



## IBJA Market Update

### Daily Market Update

Report as on Monday, June 25, 2018

# Polled Premium/Discount for 995 gold in Ahmedabad -2.00 USD/troy oz on June 22, 2018.

# Gold prices ended with gains as the dollar slipped and getting support from rising in crude oil prices. U.S. President Donald Trump threatened to escalate a trade war with Europe by imposing a 20 percent tariff on all U.S. imports of European Union-assembled cars.

# Gold demand picked up in most Asian centres this week as prices of the yellow metal slid to a six-month low, with gold being sold at a premium in India for the first time in seven weeks. Dealers in India were charging a premium of up to \$1 an ounce over official domestic prices this week, for the first time since the week of May 4. Last week, they were offering a discount of up to \$7.5, the biggest since Sept. 9. In Singapore, premiums charged this week rose slightly to a range of 80 cents to \$1 over benchmark spot, from the 60 cents to \$1 range last week. In top consumer China, however, premiums were unchanged from the previous week at \$5-\$6 an ounce as demand remained quiet amid a weaker yuan.

# Hedge funds and money managers trimmed their net long position in COMEX gold to the weakest position in 2-1/2 years in the week to June 19, U.S. Commodity Futures Trading Commission (CFTC) data showed. They also cut net long positions in copper and silver futures and options, according to the data. Speculators cut their net long position in COMEX gold by 41,058 contracts to 23,514 contracts, CFTC data showed. This was the weakest position since January 2016. Silver speculators cut their net long position by 12,113 contracts to 28,064 contracts, CFTC said.

# India's May trade deficit widens to \$14.62 billion, trade ministry - India's merchandise exports in May rose 20.2 percent year-on-year, the trade ministry said on Friday, but the trade deficit widened to \$14.62 billion, driven mainly by a 50 percent surge in its oil import bill, on higher global prices. In April trade deficit stood at \$13.72 billion. Merchandise exports last month rose to \$28.86 billion from a year ago, while imports rose 14.85 percent on year to \$43.48 billion, the Ministry of Commerce and Industry said in a statement.

# Rising China Gold Demand - Recently, the World Gold Council reported that China Gold Demand shrank by one-third between 2013 and 2016. What precipitated this drop? Decreasing gold prices drove accelerated buying. However, this fervor led to an over supply. Stores appeared everywhere. Merchandise piled up. This trend gave rise to price wars in which purchases fell with each year representing less than the one before. Despite the signs of a classic supply and demand problem, there was another underlying culprit to the downfall.

Date	Gold*	Silver*
22 Jun 2018 (Friday)	30620.00	39735.00
21 Jun 2018 (Thursday)	30570.00	39455.00
20 Jun 2018 (Wednesday)	30770.00	39535.00

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

22 Jun 2018 (Friday)

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Outlook: Gold looks firm as a buoyant euro kept the dollar off its 11-month highs, with trade issues between the US and the European Union further supporting the bullion. For the day prices a drop towards 30580-30540 will look to buy with a stoploss of below 30460 expecting prices to jump towards 30700-30780 level.

Market View		Daily Levels	
Open	30567.00	<b>Resistance</b>	
High	30656.00	30766.00	
Low	30551.00	30711.00	
Close	30610.00	30661.00	
Value Change	-6.00	30556.00	
% Change	-0.02	30501.00	
Margin	5.00	30451.00	
Margin (Rs.)	153050	<b>Support</b>	
Volume	5738.00		
Open Interest	6110.00	<b>Spread</b>	
Cng in OI (%)	-0.84	<b>OCT - AUG</b>	
Prev Value(Mln)	17561.68	302.00	
52 Week High	31808.00	<b>DEC - OCT</b>	
52 Week Low	29435.00	292.00	

Gold prices traded in range as the dollar fell and trade tensions lingered. Gold prices were also unable to capitalise on a modest uptick in safe haven demand in the wake of U.S. President Donald Trump's threat to impose a 20% tariff on all car imports from the EU. Renewed threats of trade penalties on imported EU goods come a day after the EU's retaliatory tariffs on imported U.S. goods came into effect late Thursday. Tensions between the U.S. and its allies continue, as India joined China and the European Union in retaliation against steel and aluminum tariffs. As the biggest buyer of almonds, India raised its tariff on U.S. almonds by 20%. Meanwhile the European Union imposed tariffs on about \$3.4 billion of U.S. imports, including motorcycles, orange juice and cranberry sauce. The expected tariffs have added to tensions as investors fear an outright global trade war between the U.S. and other major countries. Gold demand picked up in most Asian centres in the week as prices of the yellow metal slid to a six-month low, with gold being sold at a premium in India for the first time in seven weeks. Dealers in India were charging a premium of up to \$1 an ounce over official domestic prices in the week, for the first time since the week of May 4. Technically market is under long liquidation as market has witnessed drop in open interest by -0.84% to settled at 6110 while prices down -6 rupees, now Gold is getting support at 30556 and below same could see a test of 30501 level, And resistance is now likely to be seen at 30661, a move above could see prices testing 30711.

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## Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahmedabad	31440.00
CMDTY	Gold 995 - Bangalore	31375.00
CMDTY	Gold 995 - Chennai	31385.00
CMDTY	Gold 995 - Cochin	31390.00
CMDTY	Gold 995 - Delhi	31410.00
CMDTY	Gold 995 - Hyderabad	31375.00
CMDTY	Gold 995 - Jaipur	31370.00
CMDTY	Gold 995 - Kolkata	31450.00
CMDTY	Gold 995 - Mumbai	31395.00

\* Rates including GST

## Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahmedabad	40500.00
CMDTY	Silver 999 - Bangalore	40890.00
CMDTY	Silver 999 - Chennai	40855.00
CMDTY	Silver 999 - Delhi	40980.00
CMDTY	Silver 999 - Hyderabad	40940.00
CMDTY	Silver 999 - Jaipur	40890.00
CMDTY	Silver 999 - Kolkata	41050.00
CMDTY	Silver 999 - Mumbai	40995.00

\* Rates including GST

## Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 27JUL2018	1269.00
DGCX	GOLD 26SEP2018	1277.10
DGCX	GOLD QUANTO 30JUL2018	30607.00
DGCX	GOLD QUANTO 27SEP2018	30831.00
DGCX	SILVER 27JUN2018	16.47
DGCX	SILVER 29AUG2018	16.51
DGCX	SILVER QUANTO 28JUN2018	39420.00
DGCX	SILVER QUANTO 30AUG2018	40436.00

## Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahmedabad	31570.00
CMDTY	Gold 999 - Bangalore	31525.00
CMDTY	Gold 999 - Chennai	31535.00
CMDTY	Gold 999 - Cochin	31540.00
CMDTY	Gold 999 - Delhi	31560.00
CMDTY	Gold 999 - Hyderabad	31525.00
CMDTY	Gold 999 - Jaipur	31490.00
CMDTY	Gold 999 - Mumbai	31545.00

\* Rates including GST

## Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	30610.00
MCX	GOLD 05OCT2017	30912.00
MCX	GOLD 05DEC2017	31204.00
MCX	SILVER 05JUL2017	39796.00
MCX	SILVER 05SEP2017	40432.00
MCX	SILVER 05DEC2017	41185.00

## 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	77.49
MCX	MCX GOLD SILVER RATIO	76.92

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Report is prepared for information purposes only.

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