



## IBJA Market Update

### Daily Market Update

Report as on Wednesday, March 21, 2018

# Polled Premium/Discount for 995 gold in Ahmedabad 0.00 USD/troy oz on March 20, 2018.

# Gold gave back all of the previous day's gains and then some, marking their lowest finish in nearly three weeks, as the dollar strengthened ahead of a widely expected interest-rate hike by the Federal Reserve. The Fed will wrap up a two-day monetary policy meeting on Wednesday, with a decision on interest rates and a press conference to follow. But the market will be watching for indications of further rate hikes. While it is now generally accepted that global growth is synchronised, raising the possibility of four further rate increases rather than just three, it is worth noting that the dollar has stabilised, and commodity prices have tended to drift a little lower recently.

# Festival, discounts fail to add glitter to gold-.Weaker demand in India prompted gold dealers to offer discounts for a second week straight, as a drop in local prices to 2-week lows and a festival failed to lure buyers. Dealers in India were offering a discount of up to \$3 an ounce over official domestic prices, unchanged from last week. The domestic price includes a 10 percent import tax. Since retail demand is weak, jewellers have also cut down purchases. They are maintaining lower-than-normal inventory.

# No proposal to review gold import policy, says government - The government said that there is no proposal to review the gold imports policy as inbound shipments of the metal have remained high. "At present, there is no proposal to review the gold import policy," Minister of State for Commerce and Industry C R Chaudhary said in a written reply to the Lok Sabha. The gems and jewellery sector has demanded a reduction in import duty on the metal, he said. The request, he said, was examined in this year's Budget.

# India's Gold Bar Imports Jumped Six-Fold - The recent statistics published by the GJEPC indicates significant jump in imports of gold bar during Feb '18. The cumulative imports during the initial eleven-month period of the fiscal too have reported notable increase. According to GJEPC data, the country imported Rs 3,903.92 crores worth of gold bars in February 2018. The imports surged higher significantly when compared with the corresponding month a year before. In rupee and dollar terms, the gold bar imports have recorded nearly six-fold jump. The country's gold bar imports had totaled only Rs 657.38 crores.

# Utilising idle gold with households: Government schemes fail to glitter - The Gold Monetisation Scheme (GMS), has been able to mobilise just over 6 tonnes of gold, that too mostly from temples and other non-household entities. Under the Sovereign Gold Bond (SGB) scheme, through which government securities are denominated in grams of gold, investors have to pay the issue price in cash and the bonds will be redeemed in cash on maturity, the mobilisation in ten tranches has been an equivalent of 22,666 kg of gold. For a bunch of schemes aimed at fishing out a chunk of the 25,000 tonnes of yellow metal lying idle with households, the results of the government's three gold-related investment schemes have largely been disappointing.

Date	Gold*	Silver*
20 Mar 2018 (Tuesday)	30400.00	38020.00
19 Mar 2018 (Monday)	30340.00	37940.00
16 Mar 2018 (Friday)	30460.00	38275.00

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

20 Mar 2018 (Tuesday)

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Market View		Daily Levels	
Open	30351.00	<b>Resistance</b>	
High	30356.00	30522.00	
Low	30185.00	30439.00	
Close	30263.00	30351.00	
Value Change	-155.00	30180.00	
% Change	-0.51	30097.00	
Margin	5.00	30009.00	
Margin (Rs.)	151315	<b>Support</b>	
Volume	9257.00	<b>Spread</b>	
Open Interest	4881.00	<b>JUN - APR</b>	
Cng in OI (%)	-11.04	<b>AUG - JUN</b>	
Prev Value(Mln)	28020.04	196.00	
52 Week High	30839.00	128.00	
52 Week Low	28074.00		

**Outlook:** Gold prices remained under pressure as investors awaited the conclusion of U.S. Federal Reserve's two-day meet for clues on faster monetary tightening. For the day prices a jump towards 30340-30400 level will look to sell with a stoploss of above 30550 expecting prices to drop towards 30220-30100 level.

