



## IBJA Market Update

### Daily Market Update

Report as on Tuesday, October 24, 2017

#### # Polled Premium/Discount for 995 gold in Ahmedabad -2.00 USD/troy oz on October 23, 2017

# Gold prices traded in the range while prices dropped in the morning session as investors continued to react to rising U.S. Treasury yields and increased demand for higher risk assets. The rise in Treasury yields is helping to make the U.S. Dollar a more attractive investment which is weighing on demand for dollar-denominated gold. Also supporting demand for the Dollar is the lack of fresh news out of North Korea. If bad news about the rogue nation is generated then we could see a flight-to-safety rally into gold.

# Gold prices drop on muted demand, weak global cues in Mumbai - Gold prices Monday drifted lower by Rs166 per 10 grams at the bullion market in Mumbai amid weak global cues coupled with slackened demand from local jewellers and retailers. Globally, gold hit its lowest in more than two weeks as expectations that Japan's ultra-loose monetary policy would stay in place after Shinzo Abe's election victory at the weekend lifted the dollar to a three-month high versus the yen.

# Silver Speculators Added To Bullish Net Positions For 1st Time In 5 Weeks - Large metals speculators increased their bullish net positions in the Silver futures markets this week, according to the latest COT data released by the CFTC on Friday. The non-commercial futures contracts of Silver futures, traded by large speculators and hedge funds, totaled a net position of 63,915 contracts in the data reported through Tuesday October 17th. This was a weekly increase of 4,807 contracts from the previous week which had a total of 59,108 net contracts. Silver speculative positions had fallen for the previous four weeks before this week's turnaround. The silver position remains in a strong bullish standing at the highest level since September 19th. The commercial traders position, hedgers or traders engaged in buying and selling for business purposes, totaled a net position of -74,913 contracts on the week. This was a weekly decline of -4,305 contracts from the total net of -70,608 contracts reported the previous week.

# Gold order to end FTA misuse, plug the tax loophole - It could easily be billed as a classic case of killing two birds with just one stone. Through an executive fiat over the weekend, New Delhi said that star export houses can import gold only for personal use — manufacturing and exporting. The order puts an end to the misuse of free trade agreements (FTAs) and CEPA by bullion dealers after the implementation of the GST. The circular also ensures that imports would flow largely through nominated agencies such as banks and refiners, making the market more transparent, and ensuring that the government does not lose out on revenue. "

# Dubai gold rates cheapest in 2 weeks - The gold jewellery market in Dubai offered more opportunities for bargains on Monday, as the precious metal traded at its lowest level in about two weeks. The price of 24K fell to Dh154.50, losing about Dh3.25 per gram in value since the precious metal was at its peak this month. The 24K gold was last trading at its highest -- at Dh157.75 a gram -- last October 16. Other jewellery pieces dropped in value as well, with the 22K trading at Dh145.25 per gram, 21K at Dh138.50 and 18K at Dh118.75. Gold's weakness has been attributed to a bullish American currency. The US dollar has clawed higher against other currencies, as news about tensions between the United States and North Korea dissipated and tax reforms in the United States bolstered investor appetite.

Date	Gold*	Silver*
23 Oct 2017 (Monday)	29555.00	39420.00
20 Oct 2017 (Friday)	29721.00	39811.00
18 Oct 2017 (Wednesday)	29645.00	39430.00

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

23 Oct 2017 (Monday)

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Market View		Daily Levels
Open	29500.00	<b>Resistance</b>
High	29591.00	29831.00
Low	29384.00	29711.00
Close	29537.00	29624.00
Value Change	-17.00	29417.00
% Change	-0.06	29297.00
Margin	5.00	29210.00
Margin (Rs.)	147685	<b>Support</b>
Volume	6620.00	<b>Spread</b>
Open Interest	5729.00	<b>FEB - DEC</b>
Cng in OI (%)	-5.02	<b>APR - FEB</b>
Prev Value(Mln)	19507.81	64.00
52 Week High	30629.00	8.00
52 Week Low	27953.00	

Outlook: Gold edged up recovering from a more than two-week low hit in the previous session, on the back of a slightly weaker dollar. For the prices a drop towards 29500-29475 level will look to buy with stoploss of below 29350 level expecting prices to jump towards 29640-29720 level.

