



**INDIA BULLION AND JEWELLERS
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Daily Market Update

Report as on Thursday, July 19, 2018

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Gold prices remain under pressure hovering near a 12-month low Wednesday as the latest U.S. housing data weakened more than expected. The Commerce Department's latest economic data showed that U.S. housing starts fell 12.3% in to a seasonally adjusted annual rate of 1.17 million units in June, down from May's revised rate of 1.3 million. Consensus forecasts compiled by most news organizations called for starts to be around 1.32 million. According to reports, housing starts have fallen to a nine-month low. Annually, housing construction dropped 3% from June 2017.

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Gold prices in India still not very attractive, says WGC - Gold prices are trading near a one-year low after falling for four straight months. A survey by Bank of America Merrill Lynch suggests that it is a good time to start accumulating gold. The gold prices declined after the Federal Reserve Chairperson Jerome Powell in his testimony to Congress on Tuesday spoke about stronger jobs, growth numbers and reinforced that the central bank is on road to see further interest rate hikes in 2018.

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Russia disposes of US government bonds to buy more gold - Russia has left the list of 33 largest holders of US government bonds, after the country disposed of at least a third of remaining bonds, a message from the US Treasury said. The last position on the list of 33 largest holders of US government bonds is taken by Chile - \$30 billion (as of May). Representatives of the US Treasury clarified that Russia's investment in the US government debt fell to an eleven-year low of \$14.9 billion, having decreased three times only from April till May.

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Poor Man's Gold More Popular in India as Prices Decline - A recovery in industrial demand is helping boost silver imports by India, according to Metals Focus Ltd. The value of purchases has risen to \$2.1 billion in the first half from \$1.5 billion a year earlier as silver prices average 4 percent less. Sheth estimates import volume may rise 15 to 20 percent this year, while gold shipments could drop as much as 25 percent because of ample inventories and sluggish demand.

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India's Gold Bar Imports Surged 260% in First Quarter of Fiscal 2019 - The recent trade data published by the GJEPC suggests dramatic jump in gold bar imports by the country during the first quarter (Apr-June '18) of the current fiscal. The imports surged higher in June. The inward shipments of gold bars had gone through the roof in May this year. According to GJPEC data, India imported gold bars worth Rs 5,078.12 crores in June this year. The imports recorded huge surge, in comparison with those during the same month a year before. The country's gold bar imports had totaled only Rs 1,621.19 crores in June 2017. In rupee terms, the imports surged higher by 213%. The rise in dollar terms stood at 198% year-on-year.

| Date | Gold* | Silver* |
|-------------------------|----------|----------|
| 18 Jul 2018 (Wednesday) | 29855.00 | 37935.00 |
| 17 Jul 2018 (Tuesday) | 30205.00 | 38570.00 |
| 16 Jul 2018 (Monday) | 30330.00 | 38810.00 |

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

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Outlook: Gold prices steadied as the dollar treated from near 52-week highs, pressured by data showing a wobble in the U.S. housing market. For the day prices a drop towards 29700-29660 will look to sell with a stoploss of below 29580 expecting prices to jump towards 29840-29950 level.

| Market View | | Daily Levels | |
|-----------------|----------|-------------------|--|
| Open | 29751.00 | Resistance | |
| High | 29780.00 | 29960.00 | |
| Low | 29638.00 | 29870.00 | |
| Close | 29766.00 | 29818.00 | |
| Value Change | 37.00 | 29676.00 | |
| % Change | 0.12 | 29586.00 | |
| Margin | 5.00 | 29534.00 | |
| Margin (Rs.) | 148830 | Support | |
| Volume | 7030.00 | | |
| Open Interest | 6664.00 | Spread | |
| Cng in OI (%) | -7.50 | OCT - AUG | |
| Prev Value(Mln) | 20882.14 | 246.00 | |
| 52 Week High | 31808.00 | DEC - OCT | |
| 52 Week Low | 29435.00 | 170.00 | |

