



## Daily Bullion Physical Market Report

Report as on Thursday, December 5, 2019

|  |                                                                                               |                                  |                                                                                              |                                  |
|--|-----------------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------------------------------------------------|----------------------------------|
|  | <b>Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price</b> | <b>38361</b><br><br><b>38464</b> | <b>Important Support for MCX Gold Where Physical Player can look to fix his Buying Price</b> | <b>37827</b><br><br><b>37724</b> |
|  | <b>Important Resistance for Rupee Where Exporter can look to book his today's receivable</b>  | <b>71.65</b><br><br><b>71.83</b> | <b>Important Support for Rupee Where Importer can look to book his today's payment</b>       | <b>71.31</b><br><br><b>71.13</b> |

| Gold Spot 995 |                      |          | Gold Spot 999 |                      |       |
|---------------|----------------------|----------|---------------|----------------------|-------|
| Exch.         | Descr.               | LTP*     | Exch.         | Descr.               | LTP*  |
| CMDTY         | Gold 995 - Ahmedabad | 39370.00 | CMDTY         | Gold 999 - Ahmedabad | 39500 |
| CMDTY         | Gold 995 - Bangalore | 39430.00 | CMDTY         | Gold 999 - Bangalore | 39580 |
| CMDTY         | Gold 995 - Chennai   | 39440.00 | CMDTY         | Gold 999 - Chennai   | 39590 |
| CMDTY         | Gold 995 - Cochin    | 39430.00 | CMDTY         | Gold 999 - Cochin    | 39580 |
| CMDTY         | Gold 995 - Delhi     | 39380.00 | CMDTY         | Gold 999 - Delhi     | 39530 |
| CMDTY         | Gold 995 - Hyderabad | 39455.00 | CMDTY         | Gold 999 - Hyderabad | 39605 |
| CMDTY         | Gold 995 - Jaipur    | 39330.00 | CMDTY         | Gold 999 - Jaipur    | 39470 |
| CMDTY         | Gold 995 - Mumbai    | 39315.00 | CMDTY         | Gold 999 - Mumbai    | 39465 |

\* Rates including GST

| Silver Spot 999        |          |
|------------------------|----------|
| Descr.                 | LTP*     |
| Silver 999 - Ahmedabad | 46090.00 |
| Silver 999 - Bangalore | 46110.00 |
| Silver 999 - Chennai   | 46095.00 |
| Silver 999 - Delhi     | 46090.00 |
| Silver 999 - Hyderabad | 46340.00 |
| Silver 999 - Jaipur    | 46300.00 |
| Silver 999 - Kolkata   | 46260.00 |
| Silver 999 - Mumbai    | 46130.00 |

\* Rates including GST

| Gold Ratios       |
|-------------------|
| Gold Silver Ratio |
| 85.64             |

| Gold Crude Ratio |
|------------------|
| 9.16             |

| Bullion Futures on DGCX |                       |          |
|-------------------------|-----------------------|----------|
| Exch.                   | Descr.                | LTP      |
| DGCX                    | GOLD 29JAN2020        | 1481.40  |
| DGCX                    | GOLD QUANTO 30JAN2020 | 38326.00 |
| DGCX                    | SILVER 26FEB2020      | 16.86    |

| Gold and Silver Fix |         |
|---------------------|---------|
| Descr.              | LTP     |
| Gold London AM FIX  | 1475.85 |
| Gold London PM FIX  | 1475.1  |
| Silver London FIX   | 17      |

| Date                          | Gold*    | Silver*  |
|-------------------------------|----------|----------|
| <b>03 Dec 2019 (Tuesday)</b>  | 38265.00 | 44560.00 |
| <b>29 Nov 2019 (Friday)</b>   | 38019.00 | 44370.00 |
| <b>28 Nov 2019 (Thursday)</b> | 37933.00 | 44345.00 |

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

03 Dec 2019 (Tuesday)

### Gold Market Update



| Market View   |  |          |
|---------------|--|----------|
| Open          |  | 38330.00 |
| High          |  | 38467.00 |
| Low           |  | 38031.00 |
| Close         |  | 38094.00 |
| Value Change  |  | -233.00  |
| % Change      |  | -0.61    |
| Apr-Feb       |  | 34.00    |
| Jun-Apr       |  | -195.00  |
| Volume        |  | 14249    |
| Open Interest |  | 17022    |
| Cng in OI (%) |  | -3.88    |

BUY GOLD FEB 2020 @ 38000 SL 37960 TGT 38180-38320.MCX

**Today's View & Outlook**

Gold price continues to decline to crawl gradually towards the EMA50, to support the expectations of continuing the bearish trend in the upcoming sessions, reminding you that our next target is located at 1447.00, while holding below 1489.00 represents key condition to achieve the waited targets.

