



Daily Bullion Physical Market Report

Report as on Thursday, January 16, 2020

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	39752	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	39470
		39807		39415
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	70.94	Important Support for Rupee Where Importer can look to book his today's payment	70.66
		71.09		70.51

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	40800.00	CMDTY	Gold 999 - Ahmedabad	40930
CMDTY	Gold 995 - Bangalore	40850.00	CMDTY	Gold 999 - Bangalore	41000
CMDTY	Gold 995 - Chennai	40890.00	CMDTY	Gold 999 - Chennai	41040
CMDTY	Gold 995 - Cochin	40895.00	CMDTY	Gold 999 - Cochin	41045
CMDTY	Gold 995 - Delhi	40770.00	CMDTY	Gold 999 - Delhi	40920
CMDTY	Gold 995 - Hyderabad	40860.00	CMDTY	Gold 999 - Hyderabad	41010
CMDTY	Gold 995 - Jaipur	40820.00	CMDTY	Gold 999 - Jaipur	40940
CMDTY	Gold 995 - Mumbai	40800.00	CMDTY	Gold 999 - Mumbai	40950

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	47225.00
Silver 999 - Bangalore	47335.00
Silver 999 - Chennai	47300.00
Silver 999 - Delhi	47200.00
Silver 999 - Hyderabad	47385.00
Silver 999 - Jaipur	47230.00
Silver 999 - Kolkata	47425.00
Silver 999 - Mumbai	47250.00

* Rates including GST

Gold Ratios
Gold Silver Ratio
85.67

Gold Ratios
Gold Crude Ratio
9.64

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 29JAN2020	1556.20
DGCX	GOLD QUANTO 30JAN2020	39452.00
DGCX	SILVER 26FEB2020	17.95

Gold and Silver Fix		
Descr.	LTP	
Gold London AM FIX	1551.9	
Gold London PM FIX	1549	
Silver London FIX	17.95	

Date	Gold*	Silver*
14 Jan 2020 (Tuesday)	39634.00	45835.00
10 Jan 2020 (Friday)	39760.00	46180.00
09 Jan 2020 (Thursday)	39881.00	46375.00

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

14 Jan 2020 (Tuesday)

Gold Market Update



Market View	
Open	39646.00
High	39708.00
Low	39477.00
Close	39611.00
Value Change	164.00
% Change	0.42
Apr-Feb	133.00
Jun-Apr	146.00
Volume	10788
Open Interest	11399
Cng in OI (%)	0.72

BUY GOLD FEB 2020 @ 39500 SL 39360 TGT 39700-39840.MCX

Today's View & Outlook

Gold price tested 1556.70 level and keeps its stability below it until now, to keep the bearish trend active for the upcoming period, supported by stochastic negativity, waiting to resume the bearish bias that targets 1519.00 as a next main station.

Gold on MCX settled up 0.42% at 39611 as investors sought safer assets amid uncertainty about the effectiveness of the U.S.-China Phase 1 trade deal after a top U.S. official said tariffs on Chinese goods would stay in place even after the agreement is signed. The United States will maintain tariffs on Chinese goods until the completion of a second phase of a U.S.-China trade agreement, U.S. Treasury Secretary Steven Mnuchin said, a day before the two sides are to sign an interim deal. Mnuchin told reporters that President Donald Trump could consider easing tariffs if the world's two largest economies move quickly to seal a follow-up agreement. "If the president gets a Phase 2 in place quickly, he'll consider releasing tariffs as part of Phase 2," Mnuchin said. China has pledged to buy almost \$80 billion of additional manufactured goods from the United States over the next two years as part of a truce, though some U.S. trade experts call it an unrealistic target. Concerns of friction in U.S.-China ties also remained with the United States nearing publication of a rule that would block shipments of foreign-made goods to China's Huawei. US consumer prices increased by slightly less than anticipated in the month of December, according to a report released by the Labor Department. Technically market is under fresh buying as market has witnessed gain in open interest by 0.72% to settled at 11399 while prices up 164 rupees, now Gold is getting support at 39490 and below same could see a test of 39368 levels, and resistance is now likely to be seen at 39721, a move above could see prices testing 39830.

Silver Market Update



Market View	
Open	46170.00
High	46450.00
Low	45881.00
Close	46389.00
Value Change	486.00
% Change	1.06
May-Mar	464.00
Jul-May	448.00
Volume	21159
Open Interest	9846
Cng in OI (%)	-2.24

BUY SILVER MAR 2020 @ 46100 SL 45800 TGT 46500-46800.MCX

Today's View & Outlook

Silver price hovers around the neckline of the head and shoulders' pattern, and the negative effect of this pattern still active, waiting to resume the negative trades supported by stochastic approach to the overbought areas, to keep our bearish overview that depends on the price stability below 17.90, noting that our targets begin at 17.60 and extend to 16.96 after breaking the previous level. The expected trading range for today is between 17.60 support and 18.05 resistance.

Silver on MCX settled up 1.06% at 46389 amid fresh uncertainties surrounding the U.S.-China trade front. Traders remained cautious ahead of the phase one trade deal signing, as U.S. Treasury Secretary Steven Mnuchin said tariffs on Chinese goods will be in place until the completion of a phase two agreement. The People's Bank of China said in a statement that it added 300 billion yuan (\$44 billion) through the medium-term lending facility at 3.25%. It also injected 100 billion yuan via open market operations. In other news, Bank of Japan Governor Haruhiko Kuroda said in a speech that the central bank would not hesitate to ease further in order to achieve its 2% inflation target. U.S.-Iran tensions drew safe-haven demand. However, risk sentiment recovered after the two nations said they did not seek an escalation of war. In U.S. economic news, consumer prices increased by slightly less than anticipated in the month of December, according to a report released by the Labor Department. The Labor Department said its consumer price index rose by 0.2% in December after climbing by 0.3% in November. A gauge of underlying U.S. inflation rose less than forecast in December, restrained in part by a deceleration in shelter costs and underscoring the Federal Reserve's view that price pressures are muted. Technically market is under short covering as market has witnessed drop in open interest by -2.24% to settled at 9846 while prices up 486 rupees, now Silver is getting support at 46030 and below same could see a test of 45671 levels, and resistance is now likely to be seen at 46599, a move above could see prices testing 46809.

