New Year festivities and associated gift giving. It is obviously too early yet to draw any conclusions re likely Chinese demand for 2019 - we will really need to wait for a couple more months' withdrawal figure once data for the February short holiday month data is behind us, but the reasonably strong start will give the gold bulls at least a little comfort given how important Chinese demand is to the global picture.

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