



Daily Bullion Physical Market Report

Report as on Monday, February 17, 2020

| | | | | |
|--|---|----------------------------------|--|----------------------------------|
| | Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price | 41246 41350 | Important Support for MCX Gold Where Physical Player can look to fix his Buying Price | 40712 40608 |
| | Important Resistance for Rupee Where Exporter can look to book his today's receivable | 71.51 71.58 | Important Support for Rupee Where Importer can look to book his today's payment | 71.35 71.28 |

| Gold Spot 995 | | | Gold Spot 999 | | |
|---------------|----------------------|----------|---------------|----------------------|-------|
| Exch. | Descr. | LTP* | Exch. | Descr. | LTP* |
| CMDTY | Gold 995 - Ahmedabad | 42190.00 | CMDTY | Gold 999 - Ahmedabad | 42320 |
| CMDTY | Gold 995 - Bangalore | 42230.00 | CMDTY | Gold 999 - Bangalore | 42380 |
| CMDTY | Gold 995 - Chennai | 42280.00 | CMDTY | Gold 999 - Chennai | 42430 |
| CMDTY | Gold 995 - Cochin | 42285.00 | CMDTY | Gold 999 - Cochin | 42435 |
| CMDTY | Gold 995 - Delhi | 42120.00 | CMDTY | Gold 999 - Delhi | 42270 |
| CMDTY | Gold 995 - Hyderabad | 42250.00 | CMDTY | Gold 999 - Hyderabad | 42400 |
| CMDTY | Gold 995 - Jaipur | 42125.00 | CMDTY | Gold 999 - Jaipur | 42245 |
| CMDTY | Gold 995 - Mumbai | 42105.00 | CMDTY | Gold 999 - Mumbai | 42255 |

* Rates including GST

| Silver Spot 999 | |
|------------------------|----------|
| Descr. | LTP* |
| Silver 999 - Ahmedabad | 47590.00 |
| Silver 999 - Bangalore | 47685.00 |
| Silver 999 - Chennai | 47665.00 |
| Silver 999 - Delhi | 47630.00 |
| Silver 999 - Hyderabad | 47700.00 |
| Silver 999 - Jaipur | 47625.00 |
| Silver 999 - Kolkata | 47650.00 |
| Silver 999 - Mumbai | 47600.00 |

* Rates including GST

| Gold Ratios |
|-------------------|
| Gold Silver Ratio |
| 88.20 |

| Gold Crude Ratio |
|------------------|
| 10.99 |

| Bullion Futures on DGCX | | |
|-------------------------|-----------------------|----------|
| Exch. | Descr. | LTP |
| DGCX | GOLD 27MAR2020 | 1585.30 |
| DGCX | GOLD QUANTO 30MAR2020 | 40331.00 |
| DGCX | SILVER 26FEB2020 | 17.85 |

| Gold and Silver Fix | |
|---------------------|---------|
| Descr. | LTP |
| Gold London AM FIX | 1576.35 |
| Gold London PM FIX | 1581.4 |
| Silver London FIX | 18.06 |

| Date | Gold* | Silver* |
|-------------------------------|----------|----------|
| 13 Feb 2020 (Thursday) | 40766.00 | 45890.00 |
| 11 Feb 2020 (Tuesday) | 40624.00 | 46025.00 |
| 10 Feb 2020 (Monday) | 40738.00 | 46225.00 |

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

13 Feb 2020 (Thursday)

Gold Market Update



| Market View | |
|---------------|----------|
| Open | 40601.00 |
| High | 41010.00 |
| Low | 40573.00 |
| Close | 40979.00 |
| Value Change | 323.00 |
| % Change | 0.79 |
| Jun-Apr | 169.00 |
| Jun-Jun | 0.00 |
| Volume | 10117 |
| Open Interest | 16559 |
| Cng in OI (%) | 2.24 |

BUY GOLD APR 2020 @ 40800 SL 40600 TGT 41050-41250.MCX

Today's View & Outlook

Gold futures advanced on Friday, as focus remained on the latest developments over the deadly coronavirus outbreak. Data showed today that the US retail sales rose by 0.3% in January, while the industrial production posted its fourth drop in five months. Gold price managed to breach 1575.90 and settled above it, reinforcing the expectations of continuing the bullish trend in the upcoming period, and the way is open to head towards our next main target that reaches 1611.20, noting that holding above 1575.90 represents the initial condition to continue the expected rise.

