



Daily Bullion Physical Market Report

Report as on Tuesday, January 01, 2019

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	31572	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	31210
		31641		31141
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	69.74	Important Support for Rupee Where Importer can look to book his today's payment	69.50
		69.79		69.45

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	32570.00	CMDTY	Gold 999 - Ahmedabad	32700
CMDTY	Gold 995 - Bangalore	32530.00	CMDTY	Gold 999 - Bangalore	32680
CMDTY	Gold 995 - Chennai	32510.00	CMDTY	Gold 999 - Chennai	32660
CMDTY	Gold 995 - Cochin	32530.00	CMDTY	Gold 999 - Cochin	32680
CMDTY	Gold 995 - Delhi	32530.00	CMDTY	Gold 999 - Delhi	32680
CMDTY	Gold 995 - Hyderabad	32525.00	CMDTY	Gold 999 - Hyderabad	32675
CMDTY	Gold 995 - Jaipur	32500.00	CMDTY	Gold 999 - Jaipur	32620
CMDTY	Gold 995 - Mumbai	32525.00	CMDTY	Gold 999 - Mumbai	32675

\* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	39350.00
Silver 999 - Bangalore	39425.00
Silver 999 - Chennai	39395.00
Silver 999 - Delhi	39400.00
Silver 999 - Hyderabad	39455.00
Silver 999 - Jaipur	39395.00
Silver 999 - Kolkata	39500.00
Silver 999 - Mumbai	39400.00

\* Rates including GST

Gold Ratios
Gold Silver Ratio
81.10

Gold Ratios
Gold Crude Ratio
9.85

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 29JAN2019	1283.40
DGCX	GOLD QUANTO 30JAN2019	31410.00
DGCX	SILVER 26FEB2019	15.50

Gold and Silver Fix	
Descr.	LTP
Gold London AM FIX	1341.05
Gold London PM FIX	1341.05
Silver London FIX	16.45

Date	Gold*	Silver*
31 Dec 2018 (Monday)	31710.00	38245.00
28 Dec 2018 (Friday)	31675.00	38125.00
27 Dec 2018 (Thursday)	31650.00	37765.00

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

31 Dec 2018 (Monday)

Gold Market Update



Market View	
Open	31571.00
High	31595.00
Low	31300.00
Close	31391.00
Value Change	-207.00
% Change	-0.66
Apr-Feb	119.00
Jun-Apr	-14.00
Volume	9802
Open Interest	12587
Cng in OI (%)	-1.33

Today's View & Outlook

BUY GOLD FEB 2019 @ 31350 SL 31200 TGT 31480-31600.MCX

Gold price settles around 1280.00 level, and we still waiting for more rise as long as the price is above 1270.00, as the EMA50 continues to support the price from below, while stochastic begins to lose its negative momentum. Our next target is located at 1286.70, and breaching it will push the price towards 1316.65 areas, while breaking 1262.50 will stop the expected rise and push the price to turn to decline. Expected tradina ranae for today is between 1265.00 support and 1300.00 resistance.

Gold on MCX settled down -0.66% at 31391 on higher interest rates and dollar strength from the Sino-U.S. trade conflict. U.S. President Donald Trump said that a possible trade deal between the United States and China was progressing well. Gold has regained its safe-haven appeal because of turmoil in financial markets adding that political and economic considerations will support prices into the first quarter of 2019. China's net gold imports via main conduit Hong Kong rose 28 percent in November from the previous month to their highest since July, data showed. Net imports via Hong Kong to China, the world's biggest consumer of the metal, jumped to 37.871 tonnes in November from 29.633 tonnes in October, according to data from the Hong Kong Census and Statistics Department. Total gold imports via Hong Kong climbed 25 percent to 42.104 tonnes last month from 33.69 tonnes in October. Investor confidence in bullion was reflected in a surge in the holdings of SPDR Gold, the largest exchange traded fund. SPDR holdings rose 2.1 percent on Wednesday, their best one-day percentage gain since July 2016. SPDR holdings are at their highest level since August, and have risen about 8 percent since touching more than 2-1/2-year lows in October. Hedge funds and money managers raised their net long position in Comex gold in the week to Dec. 18, the U.S. Commodity Futures Trading Commission said. Speculators raised their net long position in gold by 14,317 contracts to 24,569 contracts, CFTC data showed, to its highest net long position in six months. Technically now Gold is getting support at 31263 and below same could see a test of 31134 level, And resistance is now likely to be seen at 31558, a move above could see prices testing 31724.