Gold on MCX settled up 0.12% at 29766 as a retreat in the dollar from highs supported metal prices despite renewed focus on U.S.-China trade tensions. In a closely watched two-day congressional testimony, Federal Reserve Chairman Jerome Powell said he believed the United States was on course for years more of steady growth, and carefully played down the risks to the U.S. economy of an escalating trade conflict. A prolonged U.S. trade war with China and Europe would dent global economic growth and force investors to reassess the profitability of U.S. companies, some of the biggest hedge funds and private equity investors in the United States warned at an investment conference. U.S. President Donald Trump said on Wednesday the United States may hammer out a trade deal with Mexico, and then do a separate one with Canada later, sowing fresh doubts about the future of the North American Free Trade Agreement (NAFTA). The US housing starts tumbled 12.3% to a seasonally adjusted annual rate of 1.17 million units in June, the lowest level since September 2017. The month-on-month drop marked the sharpest since November 2016, indicating that tight supply is dealing a blow to the housing market. Building permits dropped 2.2% to stand at 1.27 million last months, also the lowest level since September 2017. This compared to the expected 2.2% growth to 1.33 million units. The US jobless claims for the week ended July 14 will be one of the key factors to watch today. Technically market is under short covering as market has witnessed drop in open interest by -7.5% to settled at 6664, now Gold is getting support at 29676 and below same could see a test of 29586 level, And resistance is now likely to be seen at 29818, a move above could see prices testing 29870.

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Gold Spot 995

| Exch. | Descr. | Last* |
|-------|----------------------|----------|
| CMDTY | Gold 995 - Ahmedabad | 30625.00 |
| CMDTY | Gold 995 - Bangalore | 30635.00 |
| CMDTY | Gold 995 - Chennai | 30645.00 |
| CMDTY | Gold 995 - Cochin | 30650.00 |
| CMDTY | Gold 995 - Delhi | 30630.00 |
| CMDTY | Gold 995 - Hyderabad | 30645.00 |
| CMDTY | Gold 995 - Jaipur | 30630.00 |
| CMDTY | Gold 995 - Kolkata | 30680.00 |
| CMDTY | Gold 995 - Mumbai | 30645.00 |

* Rates including GST

Silver Spot 999

| Exch. | Descr. | Last* |
|-------|------------------------|----------|
| CMDTY | Silver 999 - Ahmedabad | 38700.00 |
| CMDTY | Silver 999 - Bangalore | 39070.00 |
| CMDTY | Silver 999 - Chennai | 39040.00 |
| CMDTY | Silver 999 - Delhi | 39070.00 |
| CMDTY | Silver 999 - Hyderabad | 39130.00 |
| CMDTY | Silver 999 - Jaipur | 39085.00 |
| CMDTY | Silver 999 - Kolkata | 39200.00 |
| CMDTY | Silver 999 - Mumbai | 39140.00 |

* Rates including GST

Bullion Futures on DGCX

| Exch. | Descr. | Last |
|-------|-------------------------|----------|
| DGCX | GOLD 27JUL2018 | 1225.20 |
| DGCX | GOLD 26SEP2018 | 1231.90 |
| DGCX | GOLD QUANTO 30JUL2018 | 29777.00 |
| DGCX | GOLD QUANTO 27SEP2018 | 30001.00 |
| DGCX | SILVER 29AUG2018 | 15.53 |
| DGCX | SILVER 28NOV2018 | 15.61 |
| DGCX | SILVER QUANTO 30AUG2018 | 40436.00 |
| DGCX | SILVER QUANTO 29NOV2018 | 41189.00 |

Gold Spot 999

| Exch. | Descr. | Last* |
|-------|----------------------|----------|
| CMDTY | Gold 999 - Ahmedabad | 30755.00 |
| CMDTY | Gold 999 - Bangalore | 30785.00 |
| CMDTY | Gold 999 - Chennai | 30795.00 |
| CMDTY | Gold 999 - Cochin | 30800.00 |
| CMDTY | Gold 999 - Delhi | 30780.00 |
| CMDTY | Gold 999 - Hyderabad | 30795.00 |
| CMDTY | Gold 999 - Jaipur | 30750.00 |
| CMDTY | Gold 999 - Mumbai | 30795.00 |

* Rates including GST

Bullion Futures on MCX

| Exch. | Descr. | Last |
|-------|------------------|----------|
| MCX | GOLD 04AUG2017 | 29766.00 |
| MCX | GOLD 05OCT2017 | 30012.00 |
| MCX | GOLD 05DEC2017 | 30182.00 |
| MCX | SILVER 05JUL2017 | 38438.00 |
| MCX | SILVER 05SEP2017 | 39298.00 |
| MCX | SILVER 05DEC2017 | 39900.00 |

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 | 79.06 |
| MCX | MCX GOLD SILVER RATIO | 77.44 |

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Report is prepared for information purposes only.

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