Gold on MCX settled up 0.79% at 40979 advanced on Friday, as focus remained on the latest developments over the deadly coronavirus outbreak. Data showed that the US retail sales rose by 0.3% in January, while the industrial production posted its fourth drop in five months. While the Chinese government revealed that the death toll rose to 1,400 people, and over 60,000 infected cases. The dollar index held at 99.09 points, after it hit today's high at 99.1 and the low at 99 points. The minutes are unlikely to include any major new revelations on the near-term outlook relative to what was said in the press briefing and this week's testimony. Global stock markets have had a volatile week as investors took and quit positions in riskier assets driven by the frequently changing headlines around China's coronavirus outbreak. Wall Street opened slightly higher, with gains kept in check by concerns about the economic hit from the outbreak. Further supporting gold's rise, U.S. Treasury yields declined after soft retail sales data amid virus concerns. U.S. consumer spending appears to have slowed further in January, which raises concerns about the economy's ability to continue expanding at a moderate pace. Now technically market is under fresh buying as market has witnessed gain in open interest by 2.24% to settled at 16559 while prices up 323 rupees, now Gold is getting support at 40698 and below same could see a test of 40417 level, and resistance is now likely to be seen at 41135, a move above could see prices testing 41291.

Silver Market Update



| Market View | |
|---------------|----------|
| Open | 45819.00 |
| High | 46289.00 |
| Low | 45740.00 |
| Close | 46227.00 |
| Value Change | 428.00 |
| % Change | 0.93 |
| May-Mar | 501.00 |
| Jul-May | 484.00 |
| Volume | 17092 |
| Open Interest | 7326 |
| Cng in OI (%) | -12.04 |

BUY SILVER MAR 2020 @ 46000 SL 45780 TGT 46350-46600.MCX

Today's View & Outlook

Silver futures surged on Friday, lifted by strong safe-haven demand due to the lingering fears over the coronavirus outbreak in China and its spread to other countries. Silver March futures rose 0.7% or 11.5 cents to close at \$17.734 an ounce, with weekly gains of 0.2%, after hitting a day high of \$17.79 and a low of \$17.595. Silver price did not show any strong move since morning, to continue fluctuating near 17.60, and as long as the price is above this level, our bullish overview will remain valid, supported by stochastic approach to the overbought areas, reminding you that our next main target is located at 18.38.

Silver on MCX settled up 0.93% at 46227 fared better than some of its metal peers against the backdrop of a disease-threatened global economy, in part because of its dual role as both a precious and industrial metal. Gold has risen on the back of monetary concerns, but that trend has been obscured by two geopolitical events, the U.S. "dust-up" with Iran following the U.S. airstrike that killed Iranian General Qassem Soleimani, and the outbreak of COVID-19, the disease caused by a coronavirus. Gold rallied on these geopolitical concerns, then fell as fears subsided. Unfortunately for silver, that rising trend has not been clear enough to prompt speculators to bet on silver along with gold. Chinese authorities on Thursday reported 121 new deaths and 5,000 new coronavirus cases in mainland China, and economists scaled back growth expectations for the world's second-largest economy as they assessed the impact of the outbreak. Traders are eyeing for the minutes which is unlikely to include any major new revelations on the near-term outlook relative to what was said in the press briefing and this week's testimony previewing the FOMC's January meeting minutes that will get published next Wednesday. Technically market is under short covering as market has witnessed drop in open interest by -12.04% to settled at 7326 while prices up 428 rupees, now Silver is getting support at 45881 and below same could see a test of 45536 level, and resistance is now likely to be seen at 46430, a move above could see prices testing 46634.

USDINR Update



| Market View | | |
|---------------|--|---------|
| Open | | 71.3700 |
| High | | 71.4750 |
| Low | | 71.3475 |
| Close | | 71.4275 |
| Value Change | | 0.0275 |
| % Change | | 0.04 |
| Mar-Feb | | 0.20 |
| Apr-Mar | | 0.23 |
| Volume | | 1314180 |
| Open Interest | | 1240767 |
| Cng in OI (%) | | -3.95 |

BUY USDINR FEB 2020 @ 71.40 SL 71.32 TGT 71.48-71.56. NSE

Today's View & Outlook

The Indian Rupee gained 5 paise or 0.07 per cent to close at Rs 71.40 to the US Dollar. Dow Jones was up 295.57 points or 1.02 per cent to close at 29,398.08 points. On the Coronavirus front, there is no positive news and the same continues to spread with isolated cases in many more countries. In China, even the earlier health workers are beginning to get affected with the virus. Rupee bond sales by Indian banks are off to the best start in five years as the lenders lured by record-low borrowing costs seek funds to bolster loans and capital buffers.

