



**INDIA BULLION AND JEWELLERS
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Daily Market Update

Report as on Thursday, August 09, 2018

Gold market is once again under pressure as trade tensions between the U.S. and China continue to escalate. Yesterday the U.S. government announced that it would raise tariff to 25% on \$16 billion worth of good from China. China quickly followed suit and Wednesday also raised tariffs to 25% on \$16 billion worth of U.S. imports. The gold market quickly saw all of its session gains erased following the latest trade rhetoric and is now negative on the day as investors move back into the safety of the U.S. dollar.

U.S. Gold Imports Until June Recorded 5% Decline - The gold imports by the U.S. registered a decline of 5% during the opening six-month period of 2018. The most recent trade data released by the U.S. Census Bureau suggests that gold imports dropped by 5.14% through June this year to total \$5.07 billion. Incidentally, the U.S had imported \$5.35 billion worth gold during the first six months of the previous year. Nearly 34% of all gold imports by the U.S during Jan-June '18 were from Mexico. The imports from Mexico totaled \$1.74 billion, notably higher by 16% when compared with the previous year.

Exchange-traded funds physical gold holdings fall 39 mt in July to 2,394 mt: World Gold Council - Holdings in global-backed exchange-traded funds fell nearly 39 mt to 2,394 mt in July, reducing assets under management to \$94 billion, the World Gold Council said Tuesday. July outflows from North American-registered ETFs fell 25 mt to 1,223.7 mt, reducing assets under management by 2.1% to \$48 billion. Asian ETF outflows totaled 5.1 mt in July to 90.5 mt, reducing assets under management by 6.2% to \$3.5 billion. European ETF outflows in July totaled 8 mt to 1,044.6 mt, reducing total assets under management 0.8% to \$41 billion. When looking at individual funds, WGC analysts noted that the outflows in North America were led by SPDR Gold Shares and the iShares Gold Trust.

EU parliament agrees to ease liquidity rules for gold trading - The European Parliament has agreed to ease tough new liquidity rules for banks trading gold, marking a success for the LBMA campaign to revise the plans. The proposed rules are due to come into effect in the European Union around 2020 as part of regulations known as Basel III designed to make banks more stable and prevent a repeat of the financial crisis a decade ago. But the LBMA, whose members include major gold refiners and bullion-trading banks, had warned that the rules were too demanding and could force some players out of the market.

More Skeletons Begin Tumbling Out Of The 80:20 Gold Scheme Cupboard - The 6 August Chennai edition of the Times of India carried a significant report that seems not to have caught the attention of many. The report titled "UPA's 80:20 gold scheme helped select biz houses" said the Public Accounts Committee (PAC) had indicted the United Progressive Alliance (UPA) government of Manmohan Singh for allowing select business houses to benefit from the 80:20 gold scheme. The scheme was introduced in July 2013 to manage an alarming rise in the current-account deficit (CAD) that caused trade imbalance. The report said select business houses exported plain jewellery without any value addition. What the report, however, failed to say is how the bullion sector turned "innovative" to beat the conditions stipulated in the 80:20 scheme.

Date	Gold*	Silver*
08 Aug 2018 (Wednesday)	29590.00	37650.00
07 Aug 2018 (Tuesday)	29680.00	37935.00
06 Aug 2018 (Monday)	29645.00	37720.00

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

IBJA Daily Market Update



Market View		Daily Levels
Open	29626.00	Resistance
High	29694.00	29836.00
Low	29546.00	29765.00
Close	29610.00	29688.00
Value Change	13.00	29540.00
% Change	0.04	29469.00
Margin	5.00	29392.00
Margin (Rs.)	148050	Support
Volume	6897.00	
Open Interest	8220.00	Spread
Cng in OI (%)	4.58	DEC - OCT
Prev Value(Mln)	20431.58	226.00
52 Week High	31963.00	FEB - DEC
52 Week Low	29528.00	282.00

Outlook: Gold prices traded in range due to rising U.S. interest rates and strong demand for U.S. Treasury bonds seen as a refuge from trade tensions are expected to weigh. For the day prices a jump towards 29670-29700 will look to sell with a stoploss of above 29820 expecting prices to drop towards 29580-29480 level.

