



## IBJA Market Update

### Daily Market Update

Report as on Tuesday, December 12, 2017

#### # Polled Premium/Discount for 995 gold in Ahmedabad 1.00 USD/troy oz on December 11, 2017

# Gold is heading for the biggest weekly drop since May as investors anticipate higher US interest rates and progress on tax reform buoys the dollar, deepening a slump for the metal that touched a one-year high in September. Bullion for immediate delivery has lost 2.6 per cent last week, the most since the period ended May 5. In news from the labor front, the number of positions waiting to be filled fell by 181,000 to 6 million, according to the Job Openings and Labor Turnover Survey, or JOLTS. That's slightly fewer than forecast following last month's record high of 6.18 million.

# Gold ETFs see Rs 500 crore outflow in FY18 so far - Investors have pulled out over Rs 500 crore from gold ETFs in the April- November period of the current fiscal as they preferred equities, as per the latest data by mutual fund body Amfi. Trading in gold ETF has been lukewarm in the previous four fiscals. It had witnessed an outflow of Rs 775 crore in 2016-17, Rs 903 crore in 2015-16, Rs 1,475 crore in 2014-15 and Rs 2,293 crore in 2013-14. On the other hand, equity and ELSS saw an infusion of over Rs 1.16 lakh crore during the first eight months of 2017-18. This included an investment of over Rs 20,000 crore in the last month alone.

# India to have gold sourcing standards for refiners - Regulatory model would be in line with the London Bullion Market Association, with govt oversight. India is planning its own standards for gold refiners. Known as Indian responsible mineral sourcing guidelines, these are being worked out on the lines of rules set out by the OECD. In the first phase, norms for dore, or unrefined gold, will specify that it is not imported from mines that use child labour or if money is used for terrorist funding or illegal or anti-national activities.

# Hallmarking runs at 30-40% capacity despite govt push - While the central government is working to enforce mandatory hallmarking of gold jewellery, the average hallmark centre is operating at only 30-40 per cent of its capacity. There are 500 hallmark centres, each having the capacity to process 2,000 pieces a day (20 kg) of jewellery. They're located close to the jewellery manufacturing centres of Mumbai, Kolkata, Ahmedabad, Rajkot, Chennai, Coimbatore and Trissur, among others. Major cities have at least 10 hallmarking centres.

# Silver Non Commercial Speculator Positions - Large speculators sharply decreased their net positions in the Silver futures markets this week, according to the latest Commitment of Traders (COT) data released by the Commodity Futures Trading Commission (CFTC) on Friday. The non-commercial futures contracts of Silver futures, traded by large speculators and hedge funds, totaled a net position of 31,426 contracts in the data reported through Tuesday December 5th. This was a weekly decline of -27,356 contracts from the previous week which had a total of 58,782 net contracts.

Date	Gold*	Silver*
11 Dec 2017 (Monday)	28685.00	36730.00
08 Dec 2017 (Friday)	28645.00	36620.00
07 Dec 2017 (Thursday)	28910.00	36870.00

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

11 Dec 2017 (Monday)

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Market View		Daily Levels	
Open	28535.00	<b>Resistance</b>	
High	28535.00	28677.00	
Low	28334.00	28606.00	
Close	28347.00	28476.00	
Value Change	-186.00	28275.00	
% Change	-0.65	28204.00	
Margin	5.00	28074.00	
Margin (Rs.)	141735	<b>Support</b>	
Volume	6260.00		
Open Interest	7471.00	<b>Spread</b>	
Cng in OI (%)	13.89	<b>APR - FEB</b>	
Prev Value(Mln)	17806.13	0.00	
52 Week High	30690.00	<b>JUN - APR</b>	
52 Week Low	28290.00	0.00	

Outlook: Gold prices trading with pressure ahead of the start of a two-day Federal Reserve meeting in the United States. For the day prices a jump towards 28400-28450 level will look to sell with a stoploss of above 28550 expecting prices to drop towards 28320-28250 level.

