



Daily Bullion Physical Market Report

Report as on Wednesday, February 20, 2019

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	34105	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	33693
		34185		33613
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	71.40	Important Support for Rupee Where Importer can look to book his today's payment	71.16
		71.45		71.11

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	34570.00	CMDTY	Gold 999 - Ahmedabad	34700
CMDTY	Gold 995 - Bangalore	34570.00	CMDTY	Gold 999 - Bangalore	34720
CMDTY	Gold 995 - Chennai	34590.00	CMDTY	Gold 999 - Chennai	34740
CMDTY	Gold 995 - Cochin	34595.00	CMDTY	Gold 999 - Cochin	34745
CMDTY	Gold 995 - Delhi	34575.00	CMDTY	Gold 999 - Delhi	34725
CMDTY	Gold 995 - Hyderabad	34565.00	CMDTY	Gold 999 - Hyderabad	34715
CMDTY	Gold 995 - Jaipur	34550.00	CMDTY	Gold 999 - Jaipur	34670
CMDTY	Gold 995 - Mumbai	34550.00	CMDTY	Gold 999 - Mumbai	34700

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	41475.00
Silver 999 - Bangalore	41500.00
Silver 999 - Chennai	41480.00
Silver 999 - Delhi	41540.00
Silver 999 - Hyderabad	41550.00
Silver 999 - Jaipur	41535.00
Silver 999 - Kolkata	41650.00
Silver 999 - Mumbai	41500.00

* Rates including GST

Gold Ratios
Gold Silver Ratio
83.56

Gold Ratios
Gold Crude Ratio
8.39

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 27MAR2019	1347.10
DGCX	GOLD QUANTO 28MAR2019	33620.00
DGCX	SILVER 26FEB2019	16.04

Gold and Silver Fix	
Descr.	LTP
Gold London AM FIX	1329.55
Gold London PM FIX	1334.15
Silver London FIX	15.77

Date	Gold*	Silver*
19 Feb 2019 (Tuesday)	33680.00	40260.00
18 Feb 2019 (Monday)	33490.00	40145.00
15 Feb 2019 (Friday)	33325.00	39825.00

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

19 Feb 2019 (Tuesday)

Gold Market Update



Market View	
Open	33650.00
High	33918.00
Low	33581.00
Close	33899.00
Value Change	291.00
% Change	0.87
Jun-Apr	208.00
Aug-Jun	208.00
Volume	10731
Open Interest	16410
Cng in OI (%)	-0.12

Today's View & Outlook
 BUY GOLD 05 APR 2019 @ 33800 SL 33600 TGT 34000-34150.MCX
 Gold price achieves strong gains to approach our first waited target at 1347.50, which supports the continuation of our bullish overview in the upcoming sessions, reminding you that our extended target reaches 1365.05, while holding above 1314.00 represents key condition to continue the suggested rise. The expected trading range for today is between 1310.00 support and 1347.00 resistance.

Gold on MCX settled up 0.87% at 33899 as concerns over a global economic slowdown spurred a safe-haven bid and were also supported by a weaker U.S. dollar. Prices were supported by hopes that Sino-U.S. trade talks were making positive progress and expectations of policy stimulus from central banks. The United States and China will resume trade talks this week in Washington, with U.S. President Donald Trump saying he may extend a March 1 deadline for a deal. Both sides reported progress at last week's talks in Beijing. The United States has blocked efforts by a U.N. agency to improve civil aviation in North Korea to maintain sanctions pressure ahead of a second summit between President Donald Trump and leader Kim Jong Un in Vietnam in late February. Minutes of the Federal Reserve's last policy meeting are due on Wednesday and should provide more guidance on the likelihood of rate increases this year. The U.S. Commerce Department sent a report on Sunday to U.S. President Donald Trump that could unleash steep tariffs on imported cars and auto parts, provoking a sharp backlash from the industry even before it is unveiled, the agency confirmed. 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. Technically now Gold is getting support at 33680 and below same could see a test of 33462 level, And resistance is now likely to be seen at 34017, a move above could see prices testing 34136.

Silver Market Update



Market View	
Open	40259.00
High	40586.00
Low	40151.00
Close	40557.00
Value Change	387.00
% Change	0.96
May-Mar	564.00
Jul-May	602.00
Volume	14465
Open Interest	12995
Cng in OI (%)	-0.22

Today's View & Outlook
 BUY SILVER 05 MAR 2019 @ 40400 SL 40100 TGT 40650-40800.MCX
 Silver price shows sideways trading since morning, while stochastic begins to provide positive overlapping signal now, waiting to motivate the price to resume the expected bullish trend for today, which its next target located at 16.00 and above same can test 16.36, while its continuation conditions holding above 15.62. The expected trading range for today is between 15.80 support and 16.40 resistance.

