



Daily Bullion Physical Market Report

Report as on Friday, December 07, 2018

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	31232	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	30946
		31287		30891
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	70.96	Important Support for Rupee Where Importer can look to book his today's payment	70.68
		71.12		70.52

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	31940.00	CMDTY	Gold 999 - Ahmedabad	32070
CMDTY	Gold 995 - Bangalore	31920.00	CMDTY	Gold 999 - Bangalore	32070
CMDTY	Gold 995 - Chennai	31950.00	CMDTY	Gold 999 - Chennai	32100
CMDTY	Gold 995 - Cochin	31955.00	CMDTY	Gold 999 - Cochin	32105
CMDTY	Gold 995 - Delhi	31950.00	CMDTY	Gold 999 - Delhi	32100
CMDTY	Gold 995 - Hyderabad	31910.00	CMDTY	Gold 999 - Hyderabad	32060
CMDTY	Gold 995 - Jaipur	31945.00	CMDTY	Gold 999 - Jaipur	32065
CMDTY	Gold 995 - Mumbai	31950.00	CMDTY	Gold 999 - Mumbai	32100

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	37400.00
Silver 999 - Bangalore	37455.00
Silver 999 - Chennai	37480.00
Silver 999 - Delhi	37460.00
Silver 999 - Hyderabad	37525.00
Silver 999 - Jaipur	37455.00
Silver 999 - Kolkata	37675.00
Silver 999 - Mumbai	37500.00

* Rates including GST

Gold Ratios
Gold Silver Ratio
83.53

Gold Ratios
Gold Crude Ratio
8.59

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 29JAN2019	1243.10
DGCX	GOLD QUANTO 30JAN2019	31217.00
DGCX	SILVER 26FEB2019	14.53
DGCX	0	0.00

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*
06 Dec 2018 (Thursday)	31115.00	36330.00
05 Dec 2018 (Wednesday)	31020.00	36450.00
04 Dec 2018 (Tuesday)	31080.00	36670.00

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

06 Dec 2018 (Thursday)

Gold Market Update



Market View	
Open	31150.00
High	31296.00
Low	31062.00
Close	31089.00
Value Change	14.00
% Change	0.05
Apr-Feb	236.00
Jun-Apr	244.00
Volume	10331
Open Interest	13073
Cng in OI (%)	-1.57

Today's View & Outlook
SELL GOLD FEB 2019 @ 31200 SL 31350 TGT 31000-30850.MCX
 Gold price shows new attempt to breach 1238.30 but it keeps its stability below it until now, which keeps our bearish overview valid until now, waiting to break 1230.00 level to confirm rallying towards our main negative target at 1218.40, noting that confirming breaching 1238.30 will push the price to achieve gains that reach 1262.51 on the near term basis.

Gold steadied as the dollar declined amid expectations of a slowdown in the pace of U.S. interest rate hikes, with investors seeking refuge in the bullion from a sell-off in global stocks. The dollar fell about 0.5 percent as U.S. Treasury yields tumbled and traders scaled back expectations on the number of hikes the Fed would implement amid weakening economic data and market volatility. The dollar index inched lower, weighed down by worries about lower U.S. long-term Treasury yields and expectations of a fewer rate hikes by the U.S. central bank. Atlanta Federal Reserve bank president Raphael Bostic on Thursday said he felt the Fed should continue raising rates towards a "neutral" level, noting that despite recent market volatility and increasing uncertainty, he did not see "any indications of a material weakening in the macroeconomic data at the moment." The Federal Reserve is "helping community banks remain competitive" and continue to play a central role in rural communities, in part by reducing regulations for smaller banks, Fed Governor Randal Quarles told the Stanford Institute for Economic Policy Research. He did not comment on the economic outlook or monetary policy in his prepared remarks, which focused on banks in the Western United States. Gold-backed exchange-traded funds (ETFs) registered inflows in all the world's major regions in November, as volatile stock markets fuelled flight-to-safety buying, the World Gold Council said on Thursday. Technically market is under short covering as market has witnessed drop in open interest by -1.57% to settled at 13073 while prices up 14 rupees, now Gold is getting support at 31002 and below same could see a test of 30915 level, And resistance is now likely to be seen at 31236, a move above could see prices testing 31383.

Silver Market Update



Market View	
Open	37421.00
High	37517.00
Low	37061.00
Close	37218.00
Value Change	-208.00
% Change	-0.56
May-Mar	561.00
Jul-May	599.00
Volume	14524
Open Interest	23766
Cng in OI (%)	3.66

Today's View & Outlook
SELL SILVER MAR 2019 @ 37550 SL 37850 TGT 37200-37000.MCX
 Silver price resumes its negative trading to start pressing on the key support 14.35, and as we mentioned, breaking this level will ease the mission of continuing the decline towards our next waited target at 13.93. Therefore, we will keep our bearish overview unless breaching 14.73 level and holding above it. Expected trading range for today is between 14.25 support and 14.60 resistance.

Silver on MCX settled down -0.56% at 37218 tracking weakness in crude oil and base metals prices despite dollar has been under pressure as an inversion in part of the US yield curve raised a red flag for a potential recession. The U.S. economy is "performing very well overall," Federal Reserve Chairman Jerome Powell said, capping a week of widespread market nervousness with a reminder that the U.S. economy continues to expand. Fed policymakers are still widely expected to raise interest rates again at their December 18-19 meeting, but the market focus is on how many rate hikes will follow in 2019. Atlanta Fed President Raphael Bostic on Thursday said the central bank may not have to go much further with interest rates to achieve a proper balance between slowing and overheating. The two-year/10-year spread was at its flattest this week in more than a decade amid a sharp fall in long-term rates. A flatter curve is seen as an indicator of a slowing economy. The upcoming Federal Reserve policy decision is also expected to be in focus, as the Dec. 18-19 meeting looms just over the horizon. The greenback came under pressure last week when the market took comments from Fed chairman Jerome Powell as signalling a slower pace of rate hikes. Markets still expect the Fed to move forward with a quarter-point hike this month but have interpreted cautious remarks from policymakers to mean that further tightening in 2019 will have to be reevaluated on economic and inflation data. Technically now Silver is getting support at 37013 and below same could see a test of 36809 level, And resistance is now likely to be seen at 37469, a move above could see prices testing 37721.