Gold on MCX settled down -0.65% at 28347 prices continued to drift lower with fresh 4-month low amid expectations the Federal Reserve will issue hawkish commentary on interest rates. Friday data showed the US unemployment rate steadied at 4.1% as expected in November, matching the October reading and holding at the lowest rate since December 2000. While US average hourly earnings rose 0.2% in November, missing expectations of a 0.3% rise, while improving from October's 0.1% dip, revised from no-change. The US economy added 228 thousand new jobs in November, beating expectations of 198 thousand, and compared to October's 244K, revised from 261K. Meanwhile Goldman Sachs has recently projected four Fed rate hikes in 2018, while raising US growth forecasts to 2.5% from 2.4%, and cutting the unemployment rate projections to 3.7%. Also Fed policymakers will unveil their forecasts for three-year inflation, unemployment, growth, and interest rates later this week, as market expect them to go ahead of hike rates by 25 basis points in this week's meeting. In the week ahead investors will be focusing on Wednesday Fed meeting where it is expected to hike rates by a quarter point. The European Central Bank, Bank of England and the Swiss National Bank are also due to hold monetary policy meetings, although no changes are expected. Technically market is under fresh selling as market has witnessed gain in open interest by 13.89% to settled at 7471 while prices down -186 rupees, now Gold is getting support at 28275 and below same could see a test of 28204 level, And resistance is now likely to be seen at 28476, a move above could see prices testing 28606.

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## Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahemdabad	29350.00
CMDTY	Gold 995 - Bangalore	29350.00
CMDTY	Gold 995 - Chennai	29395.00
CMDTY	Gold 995 - Cochin	29400.00
CMDTY	Gold 995 - Delhi	29385.00
CMDTY	Gold 995 - Hyderabad	29370.00
CMDTY	Gold 995 - Jaipur	29380.00
CMDTY	Gold 995 - Kolkata	29400.00
CMDTY	Gold 995 - Mumbai	29395.00

\* Rates including GST

## Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahemdabad	37600.00
CMDTY	Silver 999 - Bangalore	37770.00
CMDTY	Silver 999 - Chennai	37760.00
CMDTY	Silver 999 - Delhi	37770.00
CMDTY	Silver 999 - Hyderabad	37810.00
CMDTY	Silver 999 - Jaipur	37775.00
CMDTY	Silver 999 - Kolkata	38000.00
CMDTY	Silver 999 - Mumbai	37750.00

\* Rates including GST

## Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 29JAN2018	1246.10
DGCX	GOLD 27MAR2018	1248.30
DGCX	GOLD QUANTO 30JAN2018	28300.00
DGCX	GOLD QUANTO 28MAR2018	28702.00
DGCX	SILVER 26FEB2018	15.72
DGCX	SILVER 26APR2018	15.87
DGCX	SILVER QUANTO 27FEB2018	36385.00
DGCX	SILVER QUANTO 27APR2018	36887.00

## Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahemdabad	29500.00
CMDTY	Gold 999 - Bangalore	29500.00
CMDTY	Gold 999 - Chennai	29545.00
CMDTY	Gold 999 - Cochin	29550.00
CMDTY	Gold 999 - Delhi	29535.00
CMDTY	Gold 999 - Hyderabad	29520.00
CMDTY	Gold 999 - Jaipur	29500.00
CMDTY	Gold 999 - Mumbai	29545.00

\* Rates including GST

## Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	28347.00
MCX	GOLD 05OCT2017	28347.00
MCX	GOLD 05DEC2017	28347.00
MCX	SILVER 05JUL2017	36933.00
MCX	SILVER 05SEP2017	37424.00
MCX	SILVER 05DEC2017	38009.00

## Gold and Silver Fix

Exch.	Descr.	Last
CMDTY	Gold London AM FIX	1251.40
CMDTY	Gold London PM FIX	1247.15
CMDTY	Silver London FIX	15.83

## Gold / Silver Ratio

Exch.	Descr.	Last
INTL. SPOT	GOLD SILVER RATIO	78.95
MCX	MCX GOLD SILVER RATIO	76.75

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Report is prepared for information purposes only.

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