Gold on MCX settled down -0.61% at 38094 as Washington and Beijing were nearing an agreement on the amount of tariffs to be rolled back in a phase-one trade deal. Trump said a deal with China might have to wait until after the U.S. presidential election in November 2020. Trump's comments come shortly after he slapped tariffs on U.S. steel and aluminium imports from Brazil and Argentina. President Trump saying a trade deal may not happen until after the U.S. election next year and the passage of the second China bill in the House of Representatives will add to the extreme trade worries because the fear is – China might just walk away from any trade negotiations. India's gold imports in November jumped 78% from a month earlier to the highest level in 5 months as jewellers in the world's second-biggest consumer of the metal restocked after a fall in prices. New Delhi imported 71 tonnes of gold in November, compared with 40 tonnes in October, the source said. Imports were down 16% from November 2018, however, he said. In value terms, November imports totalled \$2.94 billion, slightly higher than last year's \$2.76 billion. Dimming hopes of a trade deal further, U.S. Commerce Secretary Wilbur Ross rejected any deadlines on a trade deal with Beijing and launched a fresh attack on telecoms giant Huawei. Technically market is under long liquidation as market has witnessed drop in open interest by -3.88% to settled at 17022 while prices down -233 rupees, now Gold is getting support at 37927 and below same could see a test of 37761 levels, and resistance is now likely to be seen at 38363, a move above could see prices testing 38633.

### Silver Market Update



| Market View   |  |          |
|---------------|--|----------|
| Open          |  | 45361.00 |
| High          |  | 45678.00 |
| Low           |  | 44301.00 |
| Close         |  | 44430.00 |
| Value Change  |  | -864.00  |
| % Change      |  | -1.91    |
| May-Mar       |  | 484.00   |
| Jul-May       |  | -434.00  |
| Volume        |  | 31543    |
| Open Interest |  | 11944    |
| Cng in OI (%) |  | 12.89    |

BUY SILVER MAR 2020 @ 44200 SL 43850 TGT 44600-44900.MCX

**Today's View & Outlook**

Silver price rebounds bearishly after testing 17.25 level this morning, accompanied by witnessing negative signals through stochastic, thus, the chances valid to continue the decline in the upcoming sessions, reminding you that we need to break 16.85 to confirm rallying towards 16.33, while the price needs to hold below 17.25 to continue the expected decline. The expected trading range for today is between 16.85 support and 17.30 resistance.

Silver on MCX settled down -1.91% at 44430 as the United States and China are moving closer to agreeing on the amount of tariffs to be rolled back in a phase-one trade deal. U.S. President Donald Trump on Tuesday had said a trade agreement with China might have to wait until after the U.S. presidential election in November 2020, denting hopes of a resolution soon to a dispute that has weighed on the world economy. The European Central Bank will start supervising the subsidiaries of several global investment banking giants from next year as they move significant operations to the continent ahead of Brexit, the ECB said. Capital investment by Chinese firms has ground to its slowest pace in three years, as a weakening economy, tight credit and prolonged trade war with the United States dent sales growth and cash reserves. Companies are also spending more days to turn inventory into sales and eking out smaller profit gains, the analysis showed, in an economy growing at its weakest pace in nearly three decades, the slowdown to intensify. The outlook became even more uncertain on Tuesday after U.S. President Donald Trump said a trade deal with China might have to wait until after the U.S. presidential election in November 2020. Technically market is under fresh selling as market has witnessed gain in open interest by 12.89% to settled at 11944 while prices down -864 rupees, now Silver is getting support at 43928 and below same could see a test of 43426 levels, and resistance is now likely to be seen at 45305, a move above could see prices testing 46180.

USDINR Update



| Market View   |         |
|---------------|---------|
| Open          | 71.8800 |
| High          | 71.9625 |
| Low           | 71.6700 |
| Close         | 71.6975 |
| Value Change  | -0.1450 |
| % Change      | -0.20   |
| Jan-Dec       | 0.20    |
| Feb-Jan       | 0.19    |
| Volume        | 1773962 |
| Open Interest | 1859142 |
| Cng in OI (%) | 8.63    |

SELL USDINR DEC 2019 @ 71.80 SL 71.95 TGT 71.64-71.54. NSE

Today's View & Outlook

Rupee gained as dollar seen under pressure as markets remained jittery about the progress of Sino-U.S. trade talks and waited for U.S. data that could show whether the prolonged trade spat is starting to damage consumption in the United States. The greenback declined nearly 1% in the first two trading days this week as decent eurozone data and surprisingly strong China survey figures raised hopes that the global economy will pick up traction next year. Technically market is under fresh selling as market has witnessed gain in open interest by 8.63% to settled at 1859142 while prices down -0.17 rupees, now USDINR is getting support at 71.6375 and below same could see a test of 71.5075 level, and resistance is now likely to be seen at 71.93, a move above could see prices testing 72.0925.