Gold prices pared losses offsetting pressure from a stronger dollar and an early advance in equities. Gold prices were also under pressure from expectations that Japan's ultra-loose monetary policy would stay in place after Prime Minister Shinzo Abe's election victory at the weekend lifted the dollar to a three-month high versus the yen. The dollar had already posted its biggest one-day gain in a month after the U.S. Senate approved a budget blueprint for the 2018 financial year, allowing Republicans to pursue a tax-cut package without Democratic support. U.S. President Donald Trump will urge President Xi Jinping to make good on his commitments to pressure North Korea when he visits China next month, a senior White House official said, stepping up a strategy to have Beijing help rein in Pyongyang. U.S. President Donald Trump is considering nominating Fed Governor Jerome Powell and Stanford University economist John Taylor for the Federal Reserve's top two jobs. Powell is considered less hawkish than Taylor, who is seen advocating higher interest rates. The Fed will raise interest rates in December and twice next year, who now worry that the central bank will slow its tightening because of expectations that inflation will remain low. Technically now Gold is getting support at 1277.20 and below same could see a test of 1272.80 level, And resistance is now likely to be seen at 1288.60, a move above could see prices testing 1293.40.

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## Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahemdabad	30400.00
CMDTY	Gold 995 - Bangalore	30245.00
CMDTY	Gold 995 - Chennai	30300.00
CMDTY	Gold 995 - Cochin	30320.00
CMDTY	Gold 995 - Delhi	30250.00
CMDTY	Gold 995 - Hyderabad	30230.00
CMDTY	Gold 995 - Jaipur	30265.00
CMDTY	Gold 995 - Kolkata	30350.00
CMDTY	Gold 995 - Mumbai	30280.00

\* Rates including GST

## Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahemdabad	40350.00
CMDTY	Silver 999 - Bangalore	40425.00
CMDTY	Silver 999 - Chennai	40450.00
CMDTY	Silver 999 - Delhi	40500.00
CMDTY	Silver 999 - Hyderabad	40485.00
CMDTY	Silver 999 - Jaipur	40450.00
CMDTY	Silver 999 - Kolkata	40750.00
CMDTY	Silver 999 - Mumbai	40580.00

\* Rates including GST

## Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 28NOV2017	1284.70
DGCX	GOLD 29JAN2018	1285.60
DGCX	GOLD QUANTO 29NOV2017	29561.00
DGCX	GOLD QUANTO 30JAN2018	29678.00
DGCX	SILVER 28NOV2017	17.15
DGCX	SILVER 26FEB2018	17.14
DGCX	SILVER QUANTO 29NOV2017	39900.00
DGCX	SILVER QUANTO 27FEB2018	40478.00

## Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahemdabad	30560.00
CMDTY	Gold 999 - Bangalore	30395.00
CMDTY	Gold 999 - Chennai	30450.00
CMDTY	Gold 999 - Cochin	30470.00
CMDTY	Gold 999 - Delhi	30400.00
CMDTY	Gold 999 - Hyderabad	30380.00
CMDTY	Gold 999 - Jaipur	30385.00
CMDTY	Gold 999 - Mumbai	30430.00

\* Rates including GST

## Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	29537.00
MCX	GOLD 05OCT2017	29601.00
MCX	GOLD 05DEC2017	29609.00
MCX	SILVER 05JUL2017	39910.00
MCX	SILVER 05SEP2017	40488.00
MCX	SILVER 05DEC2017	40716.00

## Gold and Silver Fix

Exch.	Descr.	Last
CMDTY	Gold London AM FIX	1275.25
CMDTY	Gold London PM FIX	1274.90
CMDTY	Silver London FIX	17.00

## Gold / Silver Ratio

Exch.	Descr.	Last
INTL. SPOT	GOLD SILVER RATIO	74.89
MCX	MCX GOLD SILVER RATIO	74.01

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Report is prepared for information purposes only.

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