



**INDIA BULLION AND JEWELLERS  
ASSOCIATION LTD.**  
Since 1919



**Daily Market Update**

**Report as on Friday, November 02, 2018**

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Gold rose to settled at 31892 gained by 0.45% rebounding from a three-week low touched in the previous session, and spurred by the dollar's retreat from multi-month highs. The dollar index, which measures the U.S. unit against a basket of six major currencies, fell 0.7 percent, dropping from a 16-month high hit in the previous session on the back of continued U.S. economic strength. Global stocks started the new month on firmer ground after a brutal October, while sterling rallied on reports that Britain and the European Union are close to a post-Brexit deal on financial services. Attention is turning to the U.S. congressional elections on Nov. 6, which will determine whether the Republican or Democratic party controls the U.S. Congress, with some predicting increased market volatility on the outcome.

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Global gold demand rises to 964 tonnes in September quarter - Global gold demand was steady at 964 tonnes in September quarter, up 6 tonnes on a year-on-year basis, according to World Gold Council's latest Gold Demand Trends report. Robust central bank buying and a 13 per cent rise in consumer demand offset large outflows in gold-backed exchange-traded funds (ETFs). Lower gold prices saw retail investors take refuge in bars and coins, while jewellery purchases increased in India, China and across South-East Asia. Bar and coin investors took advantage of the price dip, with demand up 28 per cent yoy. Stock market volatility and currency weakness boosted demand in many emerging markets. China, the world's largest bar and coin market, saw demand rise 25 per cent to 86 tonnes. Iranian demand hit a five-and-a-half year high at 21 tonnes.

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BIS launches gold hallmarking awareness campaign - BIS on Thursday launched their latest campaign to create awareness amongst consumers to buy hallmarked gold during festive season. HL Upendar, deputy director general, consumer affairs, BIS said, "The benefits of hallmarking are widely recognised in India's gold industry. Hallmarking has a direct correlation with consumer trust, and confidence. However, the awareness among consumers is still not high which makes them susceptible to under-caratage. Since launch of hallmarking in 2001, gold hallmarking has been voluntary. We would prefer consumer purchase only hallmarked gold from BIS licensed outlets to ensure guarantee of purity or fineness which is consumers' right. We aim to usher a time where consumers walk into any jewellery store and demand for only hallmarked gold. We want consumers to look for the four symbols of hallmark and make informed purchases.

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Thanks to refining industry, unrefined gold import surges to a new high - Make in India concept is at-least working for bullion industry in India. At 89.8 tons, India's unrefined gold import in the first three quarters of 2018 was highest since the country started refining gold. The reason for increasing import of dore, year after year, is that post GST implementation refining disparities have nullified and industry is actively pursuing global gold mines to ensure enough supplies. Association of Gold Refineries and Mints said, "we estimate in 2018 India will be meeting 50 per cent of the domestic gold demand by gold refined in India. Last year we met 40 per cent of domestic demand from Indian refined gold." Last year, India's gold jewellery demand was little over 600 tons, of which little over 40 per cent was met by India refined gold as dore (unrefined gold) was 250 tons. In first three quarters of 2018, dore demand stands at around 419 tons while import is at 218 tons, little more than 50 per cent.

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Central bank gold buying hits highest level since 2015 amid market volatility and currency weakness - The World Gold Council reported that central bank gold reserves grew 148.4 tonnes, up 22 per cent year-on-year as more countries bought the commodity. A four-month trend of gold outflows was also reversed in October as US and European markets slid, causing investors to return to the commodity as a "safe haven." to protect assets. Alistair Hewitt, director of market intelligence at the WGC, said regular buyers such as Russia, Kazakhstan and Turkey continued to purchase gold but a number of new buyers, including Poland, Hungary and India had contributed to the demand. Gold bar and coin demand in Iran soared to a five-and-a-half year high as US sanctions and plummeting rial caused investors to seek refuge in gold.

Date	Gold*	Silver*
01 Nov 2018 (Thursday)	31850.00	37875.00
31 Oct 2018 (Wednesday)	31880.00	37965.00
30 Oct 2018 (Tuesday)	31865.00	37950.00

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

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Outlook: Gold gained as the recent drop in metal prices and an easing of the U.S. dollar from multi-month highs stoked buying. For the day prices a drop towards 31830-31780 will look to buy with a stoploss of below 31650 expecting prices to jump towards 31920-32050 level.