Rupee gained as dollar seen under pressure as markets remained jittery about the progress of Sino-U.S. trade talks and waited for U.S. data that could show whether the prolonged trade spat is starting to damage consumption in the United States. The greenback declined nearly 1% in the first two trading days this week as decent eurozone data and surprisingly strong China survey figures raised hopes that the global economy will pick up traction next year and boost demand for non-U.S. currencies. India's services sector activity recovered in November amid a rise in new business intakes and job creation, survey results from IHS Markit showed. The services Purchasing Managers' Index, or PMI, rose to 52.7 in November from 49.2 in October. Any reading above 50 indicates expansion in the sector. Three out of five categories of the service sector achieved moderate expansion in November. Incoming new work increased to the greatest extent in four months in November and new business from abroad rose for the ninth month in a row. India's manufacturing sector grew further in November but the upturn remained subdued compared to early 2009, survey results from IHS Markit showed. The headline IHS Markit manufacturing Purchasing Managers' Index, or PMI, increased to 51.2 in November from 50.6 in October. Any reading above 50 indicates expansion in the sector. Technically market is under fresh selling as market has witnessed gain in open interest by 8.63% to settled at 1859142 while prices down -0.17 rupees, now USDINR is getting support at 71.6375 and below same could see a test of 71.5075 level, and resistance is now likely to be seen at 71.93, a move above could see prices testing 72.0925.

## Bullion News

# Gold dropped amid renewed optimism about trade after a report from Bloomberg News indicated the U.S. and China are moving closer to agreeing on the amount of tariffs that would be rolled back in a phase one trade deal. Citing people familiar with the talks, U.S. negotiators expect a phase one deal to be completed before U.S. tariffs are set to rise on December 15. The people told Bloomberg outstanding issues in the talks include how to guarantee China's purchases of U.S. agricultural goods and exactly which tariffs to roll back. The people downplayed President Donald Trump's recent remarks suggesting he would like to delay completing an agreement until after the 2020 elections, noting the president was speaking off the cuff.

# India's Nov gold imports jump to 5-month high - govt source - India's gold imports in November jumped 78% from a month earlier to the highest level in 5 months as jewellers in the world's second-biggest consumer of the metal restocked after a fall in prices, a government source said. New Delhi imported 71 tonnes of gold in November, compared with 40 tonnes in October, the source said on condition of anonymity as he was not authorised to speak to media. Imports were down 16% from November 2018, however, he said. In value terms, November imports totalled \$2.94 billion, slightly higher than last year's \$2.76 billion.

# Gold demand dips 32% to 123.9 tonnes in Q3 on price rise, slowdown - India's slumped 32 per cent to 123.9 tonnes in the September quarter as higher prices and reduced the appetite for the yellow metal, according to a report. The country, which is the second largest consumer of the yellow metal after China, recorded a 66 per cent fall in gold imports to 80.5 tonnes during Q3 of 2019 against the year-ago period. The decline in import was more steep as jewellers met their demand with old imported stock and recycling, the Gold Council (WGC) said. During the first nine months of 2019, the country's cumulative declined to 496.11 tonnes from 523.9 tonnes during January-September period of 2018. The 2018 full year stood at 760.4 tonnes, the report said. Similarly, the cumulative gold import declined to 502.9 tonnes in the first nine months of 2019 from 587.3 tonnes in the year-ago. During the full year of 2018, India's gold imports had stood at 755.7 tonnes.

# Indian gold buying ticks up on price drop; demand lags in other hubs - Gold was sold at a premium this week in India as a dip in prices prompted purchases of the precious metal, while demand was soft in other Asian hubs as interest for the metal waned going into the year-end season. Dealers were charging a premium of up to \$1.5 an ounce over official domestic prices this week, compared with a discount of \$3 last week. A sharp drop in gold imports in the last few months has been allowing banks to charge a premium, but retail demand is lower-than. Premiums in China were little changed at \$2.3-\$3.5 an ounce over the benchmark prices from last week's \$2-\$3.50. Premiums in Hong Kong, hit by anti-government protests, eased to 10-30 cents per ounce versus 30-50 cents in the prior week.

# Russia adds more than 1,000,000 ounces of gold to country's vast stockpile - Russia adds more than 1,000,000 ounces of gold to country's vast stockpile The Central Bank of Russia boosted foreign exchange reserves by 31.1 tons of gold in February, raising holdings of the precious metal to 2,149 tons, according to foreign reserve data updated by the regulator. Gold reserves grew by 1.5 percent against the previous month. The value of the gold reserves reportedly increased 2.4 percent to \$91.642 billion, accounting for 19 percent of Russia's foreign reserves. Over the first two months of the current year the regulator purchased 1.2 million ounces, or 37 tons of the precious metal, with the monetary value of gold reserves jumping 5.5 percent. The move reflects Russia's commitment to the previously declared policy of diversification of international holdings to keep them safe from various risks.

**Report is prepared for information purposes only.**

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