Silver Market Update



Market View	
Open	38798.00
High	38877.00
Low	38550.00
Close	38821.00
Value Change	115.00
% Change	0.30
May-Mar	489.00
Jul-May	522.00
Volume	13779
Open Interest	17259
Cng in OI (%)	-5.82

Today's View & Outlook

BUY SILVER MAR 2019 @ 38800 SL 38600 TGT 39000-39150.MCX

Silver price trades positively to move away gradually from 15.22 level, which supports the continuation of our bullish overview, which its next target located at 15.65, supported by the EMA50, reminding you that holding above 15.22 is important to continue the expected rise. Expected trading range for today is between 15.20 support and 15.60 resistance.

Silver on MCX settled up 0.3% at 38821 on worries over global economic growth and stock market tumult. Risk sentiment brightened slightly when U.S. President Donald Trump said he held a "very good call" with China's President Xi Jinping on Saturday to discuss trade and claimed "big progress" was being made. The two nations have engaged in a trade war for much of 2018, shaking world financial markets as punitive tariffs disrupted the flow of hundreds of billions of dollars worth of goods between the world's two largest economies. The persistent tensions have boosted safe-haven demand for the greenback this year as investors bet that the United States is in better shape than its rivals to weather a trade war. President Trump said in his tweets that negotiations are "moving very well" and "big progress" has been made. There is uncertainty over U.S.-China trade relations, concerns over an economic slowdown, and a partial government shutdown in the U.S. Market watchers will continue to follow closely the trade talks between China and the U.S. to look for cues, and Congress will reconvene after the holidays. Hedge funds and money managers switched to a net long position in silver, in the week to Dec. 18, the U.S. Commodity Futures Trading Commission said. Silver speculators switched to a net long position of 1,912 lots, adding 10,879 lots, CFTC said. This was the first time hedge funds and money managers held a net long position in silver since July. Technically now Silver is getting support at 38621 and below same could see a test of 38422 level, And resistance is now likely to be seen at 38948, a move above could see prices testing 39076.

USDINR Update



Market View		
Open		70.1600
High		70.1600
Low		69.8900
Close		69.9400
Value Change		-0.2200
% Change		-0.31
Feb-Jan		0.19
Mar-Feb		0.25
Volume		1333384
Open Interest		1356036
Cng in OI (%)		6.11

**Today's View & Outlook**

SELL USDINR JAN 2019 @ 69.95 SL 70.10 TGT 69.82-69.70. NSE

USDINR settled down -0.37% at 69.9, technically market is under fresh selling as market has witnessed gain in open interest by 6.11% to settled at 1356036 while prices down -0.26 rupees, now USDINR is getting support at 69.84 and below same could see a test of 69.73 level, And resistance is now likely to be seen at 70.11, a move above could see prices testing 70.27.

Rupee gained on selling by foreign banks amid likely overseas inflows into local stocks and a weak greenback. The government was considering three options for a farm relief package that could cost up to 3 trillion rupees (\$42.82 billion). India's Prime Minister Narendra Modi is considering a direct payment to all landowning farmers, compensation for those who sold produce below government prices, and a loan forgiveness programme, according to three government sources. India risks missing its budget deficit target for the current fiscal year, data released suggested, and the government had already started to cut capital spending in an attempt to narrow the gap. The data showed the fiscal deficit in the April-November period stood at 7.17 trillion rupees (\$101.93 billion), or 114.8 percent of the budgeted target for the fiscal year that ends in March. It is the second consecutive month that the deficit has come in above 100 percent of the budgeted target. In the April-October period India reported a fiscal deficit of 6.49 trillion rupees, or 103.9 percent of the budgeted full-year target. The government has set a fiscal deficit target of 3.3 percent of gross domestic product for the current fiscal year. Net tax receipts in the April-November period were 7.32 trillion rupees, against a full-year target of 14.81 trillion rupees, while total spending stood at 16.13 trillion rupees, against the full-year target of 24.42 trillion rupees. Technically now USDINR is getting support at 69.84 and below same could see a test of 69.73 level, And resistance is now likely to be seen at 70.11, a move above could see prices testing 70.27.