## MCX GOLD

Market View	Value	Daily Levels
Open	31787.00	<b>Resistance</b>
High	31938.00	32164.00
Low	31745.00	32051.00
Close	31892.00	31971.00
Value Change	144.00	31778.00
% Change	0.45	31665.00
Margin	5.00	31585.00
Margin (Rs.)	159460	<b>Support</b>
Volume	9541.00	
Open Interest	13387.00	<b>Spread</b>
Cng in OI (%)	-0.30	<b>FEB - DEC</b>
Prev Value(Mln)	30370.38	253.00
52 Week High	32311.00	<b>APR - FEB</b>
52 Week Low	29500.00	240.00

Gold on MCX settled up 0.45% at 31892 as the recent drop in metal prices and an easing of the U.S. dollar from multi-month highs stoked buying. Investors are wary of a potential saturation in currencies ahead of the U.S. mid-term elections and amid other geo-political uncertainties. U.S. President Donald Trump and Chinese President Xi Jinping both expressed optimism about resolving their bitter trade disputes ahead of a high-stakes meeting planned for the two leaders at the end of November in Argentina. Trump increased economic pressure on Venezuela's leftist President Nicolas Maduro with new sanctions aimed at disrupting the South American country's gold exports. The U.S. economy is expanding at a 3.0 percent annualised rate in the fourth quarter, following the latest data on manufacturing activity and construction spending, the Atlanta Federal Reserve's GDPNow forecast model showed. The UK and the European Union have made progress on a deal to give London's dominant financial centre basic access to EU markets after Brexit, two British officials said, but no agreement has yet been clinched. SPDR Gold Trust (GLD), the world's largest gold-backed exchange-traded fund, said its holdings rose 0.90 percent to 760.82 tonnes on Thursday from 754.06 tonnes on Wednesday. Global demand for gold rose slightly in the third quarter compared to the same period a year ago as resurgent buying from central banks and retail consumers balanced huge outflows from exchange traded funds, the World Gold Council (WGC) said on Thursday. Technically market is under short covering as market has witnessed drop in open interest by -0.3% to settled at 13387 while prices up 144 rupees, now Gold is getting support at 31778 and below same could see a test of 31665 level, And resistance is now likely to be seen at 31971, a move above could see prices testing 32051.

# IBJA Daily Market Update



INT. GOLD\$		
Market View		Daily Levels
Open	1214.65	Resistance
High	1236.89	1263.94
Low	1214.61	1250.42
Close	1232.91	1241.66
Value Change	18.51	1219.38
% Change	0.02	1205.86
		1197.10
		Support

Outlook: Gold price continued to rise to breach 1226.50 and reach the key resistance 1238.30, accompanied by stochastic reach to the overbought areas, which might press the price to decline again, but we prefer monitoring the price behavior according to the mentioned levels, waiting to breach one of them to detect the next destination clearly, which makes us stay temporarily.

Gold settled up as the recent drop in metal prices and an easing of the U.S. dollar from multi-month highs stoked buying. Investors are wary of a potential saturation in currencies ahead of the U.S. mid-term elections and amid other geo-political uncertainties. U.S. President Donald Trump and Chinese President Xi Jinping both expressed optimism about resolving their bitter trade disputes ahead of a high-stakes meeting planned for the two leaders at the end of November in Argentina. Trump increased economic pressure on Venezuela's leftist President Nicolas Maduro with new sanctions aimed at disrupting the South American country's gold exports. The U.S. economy is expanding at a 3.0 percent annualised rate in the fourth quarter, following the latest data on manufacturing activity and construction spending, the Atlanta Federal Reserve's GDPNow forecast showed. The UK and the European Union have made progress on a deal to give London's dominant financial centre basic access to EU markets after Brexit, two British officials said, but no agreement has yet been clinched. SPDR Gold Trust (GLD), the world's largest gold-backed exchange-traded fund, said its holdings rose 0.90 percent to 760.82 tonnes on Thursday from 754.06 tonnes on Wednesday. Global demand for gold rose slightly in the third quarter compared to the same period a year ago as resurgent buying from central banks and retail consumers balanced huge outflows from exchange traded funds, the World Gold Council (WGC) said on Thursday. Technically now Gold is getting support at 1227.80 and below same could see a test of 1222.00 level, And resistance is now likely to be seen at 1239.60, a move above could see prices testing 1245.00.