Gold traded in range due to rising U.S. interest rates and strong demand for U.S. Treasury bonds seen as a refuge from trade tensions are expected to weigh. China is putting additional tariffs of 25 percent on \$16 billion worth of U.S. imports from fuel and steel products to autos and medical equipment, the Chinese commerce ministry said, as the world's largest economies escalated their trade dispute. The U.S. economy is strong enough to warrant further interest rate increases by the Federal Reserve, Richmond Fed President Thomas Barkin said. China's exports surged more than expected in July despite U.S. duties and its closely watched surplus with the United States remained near record highs, as the world's two major economic powers ramp up a bitter dispute that some fear could derail global growth. Washington said it would impose fresh sanctions on Russia by the end of August after it determined that Moscow had used a nerve agent against a former Russian agent and his daughter in Britain. Private consumption in the euro zone has further room to grow, likely driving economic expansion even as external headwinds multiply, the European Central Bank said in an economic bulletin. SPDR Gold Trust (GLD), the world's largest gold-backed exchange-traded fund, said its holdings fell 0.18 percent to 786.08 tonnes on Wednesday from 787.53 tonnes on Tuesday. Key things to watch today include China's consumer and producer inflation, total social financing and M2 money supply in July, US producer inflation in July, initial jobless claims last week and wholesale inventories in June. Technically now Gold is getting support at 29540 and below same could see a test of 29469 level, And resistance is now likely to be seen at 29688, a move above could see prices testing 29765.

IBJA Daily Market Update

Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahmedabad	30330.00
CMDTY	Gold 995 - Bangalore	30335.00
CMDTY	Gold 995 - Chennai	30340.00
CMDTY	Gold 995 - Cochin	30340.00
CMDTY	Gold 995 - Delhi	30330.00
CMDTY	Gold 995 - Hyderabad	30330.00
CMDTY	Gold 995 - Jaipur	30335.00
CMDTY	Gold 995 - Kolkata	30380.00
CMDTY	Gold 995 - Mumbai	30335.00

* Rates including GST

Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahmedabad	38445.00
CMDTY	Silver 999 - Bangalore	38790.00
CMDTY	Silver 999 - Chennai	38790.00
CMDTY	Silver 999 - Delhi	38790.00
CMDTY	Silver 999 - Hyderabad	38840.00
CMDTY	Silver 999 - Jaipur	38825.00
CMDTY	Silver 999 - Kolkata	38900.00
CMDTY	Silver 999 - Mumbai	38830.00

* Rates including GST

Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 26SEP2018	1217.50
DGCX	GOLD 28NOV2018	1220.30
DGCX	GOLD QUANTO 27SEP2018	29624.00
DGCX	GOLD QUANTO 29NOV2018	29801.00
DGCX	SILVER 29AUG2018	15.45
DGCX	SILVER 28NOV2018	15.48
DGCX	SILVER QUANTO 30AUG2018	40436.00
DGCX	SILVER QUANTO 29NOV2018	41189.00

Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahmedabad	30460.00
CMDTY	Gold 999 - Bangalore	30485.00
CMDTY	Gold 999 - Chennai	30490.00
CMDTY	Gold 999 - Cochin	30490.00
CMDTY	Gold 999 - Delhi	30480.00
CMDTY	Gold 999 - Hyderabad	30480.00
CMDTY	Gold 999 - Jaipur	30455.00
CMDTY	Gold 999 - Mumbai	30485.00

* Rates including GST

Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	29610.00
MCX	GOLD 05OCT2017	29836.00
MCX	GOLD 05DEC2017	30118.00
MCX	SILVER 05JUL2017	37947.00
MCX	SILVER 05SEP2017	38782.00
MCX	SILVER 05DEC2017	39607.00

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	78.64
MCX	MCX GOLD SILVER RATIO	78.03

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Kedia Stocks & Commodities Research Pvt Ltd.

Mumbai. INDIA. Mobile: 9320096333 / 9619551030 Email: info@kediacommodity.com URL: www.kediaadvisory.com

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