## Bullion News

# Comex Gold ended the last session of Year 2018 with a marginal loss, as equities moved higher amid optimism about a potential U.S.-China trade deal. U.S. President Donald Trump tweeted on Sunday that he had a "long and very good" telephone call with Chinese President Xi Jinping. He wrote: "Deal is moving along very well. If made, it will be very comprehensive, covering all subjects, areas and points of dispute. Big process is being made!" Chinese state media cited President Xi Jinping as saying he believed both sides wanted "stable progress." Gold futures climbed 4.7% in the month and notched up a gain of about 7.3% in the fourth quarter, due largely to frequent heavy selling in stock markets amid trade war jitters, political uncertainty and worries about global economic growth.

# MCX gold trades at discount to import price on duty cut reports - Gold for delivery in February was trading at Rs 31,470 per 10 grams, or at a half per cent discount to landed cost of imported gold, at 5:30 on Monday evening on the Multi Commodity Exchange. The price had fallen by one per cent in the morning. Market players say the discount reflects the possibility of a one per cent reduction in taxes on the precious metal. Gold attracts 10 per cent import duty and three per cent goods and services tax. Since, GST revenues are shared equally between the Centre and the states, a proposal to pare the rates here might meet resistance from the states. The Centre would then have to consider a reduction in import duty. As a result of this impasse, MCX gold gave up some of this discount in late afternoon trade, when international gold prices also started firming up.

# INDIA: NEW COMPREHENSIVE GOLD POLICY TO BE ANNOUNCED SOON - India's Commerce and Industry Minister Suresh Prabhu promised in an interview quoted by Diamond World that his government is "working on an integrated gold policy, which is expected to be released soon". The goal of the policy: to promote growth of gold industry and exports of jewellery. Prabhu said: "We are pushing for it (gold policy) as we need an integrated policy. In the next few days, we will have a meeting of all concerned people to frame the policy on an expeditious basis. We are looking at all elements of gold in the policy. He added that the government "will look into" cutting the import duty on gold from the current 10% to what the domestic industry is demanding - 4%.

# Gold bulls added substantial positions to ETFs backed by bullion - Gold bulls added substantial positions to ETFs backed by bullion as the yellow metal is heading for its best month in two years on the heels of the partial U.S. government shutdown and shaky equities. Gold-backed ETF holdings have surged by more than 100 tons since October and the rapid inflow has helped to boost prices, reports Bloomberg. On Thursday's trading session, ETFs bought 662,080 troy ounces of gold, which is the biggest one-day increase in at least 12 months. Also on Thursday, the SPDR Gold Shares fund saw inflows of more than \$643 million, the most since July 2016.

# Central bank buying augurs well for the yellow metal - Central bank buying was a big positive for gold in 2018. US-led trade sanctions and tensions prompted its old adversary Russia to lead the Central bank buying this year, adding over 250 tons to its reserves. The RBI is also reported to have added over 20 tons to its gold reserves this year. In a volatile environment gold offers good value for Central Banks. In the face of economic uncertainties, it may appear for now that Central Banks may continue adding to their gold reserves in 2019. After nine interest rate hikes in past three years, the US Federal Reserve may be close to the so called "neutral range" considered to be not too accommodative nor too restrictive for the US economy. This along with widening US budgetary and current account deficits may rein in the US Dollar. A weaker dollar is usually supportive of gold prices.

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