USDINR settled up 0.04% at 71.4275, Rupee consolidated in a narrow range as strengthening of the US dollar, rise in crude oil prices and heavy selling in domestic equities weighed on the local unit, rupee consolidated in a narrow range as strengthening of the US dollar, rise in crude oil prices and heavy selling in domestic equities weighed on the local unit. According to the latest data available on the central bank's website, foreign exchange reserves rose by \$1.70 bln in the week ended Feb 7, taking the total reserves to \$473.00 bln. In January, the central bank added \$12.31 bln to its foreign exchange reserves. Over the past couple of weeks, the RBI has purchased the greenback in a significant quantum, curbing any appreciation in the Indian currency over the 71.20-per-dollar mark. Therefore, market participants have refrained from placing bets in favour of the rupee. Market participants are of the view that the authorities are aiming to keep the Indian unit's valuation in check to secure competitiveness of Indian goods, in comparison to major trade partners, especially China. Now technically market is under fresh buying as market has witnessed gain in open interest by % to settled at while prices up 0.0275 rupees, now USDINR is getting support at 71.325 and below same could see a test of 71.2725 level, and resistance is now likely to be seen at 71.4525, a move above could see prices testing 71.5275.

Bullion News

Gold futures ended higher on Friday, extending gains from the previous session, as continued worries about the coronavirus and its impact on the global economy prompted traders to seek the safe haven asset. A report from China's National Health Commission showed an additional 121 deaths in China and nearly 5,100 new cases of the virus across the mainland on Thursday. Till Thursday, the virus has killed about 1,380 people in mainland China, according to the commission's report. The dollar was quite sluggish against most of its rivals. The dollar index was little changed at 99.08 around mid afternoon. Physical gold demand was tepid in most Asian hubs this week, with premiums in China sliding to their lowest level since at least July 2018, as the coronavirus epidemic bruised businesses in the world's top bullion consumer. Gold was sold at a premium around \$1 an ounce over benchmark prices in China, compared with \$2.5-\$4.5 an ounce last week.

Gold's \$1,600 level to remain elusive, prices to test physical floor - Gold's attention will turn to weak physical market demand as coronavirus is brought under control, according to Standard Chartered, which sees the precious metal likely testing its physical floor. "Gold's price floor is yet to be tested and as coronavirus fears ease, physical market demand will be key, which has been reported to be weak in both India and China," Standard Chartered precious metals analyst Suki Cooper wrote on Thursday. "If the virus is brought under control, gold prices are likely to test the physical floor." The physical demand is looking quite weak this year, especially when it comes to retail demand in India and China. In India, demand could fall 20%-25% in February as consumers remain cautious amid high local prices, said Cooper, citing the India Bullion & Jewellers Association. Central banks are still buying gold, but the level of purchases will likely be lower than in 2019, Cooper said.

Perth Mint Gold: Monthly Holdings Report January 2020 - Perth Mint Gold holdings hit a new all-time high of 137,730.86 ounces (4.28 tonnes) in January 2020, with inflows beyond 3,500 ounces for the month. Inflows in January continue a strong record for PMGOLD that dates back to September 2018, with total fund holdings rising by more than 60% during this time period. The value of PMGOLD holdings also topped AUD 300 million for the first time ever in January, driven by the 10% rise in the Australian dollar gold price during the month.

Investors Continually Rely on ETFs for Gold Exposure - As more investors turn to ETFs to access the markets, gold ETFs have become a go-to choice to easily and quickly gain exposure to the precious metal. According to DataTrek research, ETF investors have been a key driver of the 18.4% full-year gain in gold prices, even as global demand for the precious metal dipped 1%. The data suggested that the rising prices helped attract investors but pushed out consumers looking for jewelry. For example, over 2019, the SPDR Gold Shares attracted \$5.2 billion in net inflows and iShares Gold Trust brought in \$3.8 billion, according to ETFdb data. While volatility caused the markets to swing and global downturn concerns pushed investors into safe-haven plays, ETF holdings of physical gold increased 16% to 2,886 tons, or an all-time high. On the other hand, global central banks, which have been big net buyers of bullion in recent years, were less active last year, buying 0.9% less gold in 2019. However, it was still enough to keep full-year purchases around a decade-long high.

Russian central bank keeps peak discount on gold purchases - Russia's central bank has maintained the discount at which it buys gold for its reserves at December's peak level, it told Reuters on Friday, potentially prompting more local producers and bankers to export the metal. The central bank remains the largest buyer of gold produced in Russia, but since May it has been buying at a discount to the previously used London benchmark to help develop the domestic market and stimulate exports. "The Bank of Russia is currently buying gold at a discounted price, which has been set since December 2019," it said. That discount here grew gradually each month from May onwards, reaching a peak of 0.12%-0.21% in December. The central bank, which declined to disclose if its price policy is about to change, increased gold holdings in its forex and gold reserves by 5.1 million troy ounces in 2019 to 73.0 million ounces, worth some \$110 billion. Its demand for gold however fell by 42% last year after record purchases in 2018 as risks related to Western sanctions against Russia receded.

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