Silver on MCX settled up 0.96% at 40557 as another member of the Federal Reserve weighed in on slowing down the central bank's tightening of monetary policy. Investor sentiment improved as expectations increased for an easing of the U.S.-China trade conflict after both sides reported progress in talks. Markets will be keeping abreast of the next round of trade discussions between the U.S. and China in Washington this week, as the two sides race to reach a deal that would avert a tariff increase on Chinese goods by March 1. The Commerce Ministry said in a short statement that Chinese Vice-Premier Liu He is set to visit Washington for a new round of negotiations with the U.S. He will meet U.S. Treasury Secretary Steven Mnuchin and U.S. Trade Representative Robert Lighthizer. ECB policymakers will next meet on March 7, when the bank's staff are expected to slash growth and inflation projections as the euro zone suffers its biggest slowdown in half a decade. Euro zone bond yields, notably those of German bunds, have declined amid the cloudy European economic outlook and weighed on the common currency. Investors will also focus on the release of the minutes from the Federal Reserve's last meeting, due on Wednesday, for further insight into the outlook for monetary policy in the months ahead. Bank of Japan Governor Haruhiko Kuroda, speaking at the Japanese parliament, said the central bank was ready to ramp up stimulus if sharp yen rises hurt the economy and derail the path towards achieving its 2 percent inflation target. Technically now Silver is getting support at 40276 and below same could see a test of 39996 level, And resistance is now likely to be seen at 40711, a move above could see prices testing 40866.

USDINR Update



Market View	
Open	71.3200
High	71.5950
Low	71.3200
Close	71.4300
Value Change	0.1125
% Change	0.16
Mar-Feb	0.24
Apr-Mar	0.28
Volume	1429822
Open Interest	1662253
Cng in OI (%)	-6.46

Today's View & Outlook SELL USDINR 26 FEB 2019 @ 71.45 SL 71.56 TGT 71.32-71.20. 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 price jumps to 10-month high - Gold reached a high of \$1,345 an ounce, the highest in 10 months after more than 32m ounces changed hands in New York. Institutional and retail investors have piled into gold in recent months. Holdings in global gold-backed ETFs rose 72 tonnes in January to reach 2,513 tonnes (80.8m troy ounces), hitting the highest levels in nearly six years, according to data from the World Gold Council (WGC). In dollar terms, net inflows in January equaled \$3.1B with the value of gold held in ETF vaults reaching just shy of \$107B by the end of the month, a 6% increase. January was the fourth consecutive month of net inflows, according to WGC data and thanks to a blockbuster December 2018, 185 tonnes, or \$8B was injected into the scores of funds listed around the world over the past four months.

Highest central bank buying in 50 years drives 4% growth in gold demand in 2018 - Global gold demand reached 4,345.1 tonnes (t) in 2018, up 4% on 2017 and in line with five-year average demand of 4,347.5t, according to the World Gold Council's latest Gold Demand Trends report. The annual increase was driven by a multi-decade high in central bank buying and accelerated investment in bars and coins during the second half of the year. While annual inflows into exchange-traded funds (ETFs) were down 67% in 2018, demand was boosted in the final quarter by inflows of 112.4t. Central banks added 651.5t to official gold reserves in 2018, up 74% on 2017 and the second highest yearly total on record. Net purchases jumped to their highest level since the end of US dollar convertibility into gold in 1971, as a greater pool of central banks turned to gold as a diversifier.

Smuggling gold may be tough as border security to be beefed up - Smuggling gold into India is set to get tougher as the government is expected to tighten security along the borders in the aftermath of last week's terror strike in Pulwama, gold traders and bullion dealers said. "Following this ghastly terror attack in Pulwama, it is expected that the government will beef up security in the border region. So, this will bring down the entry of gold through the borders," Surendra Mehta, national secretary of the India Bullion & Jewellers Association, told ET. Traders had earlier indicated that the quantity of smuggled gold may increase by 25-50 per cent over last year because of the high price of the metal and 10 per cent import duty. About 120 tonnes of gold were smuggled into India in 2017, according to industry estimates. Gold demand in India was 760.40 tonnes in 2018, according to the World Gold Council. "The geopolitical tension between the two countries may see gold prices shooting up due to a depreciating rupee," said Mehta.

Gold to add gloss as investment asset in China - Gold as an investment asset will likely glitter brightly in China this year, and its consumption in the form of jewelry may enjoy a short-term boom in the Chinese lunar Year of the Pig, China Daily reported Monday. China remained the world's largest investment market for gold bars and coins last year, according to a World Gold Council report cited by the newspaper. The report showed demand for gold bars and coins in China stayed robust at 304 metric tons last year. The People's Bank of China also announced it added roughly 10 tons to its gold reserves in December, the first time since 2016 that it made such a move.

Russian gold exports fell more than three-fold in 2018 - Russian exports of gold fell by a factor of 3.3 in 2018 compared with the previous year, from 56.6 tonnes (1.82mn ounces) to 17.05 tonnes (548,083 ounces), the Assay Office said on February 19, according to RIA Novosti. Russia has been actively building up gold as a share of its gross international reserves (GIR) since 2007, as bne IntelliNews reported previously. The Central Bank of Russia (CBR) has been buying most of the gold produced domestically and purchased a record amount in 2018. Last year's gold purchases were financed from the sale of circa \$100bn of US treasury bills by the CBR, as bne IntelliNews reported in November, as Russia begins the long slow process of dumping the US dollar as the currency of international trade. At the same time the government has approved licenses to develop several very large gold fields that have sat fallow for over two decades, with the Sukhoi Log deposit being the biggest and more important among them.

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