



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



Daily Market Update

Report as on Tuesday, November 06, 2018

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Gold inched lower within a narrow range ahead of the U.S. congressional elections, which may fuel interest in bullion as a hedge against risk if the result sparks volatility in financial markets. Opinion polls show strong chances that the Democratic Party may win control of the House of Representatives in the Nov. 6 midterm elections. The dollar paused after three consecutive weeks of gains as investors took profits before the elections. The metal is down more than 5 percent this year, with investors turning to the dollar for safety as the U.S.-China trade war unfolded, and higher U.S. interest rates offered more attractive returns than the non-yielding metal.

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Specs Rebuild Bearish Gold Positions, But This Could Be Temporary - Large speculators rebuilt their bearish positioning in gold futures during the most recent reporting week for data compiled by the CFTC, yet this may have been a temporary phenomenon, with prices since rising again amid a fall in the U.S. dollar. During the week-long period to Oct. 30 covered by the CFTC's report, Comex December gold fell by \$11.50 to \$1,225.30 an ounce, while December silver lost 33.1 cents to \$14.462. Since that Oct. 30 cut-off, however, both metals are higher again – with gold at \$1,233.50 and silver at \$14.695 as of 10 a.m. EST. Net long or short positioning in the CFTC data reflect the difference between the total number of bullish (long) and bearish (short) contracts. Traders monitor the data to gauge the general mood of speculators, although excessively high or low numbers are viewed by many as signs of overbought or oversold markets that may be ripe for price corrections.

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Gold, jewellery sales muted on sluggish demand, high price - Gold and jewellery sales in the morning trade remained subdued this Dhanteras Monday owing to sluggish demand from consumers amid high prices, according to industry players. However, organised players like P C Jewellers are expecting better sales later during the day as quality and better designs at competitive prices are likely to attract more footfalls. Unorganised jewellery players in India -- the world's second biggest buyer of the precious metal -- make up for roughly 70 per cent of the country's gold sales. Dhanteras is considered to be an auspicious day for buying gold, silver and other valuables and is largely celebrated in northern and western parts of India.

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High gold prices hurt demand on Dhanteras - In line with expectations, the sale of gold this Dhanteras across metro cities was subdued owing to high prices of the precious metal. Dhanteras is considered an auspicious occasion for buying gold. In the country's financial capital -- Mumbai -- too traders said sales were down 40 per cent on year-on-year basis. "Though there are crowds, people are not buying as per the expectations, but merely making token purchases of 5-10-20 gm to mark the auspicious day. Mostly gold coins/ or guineas are moving while small, medium or big articles of jewellery are virtually ignored," said Mumbai Jewellers Federation President Rakesh Shetty. Similarly, demand for the yellow metal in Kolkata during the day was down 10 per cent as prices were around 7 per cent higher than last year, India Bullion and Jewellers Association's West Bengal President Pankaj Parekh told IANS.

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Govt to set up domestic gold council to push exports of gold: Prabhu - The government is working to set up a 'Domestic Gold Council' to push exports of gold jewellery, said Suresh Prabhu, Commerce and Industry Minister. Speaking at the gold jewellery exhibition, Prabhu said "We are the largest consumer of gold and there are huge numbers of artisans. So, we have decided to set up 'Domestic Gold Council' which will have representations from all stakeholders including artisans, traders, miners and purifiers." He said the council would work in the direction of promoting the gold and jewellery industry. Further, he pointed "there are huge opportunities in the global market to push exports of gold jewellery."

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

01 Nov 2018 (Thursday)

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Outlook: Gold prices were steady ahead of U.S. midterm elections that may fuel interest in the metal as a hedge against risk if the result sparks volatility in wider financial markets. For the day prices a jump towards 31800-31850 will look to sell with a stoploss of above 31980 expecting prices to drop towards 31700-31600 level.

MCX GOLD

Market View	Daily Levels	
Open	31736.00	Resistance
High	31835.00	31951.00
Low	31681.00	31893.00
Close	31702.00	31797.00
Value Change	-48.00	31643.00
% Change	-0.15	31585.00
Margin	5.00	31489.00
Margin (Rs.)	158510	Support
Volume	7119.00	
Open Interest	11217.00	Spread
Cng in OI (%)	-0.39	FEB - DEC
Prev Value(Mln)	22611.43	258.00
52 Week High	32311.00	APR - FEB
52 Week Low	29500.00	245.00

Gold prices steady as investors were cautious ahead of the U.S. congressional elections due on Tuesday. Investors are now focused on the U.S. congressional elections on Nov. 6, which will determine whether the Republican or Democratic party controls Congress, with some predicting increased market volatility on the outcome. U.S. job growth rebounded sharply in October and wages recorded their largest annual gain in 9-1/2 years, pointing to further labor market tightening that could encourage the Federal Reserve to raise interest rates again in December. The U.S. and China are not close to a deal to resolve their trade differences, the White House's top economic adviser said, adding that he was less optimistic than previously that such an agreement would come together. British Prime Minister Theresa May's office has dismissed as "speculation" a newspaper report that suggests an all-UK customs deal will be written into the legally binding agreement governing Britain's withdrawal from the EU. Hedge funds and money managers raised their net short position in gold by 18,723 contracts to 45,622 contracts, according to U.S. Commodity Futures Trading Commission data on Friday. This was the highest in three weeks. Physical gold demand in India was lacklustre last week, with dealers offering discounts for the metal ahead of a traditionally busy festival week for the first time in at least three years, as high prices kept consumers away. SPDR Gold Trust (GLD), the world's largest gold-backed exchange-traded fund, said its holdings fell 0.23 percent to 757.29 tonnes on Monday from 759.06 tonnes on Friday. Technically now Gold is getting support at 31643 and below same could see a test of 31585 level, And resistance is now likely to be seen at 31797, a move above could see prices testing 31893.