USDINR Update



Market View		
Open		71.0200
High		71.1125
Low		70.8875
Close		70.9200
Value Change		-0.0600
% Change		-0.08
Feb-Jan		0.19
Mar-Feb		0.24
Volume		1309179
Open Interest		1806609
Cng in OI (%)		4.58

BUY USDINR JAN 2020 @ 70.80 SL 70.70 TGT 70.92-71.02. NSE

Today's View & Outlook

Rupee remained in range after a top U.S. official said tariffs on Chinese goods would remain in place for now, making investors skittish ahead of the signing of an initial trade deal between the two countries. U.S. Treasury Secretary Steven Mnuchin said that Washington would keep tariffs on Chinese goods until the completion of a Phase 2 trade agreement between the top two economies. The Reserve Bank of India may be running out of short-duration bonds to sell, putting at risks its attempts to flatten a steepening yield curve. The central bank swapped 419.2 billion rupees (\$5.9 billion) of 2020 bonds from its balance sheet with the government on Monday for longer-dated debt. While the move will help the administration's balance sheet, it drains the RBI of securities it can use in the Federal Reserve-style Operation Twist. India's wholesale prices rose at a faster-than-expected rate in December, data from the Ministry of Commerce & Industry showed. The wholesale price index rose 2.59 percent year-on-year in December, following a 0.58 percent increase in November. Build up inflation in the financial year was 2.42 percent compared to 2.92 percent in the corresponding period of the previous year. Food price inflation accelerated to 13.24 percent in December from 11.08 percent in November. Prices for non-food articles rose 7.72 percent. Technically market is under fresh selling as market has witnessed gain in open interest by 5.64% to settled at 1825034 while prices down -0.0675 rupees, now USDINR is getting support at 70.8875 and below same could see a test of 70.775 level, and resistance is now likely to be seen at 71.1125, a move above could see prices testing 71.225.

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Bullion News

Gold prices edged higher, rebounding from losses in the previous two sessions, after the U.S. and China signed an interim trade deal and the dollar weakened against some major currencies. The signing of phase 1 trade agreement by the U.S. and China raised optimism about Chinese economic growth and increased demand for the yellow metal. The dollar index declined to a low of 97.16 earlier in the day, and despite recovering some lost ground as the session progressed, it was still down in negative territory at 97.25, trailing its previous close by about 0.14%. Data released by the Labor Department showed a modest increase in U.S. producer prices in the month of December.

New gold hallmarking process from today: Jewellers to sell 14,18, 22 carat gold - The government will make the process of hallmarking of gold jewellery mandatory from today, but it will give one year's time to jewellers to register themselves with the Bureau of Indian Standards (BIS) and clear their old stock. A notification to make mandatory hallmarking of gold jewellery from 15 January 2021 will be issued by the Consumer Affairs Ministry. Addressing the media, Union Minister of Consumer Affairs, Food and Public Distribution Ram Vilas Paswan said, "the purpose of making hallmarking mandatory for gold jewellery and artefacts is to ensure that consumers are not cheated while buying gold ornaments and get the purity as marked on the ornaments."

WGC chief pitches for duty cut for gold in Budget - The World Gold Council, the market development organisation for the gold industry, would favour a Customs duty cut on gold imports in the upcoming Budget, said its Chief Executive Officer David Tait. Any such move of a cut in basic Customs duty to the previous level of 10 per cent (in July 2019 it was raised to 12.5 per cent) would certainly bolster demand for gold and also tackle the grey trade, Tait, who is visiting India, told. "I would be pleased if they (government) in the upcoming Budget reverse the most recent hike (on gold import duty). To reverse that would be a great gesture. The biggest benefit will be reduction in amounts of gold transacted illegally," he said.

Gold jewellery hallmarking to become mandatory : Paswan - Hallmarking of gold jewellery to be made compulsory. The government would come out with a notification regarding this tomorrow. Jewellers will get one year to implement this order, said Minister of Consumer Affairs Ram Vilas Paswan. Ornaments of only 14, 18 and 22 Carat will be allowed. Jewellers may have to get stamp of approval for each gold artefact. There are 892 hallmark labs across the country. Anybody violating may have to pay a minimum fine of Rs 1 lakh or 5 times the price of the article. There could be one year imprisonment also, Paswan said.

Budget may lower gold import duty from 12.5% to boost jewellery exports - Union Budget 20-21 is likely to cut the import duty on gold from the current 12.5 per cent with a view to push exports of jewellery despite the reduction likely affecting the current account deficit, people in the know of matters said. India is the largest importer of gold and gold imported is used to meet the demand of the jewellery industry. Gems and jewellery exports declined about 1.5 per cent to \$20.5 billion in April-November this fiscal. The country's gold imports dipped about 3 per cent in value terms to \$32.8 billion in 2018-19. But less gold import helped the CAD narrow to 0.9 per cent of gross domestic product or \$6.3 billion in July-September, 2019-20 from 2.9 per cent or \$19 billion in same period last year, according to the Reserve Bank of India data.

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