USDINR Update



Market View	
Open	70.8825
High	71.3050
Low	70.8550
Close	70.9475
Value Change	0.2850
% Change	0.40
Jan-Dec	0.22
Feb-Jan	0.23
Volume	2788989
Open Interest	1427133
Cng in Oil (%)	1.09

Today's View & Outlook

SELL USDINR DEC 2018 @ 70.90 SL 71.05 TGT 70.78-70.65. NSE

The rupee ended at an over two-week closing low today as appetite of investors for riskier assets weakened, while rupee recovered from the day's low as dollar struggled to recover hobbled by renewed speculation of an imminent pause in the Federal Reserve's tightening cycle, perhaps as soon as it delivers a widely expected rate hike later this month. Technically market is getting support at 70.65 and below same could see a test of 70.43 level, And resistance is now likely to be seen at 71.145, a move above could see prices testing 71.45.

Rupee dropped but recovered some of its losses after Saudi Energy Minister said a consensus has not yet been reached regarding production cut in crude oil prices. The U.S. dollar gained after the arrest in Canada of a top executive of Chinese tech giant Huawei prompted fears of a flare-up in U.S.-China trade tensions. The Reserve Bank of India would be ready to take policy action if upside risks to inflation do not materialise, Governor Urjit Patel said after the central bank announced it was holding interest rates steady for now. "Given the assessment that growth will likely remain healthy for the rest of the year, the MPC (monetary policy committee) retained its stance at calibrated tightening so as to buy time to pause, reflect and undertake future policy action with more robust inflation signals," Patel said. India's April-October fiscal deficit stood at 6.49 trillion rupees (\$93.23 billion), or 103.9 percent of the budgeted target for current fiscal year, government data showed. Net tax receipts in the first seven months of the fiscal year that ends in March 2019 were 6.61 trillion rupees, government data showed. The government has said it was confident of meeting its fiscal deficit target of 3.3 percent of GDP in the 2018/19 fiscal year. India's economic growth fell to a worse-than-expected 7.1 percent in the July-September quarter, dragged down by a slower consumer spending and farm growth, in a setback for Prime Minister Narendra Modi who faces a national election by May. Technically now USDINR is getting support at 70.895 and below same could see a test of 70.65 level, And resistance is now likely to be seen at 71.345, a move above could see prices testing 71.55.

Bullion News

Gold prices ended slightly higher as the dollar weakened on weak economic data and equities tumbled after U.S.-China trade tensions escalated following the arrest of Huawei Technologies Co.'s CFO in Canada. The dollar index dropped by more than 0.3% to 96.70, after data from payroll processor ADP showed private sector employment in the U.S. increased by less than expected in the month of November. Traders were also weighing Brexit-related uncertainty and the none too encouraging outlook for global economic growth. According to reports, the European Court of Justice has said it would deliver a ruling on Monday on whether the U.K. can cancel the Brexit deal unilaterally by reversing Article 50.

Govt mulls independent body for price discovery on spot exchanges - Lobby groups in the bullion market that dominate price discovery may suffer a body-blow soon. The government is planning to set up an independent agency for price discovery on spot exchanges, which would be a key part of the trading ecosystem, sources told BusinessLine. The agency will be responsible for pooling the domestic prices of all the commodities that are traded on the spot exchanges. It will have a set of its own criteria for spot prices. Currently, lobby groups in the bullion market have tied-up with exchanges and hoped to lead price discovery when spot trading platforms are allowed.

UAE gold price alert: Precious metal to touch more than \$1,300 an ounce next year - After declining this year, gold is set to stage major rallies in 2019, with prices forecast to touch more than \$1,300 an ounce. That means today's selling rate of just a little over Dh150 per gram for 24-karat gold could jump to more than Dh160 per gram, and consumers in the UAE could be shelling out Dh300 more on buying a 30-gram piece. "We expect higher gold prices in 2019," said the latest analysis from ABN Amro. The Dutch bank with headquarters in Amsterdam has predicted that gold could touch \$1,300 an ounce by March 2019 and \$1,400 an ounce by the end of next year.

ETF Gold Holdings Rise Second Straight Month In November - Gold holdings of global exchange-traded funds and similar products rose for the second straight month in November, this time by 21.2 tonnes, the World Gold Council reported Thursday. Holdings now stand at 2,365.2 tonnes. They are still down 6.1 tonnes for the year to date, although the WGC said ETF flows are now positive for the year to date in U.S. dollar terms. ETFs trade like a stock but track the price of the commodity, with metal put into storage to back the shares. This gives investors exposure to gold prices without undertaking certain expenses such as storage and assaying of physical metal.

World Gold Council: Gold's performance in 2019 - The World Gold Council expects key factors that drove gold in the second half of 2018 will continue to hold sway over the market in 2019. According to the World Gold Council chief market strategist John Reade, the gold price generally trended down from mid-April, hitting a low around \$1,160 per ounce in mid-August as the dollar strengthened, the Fed continued to hike interest rates steadily while other central banks kept policy accommodative, the US economy was lifted by the tax cuts from President Trump and bullish investor sentiment pushed US stocks higher – at least until the start of October.

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