# IBJA Daily Market Update



Rupee posted a solid gain of 50 paise to 73.45 snapping downside of last two sessions as month-end buying of dollars ceased with the start of November, while a stronger euro and sterling also pushed the greenback down. Technically market is under fresh selling as market has witnessed gain in open interest by 3.7% to settled at 1921027 while prices down -0.5175 rupees, now USDINR is getting support at 73.3525 and below same could see a test of 73.1025 level, And resistance is now likely to be seen at 73.72, a move above could see prices testing 74.04.

USDINR		
Market View	Daily Levels	
Open	74.1975	<b>Resistance</b>
High	74.4475	75.00
Low	73.6500	74.72
Close	73.6825	74.20
Value Change	-0.5175	73.41
% Change	-0.70	73.13
Margin	2.51	72.61
Margin (Rs.)	1849	<b>Support</b>
Volume	1661868	
Open Interest	1921027	<b>Spread</b>
Cng in OI (%)	3.70	<b>DEC - NOV</b>
Prev Value(Mln)	122781.65	0.2675
52 Week High	74.9800	<b>JAN - DEC</b>
52 Week Low	64.7000	0.2525

Rupee traded higher as crude oil prices fall amid signs of rising supply and growing concerns that demand might weaken on the prospect of a global economic slowdown. Indian manufacturers defied expectations for a slowdown and expanded activity at the fastest pace in four months in October, boosted by increasing new orders, a private survey showed. The Nikkei/IHS Markit Services Purchasing Managers' Index rose to 53.1 last month from 52.2 in September, its highest since June. A sub-index showed total new orders increased at a faster pace, though growth in export orders moderated slightly. That encouraged firms to raise output at the fastest pace in four months, which helped increase hiring to the highest pace this year. Combined with a decline in oil prices over the past month that will likely keep retail inflation below the Reserve Bank of India's medium term target of 4 percent for a third consecutive month in October. A top Reserve Bank of India official said that undermining a central bank's independence could be "potentially catastrophic", in comments appearing to push back against government pressure ahead of a general election next year. Government officials have recently called for the RBI to relax its lending restrictions on some banks, and New Delhi has also been trying to trim the RBI's regulatory powers by setting up a new regulator for the country's payments system. Technically market is under fresh selling as market has witnessed gain in open interest by 4.47% to settled at 1935383, now USDINR is getting support at 73.3525 and below same could see a test of 73.1025 level, And resistance is now likely to be seen at 74.15, a move above could see prices testing 74.6975.

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## Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahmedabad	32640.00
CMDTY	Gold 995 - Bangalore	32645.00
CMDTY	Gold 995 - Chennai	32650.00
CMDTY	Gold 995 - Cochin	32655.00
CMDTY	Gold 995 - Delhi	32650.00
CMDTY	Gold 995 - Hyderabad	32620.00
CMDTY	Gold 995 - Jaipur	32650.00
CMDTY	Gold 995 - Kolkata	32700.00
CMDTY	Gold 995 - Mumbai	32650.00

\* Rates including GST

## Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahmedabad	38975.00
CMDTY	Silver 999 - Bangalore	39005.00
CMDTY	Silver 999 - Chennai	39005.00
CMDTY	Silver 999 - Delhi	39005.00
CMDTY	Silver 999 - Hyderabad	39000.00
CMDTY	Silver 999 - Jaipur	39000.00
CMDTY	Silver 999 - Kolkata	39250.00
CMDTY	Silver 999 - Mumbai	39100.00

\* Rates including GST

## Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 28NOV2018	1234.00
DGCX	GOLD 29JAN2019	1242.00
DGCX	GOLD QUANTO 29NOV2018	31840.00
DGCX	GOLD QUANTO 30JAN2019	32017.00
DGCX	SILVER 28NOV2018	14.81
DGCX	SILVER 26FEB2019	14.81
DGCX	SILVER QUANTO 29NOV2018	41189.00

## Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahmedabad	32770.00
CMDTY	Gold 999 - Bangalore	32795.00
CMDTY	Gold 999 - Chennai	32800.00
CMDTY	Gold 999 - Cochin	32805.00
CMDTY	Gold 999 - Delhi	32800.00
CMDTY	Gold 999 - Hyderabad	32770.00
CMDTY	Gold 999 - Jaipur	32770.00
CMDTY	Gold 999 - Mumbai	32800.00

\* Rates including GST

## Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	31892.00
MCX	GOLD 05OCT2017	32145.00
MCX	GOLD 05DEC2017	32385.00
MCX	SILVER 05JUL2017	38771.00
MCX	SILVER 05SEP2017	39692.00
MCX	SILVER 05DEC2017	40295.00

## 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	84.00
MCX	MCX GOLD SILVER RATIO	82.26

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