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INT. GOLD\$		
Market View		Daily Levels
Open	1231.91	Resistance
High	1234.63	1242.68
Low	1226.94	1238.66
Close	1231.33	1234.99
Value Change	-1.41	1227.30
% Change	0.00	1223.28
		1219.61
		Support

Outlook: Gold is trading in tight range continues to dominate Gold price trades, and as long as the price is below 1238.30, our bearish overview will remain active, only above 1238.30 market can shoot up till 1256-1272 range else waiting to visit 1212.40 level mainly, noting that breaking 1227.00 will ease the mission of achieving the waited target. Expected trading range for today is between 1208.00 support and 1240.00 resistance.

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IBJA Daily Market Update



USDINR settled up 0.84% at 73.2525, technically market is under short covering as market has witnessed drop in open interest by -6.23% to settled at 1954558 while prices up 0.6075 rupees, now USDINR is getting support at 72.915 and below same could see a test of 72.7175 level, And resistance is now likely to be seen at 73.2975, a move above could see prices testing 73.4825.

USDINR		
Market View		Daily Levels
Open	73.0025	Resistance
High	73.2850	73.77
Low	72.9025	73.53
Close	73.2525	73.39
Value Change	0.6075	73.01
% Change	0.84	72.76
Margin	2.51	72.63
Margin (Rs.)	1839	Support
Volume	2025339	
Open Interest	1954558	Spread
Cng in OI (%)	-6.23	DEC - NOV
Prev Value(Mln)	148120.89	0.2550
52 Week High	74.9800	JAN - DEC
52 Week Low	64.7000	0.2350

Rupee weakened tracking Asian peers due to strong U.S. jobs data that bolstered expectations of faster rate hikes there. However, the rupee is unlikely to fall sharply during the day as it is expected to take comfort from soft crude prices. Activity in India's dominant services sector increased at its fastest pace in three months in October, driven by a strong pick-up in new business, a private survey showed. The Nikkei/IHS Markit Services Purchasing Managers' Index rose to 52.2 last month from a four-month low of 50.9 in September. Stronger services activity and better-than-expected growth in manufacturing led a composite index to increase to 53.0 last month from September's 51.6, with employment rising at its quickest rate in nearly eight-and-a-half years. 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 and above a Reuters poll consensus of 51.9. It has been above the 50-mark that separates growth from contraction for 15 months. Technically market is under short covering as market has witnessed drop in open interest by -5.7% to settled at 1965658 while prices up 0.6125 rupees, now USDINR is getting support at 72.915 and below same could see a test of 72.7175 level, And resistance is now likely to be seen at 73.2975, a move above could see prices testing 73.4825.

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Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahmedabad	32710.00
CMDTY	Gold 995 - Bangalore	32680.00
CMDTY	Gold 995 - Chennai	32685.00
CMDTY	Gold 995 - Cochin	32685.00
CMDTY	Gold 995 - Delhi	32690.00
CMDTY	Gold 995 - Hyderabad	32675.00
CMDTY	Gold 995 - Jaipur	32685.00
CMDTY	Gold 995 - Kolkata	32775.00
CMDTY	Gold 995 - Mumbai	32725.00

* Rates including GST

Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahmedabad	39525.00
CMDTY	Silver 999 - Bangalore	39570.00
CMDTY	Silver 999 - Chennai	39550.00
CMDTY	Silver 999 - Delhi	39575.00
CMDTY	Silver 999 - Hyderabad	39600.00
CMDTY	Silver 999 - Jaipur	39575.00
CMDTY	Silver 999 - Kolkata	39800.00
CMDTY	Silver 999 - Mumbai	39675.00

* Rates including GST

Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 28NOV2018	1231.40
DGCX	GOLD 29JAN2019	1240.40
DGCX	GOLD QUANTO 29NOV2018	31741.00
DGCX	GOLD QUANTO 30JAN2019	31918.00
DGCX	SILVER 28NOV2018	14.63
DGCX	SILVER 26FEB2019	14.69
DGCX	SILVER QUANTO 29NOV2018	41189.00

Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahmedabad	32840.00
CMDTY	Gold 999 - Bangalore	32830.00
CMDTY	Gold 999 - Chennai	32835.00
CMDTY	Gold 999 - Cochin	32835.00
CMDTY	Gold 999 - Delhi	32840.00
CMDTY	Gold 999 - Hyderabad	32825.00
CMDTY	Gold 999 - Jaipur	32805.00
CMDTY	Gold 999 - Mumbai	32875.00

* Rates including GST

Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	31702.00
MCX	GOLD 05OCT2017	31960.00
MCX	GOLD 05DEC2017	32205.00
MCX	SILVER 05JUL2017	38359.00
MCX	SILVER 05SEP2017	39242.00
MCX	SILVER 05DEC2017	39820.00

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	84.11
MCX	MCX GOLD SILVER RATIO	82.65

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