Gold on MCX settled down -0.51% at 30263 as bond yields rose, supporting an advance in the dollar, lessening demand for the yellow metal as the FOMC meeting got underway, a day ahead of a widely expected interest rate hike. FOMC members are expected to vote to raise the Federal Reserve's benchmark rate by 0.25% to range of 1.50% to 1.75%. Current investor expectations are for three 0.25% rate hikes total 2018, which would leave the Fed's benchmark rate at range of 2.00% to 2.25% by year-end. That could change on Wednesday, however, with the release of the FOMC's Summary of Economy Projections which will include the closely watched "dot plots," showing where each FOMC member in the meeting thinks that interest rates are heading at the end of the year for the next few years and in the longer run. The recent statistics published by the GJEPC indicates significant jump in imports of gold bar during Feb '18. The cumulative imports during the initial eleven-month period of the fiscal too have reported notable increase. According to GJEPC data, the country imported Rs 3,903.92 crores worth of gold bars in February 2018. Weaker demand in India prompted gold dealers to offer discounts for a second week straight, as a drop in local prices to 2-week lows and a festival failed to lure buyers. Dealers in India were offering a discount of up to \$3 an ounce over official domestic prices, unchanged from last week. The domestic price includes a 10 percent import tax. Since retail demand is weak, jewellers have also cut down purchases. They are maintaining lower-than-normal inventory. Technically now Gold is getting support at 30180 and below same could see a test of 30097 level, And resistance is now likely to be seen at 30351, a move above could see prices testing 30439.

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## Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahemdabad	31135.00
CMDTY	Gold 995 - Bangalore	31125.00
CMDTY	Gold 995 - Chennai	31140.00
CMDTY	Gold 995 - Cochin	31135.00
CMDTY	Gold 995 - Delhi	31130.00
CMDTY	Gold 995 - Hyderabad	31120.00
CMDTY	Gold 995 - Jaipur	31125.00
CMDTY	Gold 995 - Kolkata	31180.00
CMDTY	Gold 995 - Mumbai	31160.00

\* Rates including GST

## Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahemdabad	38900.00
CMDTY	Silver 999 - Bangalore	39080.00
CMDTY	Silver 999 - Chennai	39100.00
CMDTY	Silver 999 - Delhi	39080.00
CMDTY	Silver 999 - Hyderabad	39125.00
CMDTY	Silver 999 - Jaipur	39075.00
CMDTY	Silver 999 - Kolkata	39200.00
CMDTY	Silver 999 - Mumbai	39100.00

\* Rates including GST

## Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 27MAR2018	1313.70
DGCX	GOLD 29MAY2018	1319.00
DGCX	GOLD QUANTO 28MAR2018	30280.00
DGCX	GOLD QUANTO 30MAY2018	30503.00
DGCX	SILVER 26APR2018	16.26
DGCX	SILVER 27JUN2018	16.35
DGCX	SILVER QUANTO 27APR2018	38500.00
DGCX	SILVER QUANTO 28JUN2018	38989.00

## Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahemdabad	31285.00
CMDTY	Gold 999 - Bangalore	31275.00
CMDTY	Gold 999 - Chennai	31290.00
CMDTY	Gold 999 - Cochin	31285.00
CMDTY	Gold 999 - Delhi	31250.00
CMDTY	Gold 999 - Hyderabad	31270.00
CMDTY	Gold 999 - Jaipur	31255.00
CMDTY	Gold 999 - Mumbai	31310.00

\* Rates including GST

## Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	30263.00
MCX	GOLD 05OCT2017	30459.00
MCX	GOLD 05DEC2017	30587.00
MCX	SILVER 05JUL2017	38216.00
MCX	SILVER 05SEP2017	38740.00
MCX	SILVER 05DEC2017	39479.00

## Gold and Silver Fix

Exch.	Descr.	Last
CMDTY	Gold London AM FIX	1312.75
CMDTY	Gold London PM FIX	1311.00
CMDTY	Silver London FIX	16.25

## Gold / Silver Ratio

Exch.	Descr.	Last
INTL. SPOT	GOLD SILVER RATIO	80.83
MCX	MCX GOLD SILVER RATIO	79.19

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Report is prepared for information purposes only.

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